Swedish Orphan Biovitrum AB (publ)

Prospectus regarding admission to trading on NASDAQ OMX Stockholm of

SEK 600,000,000 3 months STIBOR + 500 bps Bonds 2012/2017 which may be increased up to SEK 1,000,000,000

Bookrunners

SEB

Nordea

IMPORTANT INFORMATION

In this prospectus, the "**Issuer**", the "**Company**" or "**Sobi**" means Swedish Orphan Biovitrum AB (publ) or, depending on the context, the group in which Swedish Orphan Biovitrum AB (publ) presently is a parent company. The "**Group**" means the Issuer with all its subsidiaries from time to time (each a "**Group Company**"). The "**Bookrunners**" means Merchant Banking, Skandinaviska Enskilda Banken AB (publ) ("**SEB Merchant Banking**") and Nordea AB (publ) ("**Nordea**").

"**Euroclear Sweden**" refers to Euroclear Sweden AB. "**NASDAQ OMX**" refers to NASDAQ OMX Stockholm AB. "**SEK**" refers to Swedish kronor, "**EUR**" refers to Euro and "**USD**" refers to U.S. dollars. "**M**" refers to million(s) and "**K**" refers to thousand(s).

Words and expressions defined in the Terms and Conditions beginning on page 32 have the same meanings when used in this Prospectus, unless expressly stated or the context requires otherwise.

Notice to investors

On 26 June 2012 (the "**Issue Date**") the Issuer issued a bond loan in an amount of SEK 600,000,000, represented by Bonds, each with a nominal amount of SEK 1,000,000 (the "**Nominal Amount**") (the "**Initial Bonds**"). The Issuer may also at one or several occasions issue subsequent bonds (the "**Subsequent Bonds**" and together with the Initial Bonds, the "**Bonds**"). The maximum nominal amount of the Bonds may not exceed SEK 1,000,000,000 unless a consent from the Bondholders is obtained pursuant to the Terms and Conditions. This prospectus (the "**Prospectus**") has been prepared for the listing of the Bonds on NASDAQ OMX. This Prospectus does not contain and does not constitute an offer or a solicitation to buy or sell Bonds.

The Prospectus has been approved and registered by the Swedish Financial Supervisory Authority (*Finansinspektionen*) (the "**SFSA**") pursuant to the provisions of Chapter 2, Sections 25 and 26 of the Swedish Financial Instruments Trading Act (*lagen (1991:980) om handel med finansiella instrument*) (the "**Trading Act**"). Approval and registration by the SFSA do not imply that the SFSA guarantees that the information provided in the Prospectus is correct and complete.

This Prospectus is governed by Swedish law. The courts of Sweden have exclusive jurisdiction to settle any dispute arising out of or in connection with this Prospectus.

This Prospectus may not be distributed in any jurisdiction where such distribution would require any additional prospectus, registration or measures other than those required under Swedish law, or otherwise would conflict with regulations in such jurisdiction. Persons into whose possession this Prospectus may come are required to inform themselves about, and comply with such restrictions. Any failure to comply with such restrictions may result in a violation of applicable securities regulations. The Bonds have not been, and will not be, registered under the United States Securities Act of 1933 (the "**Securities Act**") or the securities laws of any state or other jurisdiction outside Sweden. Subject to certain exemptions, the Bonds may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons.

No person has been authorized to provide any information or make any statements other than those contained in this Prospectus. Should such information or statements nevertheless be furnished, it/they must not be relied upon as having been authorized or approved by the Issuer and the Issuer assumes no responsibility for such information or statements. Neither the publication of this Prospectus nor the offering, sale or delivery of any Bond implies that the information in this Prospectus is correct and current as at any date other than the date of this Prospectus or that there have not been any changes in the Issuer's or the Group's business since the date of this Prospectus. If the information in this Prospectus becomes subject to any material change, such material change will be made public in accordance with the provisions governing the publication of supplements to prospectuses in the Trading Act.

Each potential investor in the Bonds must in light of its own circumstances determine the suitability of the investment. In particular, each potential investor should:

(a) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this document or any applicable supplement;
(b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact the Bonds will have on its overall investment portfolio;
(c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including Bonds with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
(d) understand thoroughly the terms of the Bonds and be familiar with the behavior of any relevant indices and financial markets; and
(e) scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Forward-looking statements and market data

The Prospectus contains certain forward-looking statements that reflect the Issuer's current views or expectations with respect to future events and financial and operational performance. The words "intend", "estimate", "expect", "may", "plan", "anticipate" or similar expressions regarding indications or forecasts of future developments or trends, which are not statements based on historical facts, constitute forward-looking information. Although the Issuer believes that these statements are based on reasonable assumptions and expectations, the Issuer cannot give any assurances that such statements will materialize. Because these forward-looking statements involve known and unknown risks and uncertainties, the outcome could differ materially from those set out in the forward-looking statement.

Factors that could cause the Issuer's and the Group's actual operations, result or performance to differ from the forward-looking statements include, but are not limited to, those described in "Risk factors". The forward-looking statements included in this Prospectus apply only to the date of the Prospectus. The Issuer undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by law. Any subsequent forward-looking information that can be ascribed to the Issuer and the Group or persons acting on the Issuer behalf is subject to the reservations in or referred to in this section.

The Prospectus contains market data and industry forecasts, including information related to the sizes of the markets in which the Group participates. The information has been extracted from a number of sources. Although the Issuer regards these sources as reliable, the information contained in them has not been independently verified and therefore it cannot be guaranteed that this information is accurate and complete. However, as far as the Issuer is aware and can assure by comparison with other information made public by these sources, no information has been omitted in such a way as to render the information reproduced incorrect or misleading. In addition to the above, certain data in the Prospectus is also derived from estimates made by the Issuer.

Presentation of financial information

This Prospectus contains the Issuer's consolidated historical financial statements for 2010 and 2011 which have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as adopted by the EU. This Prospectus also contains interim financial statements for the periods January – September 2011 and January – September 2012. The mentioned financial statements have been incorporated by reference into this prospectus.

With the exception of the Issuer's consolidated historical financial statements for 2010 and 2011 and interim financial statements for the periods January – September 2011 and January – September 2012, no information in this Prospectus has been audited or reviewed by the Issuer's auditor. Financial data in this Prospectus that have not been audited by the Issuer's auditor stem from internal accounting and reporting systems.

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Risk factors

Risk and risk-taking are inevitable parts of investing in the Bonds. There are risks both regarding circumstances linked to the Issuer and those which bear no specific relation to the Issuer. In addition to the other information in this Prospectus as well as a general evaluation of external factors, investors should carefully consider the following risk factors before making any investment decision. The occurrence of any of the events discussed below could materially adversely affect the Issuer's and/or the Group's operations, financial position and results of operations. Moreover, the trading price of the Bonds could decline and the Issuer may not be able to pay Interest or principal on Bonds when due, and investors could lose all or part of their investment. The risks described below are not the only ones the Issuer and the Group is exposed to. Additional risks that are not currently known to the Issuer, or that the Issuer currently considers to be immaterial, could have a material adverse effect on the Issuer's and or the Group's business and the Issuer's ability to fulfill its obligations under the Bonds. The order in which the risks are presented is not intended to provide an indication of the likelihood of their occurrence or of their relative significance.

RISKS RELATING TO THE ISSUER AND THE GROUP

Industry and market risks

The Issuer is dependent on the sale of certain products

Under the Issuer's agreement with Pfizer, Sobi receives income both for manufacture of the pharmaceutical ingredient ReFacto AF®/Xyntha®, and royalties from Pfizer's global sales of ReFacto AF®/Xyntha®. In addition, a divestment of such rights will decrease Sobi's income from ReFacto AF®/Xyntha® with approximately SEK 100 M per annum. For 2011 the Issuer's revenues attributable to ReFacto AF®/Xyntha® and the previous product ReFacto®, amounted to approximately SEK 670 M, compared with the Issuer's total revenues of SEK 1,911 M (corresponding to approximately 35 per cent). Another of Sobi's key products is Kineret®. In 2011, the Issuer's revenues attributable to product sales of Kineret® amounted to SEK 422 M, compared with the Issuer's total revenues of SEK 1,911 M (corresponding to approximately 22 per cent). Any material decrease in the revenues that the Issuer receives from these products, whether due to reduced demand, increased competition, a deterioration in Sobi's capacity to provide or manufacture the necessary quantities of pharmaceutical ingredient or to successfully market the products, changes in the Issuer's agreement with Pfizer or for other reasons such as changed rules on government medicine subsidies for preventive treatments or a reduction in the spread of hemophilia, could have a material negative effect on Sobi's business, results and financial position.

In 2011 the revenues attributable to Orfadin® amounted to SEK 316 M, compared with the Issuer's total revenues of SEK 1,911 M (corresponding to approximately 17 per cent). Factors that could cause a decline in the sales of Orfadin® include changes in governmental pricing levels or benefits policies for other players, the occurrence of events affecting the production of Orfadin®, the emergence of generic competition following expiry of patent protection (between 2012 to 2014 in different countries, the orphan drug status expires 2015 within the EU) and market exclusivity as an orphan drug for Orfadin®, the emergence of negative effects related to the long-term use of Orfadin®, competition from any newly developed treatment methods – including drugs based on nitisinone (the active ingredient in Orfadin®) for indications outside the area of orphan drugs – and problems arising for the Issuer's distributors outside Europe, including RDT, Thaiba and Invida. Reduced sales of Orfadin® could have a material negative effect on Sobi's business, results and financial position. Moreover, Sobi is currently dependent on a single supplier for its supply of nitisinone, the active pharmaceutical ingredient in Orfadin®. The handling of the raw materials used in the synthesis is complex and there is only a limited number of manufacturers that can supply nitisinone reliably. An inadequate supply or delayed deliveries of nitisinone could have a material negative effect on Sobi's business, results and financial position.

Future profit trends

Sobi recorded a loss for the fiscal year 2011 and could record losses also in the future. Sobi receives significant royalties from Pfizer for ReFacto AF®/Xyntha®, and revenues from sales of Kineret®, Kepivance® and Orfadin® as well as from co-promotion or exclusive distribution and license agreements for the Nordic and European markets. The royalties and revenues from the mentioned products and agreements may in the long term be reduced, and the Issuer's future profitability requires a long-term regeneration and development of the product portfolio and commercialization of additional candidate pharmaceutical substance, which cannot be guaranteed. Although the Issuer expects to continue to receive such revenues also in the future, there are no guarantees that the revenues will be sufficient to make Sobi profitable in view of the Issuer's research and development costs, and other costs. If these revenues cease

or are reduced, this could have a material negative effect on Sobi's business, results and financial position.

Risks inherent in the pharmaceutical development

Developing a new drug up to and including its launch is both a capital-intensive and a risky process. The probability of reaching the market increases as the project moves forward in the development chain, while the costs increase at a growing pace in the later clinical phases of development. The Issuer must also perform its clinical trials in accordance with "Good Clinical Practice" ("GCP") and ensure that the study minutes are approved by drug authorities and ethics committees. The possibility to commercialize new products may also be limited due to contract commitments towards Sobi's existing cooperation partners.

Clinical development is a time-consuming and costly process that is affected by numerous factors, including factors beyond the Issuer's control, such as changes in requirements from the authorities. Sobi cannot guarantee that any of the candidate drugs in the project portfolio will be developed into drugs that are safe and effective for use in humans or that these drugs will receive the necessary authorization for commercialization. Any deficiencies or delays in the implementation of clinical trials will reduce or delay Sobi's capacity to generate revenues from the commercialization of its candidate drugs and to maintain and supplement the project portfolio, which could have a material negative effect on Sobi's business, results and financial position.

If Sobi cannot develop its existing or future project portfolio into later development phases, if developed candidate pharmaceutical substances cannot be manufactured at reasonable cost, if any of the development programs were to be delayed or if Sobi were unable to successfully commercialize candidate drugs this could have a material negative effect on Sobi's business, results and financial position.

Commercial success and market acceptance for Sobi's products

Even if the pharmaceuticals in Sobi's product portfolio were to receive marketing approval, it is not certain that any of these products would gain price approval and reimbursement status within the national healthcare systems, acceptance in the market among physicians, patients, procurement organizations and the medical community. The degree of market acceptance for each of the Issuer's pharmaceutical product depends on a number of factors.

Sobi's success is further dependent on the products developed by the Issuer are covered by and entitled to compensation through private or state payment systems within the healthcare sector. Legislation and regulatory proposals in various European countries and in the US include measures that could restrict or prevent payment for treatment with certain pharmaceuticals. In certain cases such legislation has also resulted in the pricing of pharmaceuticals being subject to increased state price controls or mandatory price cuts, which can create price differences between countries and increase parallel distribution. The use of pharmaceuticals may also be affected by guidelines, recommendations and studies published by authorities and organizations. If Sobi's drugs, despite being authorised, do not gain market acceptance or are not covered by private insurance systems, state payment systems within the healthcare sector or become subject to legislation on medical treatment or pricing, or receive negative attention through guidelines, recommendations or studies published, this could have a material negative effect on Sobi's business, results and financial position..

Cooperation with external parties

Part of Sobi's strategy is also to enter into various cooperation agreements, inter alia joint development and licensing, with pharmaceutical and biotech companies for the development and launch of some of Sobi's substances. The success of such partnerships will largely depend on the work of Sobi's partners or licensees, since these still have considerable right of determination over the work and resources that will be put into the projects. Sobi's cooperation partners or licensees may reprioritize matters internally, take a different view on the results of clinical trials, experience problems in the production, find themselves in a financial crisis or suffer staffing problems. Such factors may, individually or together, have a negative effect on their willingness or ability to develop Sobi's substances or to otherwise cooperate with the Issuer.

Competition

The market for specialty pharmaceuticals as well as in-licensing and acquisition of pharmaceutical products, is characterized by competition and rapid technology development. Sobi's competitors are, inter alia, international pharmaceutical, biotech and specialty pharmaceutical companies. Some competitors have significantly greater financial, technical and human resources. Sobi's competitors may also have greater manufacturing, distribution, sales and marketing capacity than the Issuer. When the patent

protection for the Issuer's products expires or when the Issuer no longer owns exclusivity to clinical data submitted to drug authorities in connection with applications for regulatory permits, there may be a risk that the Issuer's products face competition from "biosimilars" and generic products. Moreover, there is always a risk that the Issuer's product concepts are exposed to competition from similar products or to entirely new product concepts which prove to be superior. The above described competitive situation could have a material negative effect on Sobi's business, results and financial position.

Parallel imports

It cannot be ruled out that differences in pharmaceutical prices in the markets where Sobi operates could lead to an increase in parallel imports, which means that Sobi's products could be purchased less expensively in certain markets and then compete with Sobi's sales in other markets. Parallel imports could have a material negative effect on Sobi's business, results and financial position.

Pirated products

The supply of prescription drugs has come to face an increasing challenge from the fact that the distribution channels are vulnerable to illegal pirating and the supply of pirated products in an increased number of markets as well as on the Internet. With the increased demand for cheap pharmaceutical products, primarily in developing countries, pirated products have become an increasing problem. Pirated products do not meet the requirements of safety, but could be mistaken for the Issuer's original products. Pirating could have a material negative effect on Sobi's business, results and financial position.

Handling of environmentally hazardous materials

The Issuer's research and development as well as manufacturing involves the controlled use of biological and hazardous materials and waste. The Issuer is subject to laws and regulations controlling the use, manufacture, storage, handling and disposal of such materials and waste products. Although the Issuer considers its safety routines for the handling and disposal of such materials to meet the prescribed standards, it cannot entirely eliminate the risk of accidental contamination or personal injury due to such material. Such events could have a material negative effect on Sobi's business, results and financial position.

Deficiencies in production and processes

Sobi manufactures recombinant protein- and protein pharmaceutical products and is dependent on the Issuers's production facilities in Stockholm and Umeå being maintained and highly available. Sobi also collaborates on manufacturing pharmaceuticals with other pharmaceutical companies.

The manufacture of proteins and recombinant protein pharmaceuticals requires precise and high-quality manufacturing processes and controls, which means that the Issuer must ensure that all manufacturing processes and methods and all equipment meet the Good Manufacturing Practice (GMP) requirements. Furthermore, Sobi must perform extensive audits of its distributors, contract laboratories and suppliers who are also covered by these requirements. GMP requirements regulate all aspects of the manufacturing of pharmaceuticals, including quality control and quality assurance, manufacturing processes and documentation.

To be compliant with these GMP requirements, Sobi and its distributors, contract laboratories and suppliers needs to maintain high-quality manufacturing processes and controls that are sufficient to guarantee that the products meet the current specifications and other requirements. Sobi's production facilities may be inspected at any time by the authorities and by the Issuer's customers.

Should any of the Sobi's cooperation partners fail to meet the standards/quality requirements in force, Sobi may have difficulty to license in pharmaceutical projects or other products from that partner. Moreover, failure by Sobi or its subcontractors to achieve and maintain manufacturing standards that meet GMP requirements could result in manufacturing defects, which might lead to patients being injured or dying or in products being recalled, in delays or shortcomings in product tests or deliveries, or in high costs or other problems, all of which could have a material negative effect on Sobi's business, results and financial position.

The industry in which Sobi operates is to an increasing extent affected by price pressure

The increased costs of medical treatment and healthcare in many countries has led to governments and other payers making priorities, which in turn leads to Sobi and the healthcare industry in general operating under price pressure. In most of the markets where Sobi is active, governments apply a certain control over the price levels of drugs. The exercise of this control and its effects vary from country to

country and different methods are applied on both supply and demand to control the costs of drugs. The introduction of new or extended measures for cost control of drugs could have a material negative effect on Sobi's business, results and financial position.

Legal risks

Difficulties of obtaining and maintaining regulatory approvals

Before the launch of any of Sobi's pharmaceutical products is initiated, the Issuer and its partners must demonstrate that the pharmaceutical product meets the rigorous demands for safety and efficacy expected by the authorities in the countries in which Sobi plans to market the drug. Even if the Issuer's pharmaceutical product meets the criteria for safety and efficacy in clinical trials, the authorities may be of another opinion than Sobi regarding how the data from clinical trials is interpreted. The Food and Drug Administration in the US ("FDA"), The European Medicines Agency ("EMA") and other authorities may delay or limit new approval. Delayed or limited permits, or failure to obtain permits, may prevent Sobi from achieving sufficient revenues from these pharmaceutical products and have a material negative effect on Sobi's business, results and financial position.

Product liability

Although the Issuer is not aware of any significant product liability claims against it, the manufacture and sale of pharmaceutical products involves a significant risk of such claims. Although the Issuer considers its product liability insurance to be adequate, no guarantees can be given that the insurance will cover future claims on the Issuer. Furthermore, there may be a need to extend the insurance coverage which may lead to significant additional costs or that adequate insurance coverage cannot be obtained. Product liability claims could result in significant costs for legal proceedings and damages, and a successful claim on the Group beyond the available insurance cover, or a claim that would result in significant negative publicity, could have a material negative effect on Sobi's business, results and financial position.

Biotechnology, patent risks and intellectual property rights

Sobi's success will largely depend on the Issuer's or its licensor's ability to obtain protection in the US, the EU and other countries for the intellectual property rights for the products that the Issuer develops, manufactures, markets and sells. The patent situation within the area of biotechnology and pharmaceuticals involves complex legal and scientific issues. Even if a patent is granted, it may be opposed, declared void or circumvented, which would limit the Issuer's ability to prevent competitors from marketing similar products and reduce the period during which the Issuer obtain patent protection for its products. Inability to obtain and retain satisfactory protection for the intellectual property rights inherent in the products that the Group develops, manufacturers, markets and sells could have a material negative effect on Sobi's business, results and financial position.

Tax disputes and other tax risks

Sobi is subject to different tax exposures due to acquisitions and a number of considerable restructurings and other transactions which the Issuer has conducted or been part to, inter alia, restructurings including disposal of operations and real property. The Issuer has subsidiaries and considerable sales in many countries outside Sweden, meaning that the Issuer is exposed to complex regulations within the tax area, inside as well as outside Sweden. The Issuer is of the opinion that all transactions within the organisation have been conducted in accordance with prevailing Swedish and foreign legislations. Even so, the Issuer cannot guarantee that tax authorities will not interpret these internal transactions, including the Issuer's transfer pricing, differently from the Issuer's position, which could result in increased tax charges which may have a material negative impact on its business, results and financial position

The Swedish Tax Agency has claimed at the Administrative Court in Stockholm that the Issuer shall be taxed for an amount of approximately SEK 234.5 M based on the application of the Swedish Tax Evasion Act regarding a disposal of real property (Paradiset 14) through a limited partnership. According to the Swedish Tax Agency, the Issuer shall be taxed for a capital gain of approximately SEK 234.5 M due to the disposal of the real property to Nya Paradiset KB. The Administrative Court has approved the Tax Agency's position in a court ruling in March 2011 and raised the Issuer's taxable income with an amount of approximately SEK 232.2 M for the tax assessment year 2005. The Issuer has appealed against the ruling but the disputed amount has decreased the tax loss carry forwards. Therefore, the amount is not included in capitalized tax losses per 31 December 2011. The case was issued with a stay of proceedings in the Administrative Court of Appeal but will be taken up for continued consideration following the Supreme Administrative Court´s ("SAC") verdict on another separate tax avoidance issue known as the Cyprus case (to which Sobi was not part).

Financial risks

Exchange rate fluctuations

The Issuer's business is also subject to exchange rate risks. The majority of its expenses are incurred in SEK, while a significant proportion of its revenues accrue in other currencies. The international expansion brought about by the sale of Kepivance®, Kineret® and Orfadin® means that the Issuer's revenues will be generated in further currencies, while the royalty agreement for Pfizer's global sales of ReFacto AF®/Xyntha® is based on sales mainly in US dollars and euros. As a result, a reduction in the exchange rate of US dollars, euros or other foreign currencies in which revenue is earned relative to the Swedish SEK could have a material negative effect on Sobi's results and financial position.

RISKS RELATING TO THE BONDS

Subordination of the Bonds

The Bonds are unsecured and no present or future subsidiary of the Issuer will guarantee the Bonds. The Issuer has and will have secured bank debt that through its securities would have priority in a possible foreclosure, dissolution, winding-up, liquidation, recapitalization, administrative or other bankruptcy or insolvency proceeding of the Issuer. Further the Issuer and its subsidiaries will have other secured and/or unsecured creditors. If the subsidiaries of the Issuer becomes subject to any foreclosure, dissolution, winding-up, liquidation, recapitalization, administrative or other bankruptcy or insolvency proceeding, the Bondholders will not be entitled to proceed against the assets of any such subsidiary.

No active trading market

Although application will be made for the Bonds to be admitted to trading on the corporate bonds list of NASDAQ OMX, there can be no assurance that such application will be accepted or that the Bonds will be so admitted. Prior to any admission to trading, there has been no public market for the Bonds. There cannot be guaranteed that an active trading market for the Bonds will develop or, if developed, will be sustained. The nominal amount may not be indicative of the market price for the Bonds. Furthermore, following a listing of the Bonds, the liquidity and trading price of the Bonds may be subject to fluctuations in response to many factors, including those referred to in these risk factors, as well as to market fluctuations and general economic conditions that may adversely affect the liquidity and price of the Bonds, regardless of the actual performance of the Issuer and the Group.

Certain material interests

The Bookrunners have engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for the Issuer and the group in the ordinary course of business. In particular, it should be noted that the Bookrunners may be the lenders under certain credit facilities with the group as borrower. Therefore, conflicts of interest may exist or may arise as a result of the Bookrunners having previously engaged, or will in the future engage, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

Interest rate risk

The Bonds' value is dependent on several factors, one of the most significant over time being the level of market interest rates. Investments in the Bonds involve a risk that the market value of the Bonds may be adversely affected by changes in market interest rates.

Credit risk

As a credit risk with the Bonds, a potential investor should assess credit risks associated with the Issuer and the group as well as the credit risk of the Bonds. As a credit risk is associated with the Issuer and the group, events that undermine the creditworthiness of them should be considered. If the Issuer‘s or the group‘s financial position should decline, there is a risk that the Issuer will not be able to fulfill its obligations under the Bonds. A decrease in the Issuer‘s or the group‘s creditworthiness could also lead to a decrease in the market value of the Bonds.

Bondholder representation

In accordance with the Terms and Conditions, CorpNordic Sweden AB (the "**Agent**") represents all Bondholders in all matters relating to the Bonds. However, this does not rule out the possibility that the Bondholders, in certain situations, could bring their own action against the Issuer. To enable the Agent to represent the Bondholders in court, the Bondholders may have to submit a written power of attorney for legal proceedings. The failure of all Bondholders to submit such a power of attorney could negatively impact the enforcement of the Bonds. Under the Terms and Conditions the Agent has the right in some cases to make decisions and take measures that bind all Bondholders.

In addition, certain majorities of Bondholders are permitted to bind all Bondholders in relation to certain decisions, including those who vote in a manner contrary to the majority. Consequently, the actions of the majority and the Agent in such matters could impact a Bondholder‘s rights under the Terms and Conditions in a manner that would be undesirable for some of the Bondholders.

Clearing and settlement

The Bonds are affiliated to Euroclear Sweden’s account-based system. Clearing and settlement as well as payments of interest and repayment of principal is carried out within the said system. Investors are therefore dependent on the functionality of Euroclear Sweden’s system.

Change of law

The Bonds are subject to Swedish and applicable European laws and administrative practice in effect as at the date of this Prospectus. Guarantees cannot be given as to the impact of any possible change to Swedish or European law or administrative practice (including changes to any applicable tax regime) following the date of this Prospectus, nor can any assurance be given as to whether any such change could adversely impact the ability of the Issuer to make payments under the Bonds.

Description of the Bonds and use of proceeds

CERTAIN TERMS AND CONDITIONS OF THE BONDS

The following is a summary description of the terms and conditions of the Bonds and is qualified in its entirety by the full Terms and Conditions included in the section "Terms and conditions of the Bonds".

The Initial Bonds and Subsequent Bonds

The Initial Bonds was issued in an aggregate Nominal amount of SEK 600,000,000. In addition to the Initial Bonds, Subsequent Bonds may be issued at one or several occasions. The maximum total nominal amount of the Bonds may not exceed SEK 1,000,000,000 unless consent from the Bondholders is obtained in accordance with the Terms and Conditions. Subsequent Bonds will be issued subject to the Terms and Conditions, including, for the avoidance of doubt, the Interest Rate and the Initial Nominal Amount, and consequently form part of the Bonds. The price of the Subsequent Bonds may however be set at a discount or at a premium compared to the Initial Bonds. The Bonds are denominated in SEK with a nominal value of SEK 1 M each.

ISIN and common code

The Bonds have been allocated the ISIN code SE0004649747. The Bonds will also be allocated a common code upon admission to trading. Such common code has not been allocated at the date of this Prospectus.

Form of the Bonds

The Bonds are issued in dematerialized book-entry form and registered on a VP account on behalf of the relevant Bondholders. Hence, no physical bonds have been issued. The Bonds are registered in accordance with the Financial Instruments Accounts Act (*lagen (1998:1479) om kontoföring av finansiella instrument*) and registration requests relating to the Bonds shall be directed to an Account Operator.

Status of the Bonds

The Bonds constitute direct, unconditional, unsecured, freely transferable and unsubordinated obligations of the Issuer and shall at all times rank at least *pari passu* and without any preference among them and at least *pari passu* with all other senior obligations of the Issuer other than those mandatorily preferred by law.

Issue date and redemption

The Initial Bonds was issued on 26 June 2012. Unless previously redeemed or purchased and cancelled in whole or in part in accordance with the Terms and Conditions, the Issuer shall redeem all outstanding Bonds at the Nominal Amount (together with any accrued but not yet paid interest) on 26 June 2017 (the "**Maturity Date**").

Subject to applicable law, the Issuer may at any time purchase Bonds on the market or in any other way. Bonds held by the Issuer may at the Issuer's discretion be retained, sold or cancelled by the Issuer.

Voluntary redemption by the Issuer

All Bonds, but not only some, can be redeemed early at the option of the Issuer following the Issuer Date. The Issuer can exercise its option by giving the Bondholders not less than thirty (30) days but not more than sixty (60) days' notice in accordance with the Terms and Conditions. The notice shall be irrevocable and state the date for early redemption and the relevant Record Date. Each Bond shall be redeemed at an early redemption amount in accordance with the following:

Time	***Price per Bond***
(a) any time up to and including the third (3rd) anniversary of the Issue Date;	The higher of: (i) 103 per cent of the Nominal Amount (excluding accrued and unpaid interest); or (ii) the present value at the relevant Redemption Date of the sum of all required interest payments due on the Bond to and including the date falling on the third (3rd) anniversary of the Issue Date and 103.00 per cent of the

		Nominal Amount as if paid on the third (3rd) anniversary of the Issue Date, computed upon such Redemption Date using a discount rate equal to: (A) the rate *per annum* equal to the yield to maturity at the time of computation of direct obligations of the Kingdom of Sweden (*statsobligationer*) with a constant maturity most nearly equal to the period from the Redemption Date to the date falling on the third (3rd) anniversary of the Issue Date; plus (B) 50 basis points.
(b)	any time from but excluding the third (3rd) anniversary of the Issue Date up to and including the fourth (4th) anniversary of the Issue Date; and	103.00 per cent of the Nominal Amount.
(c)	any time from but excluding the fourth (4th) anniversary of the Issue Date up and including the day before the Maturity Date.	101.00 per cent of the Nominal Amount.

In addition, the Issuer shall pay accrued interest from the latest Interest Payment Date (or, if such date has not occurred, the Issue Date) up to and including the relevant date for early redemption.

Repurchase in the event of a Change of Control

Upon the event of a Change of Control, the Issuer is obliged to offer to repurchase each Bondholder's entire holding of Bonds, but not only part of the holding. Such offer shall be included in the notification to the Bondholders of a Change of Control in accordance with the Terms and Conditions (the "**Offer**"). A Bondholder's acceptance of the Offer must be submitted within thirty (30) days from the Offer after which time period the Offer will lapse.

The Issuer shall repurchase the Bonds of an accepting Bondholder on the following Interest Payment Date and at the earliest thirty (30) days following the Offer. The Bonds shall be repurchased at a price per Bond of 101 per cent of the Nominal Amount of the relevant Bonds.

A "**Change of Control**" means that Investor AB ceasing to control directly or indirectly no less than 20 per cent of the total outstanding share capital or voting rights in the Issuer; (b) any person or entity (other than directly or indirectly Investor AB) or persons or entities, acting in concert, directly or indirectly, becoming the largest shareholder in the Issuer; (c) any person or entity (other than directly or indirectly Investor AB) or persons or entities, acting in concert, directly or indirectly, gaining control of at least 30% of the total outstanding share capital or voting rights in the Issuer; or (d) the Issuer's shares cease to be listed on a regulated market.

Interest-related information and payments

Interest on the Bonds will accrue at the rate of 3 months STIBOR + 500 bps *per annum*. The first Interest Period begins on (but excluding) the Issue Date and ends on (and including) the next Interest Payment Date and each subsequent Interest Period runs from (but excluding) an Interest Payment Date and ends on (and including) the next Interest Payment Date.

Interest is payable quarterly in arrears on the Interest Payment Dates 26 September, 26 December, 26 March and 26 June each year up to and including the final Redemption Date.

Payment of the Nominal Amount and interest will be made to the person who is a Bondholder on the fifth Banking Day prior to the respective payment date or, if on the relevant time another Banking Day which is falling closer to the relevant Redemption Date is generally applied in the Swedish bond market, such other Banking Day (the "**Record Date**"). If a Bondholder has registered, through an Account Operator,

that payments of principal amounts and interest shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Bondholder at the address registered with the CSD on the Record Date. If a day on which an amount becomes due and payable is not a Banking Day the amount will be deposited or transferred the next following Banking Day, unless that day falls in the next calendar month, in which case the amount will be deposited or transferred on the first preceding day that is a Banking Day. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect the payment of amounts according to the aforesaid, the CSD will pay such amount to the Bondholders on the Record Date as soon as possible after such obstacle has been removed. If a person to whom payment has been made in accordance with the above was not entitled to receive such payment, the Issuer and the CSD shall nevertheless be deemed to have fulfilled their obligations, provided that the Issuer and/or the CSD did not have knowledge of that such payment was made to a person not entitled to receive such amount and provided the Issuer and/or the CSD acted with normal care.

Acceleration and prepayment of the Bonds

The Agent is entitled to, on behalf of the Bondholders, declare all but not only some of the Bonds due for payment immediately or at such later date as the Agent determines (such later date not being a date falling later than twenty (20) Banking Days from the date on which the Agent made such declaration), if (each an "**Event of Default**"):

(a) *Non-payment:* the Issuer fails to pay an amount on the date it is due in accordance with the Terms and Conditions (unless the Issuer's failure to pay is caused by an administrative or technical error and payment is made within three (3) Banking Days of its due date);

(b) *Breach of other obligations pursuant to the Terms and Conditions*: the Issuer fails to comply with or in any other way acts in violation of the Terms and Conditions, other than as specified in Condition 10.1 of the Terms and Conditions, provided that the Agent has requested the Issuer to remedy such failure or violation and the Issuer fails to do so within twenty-one (21) days, provided that if in the opinion of the Agent, the failure or violation is not capable of being remedied, the Agent may declare the Bonds due for payment immediately;

(c) *Distributions etc.:* prior to the fourth (4^{th}) anniversary from the Issue Date the Issuer makes a Distribution or after the fourth (4^{th}) anniversary of the Issue Date the Issuer makes a Distribution (or aggregate Distributions) in excess of a maximum of 50 per cent of the previous year's net profit, unless the Issuer has timely notified the Agent as set out in Condition 9.3 of the Terms and Conditions and it fulfils the Leverage Test;

(d) *Cross acceleration:* any Financial Indebtedness of the Issuer or any Group Company is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described), provided that the Agent will not be entitled to, on behalf of the Bondholders, declare the Bonds due for payment under this paragraph (d) if the aggregate amount of Financial Indebtedness declared to be or otherwise becoming due and payable is less than SEK 20,000,000 (or the equivalent thereof in other currencies);

(e) *Insolvency and Insolvency Proceedings*: the Issuer or a Group Company:

  (i) suspends its payments;

  (ii) applies for or approves an application for insolvent corporate reconstruction according to the Swedish Act on Insolvent Corporate Reconstruction (1996:764) or other foreign corresponding laws; or

  (iii) is declared bankrupt,

  in each case other than in respect of dormant and non-operative entities;

(f) *Liquidation*: a decision is made to place the Issuer in liquidation irrespective of reason or a Group Company is forced to be liquidated (however, voluntary liquidation of a Group Company other than the Issuer, shall not be restricted by these Terms and Conditions).

If the Bonds are declared due and payable, the Issuer shall redeem the Bonds at a redemption amount equal to the Bonds' Nominal Amount plus a surcharge of three (3) per cent of the Nominal Amount plus the accrued interest.

Undertakings

The Issuer makes certain undertakings in the Terms and Conditions. These include undertakings and limitations relating to:

(a) distributions;

(b) mergers;

(c) de-mergers;

(d) business of the Group;

(e) disposal of assets;

(f) negative pledge;

(g) financial indebtedness;

(h) listing; and

(i) information.

The undertakings are subject to extensive qualifications. See "Terms and Conditions of the Bonds - Undertakings", "Financial Indebtedness", "Negative Pledge" and "Listing" for a detailed description of those undertakings.

Financial Indebtedness

As long as any Bonds remain outstanding, the Issuer undertakes to ensure that no Financial Indebtedness is incurred by the Issuer or any other Group Company, save for Financial Indebtedness incurred in respect of (i) the Initial Bonds, (ii) one or several working capital facilities of up to SEK 135,000,000 (or the equivalent thereof in any other currency) in aggregate with the Issuer or a Group Company as borrower(s) and one or several banks or financial institutions as lenders (the "**Working Capital Facility**"), (iii) guarantees and normal liabilities having the effect of borrowing in the ordinary course of business with a maximum duration of 180 days, (iv) any derivative transactions for protection against foreign exchange exposure or for interest rate conversion (unless for speculative purposes), (v) Financial Indebtedness between Group Companies, or (vi) any Financial Indebtedness not permitted by (i) to (v), provided that the aggregate amount of such Financial Indebtedness is not in excess of SEK 100,000,000.

The limitation on Financial Indebtedness set out above shall not apply for Financial Indebtedness raised by the Issuer (and not by or guaranteed by any other Group Company) after 30 September 2012 provided that the Leverage Test is fulfilled and has been calculated based on a 12 months period starting after 30 September 2011.

The "**Leverage Test**" means the Net Debt to EBITDA ratio and fulfilling the Leverage Test means that the Net Debt to EBITDA ratio is less than 2.5x, tested before and as per immediately after incurring the new Financial Indebtedness (calculated on a pro forma basis including the new Financial Indebtedness (drawn or undrawn) in the Financial Indebtedness but not in the Cash or Cash Equivalent) or making the Distribution (calculated on a pro forma basis deducting the amount of the Distribution from the Net Debt), using the figures for EBITDA and Net Debt on a consolidated basis set out in or calculated based on:

(a) the latest delivered quarterly financial statements and (for calculating EBITDA on a 12 month historic basis) the latest four (4) quarterly financial statements, delivered prior thereto; or

(b) when the financial statements for the financial year are the latest available financial statements, the audited consolidated financial statements delivered.

"**Net Debt**" means the Group's total interest-bearing (cash pay, PIK or zero coupon) Financial Indebtedness, on consolidated basis according to IFRS, less Cash and Cash Equivalents. "**EBITDA**" means, on a consolidated level, the Issuer's total earnings before interest, taxes, depreciation, amortization and impairments for the last twelve months in accordance with IFRS adjusted to include or exclude (as the case may be) the EBITDA of any business or company acquired or disposed (as the case may be) on a pro forma basis on a 12 months historic basis.

The Issuer undertakes to before incurring (including entering into any committed facility in relation to) any new Financial Indebtedness (other than as permitted in accordance with the Terms and Conditions) or

when proposing the shareholders' meeting to resolve upon a Distribution or immediately following the shareholders' meeting resolving upon a Distribution confirm to the Agent in writing in a leverage test certificate signed by duly authorised signatories of the Issuer on its behalf:

(a) that no Event of Default has occurred which is continuing; and

(b) setting out the calculations of (and compliance with) the Leverage Test.

Negative pledge

As long as any Bonds remain outstanding, the Issuer undertakes that neither it nor any Group Company will provide or permit to subsist any Security, for any Financial Indebtedness, other than:

(a) Security for a Working Capital Facility (including any relating guarantee facility);

(b) Security for any derivative transactions for protection against foreign exchange exposure or for interest rate conversion (unless for speculative purposes);

(c) any netting or set-off arrangement entered into in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances;

(d) any lien arising by operation of law and in the ordinary course of business; or

(e) Security for any Financial Indebtedness permitted in accordance with the Terms and Conditions (not including Market Loans) other than under paragraphs (a) to (d) above, provided that the aggregate amount of such Financial Indebtedness does not exceed SEK 250,000,000 (or the equivalent thereof in any other currency).

Listing

The Issuer undertakes to apply for listing of the Bonds on the Corporate Bond List of NASDAQ OMX Stockholm and will use all reasonable efforts to achieve and maintain such listing as long as any Bonds are outstanding, however not longer than up to and including the last day on which trading in the Bonds on the exchange reasonably can, under the then applicable regulations by the exchange and the CSD, take place before the Maturity Date. The application for listing of the Bonds shall be filed with NASDAQ OMX Stockholm in order for the Bonds to be listed not later than 1 December 2012. It is estimated that Sobi's costs in conjunction with the admission to trading will be no higher than SEK 300,000. See "Risk factors–Risks relating to the Bonds–There has been no active trading market for the Bonds".

Bondholders' Meetings

Each of the Issuer or the Agent can at any time call for a Bondholders' meeting or demand for a procedure in writing among the Bondholders. Bondholders representing at least ten (10) per cent of the total outstanding Adjusted Nominal Amount may demand that such call is made. Quorum exists only where (i) Bondholders representing at least one fifth of the aggregate outstanding Adjusted Nominal Amount are duly represented at the meeting (or, in case of a procedure in writing, provide answers), or (ii) where any decision requiring a Qualified Majority is at issue, Bondholders representing at least one-half of the aggregate outstanding Adjusted Nominal Amount are duly represented at the meeting (or, in the case of a procedure in writing, provide answers). A meeting may be adjourned under certain circumstances specified in the Terms and Conditions. At a continued meeting (or, in case of a procedure in writing, at a new calculation) a resolution can be passed irrespective of the number of Bonds represented. Different majority rules apply depending on the matter to be resolved on.

Prescription

The right to receive payment of the Nominal Amount shall be statute-barred and become void ten (10) years from the relevant Redemption Date and the right to receive payment of interest shall be statute-barred and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Bondholders right to receive payment has been statute-barred and has become void.

Governing law

The Terms and Conditions of the Bonds and any non-contractual obligations relating thereto are governed by and shall be construed in accordance with the material provisions of Swedish law. Any dispute or claim arising in relation to these Terms and Conditions shall be determined by Swedish courts, with the District Court of Stockholm (*Stockholms tingsrätt*) as the court of first instance.

THE CSD

Euroclear Sweden, Swedish Corporate ID No. 556112-8074, P.O. Box 191, SE-101 23 Stockholm, Sweden, is initially acting as Central Securities Depositary (CSD) and registrar in respect of the Bonds.

The Issuer shall be entitled to obtain information from the debt register (*skuldbok*) kept by the CSD in respect of the Bonds. At the request of the Agent, the Issuer shall promptly request and provide such information to the Agent or provide the Agent with a power of attorney to obtain the relevant information from the CSD. The Agent shall also be entitled to obtain information from the register kept by the CSD in respect of the Bonds directly, if permitted by applicable laws at the date of such request.

THE ISSUING AGENT

Nordea Bank AB (publ), Swedish Corporate ID No. 516406-0120, with address attn: Capital Markets and Treasury Operations, C23, 105 71 Stockholm, Sweden, is initially acting as issuing agent in accordance with the Terms and Conditions of the Bonds.

THE AGENT AND THE AGENT AGREEMENT

CorpNordic Sweden AB, Swedish Corporate ID No. 556625-5476, P.O. Box 16285, SE-103 25 Stockholm, Sweden, Fax: +46 8 402 72 99, email: trustee@corpnordic.com, is acting as Agent.

Pursuant to the Agent Agreement that was entered into on the Issue Date between the Issuer and the Agent, the Agent has undertaken to represent the Bondholders in accordance with the Terms and Conditions and the Agent Agreement. The Issuer has undertaken to, among other things, pay certain fees to the Agent and to indemnify the Agent against costs, losses or liabilities incurred by the Agent in acting as Agent under any Finance Documents.

The Agent Agreement is governed by Swedish law.

RATINGS

The Bonds have not been assigned an official credit rating by any credit rating agency.

USE OF PROCEEDS

The proceeds of the issuance of any Bonds shall be applied by the Issuer towards repayment of a term loan facility (if any), plus accrued but unpaid interest, with Svenska Handelsbanken AB (publ), payment of costs and expenses related to the issuance of Bonds or towards general corporate purposes of the Group.

Industry overview

The global pharmaceutical market totaled USD 956 billion in 2011, and has since 2002 displayed an annual growth of 6.8 percent according to IMS Health Market. The Pharmaceutical market can primarily be divided in three product categories with some overlapping: pharmaceuticals for general use, specialty pharmaceuticals and generic preparations. Orphan drugs are part of specialty pharmaceuticals. Orphan drugs refer to drugs for the diagnosis, prevention or treatment of rare life-threatening or chronic disability illnesses treated by a specialist physician. The market for orphan drugs designed to treat illnesses that are frequently life-threatening and affect only a small portion of the population differs radically from the market for pharmaceuticals for general use. Although the patient groups are relatively small, orphan drugs offer significant market potential.

Sobi is primarily active in the European market for orphan drugs, which remains relatively underdeveloped and the majority of known rare diseases continue to lack approved pharmaceutical treatment. However, the major progress in the development and increased knowledge of for example, human DNA as well as regulatory and financial incentives have impacted on the development and commercialization of orphan drugs, transforming the market into an attractive growth sector in the pharmaceuticals industry.

The need and importance of developing new treatments for rare and often serious illnesses led to that certain countries and regions implemented a legislation to promote the development and marketing of orphan drugs. The implementation of the legislation in the US in 1983 was the inception of a market for orphan drugs and was followed by similar legislation in Japan in 1993, Australia in 1998 and the European Union in 2000.

Business description

BUSINESS OVERVIEW

Sobi (initially Biovitrum AB) was founded in 2001 when it was spun off from Pharmacia. In 2010, Biovitrum AB acquired Swedish Orphan International AB and changed its name to Swedish Orphan Biovitrum AB.

According to Sobi's Articles of Association, its business activity consists of production of drugs, trading of medical equipment and pharmacy merchandise as well as scientific and technical research and development.

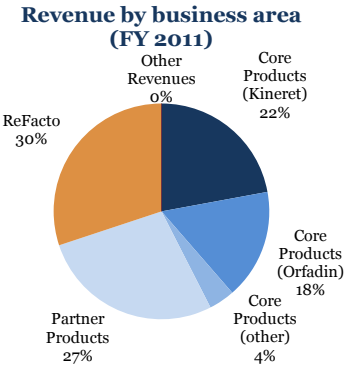
The Company focuses on developing and providing specialty pharmaceuticals for patients with rare diseases and significant medical needs. The product portfolio currently comprises about 45 products (5 core products and 40 partner products), as well as projects in the late clinical phase. Key therapeutic areas are hematological diseases, autoimmune diseases, hereditary metabolic disorders and therapeutic oncology.

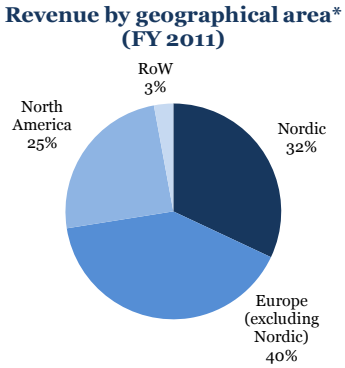
The operations comprise all areas ranging from research and development, manufacturing, distribution, marketing and customer support. The operations are based on many years of experience in research and drug development. Many of Sobi's researchers are pioneers in biotechnology and process development of protein drugs.

The sales organization is well developed in Europe, with its own marketing companies in eleven countries and representative offices in an additional eleven countries. Sobi has during 2012 established a marketing company in the US and a subsidiary in Dubai. Sobi is also represented via partners in South America, Middle East, Israel, South Korea, Australia and New Zealand. The goal is to market additional products through new license and distribution agreements, products generated from the Company's proprietary project portfolio and product acquisitions.

Research and development operations cover recombinant protein projects in hemophilia, prevention of growth retardation in premature infants, autoimmune diseases, hereditary metabolic disorders and therapeutic oncology. The inflow of new projects from proprietary research is supplemented through strategic acquisitions, business cooperation and alliances. The project portfolio includes projects in the late clinical phase. The number of employees within preclinical research has decreased during recent years.

Sobi also focuses on the manufacturing of protein drugs, from the initial stage in process development to the finalized commercial product. Operations are based on extensive know-how and experience of demands from official authorities (such as EMA, FDA). The current partners are active in both Europe and US.





* The geographical split only includes the Business Areas Core Products and Partner Products.

PRODUCT PORTFOLIO AND BUSINESS AREAS

Sobi has a diversified and growth-oriented product portfolio within three business areas: Core Products, Partner Products and ReFacto Manufacturing. It also has a late stage pipeline which includes three

phase III programs with substantial potential. Our operations are driven by a number of valuable partnerships relating to both the existing product portfolio and the late stage development programs.

Core Products

The business area Core Products includes Kineret® and Ruconest within the Inflammation therapeutic area and Orfadin, Ammonaps and Ammonul within the Genetics and Metabolic therapeutic area. Kineret® and Orfadin® are Sobi's two largest products in terms of revenue. The technical issues related to the transfer of Kineret® production from Amgen in the US to a contract manufacturer in Europe were resolved in 1H12, and final process validation runs have been completed. A milestone payment of USD 55 M related to the acquisition of Kineret® is expected to become due in Q4 2012 or in Q1 2013, with the ultimate timing dependent on the cumulative sales of Kineret®. Milestone payments arise when certain predetermined success factors in licensing agreements and acquired pharmaceuticals have been met.

Partner Products

The business area Partner Products offers small and mid-sized pharmaceutical and biotech companies an integrated solution for commercialization of their products. Sobi's key competitive advantage is a dedicated sales- and marketing organization covering all areas including medical affairs and market access, and an infrastructure built up over 25 years. Today Sobi has more than 30 partners. The partnerships are long-term and often include the implementation of strategies for regulatory approval, pricing and reimbursement, and preparation of the market for delivery of associated and/or follow-on products. The ability to offer several products for specific segments has become a competitive advantage as it facilitates access to the specialist physicians, nurses and other customers. In February 2012, Sobi returned the co-promotion rights for ReFacto and BeneFIX in the Nordic region to Pfizer.

ReFacto Manufacturing

Sobi has a long-standing partnership with Pfizer for manufacturing of the drug substance for ReFacto AF/XYNTHA, a drug sold by Pfizer for the treatment of hemophilia A. Sobi is the global supplier of the drug substance which is produced in the GMP biologics facility in Stockholm. Sobi also receives royalty on Pfizer's global sales of ReFacto. ReFacto has consistently contributed to Sobi's revenues over the years.

RESEARCH PIPELINE

Sobi's pipeline includes three programmes in late stage clinical development, two of which are within hemophilia (rFVIIIFc and rFIXFc) and one is within neonatology (Kiobrina).

GENERAL CORPORATE AND GROUP INFORMATION

The Issuer

The Issuer's legal and commercial name is Swedish Orphan Biovitrum AB (publ), and its Swedish Corporate ID No. is 556038-9321. The registered office of the Board is located in Stockholm, Sweden. The Issuer was incorporated in Sweden on 20 October 1939 and registered with the Swedish Companies Registration Office (*Bolagsverket*) on 20 November 1939. The Issuer is a public limited liability company (*publikt aktiebolag*) regulated by the Swedish Companies Act (*aktiebolagslagen (2005:551)*).

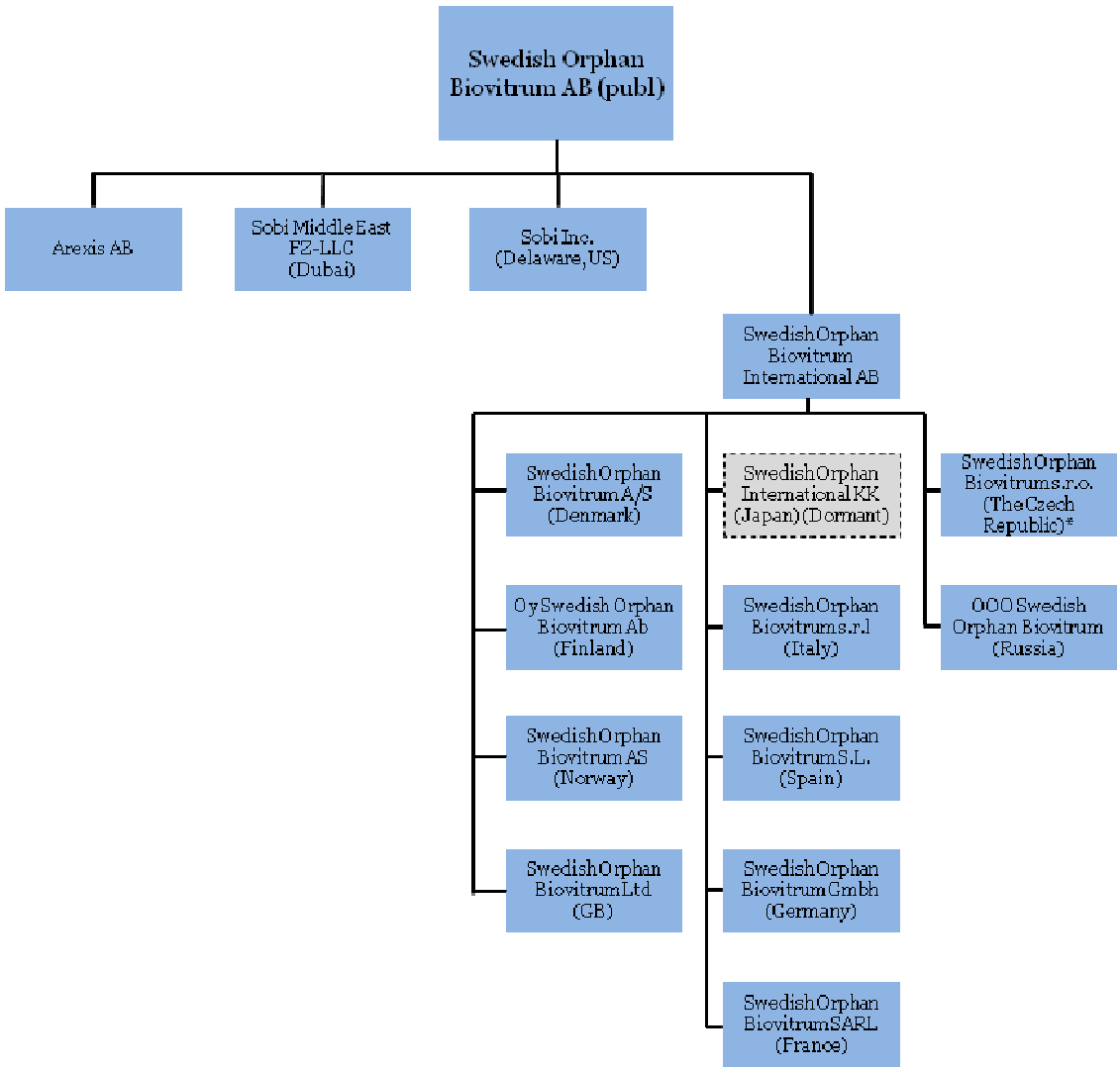
Under its current Articles of Association, the Issuer's share capital shall be not less than SEK 110,000,000 and not more than SEK 440,000,0000, divided into not fewer than 200,000,000 shares and not more than 800,000,000 shares. The Issuer has two classes of shares, common shares and C-shares[1]. Each common share entitles the holder to one vote and each C-share to one tenth of a vote. The Issuer's registered share capital is SEK 147,974,800 (rounded off), represented by 269,634,858 issued and fully paid shares, of which 265,226,598 are common shares and 4,408,260 are C-shares. Each share has a quota value of SEK 0.55 (rounded off).

The common shares in the Issuer have been listed on the NASDAQ OMX Stockholm exchange since 15 September 2006 under the short code SOBI. American Depository Receipts (ADRs) for the shares in the Issuer are traded over the counter (OTC) on the US, with Bank of New York Mellon as depositary bank. The symbol is BIOVY.

[1] All C-shares are held by the Issuer.

Legal Group structure

The Issuer is the ultimate parent of each Group Company, together forming the Group. The Group structure as at the date of this Prospectus is illustrated in the organizational chart below.



* The Issuer directly holds 1 per cent of the voting rights and shares in Swedish Orphan Biovitrum s.r.o.

Major shareholders

As of 29 June 2012, the ten largest shareholders held around 68.9 per cent of the share capital and approximately 69.4 per cent of the votes in the Issuer. As of 29 June 2012, the ownership of the Issuer was split between major shareholders as shown in the table below.[1] The Issuer's largest shareholder as of 29 June 2012 was Investor AB, representing approximately 40.2 per cent of the share capital and approximately 40.5 per cent of the votes in the Issuer.

Shareholder	Share capital (per cent)	Votes (per cent)
Investor AB	40.2	40.5
MPM	5.9	6.0
Omnibus Account WFD. OM80	4.3	4.3
Skandinaviska Enskilda Banken S.A., W8IMY	3.4	3.5
Nordea Bank Norge Nominee	3.1	3.1
Swedbank Robur Fonder	2.4	2.4
SIX SIS AG, W8-IMY	2.6	2.6
Handelsbanken Fonder	2.4	2.4
Livförsäkringsaktiebolaget Skandia	2.4	2.4
JPM Chase NA	2.2	2.2

History

2001 Biovitrum was formed through the merger of various business units at Pharmacia (currently Pfizer) with a base in Sweden, including a research unit focused on metabolic diseases, a process development unit for protein drugs and a plasma product operation. Biovitrum's expertise in process development and manufacture of recombinant protein drugs that continue to be used that originate from KabiGen, which was integrated into Pharmacia's operations in the 1990's, following the merger of KabiVitrum and Pharmacia. In July 2001, Nordic Capital and MPM led a consortium of investors that acquired Biovitrum from Pharmacia. The reason for the acquisition was to create a biopharmaceutical company that had a broad spectrum of skills and the knowledge base available from major drug companies, but which at the same time captured innovative capacity and entrepreneurship in a newly established company.

2002 The Issuer sold its plasma operation to Octapharma as part efforts to concentrate operations protein-based and small molecule drugs. During the same year, the Issuer also initiated a partnership with GlaxoSmithKline in respect of therapies for obesity.

2003 The Issuer initiated partnership with Amgen in respect of the treatment of diabetes and other metabolic diseases.

2004 Following the renegotiation of the contract with the pharmaceutical company Wyeth (subsequently Pfizer), the Issuer became the manufacturer of the active protein component in the ReFacto® and ReFactoAF®/Xyntha® drugs to treat hemophilia. The Issuer initiated the marketing of specialty pharmaceuticals with a proprietary sales force in Nordic region (ReFacto®, Mimpara®, and Kineret®).

2005 Biovitrum acquired the research company Cambridge Biotechnology (CBT) in the UK. The research and developments portfolio expanded through the acquisition of Arexis, a Swedish biotechnology and drug company.

2006 Partnership with Syntonix (subsequently Biogen Idec) was concluded in an effort to jointly develop a drug for their treatment of hemophilia B. The Issuer was listed on NASDAQ OMX Stockholm.

2007 A new drug, Aloxi®, active in the treatment of nausea resulting from cell poison was launched in the Nordic region. The Issuer launched the drug BeneFIX® in the Nordic region. A new strategic direction was adopted to the effect that the Issuer sharpened its focus on recombinant protein drugs and the treatment of diseases that require specialist care. The option was utilized of cooperating with Syntonix/Biogen Idec in the development of hemophilia A.

2008 As part of the new strategy, a restructuring of the research organization was conducted. A process was introduced to identify partners for all primary care projects in the research

[1] Source: Euroclear Sweden.

phase. The contract covering the manufacturing of the active substance for ReFacto® with Pfizer was extended through 2015. Biovitrum's and Syntonix/Biogen Idec unique factor IXFc for the treatment of hemophilia B gained orphan drug status in the US. A contract was signed covering the product acquisition with Amgen in respect of the products Kepivance® and Stemgen®, as well as a global exclusive license for the Kineret® product.

2009 The drug ReFacto AF® gained EU market approval. A decision was made to initiate final registration studies for recombinant FIXFc. In addition, positive clinical data were received for Kiobrina® for prevention of growth retardation in premature infants. Investor acquired 21 percent of Biovitrum. A contract with Proximagen Neuroscience plc was signed in an effort to dispose of the British research center Cambridge Biotechnology.

2010 During the first quarter of 2010 the acquisition of Swedish Orphan International, a pioneer in orphan drugs, was finalized. Over a number of years, Swedish Orphan International was one of Sweden's most rapidly growing pharmaceutical companies. The Issuer is positioned throughout Europe via its subsidiaries. The merger created a leading European specialty pharmaceutical company. A number of new business agreements were signed, including a ten-year distribution agreement with the Dutch company Pharming Group BV, according to which Sobi will distribute Ruconest® in 27 European countries. Moreover, the agreement with the French company LFB BIOMEDICAMENTS was extended in respect of the distribution of the Willfact®, Hemoleven®, IvHebex® and Betafact® in 13 European countries to 2014. Efforts to identify business partners in Asia were initiated. As regards the project portfolio, a decision was made to advance the two hemophilia projects rFVIIIFc and rFIXFc, as well as Kiobrina® to phase III.

2011 In January, a distribution agreement was signed with the South Korean company, BL&H Co. Ltd. covering the distribution of Sobi's products Orfadin® and Kepivance® in South Korea. A distribution agreement was also signed with German company Fresenius Biotech according to which Sobi will distribute Removab® in some fifteen countries European countries over a period of seven years. At the end of February, changes in Sobi's executive management group were announced, with a strengthening of the business development function. At the end of March, a decision was made regarding a number of measures designed to achieve cost cuttings which are estimated to total approximately SEK 90 M annually, for which the full effect is expected to be achieved in 2012.

2012 In February, Sobi extended the supply agreement with Pfizer for ReFacto/Xyntha to 2020. It also agreed to return the co-promotion rights for ReFacto and BeneFIX in the Nordic region to Pfizer ahead of the scheduled expiration date in 2016 for a payment of USD 47.4 M. In March, Sobi announced an amendment of the share purchase agreement with the sellers of Arexis (acquired in 2005) to prevent a prolonged legal dispute. In July, Sobi and Biogen Idec initiated pediatric clinical trials of long-lasting Hemophilia A and B product candidates. Sobi also started to collaborate with Affibody within the IL-1 field. During the year, Sobi established a marketing company in the US and a subsidiary in Dubai.

Board of Directors, Senior Management and auditor

BOARD OF DIRECTORS

The Board of the Issuer consists of seven members elected by the General Meeting of Shareholders. Under Swedish law, employees are entitled to representation on the Board and trade union organisations have appointed two Board members and two deputy members. The table below sets forth the name and current position of each Board member.

Name	Position
Bo Jesper Hansen	Chairman
Adine Grate Axén	Member
Matthew Gantz	Member
Lennart Johansson	Member
Helena Saxon	Member
Hans GCP Schikan	Member
Hans Wigzell	Member
Catarina Larsson	Employee representative
Bo-Gunnar Rosbrand	Employee representative
Pia Axelson	Employee representative (deputy member)
Emma Umegård	Employee representative (deputy member)

BO JESPER HANSEN

Born 1958. Chairman of the Board since 2010, member of the Board since 2010.

Principal education and work experience: MD with a Ph.D. from Copenhagen University. Various positions in Swedish Orphan International AB since 1993, CEO 1998– 2010. Medical advisor for Synthélabo, Pfizer, Pharmacia and Yamanouchi. Founder of Scandinavian Medical Research.

Other current assignments include: Board member of MipSalus ApS, TopoTarget A/S, Zymenex A/S, Gambro AB and CMC Kontrast AB.

ADINE GRATE AXÉN

Born 1961. Member of the Board since 2010.

Principal education and work experience: M.Sc. from Stockholm School of Economics, Harvard AMP. Member of the Commission for the sale of shares in companies with state ownership. Board member of Gambro AB, OMX AB 1994–2007, various senior management positions and board assignments within Investor AB and member of the management group 1999–2007. Board member of Acne Studios Holding AB, EDB Ergo Group AS and Carnegie Investment Bank AB.

Other current assignments include: Chairman of NASDAQ OMX Stockholm's Listing Committee and Alhanko & Johnson AB. Vice Chairman Sjunde AP-Fonden. Advisor and working board member of HI3GS Holding AB. Board member of Sampo OY, 3G Infrastructure Services AB, HI3G Denmark ApS and Swedavia AB.

MATTHEW GANTZ

Born 1965. Member of the Board since 2012.

Principal education and work experience: BA Princeton University and MBA from Harvard Business School. Founder and previously CEO of Acureon Pharmaceuticals, President and CEO of Hydrabiosciences Inc., VP Europe for Chiron's Biopharmaceutical Division and General Manager for PathoGenesis Europe. Prior to Chiron/PathoGenesis a variety of US sales and marketing roles at Abbott Laboratories Diagnostic Division.

Other current assignments include: Executive Vice President US in BTG, an international specialist healthcare company.

LENNART JOHANSSON

Born 1955. Member of the Board since 2010.

Principal education and work experience: Degree from Stockholm School of Economics. CEO in b-business partners and Emerging Technologies AB. Deputy CEO/Senior Executive Vice President and Senior Vice President Accounting, Audit and Control in Atlas Copco. Board member of SAAB AB, IBX Group AB, Gambro Holding AB and Mölnlycke Group.

Other current assignments include: Member of the Management Group and Head of Financial Investments at Investor AB. Board member of HI3G Holdings AB with subsidiary, HI3G Enterprise AB and Lindorff Group AB with subsidiaries. Chairman of AB Vectura with subsidiaries and Invifed AB.

HELENA SAXON
Born 1970. Member of the Board since 2011.

Principal education and work experience: M.Sc. from Stockholm School of Economics. CFO of Hallvarson & Halvarsson, CFO of Syncron International and Vice President of Investor AB.

Other current assignments include: Investment Manager at Investor AB. Board member of Gambro AB.

HANS GCP SCHIKAN
Born 1958. Member of the Board since 2011.

Principal education and work experience: Pharm.D, Utrecht University. Chairman of Dutch Association of the Innovative Pharmaceutical Industry, Nefarma. Various senior management positions within previous Organon and Genzyme.

Other current assignments include: CEO of Prosensa, Holland. Board member of Top Institute Pharma. Member of Advisory Board BioScience Park Leiden.

HANS WIGZELL
Born 1938. Member of the Board since 2005.

Principal education and work experience: Med Dr. h.c., Professor Immunology. President of Karolinska Institutet. Board member of NeoDynamics AB, PROBI AB and Diamyd Medical AB.

Other current assignments include: Chairman of Karolinska Development AB, Rhenman & Partners Asset Management AB and ExThera AB. Board member of RaySearch Laboratories AB (publ), Intercell AG, HuMabs AG, AVI Biopharma and AB Wigzellproduktion. Member of the Royal Swedish Academy of Sciences and the Royal Swedish Academy of Engineering Sciences.

CATARINA LARSSON
Born 1952. Employee representative Member of the Board since 2001.

Principal education and work experience: Laboratory engineer.

Other current assignments include: -

BO-GUNNAR ROSENBRAND
Born 1963. Employee representative Member of the Board since 2006.

Principal education and work experience: Laboratory engineer. Deputy board member 2001 - 2005.

Other current assignments include: -

PIA AXELSON
Born 1962. Deputy employee representative Member of the Board since 2009.

Principal education and work experience: Laboratory engineer.

Other current assignments include: -

EMMA UMEGÅRD
Born 1976. Deputy employee representative Member of the Board since 2012.

Principal education and work experience: Master of Science in Engineering and Biotechnology. Process engineer.

Other current assignments include: -

SENIOR MANAGEMENT

The senior management consists of a team of 13 persons. The table below sets forth the name and current position of each member of the senior management.

Name	Position
Geoffrey McDonough	Chief Executive Officer
Alan Raffensperger	Chief Operating Officer
Birgitte Volck	Chief Medical Officer
Fredrik Berg	General Counsel and Head of Legal & Intellectual Property, Risk- Safety and Environment Management
Maria Berggren	Head of Human Resources
Anders Edvell	Head of Global Marketing and Product Area Partner Products
Stefan Fraenkel	Head of Corporate Development
Cecilia Förberg	Head of Project and Portfolio Management
Stephen James	Head of Drug Design and Development
Lena Nyström	Head of Manufacturing Operations
Annika Muskantor	Chief Financial Officer (acting)
Wills Hughes-Wilson	Chief Patient Access Officer
Åsa Stenqvist	IR and Communication, (acting)

GEOFFREY MCDONOUGH

Born 1970. Chief Executive Officer. Employed since 2011.

Principal education and work experience: Medical doctor, M.D., Harvard Medical School, B.Sc. in Biology and B.A. in Philosophy from University of North Carolina. Various senior positions within Genzyme Corporation since 2002, latest as President of Europe, Middle East and Africa. Paediatrician, President and Co-founder of Catalyst Medical Solutions Inc.

ALAN RAFFENSPERGER

Born 1960. Chief Operating Officer. Employed since 2012.

Principal education and work experience: Sc. in Health Service Management, University of Maryland, Baltimore, USA. CEO of Benechill Inc., USA, Executive Director, Head of Nephrology at Amgen 2008-2010, General Manager of the Nordic and Baltic region at Amgen 2005-2008, Sales and Marketing Director at Roche Pharmaceuticals, Sweden 1999-2004, Vice President, Global Marketing Diabetes Care, Roche Diagnostics 1996-1998, Business Director Europe, Diabetes Care at Boehringer Mannheim 1994-1996. Leading positions within Pharmacia in Sweden and USA.

BIRGITTE VOLCK

Born 1963. Chief Medical Officer. Employed since 2012.

Principal education and work experience: MD, PhD, University of Copenhagen, Denmark. Various senior positions within Amgen since 2007, latest as Executive Development Director, Bone, Neuroscience & Inflammation at Amgen Limited in Uxbridge, UK. Nordic Medical Director & Project Director at Genzyme A/S in Denmark 2004-2007 and Vice President, Clinical Development & Medical Affairs at Pharmexa A/S in Denmark 2001-2004. Various clinical and scientific assignments, mainly within rheumatology, at the Copenhagen University Hospitals during 1991-2000.

FREDRIK BERG

Born 1955. General Counsel and Head of Legal & Intellectual Property, Risk- Safety and Environment Management. Employed since 2001.

Principal education and work experience: Master of Law. Head of Legal/ Intellectual Property at Pharmacia AB and General Counsel at Pharmacia Europe, Middle East and Africa, company lawyer and head of legal services at Procordia AB, Kabi Pharmacia AB and Pharmacia & Upjohn AB.

MARIA BERGGREN

Born 1961. Head of Human Resources. Employed since 2005.

Principal education and work experience: Behavioural science degree. People Relationship Manager for Technology Services at Capgemini Sverige AB, People Relationship Manager for the Nordic activities within Cap Gemini Ernst & Young Telecom & Media and various senior human-resources positions within Ericsson AB. Own business and consultant in human resources and management development.

ANDERS EDVELL
Born 1969. Head of Global Marketing and Product Area Partner Products. Employed since 2006.

Principal education and work experience: M.D., Ph.D., MBA from Stockholm School of Economics, degree in launching strategy from SIMI (Copenhagen) and degree in pharmaceutical medicine from ECPM University (Basel). A number of positions within Swedish and foreign pharmaceutical companies.

STEFAN FRAENKEL
Born 1972. Head of Corporate Development. Employed since 2009.

Principal education and work experience: Ph.D. in International Economics & Management. A number of international senior positions within Wyeth 2001–2009 (including Global Brand Director and Business Operations Director and Business Development). Management consultant.

CECILIA FÖRBERG
Born 1956. Head of Project and Portfolio Management. Employed since 2001.

Principal education and work experience: M.Sc. in Chemical Engineering and Ph.D. in Biochemical Engineering from the Royal Institute of Technology in Stockholm. Joined Kabi Pharmacia in 1989 and has held various project leader and management positions, primarily within biopharmaceutical process development in Kabi Pharmacia, Pharmacia and Pharmacia Upjohn.

STEPHEN JAMES
Born 1966. Head of Drug Design and Development. Employed since 2001.

Principal education and work experience: PhD in Biochemistry and Cell Biology, University of Leeds, UK. BSc (Hons) in Biochemistry and Microbiology, University of St. Andrews, UK. A number of management positions in Research and Pre-clinical Development in Pharmacia & Upjohn, Pharmacia Corporation and Biovitrum AB. University of Dundee Research Fellow, UK.

LENA NYSTRÖM
Born 1956. Head of Manufacturing Operations. Employed since 2001.

Principal education and work experience: M.Sc. in Chemistry at KTH in Stockholm. Joined Kabi Vitrum in 1984 in the Process Development organization. From 1995 various management positions within process development and manufacturing in Kabi Pharmacia AB, Pharmacia AB and Pharmacia Upjohn.

ANNIKA MUSKANTOR
Born 1966. Chief Financial Officer (acting). Employed since 2012.

Principal education and work experience: B.A. in Economics and German Studies, Northwestern University; MBA, Kellogg Graduate School of Management, both Chicago, USA. Interim CFO of e.g., eBay, Turner Broadcasting/MMG, and Zodiak Television. Independent consultant with previous focus on change management, M&A, valuations and transactions from various countries. Aside from being a former McKinsey Consultant she has also worked for Harris Trust & Savings bank/Bank of Montreal in Chicago.

WILLS HUGHES-WILSON
Born 1971. Chief Patient Access Officer. Employed since 2012.

Principal education and work experience: Honors graduate in Law from University of Durham in the UK. Genzyme Corporation, now part of the French Sanofi Group, where she was Vice President Health/Market Access Policy, Europe. Joined Genzyme in 2005. Executive Director of Emerging Biopharmaceutical Enterprises (EBE), a specialized group of the European Federation of Pharmaceuticals Industries & Associations (EFPIA) representing the interest of biotechnology companies in Europe. Animal health/veterinary medicines industry and at Ernst & Young Consulting.

ÅSA STENQVIST[1]
Born 1947. IR and Communication (acting). Employed since 2011.

Principal education and work experience: BA and DIHR, Stockholm University. Head of group staff Communications and Investor Relations and member of group management of Husqvarna AB. Head of Investor Relations and Financial Information within AB Electrolux.

[1] Åsa Stenqvist will leave Sobi on 16 November 2012.

AUDITORS

PricewaterhouseCoopers AB (SE-113 97 Stockholm, Sweden) is the Issuer's auditor since 2001. Mikael Winkvist, born 1962, is the auditor in charge. Mikael Winkvist is an authorized public accountant and member of FAR, the professional institute for accountants in Sweden.

OTHER INFORMATION REGARDING THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Business address

The address for all Board members and members of the Group management is c/o Swedish Orphan Biovitrum AB (publ), SE-112 76 Stockholm, Sweden.

Conflicts of interest

Except for the agreements described below, there are no conflicts of interest between the duties of the Board members and senior management in respect of Sobi and their private interests and/or other duties.

Sobi has entered into a consultancy agreement with the company Orfacare, having a connection to the Chairman of the Board. Orfacare provides consultancy services regarding the acquisition, marketing and distribution of products from Sobi in, *inter alia*, Switzerland and Austria. Sobi has also entered into a research and development agreement with the company Affibody. Invifed AB (a subsidiary of Sobi's principal shareholder Investor AB) is a shareholder in Affibody and the Board member Lennart Johansson is the Chairman of the Board in Invifed AB. Furthermore, the Board member Hans Wigzell is co-founder and a shareholder in Affibody. The research and development agreement with Affibody relates to the discovery and development of novel treatments for inflammatory diseases where Interleukin-1 (IL-1) is implicated.

Legal considerations and supplementary information

AUTHORISATION AND RESPONSIBILITY

The Issuer has obtained all necessary resolutions, authorizations and approvals required in conjunction with the Bonds and the performance of its obligations relating thereto. The issuance of the Initial Bonds on 26 June 2012 was authorized by resolutions by the Board of the Issuer on 18 June 2012.

The Issuer accepts responsibility for the information contained in this Prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import. The Board of Directors of the Issuer is, to the extent provided by law, responsible for the information, relating to the Issuer, contained in this Prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

MATERIAL CONTRACTS

Agreement with Pfizer for ReFacto AF®/Xyntha®

The Issuer has a supplier agreement with Pfizer[1] for the pharmaceutical substance ReFacto AF®, which is sold under the name Xyntha® in the United States. The agreement gives Sobi exclusive right to produce this pharmaceutical substance, which previously also was sold in a similar form under the name ReFacto®. The agreement contains certain minimum purchase undertakings for Pfizer. The agreement was extended in 2012 until 31 December 2020. The Issuer also has a purchase and license agreement with Pfizer under which Sobi has the right to royalties on Pfizer's global sales of ReFacto AF®/Xyntha®. Pfizer has the right to cancel its commercialization of ReFacto AF®/Xyntha® with 60 days' notice at any time after consulting Sobi, whereupon Sobi can choose take back the contractual product, license, patent and technology rights for ReFacto AF®/Xyntha®.

Agreement with Amgen for the acquisition of Kepivance® and Stemgen® and an exclusive license for Kineret®

The agreement with Amgen, which was entered into in September 2008, implies that the Issuer assumes Amgen's global rights, proprietary and licensed, for Kepivance® and Stemgen®, and obtains an exclusive license for patents, know-how and brands for Kineret® regarding the treatment of certain indications.

In connection with the acquisition, a number of commitments of potential payments were included in the agreement. Under an agreement between the parties in March 2010, the Issuer was exonerated from obligation to pay certain milestone payments upon payment of a lump sum. The remaining payment obligation concerns the event when a specific accumulated sales target is achieved for the original product version of Kineret® before December 2020, in which case the Issuer shall pay another USD 55 M in compensation to Amgen. The milestone payment is expected to become due in Q4 2012 or in Q1 2013, with the ultimate timing dependent on the cumulative sales of Kineret®.

According to the license agreement for Kineret®, no royalty is payable in addition to the sum paid by the Issuer in connection with the acquisition. However, under the acquisition agreement, there is a profit sharing arrangement related to the products Kineret® and Kepivance® that will become effective once the revenues after the acquisition have reached a certain level. Under the license agreement regarding Kineret®, the Issuer further assumes the obligations (including royalty payments) under certain license agreements between Amgen and holders of the original rights to Kineret®. The license agreement may be terminated by Amgen if the Issuer fails to fulfill the terms of license agreements with the original rights holders or fails to fulfill its marketing commitments to Amgen.

License agreement for Orfadin®

In May 2003, the Issuer entered into an exclusive license agreement with Syngenta Limited for patents and know-how rights for Orfadin® (nitisinone). Under this agreement, the Issuer has the right to manufacture, use and sell nitisinone all over the world for treatment of HT-1 and other indications for which the status of orphan drugs are obtained. Under the agreement, the Issuer must pay reasonable compensation to two of the product developers and to the University of Gothenburg. The Issuer has therefore entered into agreements with these parties, under which the Issuer pays a certain part of the net

[1] All agreements regarding ReFacto® were originally entered into with Genetics Institute (later Wyeth), which was acquired by Pfizer during 2009. On December 1, 2009, Wyeth's rights and obligations under the agreements were transferred to Pfizer AB.

sales of Orfadin® to each of them. The agreements will expire when the patent protection for Orfadin® expires in each country, which will be between 2012 and 2014.

Distribution agreement for Orfadin®

The Issuer has entered into a distribution agreement with Rare Disease Therapeutics ("**RDT**"), which gives RDT exclusive rights to market, sell and distribute Orfadin® in North and South America. Under the agreement, RDT purchases the product from the Issuer at a certain percentage of RDT's selling price, which is determined by RDT. By a sponsoring agreement, entered into in March 2009, the Issuer transferred its marketing authorization and orphan drugs status for Orfadin® in the United States to RDT. The transfer may, however, under certain conditions be cancelled.

Agreement with Biogen Idec on co-development and commercialization

In January 2006, the Issuer entered into an exclusive agreement with Biogen Idec on co-development and commercialization of recombinant factors, including a FC-protein fusion method. The agreement was renegotiated in February 2010. Biogen Idec shall develop and manufacture the products (rFVIIIFc and rFIXFc) in consultation with the Issuer and is responsible for applications for marketing authorizations for the products within the European Union and the United States. The Issuer and Biogen Idec jointly own the intellectual property rights which result from the co-development. Both parties have granted the other a worldwide exclusive royalty-bearing license to their respective intellectual property rights which are required or which are useful for the development or commercialization of the products.

Subject to the exercise of an option right, Sobi will have commercial rights in Europe, Russia, Turkey and certain countries in the Middle East (the Sobi territory). Biogen Idec has commercial rights for North America and for rest of the world markets outside of Europe, Russia, Turkey and certain countries in the Middle East. Under the terms of the option right and following Biogen Idec's submission of a marketing authorization application to the European Medicines Agency (EMA) for each program, Sobi may opt to take over final regulatory approval, pre-launch and commercialization activities in the Sobi territory at a cost of USD 10.0 million per program. Upon EMA regulatory approval of each program, Sobi will be liable to reimburse Biogen Idec 50% of the sum of all manufacturing and development expenses incurred by Biogen Idec from 1 October 2009 through the date on which Sobi is registered as the marketing authorization holder, as well as 100% of certain development expenses incurred exclusively for the benefit of the Sobi territory. If the reimbursement of the opt-in consideration has not been achieved within six years of the first commercial sale of the respective programs, Biogen Idec has the right to require Sobi to pay any remaining balances within 90 days of the six year anniversary date of the first commercial sale.

Each party has the right to terminate the agreement with six months' notice or with 60 days' notice following a substantial contractual breach which is not corrected within 60 days. The remaining party acquires the other party's interests and obtains an exclusive right to continue the activities which are regulated in the agreement, upon payment of a certain percentage of the net sales revenues to the other party.

Agreement with Symphogen regarding co-development etc.

In January 2006, Sobi entered into an exclusive co-development, delivery and license agreement with Symphogen for preclinical and clinical development, production and commercialization of a recombinant anti-Rhesus D-polyclonal antibody for the treatment of both ITP (idiopathic thrombocytopenic purpura) and prevention of Rh-immunity which can result in HDN (hemolytic disease of the newborn). For strategic reasons in order to fully focus on the other development programs, the Issuer terminated the agreement in December 2010. Under the agreement, the Issuer is entitled to royalties related to Symphogen's potential future products. The Issuer has a certain obligation to produce certain material for Symphogen's clinical trials.

Agreement on the acquisition and sale of Cambridge Biotechnology Limited

In April 2005 Sobi acquired all outstanding shares in Cambridge Biotechnology Limited ("**CBT**"). In addition to a cash payment which was made in connection with the acquisition, Sobi issued convertibles, of which the greater part has been converted into shares in Sobi. In November 2009, CBT, including two projects in preclinical phase (VAP-1 and TrkA) and two clinical projects (5-HT2c and 5-HT6), was sold to Proximagen Neuroscience Plc ("**Proximagen**") Prior to the completion of the sale, two projects, A2A and Leptin, were transferred from CBT to Sobi. Since the attempts to dispose of the A2A project have not been successful, a retransfer of the project from Sobi to the sellers of CBT, in accordance with the terms of the original acquisition agreement, was made. The Leptin project was sold to AstraZeneca in December 2009.

Under the agreement with Proximagen, the Issuer is entitled to future royalty payments based on the sales of any products developed in the 5-HT2c-project. Under the agreement with Astra- Zeneca, the Issuer is entitled to future milestone payments related to the development of the Leptin project.

Agreement on the acquisition of Swedish Orphan

On November 5, 2009, Sobi announced that the Issuer had entered into an agreement regarding the acquisition of all the shares and warrants in Swedish Orphan International Holding AB ("**Swedish Orphan**"). The acquisition was approved at an extraordinary general meeting in the Issuer held on December 4, 2009, and was completed on January 14, 2010. The total consideration amounted to SEK 3,656 M, and initially an earn-out payment of up to SEK 425 M upon achievement of defined sales targets related to Multiferon®. The consideration was partly paid with newly issued shares in the Issuer and partly in cash. In June 2011, the earn-out payment was waived by the sellers against a one-time payment of SEK 25 M. The sellers were Investor Growth Capital, Priveq and certain, at that time, members of management of Swedish Orphan. The acquisition agreement includes certain representations and warranties given by the sellers regarding the transferred shares and warrants and the circumstances of Swedish Orphan. The agreement includes a non-compete covenant restricting Bo Jesper Hansen from competing with the business of the Company or its subsidiaries for a period of three years from the closing of the acquisition, for which compensation is paid to Bo Jesper Hansen.

Agreement with Boehringer Ingelheim regarding manufacturing of Kineret®

In September 2009, the Issuer entered into a long-term supply and technology transfer agreement with Boehringer Ingelheim for commercial manufacturing of the active pharmaceutical substance in Kineret® (anakinra). The agreement covers the transfer of the manufacturing of anakinra, which previously was performed by Amgen in the United States and South America, to Boehringer Ingelheim in accordance with a time schedule agreed by the parties.

The transfer of the manufacturing was finalized in 2012 and global regulatory approvals are expected in 2013. The Issuer believes that its stock of the converted pharmaceutical product manufactured by Amgen will provide sufficient market supply until regulatory approvals of Boehringer Ingeheim have been obtained. Costs related to the transfer of the manufacturing amounted to SEK 31 M in 2011 and SEK 64 M in the first half of 2012.

Under the agreement, Boehringer Ingelheim obtains all intellectual property rights as regards improvements of the Issuer's manufacturing processes, while the Issuer obtains an exclusive license for such rights. The term of the manufacturing agreement is up to and including September 2016, and in the event of early termination by the Issuer, certain agreed compensation shall be paid to Boehringer Ingelheim.

Lease agreement

The Issuer rents, in accordance with a lease agreement entered into 2008, a facility in the property Haga 4:35, Solna municipality, from Akademiska Hus, which is the Issuer's head office. The lease period (excluding extension) runs until 2023. The notice period is two years for both parties. The Issuer also rents an industrial facility in the property Paradiset 14, Stockholm municipality, from Prudential Property Investment Management. The lease agreement was entered into in July 2004 and runs to 2019 with two years' notice period for both parties. The issuer has an option to extend the lease agreement by five years by giving notice thereof three years in advance.

Shareholders' agreement

As far as the Board of Directors is aware, there exist no shareholders' agreements or other agreements that could result in a change of control of the Issuer.

LEGAL AND ARBITRATION PROCEEDINGS

The Group conducts operations in several countries and is from time to time subject to disputes, claims and administrative proceedings as a part of the ordinary course of business. However, with the exception of what is stated below, the Group has not been party to any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened which the Issuer is aware of) during the previous 12 months which may have, or have had in the recent past, significant effects on the Issuer's and/or the Group's financial position or profitability.

In 2004, the real estate designated as Paradiset 14 was transferred to a substantially foreign-owned limited liability partnership, called NyaParadiset KB, whereupon the participating interests in NyaParadiset KB were sold to an external party, at market price. The real estate was transferred to NyaParadiset KB, in

accordance with the rules regarding so-called transfers below market value, in return for consideration equivalent to the real estate's value for tax purposes. In a submission to the county administrative court, dated 17 April 2008, the Swedish Tax Agency has formally requested that, pursuant the Swedish Tax Avoidance Act, the rules regarding transfers below market value shall not be applied. In the opinion of the Tax Agency, this entails that Swedish Orphan Biovitrum shall be charged a capital gain of SEK 234.5 M, as a consequence of the transfer of the real estate to NyaParadiset KB. In Swedish Orphan Biovitrum's view, it is patently obvious that the company has not acted in contravention of the purpose of the legislation, in the manner alleged by the Tax Agency in the aforementioned submission. Thereafter, on 9 October 2009, the Tax Agency lodged a new submission and, in reliance on two judgments from the Supreme Administrative Court dated 29 May 2009, has now alleged a new ground, as to why the rules governing transfers below market value shall not be applied by virtue of the Tax Avoidance Act. On 3 March 2011, the Administrative Court announced that they uphold the Tax Agency's request, explaining that Sobi under the tax law will be charged an amount of SEK 232.2 M as revenue in the 2005 tax year. The company has appealed to the Administrative Court of Appeal. The case was issued with a stay of proceedings in the Administrative Court of Appeal while awaiting the Supreme Administrative Court´s ("**SAC**") verdict on another separate tax avoidance issue, known as the Cyprus case, with certain similarities to Sobi´s tax case. On 30 May 2012 SAC delivered its verdict in the Cyprus case. Although the verdict has similarities to Sobi's tax case, several key aspects are also different. Sobi is currently analyzing the verdict to assess how the tax case may be affected. As there is no longer any ground for a stay of proceedings in the Administrative Court of Appeal, the case will be taken up for continued consideration and Sobi will have the opportunity to supplement and strengthen its legal submission.

On 30 March 2012, the Issuer announced that it had amended the share purchase agreement entered into with the sellers of the pharmaceutical company Arexis, which was acquired in August 2005. The sellers of Arexis had made claims that Sobi had not fulfilled its obligations under the share purchase agreement and further initiated arbitration as well as an expert determination procedure regarding their claims. Both proceedings were withdrawn avoiding a prolonged and expensive legal process. Under the amended agreement, Sobi will pay the sellers a total of SEK 77 M, of which SEK 43 M relates to the future milestone obligations for the Kiobrina program. Sobi will pay SEK 36 M at signing of the amended agreement, SEK 20 M in 2013, and SEK 21 M in 2014.

CERTAIN MATERIAL INTERESTS

SEB Merchant Banking and Nordea are Bookrunners in conjunction with the issuance of the Bonds. The Bookrunners (and closely related companies) have provided, and may in the future provide, certain investment banking and/or commercial banking and other services to the Issuer and the Group for which they have received, or will receive, remuneration. Accordingly, conflicts of interest may exist or may arise as a result of the Bookrunners having previously engaged, or in the future engaging, in transactions with other parties, having multiple roles or carrying out other transactions for third parties.

TREND INFORMATION

There has been no material adverse change in the prospects of the Issuer since the date of its last published audited financial statements.

SIGNIFICANT CHANGES SINCE 31 DECEMBER 2011

Apart from what is described below, there have been no significant changes in the financial or trading position of the Group since 31 December 2011, being the end of the last financial period for which audited financial information was presented.

On 27 July 2012 Sobi announced the issuance of the Bonds described in this Prospectus. The Bonds replaced Sobi's existing term facility with Svenska Handelsbanken AB (publ) as lender.

On 26 September 2012 Sobi and Biogen Idec jointly announced that top-line results from B-LONG, a global, multi-center, phase 3 clinical study of the long-lasting recombinant Factor IX Fc fusion protein (rFIXFc), showed that rFIXFc was effective in the control and prevention of bleeding, routine prophylaxis, and perioperative management. Recombinant FIXFc was generally well-tolerated. Pursuant to the announcement, additional analyses of the B-LONG study were ongoing and a presentation of detailed results at a future scientific meeting is anticipated. Consistent with guidelines published by the European Medicines Agency (EMA) that require a study in children less than 12 years of age prior to filing, Biogen Idec and Sobi expected to file a Marketing Authorization Application with the EMA upon completion of the ongoing Kids B-LONG study.

On 31 October 2012 Sobi and Biogen Idec jointly announced that top-line results from A-LONG, a global, multi-center, phase 3 clinical study of the long-lasting recombinant Factor VIII Fc fusion protein

(rFVIIIFc), showed that rFVIIIFc was effective in the control and prevention of bleeding, routine prophylaxis and perioperative management. Recombinant FVIIIFc was generally well-tolerated. Pursuant to the announcement, additional analyses of the A-LONG study were ongoing and a presentation of detailed results at a future scientific meeting is anticipated. Consistent with guidelines published by the EMA that require a study in children less than 12 years of age prior to filing, Biogen Idec and Sobi expected to file a Marketing Authorization Application with the EMA upon completion of the ongoing Kids A-LONG study.

INCORPORATION BY REFERENCE

The following information has been incorporated into this Prospectus by reference and should be read as part of this Prospectus:

Annual Report 2010	As regards the audited consolidated financial information and audit report on pages 48 – 87.
Annual Report 2011	As regards the audited consolidated financial information and audit report on pages 24 – 69.
2012 Q3 Interim Report	As regards the auditor reviewed consolidated financial information for the period 1 January – 30 September 2012 on pages 7 – 17.

DOCUMENTS ON DISPLAY

Copies of the following documents are available at the Issuer's office, Tomtebodavägen 23A in Solna, Sweden, during the validity period of this Prospectus (regular office hours):

- the Issuer's Articles of Association;
- the Issuer's Annual Reports for the financial years 2010 and 2011 (including audit reports);
- the Issuer's 2012 Q3 Interim Report (including review reports);
- the Terms and Conditions; and
- the Agent Agreement.

TERMS AND CONDITIONS FOR SWEDISH ORPHAN BIOVITRUM AB (PUBL) Initial issue of SEK 600,000,000 which may be increased up to SEK 1,000,000,000 3 months STIBOR + 500 bps BONDS 2012/2017, ISIN SE0004649747

Dated 26 June 2012

HANNES SNELLMAN

1. DEFINITIONS

"**Account**" means a securities account (account for shares and other securities (Sw. *avstämningskonto*)) according to the Swedish Financial Instruments Accounts Act (1998:1479) in which each Bondholder's holding of Bonds is registered;

"**Account Operator**" means a bank or other party duly authorised to operate as an account operator pursuant to the Swedish Financial Instruments Accounts Act (1998:1479) and through which a Bondholder has opened an Account in respect of the Bonds;

"**Adjusted Nominal Amount**" means the total outstanding Nominal Amount of all Bonds not held by the Company or any Group Company;

"**Agent**" means CorpNordic Sweden AB, corp. reg. no. 556025-5476, or any other agent which from time to time is duly appointed to represent the Bondholders pursuant to these Terms and Conditions;

"**Banking Day**" means a day which is not a Saturday, Sunday or other public holiday in Sweden or which in respect of payment of promissory notes is not equal to a public holiday in Sweden;

"**Bond**" means a freely transferable debt instrument of the type set forth in Chapter 1 Section 3 of the Swedish Financial Instruments Accounts Act (1998:1479) and which has been issued by the Company pursuant to these Terms and Conditions, including the Initial Bonds and any Subsequent Bonds;

"**Bondholder**" means a person registered on an Account as holder of a Bond or otherwise being entitled to receive payment in respect of a Bond;

"**Bookrunners**" means Nordea Bank AB and Merchant Banking, Skandinaviska Enskilda Banken AB (publ);

"**Cash and Cash Equivalents**" means sum of the Group's total cash in hand, credit on account, cash deposits, other short-term liquid investments in commercial paper and other cash equivalents on consolidated basis according to IFRS;

"**Change of Control**" means:

(a) Investor AB ceasing to control directly or indirectly no less than 20% of the total outstanding share capital or voting rights in the Company;

(b) any person or entity (other than directly or indirectly Investor AB) or persons or entities, acting in concert, directly or indirectly, becoming the largest shareholder in the Company;

(c) any person or entity (other than directly or indirectly Investor AB) or persons or entities, acting in concert, directly or indirectly, gaining control of at least 30% of the total outstanding share capital or voting rights in the Company; or

(d) the Company's shares cease to be listed on a regulated market;

"**Company**" means Swedish Orphan Biovitrum AB (publ), corp. reg. no. 556038-9321;

"**CSD**" means the Company's central securities depository and registrar in respect of the Bonds, from time to time, initially Euroclear Sweden AB, corp. reg. no. 556112-8074, Box 191, 101 23 Stockholm;

"**Distribution**" means (i) any dividend on shares or similar shareholder distributions, (ii) repurchase own shares, or (iii) redeem share capital or other restricted equity with distribution to shareholders of the Company other than in respect of shares which are not ordinary shares (Sw. *stamaktier*) in relation to and for the purpose of the implementation of incentive programs of the Group;

"**EBITDA**" means on a consolidated level the Company's total earnings before interest, taxes, depreciation, amortization and impairments for the last twelve months in accordance with IFRS adjusted to include or exclude (as the case may be) the EBITDA of any business or company acquired or disposed (as the case may be) on a pro forma basis on a 12 months historic basis;

"**Event of Default**" means an event or circumstance specified in Condition 10;

"**Existing Bank Debt**" means the existing term loan facility, plus accrued but unpaid interest and break costs, if any, with Svenska Handelsbanken AB (publ);

"**Financial Indebtedness**" means any indebtedness on a consolidated Group level for or in respect of:

(a) moneys borrowed or debit balances at banks or financial institutions;

(b) any amount raised pursuant to the issue of any Market Loans;

(c) any amount of any liability in respect of any hire, purchase or leasing which, in accordance with IFRS in force as of the Issue Date, would be treated as a financial or capital lease;

(d) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);

(e) any derivate transaction (however when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);

(f) any counter-indemnity obligation in respect of any guarantee, letters of credit or any other instrument issued by a bank or a financial institution;

(g) other transactions that have the commercial effect of a borrowing; and

(h) any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (g) above;

"**Group Company**" means each company, being a subsidiary, in the Group (if any) other than the Company, where subsidiary means such enterprises that are considered to be subsidiaries pursuant to Chapter 1 Section 11 and 12 of the Swedish Companies Act (2005:551);

"**Group**" means the group (if any) for which the Company is the parent company pursuant to the provisions referred to in the definition of "Group Company";

"**IFRS**" means the generally accepted accounting practice and principles in Sweden applicable to the business the Company conducts, currently the International Financial Reporting Standards;

"**Initial Bonds**" means the Bonds issued on the Issue Date;

"**Interest Determination Date**" means the second (2^{nd}) Banking Day prior to each Interest Period;

"**Interest Payment Date**" means the dates interest will be paid, *i.e*. each of 26 September, 26 December, 26 March and 26 June, up to and including the final Redemption Date;

"**Interest Period**" means each period beginning on (but excluding) the Issue Date or any Interest Payment Date and ending on (and including) the next Interest Payment Date;

"**Interest Rate**" means 3 months STIBOR + 500 bps;

"**Investor AB**" means Investor AB, corp. reg. no. 556013-8298;

"**Issue Date**" means 26 June 2012;

"**Leverage Test**" means the Net Debt to EBITDA ratio and fulfilling the Leverage Test means that the Net Debt to EBITDA ratio is less than 2.5x calculated as set out in Condition 0;

"**Make Whole Amount**" means the higher of:

(i) 103.00 per cent of the Nominal Amount (excluding accrued and unpaid interest) or

(ii) the present value at the relevant Redemption Date of the sum of all required interest payments due on the Bond to and including the date falling on the third (3rd) anniversary of the Issue Date and 103.00 per cent of the Nominal Amount as if paid on the third (3rd) anniversary of the Issue Date, computed upon such Redemption Date using a discount rate equal to the Swedish Government Bond Rate at such Redemption Date plus 50 basis points;

"**Market Loan**" means debt raised by issuance of commercial paper, subordinated debentures, bonds, notes or other securities (including debt raised under MTN- or other debt issuance programmes) which is or is of a nature that can be admitted for trading on a Swedish or foreign regulated or unregulated market;

"**Maturity Date**" means 26 June 2017;

"**Net Debt**" means the Group's total interest-bearing (cash pay, PIK or zero coupon) Financial Indebtedness, on consolidated basis according to IFRS, less Cash and Cash Equivalents;

"**Nominal Amount**" shall have the meaning set forth in Condition 2.1;

"**Qualified Majority**" shall have the meaning set forth in Condition 11.1(c);

"**Quarter Date**" means 31 March, 30 June, 30 September and 31 December each year;

"**Quotation Date**" has the meaning set forth in Condition 5.3;

"**Record Date**" has the meaning set forth in Condition 7.5;

"**Redemption Date**" means each date the Bonds are to be redeemed pursuant to Condition 7;

"**Security**" means any mortgage, charge, pledge, lien, guarantee or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

"**SEK**" means the lawful currency for the time being of the Kingdom of Sweden;

"**STIBOR**" means the interest rate which, as of approximately 11.00 a.m. (Stockholm time) on the relevant Interest Determination Date or (as applicable) the relevant Quotation Date, is

displayed on Reuter's page "SIOR" (or any other system or other page which replaces the mentioned system or page) or, if the relevant rate does not appear, in each case as determined by the Agent acting reasonably (a) the average of three leading Swedish banks' (as determined by the Agent acting reasonably) quoted lending rates in the Stockholm interbank market or, if only one or no such quote exists (for the avoidance of doubt – item (a) shall apply if two to three such quotes exist), (b) such interest rate which, according to the Agent's opinion acting reasonably, corresponds to the interest rates offered by Swedish commercial banks, in each case for the lending of SEK 100,000,000 for the applicable period in the Stockholm interbank market;

"**Subsequent Bonds**" means Bonds issued after the Issue Date at one or several occasions;

"**Swedish Government Bond Rate**" means, with respect to any Redemption Date, the rate per annum equal to the yield to maturity at the time of computation of direct obligations of the Kingdom of Sweden (Sw. *statsobligationer*) with a constant maturity most nearly equal to the period from the Redemption Date to the date falling on the third (3rd) anniversary of the Issue Date;

"**U.S. Securities Act**" shall have the meaning set forth in Condition 8.2;

"**Working Capital Facility**" means one or several working capital facilities of up to SEK 135,000,000 (or the equivalent thereof in any other currency) in aggregate with the Company or a Group Company as borrower(s) and one or several banks or financial institutions as lenders.

2. THE AMOUNT OF THE BONDS AND UNDERTAKING TO MAKE PAYMENTS

2.1 The aggregate amount of the bond loan will initially be an amount of up to SEK 600,000,000 (six hundred million) and will be represented by Bonds, each of a nominal amount of SEK 1,000,000 (one million) or full multiples thereof ("Nominal Amount").

2.2 The Company undertakes to repay the Bonds, to pay interest and to otherwise act in accordance and comply with these Terms and Conditions.

2.3 The Company may, at one or several occasions, issue Subsequent Bonds. Subsequent Bonds shall be issued subject to these Terms and Conditions, including, for the avoidance of doubt, with respect to the Interest Rate, the Nominal Amount and the Maturity Date. The price of the Subsequent Bonds may be set at a discount or at a higher price than the Nominal Amount. The maximum total nominal amount of the Bonds (the Initial Bonds and the Subsequent Bonds) may not exceed SEK 1,000,000,000 unless consent from the Bondholders is obtained in accordance with Condition 11.

2.4 Each Subsequent Bond issued in accordance with Condition 2.3 shall entitle its respective Bondholder to interest only from the end of the previous Interest Period for which Interest has been paid, but shall otherwise have the same rights as the Initial Bonds.

2.5 Nordea Bank AB (publ) has agreed to act as issuing agent (Sw. *emissionsinstitut)* in respect to the Bonds pursuant to a separate agreement between the Company and the Bookrunners.

3. USE OF PROCEEDS

3.1 The proceeds of the issuance of any Bonds shall be applied by the Company towards repayment of the Existing Bank Debt (if any), payment of costs and expenses related to the issuance of Bonds or towards general corporate purposes of the Group.

4. STATUS

4.1 The Bonds constitute direct, unconditional, unsecured, freely transferable and unsubordinated obligations of the Company and shall at all times rank *pari passu* and without any preference among them and at least *pari passu* with all other obligations of the Company other than those mandatorily preferred by law.

5. INTEREST

5.1 The Bonds will bear interest at the Interest Rate applied to the Nominal Amount from the Issue Date up to and including the final Redemption Date. Interest will be paid in arrears on each Interest Payment Date and shall, in relation to a specific Interest Period, be calculated on the basis of the actual number of days in that Interest Period divided by 360 and otherwise in accordance with Condition 5.2.

5.2 If, due to the existence of an obstacle referred to in Condition 18.1 it is not possible to determine the Interest Rate for an Interest Period, the Interest Rate for the preceding Interest Period shall apply. As soon as the obstacle has been removed, the Interest Rate shall be determined for the current Interest Period, which shall apply from the second (2^{nd}) Banking Day of such determination until (and including) the current Interest Period.

5.3 If the Company fails to pay any amount due, the Company shall pay default interest on such amount at a rate corresponding to one week STIBOR plus two (2) percentage units, from the date such payment was due up to and including the date of actual payment. STIBOR shall be determined on the first Banking Day (the "Quotation Date") of each weekly period of delay.

Default interest shall however, subject to Condition 5.4, never be less than the Interest Rate plus two (2) percentage units. Accrued default interest shall not be capitalized.

5.4 If the delay is due to an existence of an obstacle for the Agent or the CSD, respectively, as set out in Condition 18.1, the default interest shall not exceed the relevant Interest Rate.

6. BONDS IN BOOK-ENTRY FORM

6.1 The Bonds will be registered on behalf of the Bondholders on an Account and no physical notes will be issued. Registration requests relating to the Bonds shall be directed to an Account Operator. Those who, according to assignment, pledge, the provisions of the Swedish Children and Parents Code (Sw. *Föräldrabalken*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlement to receive payment.

6.2 The Company shall be entitled to obtain information from the register kept by the CSD in respect of the Bonds (Sw. *skuldbok*). At the request of the Agent, the Company shall promptly request and provide such information to the Agent or provide the Agent with a power of attorney to obtain the relevant information from the CSD. The Agent shall also be entitled to obtain information from the register kept by the CSD in respect of the Bonds directly, if permitted by applicable laws at the date of such request.

7. REDEMPTION OF THE BONDS AND PAYMENTS

7.1 Redemption at maturity

Unless previously redeemed or purchased and cancelled in whole or in part in accordance with these Terms and Conditions, the Company shall redeem all outstanding Bonds at the Nominal Amount (together with any accrued but not yet paid interest) on the Maturity Date.

7.2 Company's purchase of Bonds

Subject to applicable law, the Company may at any time purchase Bonds on the market or in any other way. The Bonds held by the Company may at the Company's discretion be retained, sold or cancelled by the Company.

7.3 Repurchase in the event of Change of Control etc.

(a) Upon the event of a Change of Control the Company is obliged to offer to repurchase each Bondholder's entire holding of Bonds, but not only part of the holding as set out in this Condition 7.3. Such offer shall be included in the notification to the Bondholders of a Change of Control in accordance with Condition 9.4 (b) (the "**Offer**"). A Bondholder's acceptance of the Offer must be submitted within thirty (30) days from the Offer after which time period the Offer will lapse. An acceptance of the Offer shall be made in writing by notice to the Company in accordance with Condition 16.

(b) The Company shall repurchase the Bonds of an accepting Bondholder on the following Interest Payment Date and at the earliest thirty (30) days following the Offer.

(c) The Bonds shall be repurchased at a price per Bond of 101 per cent of the Nominal Amount of the relevant Bonds.

7.4 Voluntary redemption by the Company

All Bonds, but not only some, can be redeemed early at the option of the Company following the Issue Date. The Company can exercise its option by giving the Bondholders not less than thirty (30) days but not more than sixty (60) days' notice in accordance with Condition 16.

The notice shall be irrevocable and state the date for early redemption and the relevant Record Date. Each Bond shall be redeemed at an early redemption amount equal to:

(a) the Make Whole Amount, if an early redemption occurs during the period from the Issue Date up to and including the third (3rd) anniversary of the Issue Date;

(b) 103.00 per cent of the Nominal Amount, if an early redemption occurs during the period from but excluding the third (3rd) anniversary of the Issue Date up to and including the fourth (4th) anniversary of the Issue Date; and

(c) 101.00 per cent of the Nominal Amount, if an early redemption occurs during the period from but excluding the fourth (4th) anniversary of the Issue Date up and including the day before the Maturity Date.

In addition, the Company shall pay accrued interest from the latest Interest Payment Date (or, if such date has not occurred, the Issue Date) up to and including the relevant date for early redemption.

7.5 Payments of principal and interest

Payment of the Nominal Amount and interest will be made to the person who is a Bondholder on the fifth Banking Day prior to the respective payment date or, if on the relevant time another Banking Day which is falling closer to the relevant Redemption Date is generally applied in the Swedish bond market, such other Banking Day ("**Record Date**"). If a Bondholder has registered, through an Account Operator, that payments of principal amounts and interest shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Bondholder at the address registered with the CSD on the Record Date. If a day on which an amount becomes due and payable is not a Banking Day the amount will be deposited or transferred the next following Banking Day, unless that day falls in the next calendar month, in which case the amount will be deposited or transferred on the first preceding day that is a Banking Day. Should the CSD, due to a delay on behalf of the Company or some other obstacle, not be able to effect the payment of amounts according to the aforesaid, the CSD will pay such amount to the Bondholders on the Record Date as soon as possible after such obstacle has been removed. If a person to whom payment has been made in accordance with the above was not entitled to receive such payment, the Company and the CSD shall nevertheless be deemed to have fulfilled their obligations, provided that the Company and/or the CSD did not have knowledge of that such payment was made to a person not entitled to receive such amount and provided the Company and/or the CSD acted with normal care.

8. PURCHASE AND TRANSFERS OF BONDS

8.1 The distribution of these Terms and Conditions and the offering, sale and delivery of the Bonds in certain jurisdictions may be restricted by law.

8.2 The Bonds have not been and will not be registered under the U.S. Securities Act of 1933 or the securities laws of any other jurisdiction (other than Sweden). The Bonds may therefore not be offered or sold in any jurisdiction or to any person whose participation requires a prospectus, registration measure, information or action other than those prescribed by Swedish law.

9. UNDERTAKINGS

9.1 General undertakings

As long as any Bonds remain outstanding, the Company undertakes:

Distributions etc.

(a) at all times procure that each Group Company (even if not wholly-owned, directly or indirectly, by the Company (if any)) does not make any Distributions, for the avoidance of doubt, distributions within the Group (or pro rata to any minority shareholder to any such Group Company) shall not be restricted by this Condition;

Mergers

(b) not to enter into any merger or other business combination or corporate reorganisation involving consolidating its assets and obligations with any company or entity where the Company is not the surviving entity;

De-mergers

(c) not to carry out any de-merger or other corporate reorganisation involving splitting it into two or more separate companies or entities;

Business of the Group

(d) to:

(i) not cease to operate its business and undertakes to ensure that the Group (taken as a whole) will not cease to operate its business,

(ii) procure that no material change is made in the nature of the business of the Company or the Group (taken as a whole) from that carried on as per the Issue Date;

Disposal of assets

(e) not to enter into a transaction or a series of transactions to sell, transfer or otherwise dispose or permit any Group Company to sell, transfer or otherwise dispose of any assets that are material for the general operations of the Company or the Group (taken as a whole) save for disposals:

(i) in the ordinary course of business and at a price reflecting the fair market value on terms and conditions customary for such transaction,

(ii) within the Group, or

(iii) for cash consideration where the net proceeds are either:

(A) reinvested in other assets or used to make capital expenditure within 365 days, or

(B) used to redeem Bonds in accordance with Condition 7.4 or repurchase pro rata from all Bondholders at the current trading price immediately prior to an announcement to the extent Bondholders accept an offer to sell, or to repay other Financial Indebtedness to the extent the net proceeds are in excess of SEK 10,000,000 (or the equivalent thereof in any other currency);

Negative pledge

(f) that neither it nor any Group Company will provide or permit to subsist any Security, for any Financial Indebtedness, other than:

(i) Security for a Working Capital Facility (including any relating guarantee facility);

(ii) Security for any derivative transactions for protection against foreign exchange exposure or for interest rate conversion (unless for speculative purposes);

(iii) any netting or set-off arrangement entered into in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances;

(iv) any lien arising by operation of law and in the ordinary course of business; or

(v) Security for any Financial Indebtedness permitted in accordance with these Terms and Conditions (not including Market Loans) other than under paragraphs (i) to (iv) above, provided that the aggregate amount of such Financial Indebtedness does not exceed SEK 250,000,000 (or the equivalent thereof in any other currency);

Financial indebtedness

(g) to, subject to Condition 9.2 below, ensure that no Financial Indebtedness is incurred by the Company or any other Group Company, save for Financial Indebtedness incurred in respect of:

(i) the Initial Bonds;

(ii) any Working Capital Facility;

(iii) guarantees and normal liabilities having the effect of borrowing in the ordinary course of business with a maximum duration of 180 days;

(iv) any derivative transactions for protection against foreign exchange exposure or for interest rate conversion (unless for speculative purposes);

(v) Financial Indebtedness between Group Companies; or

(vi) any Financial Indebtedness not permitted by (i) to (v) above, provided that the aggregate amount of such Financial Indebtedness is not in excess of SEK 100,000,000;

and

(h) not to issue or raise debt under any Market Loan with an earlier maturity than the Bonds.

9.2 The limitation on Financial Indebtedness set out in Condition 9.1 (g) shall not apply for Financial Indebtedness raised by the Issuer (and not by or guaranteed by any other Group Company) after 30 September 2012 provided that the Leverage Test is fulfilled and has been calculated based on a 12 months period starting after 30 September 2011.

9.3 The Company undertakes to before incurring (including entering into any committed facility in relation to) any new Financial Indebtedness (other than as permitted in accordance with Condition 9.1 (g) (i)-(vi)) or when proposing the shareholders' meeting to resolve upon a Distribution or immediately following the shareholders' meeting resolving upon a Distribution confirm to the Agent in writing in a leverage test certificate, substantially in the form set out in Appendix 1 (*Form of Leverage Test Certificate*) to these Terms and Conditions, signed by duly authorised signatories of the Company on its behalf:

(a) that no Event of Default has occurred which is continuing; and

(b) setting out the calculations of (and compliance with) the Leverage Test.

The Leverage Test shall be tested before and as per immediately after incurring the new Financial Indebtedness (calculated on a pro forma basis including the new Financial Indebtedness (drawn or undrawn) in the Financial Indebtedness but not in the Cash or Cash Equivalent) or making the Distribution (calculated on a *pro forma* basis deducting the amount of the Distribution from the Net Debt), using the figures for EBITDA and Net Debt on a consolidated basis set out in or calculated based on:

(a) the latest delivered quarterly financial statements and (for calculating EBITDA on a 12 month historic basis) the latest four (4) quarterly financial statements, delivered prior thereto pursuant to Condition 9.5; or

(b) when the financial statements for the financial year are the latest available financial statements, the audited consolidated financial statements delivered pursuant to Condition 9.5.

9.4 Information undertakings

As long as any Bonds remain outstanding the Company undertakes to:

(a) prepare and publish quarterly reports and audited annual reports (which shall be prepared in accordance with IFRS) and make them available on its website as soon as they become available, however, for quarterly reports not later than two (2) months after each Quarter Date and for audited annual reports not later than six (6) months after the end of the relevant financial year; and

(b) notify the Agent immediately if any circumstance of the type specified in Condition 10.1 should occur or as soon as it becomes aware of a Change of Control.

9.5 Waiver

In addition to any waiver made according to Condition 13.1, the Agent is entitled to, on behalf of the Bondholders, waive, partly or in full, the provisions in Condition 9 if satisfactory collateral or other security arrangements, in the Agent's absolute discretion, is provided in respect of the Company's proper discharge of its obligations under the Bonds.

9.6 Listing of Bonds

The Company undertakes to apply for listing of the Bonds on the Corporate Bond List of NASDAQ OMX Stockholm and will use all reasonable efforts to achieve and maintain such listing as long as any Bonds are outstanding, however not longer than up to and including the last day on which trading in the Bonds on the exchange reasonably can, under the then applicable regulations by the exchange and the CSD, take place before the Maturity Date. The application for listing of the Bonds shall be filed with NASDAQ OMX Stockholm in order for the Bonds to be listed not later than 1 December 2012.

10. EVENTS OF DEFAULT

10.1 The Agent is entitled to, on behalf of the Bondholders, declare all but not only some of the Bonds due for payment immediately or at such later date as the Agent determines (such later date not being a date falling later than twenty (20) Banking Days from the date on which the Agent made such declaration), if:

Non-payment

(a) the Company fails to pay an amount on the date it is due in accordance with these Terms and Conditions (unless the Company's failure to pay is caused by an administrative or technical error and payment is made within three (3) Banking Days of its due date);

Breach of other obligations pursuant to these Terms and Conditions

(b) the Company fails to comply with or in any other way acts in violation of these Terms and Conditions, other than as specified in this Condition 10.1, provided that the Agent has requested the Company to remedy such failure or violation and the Company fails to do so within twenty-one (21) days, provided that if in the opinion of the Agent, the failure or violation is not capable of being remedied, the Agent may declare the Bonds due for payment immediately;

Distributions etc.

(c) prior to the fourth (4th) anniversary from the Issue Date the Company makes a Distribution or after the fourth (4th) anniversary of the Issue Date the Company makes a Distribution (or aggregate Distributions) in excess of a maximum of 50% of the previous year's net profit, unless the Company has timely notified the Agent as set out in Condition 9.3 and it fulfils the Leverage Test;

Cross acceleration

(d) any Financial Indebtedness of the Company or any Group Company is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described), provided that the Agent will not be entitled to, on behalf of the Bondholders, declare the Bonds due for payment under this paragraph (d) if the aggregate amount of Financial Indebtedness declared to be or otherwise becoming due and payable is less than SEK 20,000,000 (or the equivalent thereof in other currencies);

Insolvency and Insolvency Proceedings

(e) the Company or a Group Company:

(i) suspends its payments;

(ii) applies for or approves an application for insolvent corporate reconstruction according to the Swedish Act on Insolvent Corporate Reconstruction (1996:764) or other foreign corresponding laws; or

(iii) is declared bankrupt,

in each case other than in respect of dormant and non-operative entities;

Liquidation

(f) a decision is made to place the Company in liquidation irrespective of reason or a Group Company is forced to be liquidated (however, voluntary liquidation of a Group Company other than the Company, shall not be restricted by these Terms and Conditions).

10.2 If the Bonds are declared due and payable, the Company shall redeem the Bonds at a redemption amount equal to the Bonds' Nominal Amount plus a surcharge of three (3) per cent of the Nominal Amount plus the accrued interest, if any, pursuant to Condition 5 from the preceding Interest Payment Date (or, if such date has not occurred, the Issue Date), up to and including the payment date.

10.3 If the right to termination is based upon a decision of a court of law, a government authority or an annual general meeting, it is not necessary that the decision has acquired legal force or that the period of appeal has expired in order for cause of termination to be deemed to exist.

10.4 The Company is obliged to inform the Agent immediately if any circumstance of the type specified in Condition 10.1 should occur. Should the Agent not receive such information, the Agent is entitled to assume (unless it has received notice to the contrary in its capacity as Agent) that no such circumstance exists or can be expected to occur provided that the Agent does not have knowledge of such circumstance. At the reasonable request of the Agent the Company shall within five (5) Banking Days provide the Agent with a certificate regarding the circumstances dealt with in Condition 10.1. The Company shall further provide the

Agent with such details as the Agent may reasonably request regarding any circumstances referred to in Condition 10.1 and provide at the request of the Agent all documents that may be of significance in the application of this Condition.

10.5 If the Agent has been notified by the Company of an Event of Default or has otherwise become aware of the occurrence of an Event of Default which is outstanding, the Agent shall consider, within ten (10) Banking Days of the day of notification or becoming aware of the Event of Default, if the Bonds shall be declared terminated. If the Agent has decided not to terminate the Bonds, the Agent shall, at the earliest possible date, notify the Bondholders that right to termination is at hand and seek instruction on the matter from the Bondholders.

10.6 If the Bondholders resolve on a Bondholders' meeting to terminate the Bonds, or if such termination is demanded by Bondholders holding Bonds representing at least one half of the Adjusted Nominal Amount, the Agent shall promptly declare the Bonds due for payment in accordance with Condition 10.2. If the cause for termination according to the Agents appraisal has ceased before the termination, the Agent is not liable to execute the termination. The Agent shall in such case, at the earliest possible date, notify the Bondholders that the cause for termination has ceased. If the Bondholders, without prior initiative to decision from the Agent or the Company, have passed a resolution in accordance with all relevant provisions in Condition 11 and to the effect that the Bonds shall be terminated in accordance with all relevant provisions of this Condition 10, the Agent shall promptly declare the Bonds terminated. The Agent is however not liable to act on such instruction if the Agent considers the cause for termination not to be outstanding, unless the instructing Bondholders in writing undertakes to hold the Agent indemnified and, in the Agent's opinion, provides sufficient security for such indemnification.

11. BONDHOLDERS' MEETING

11.1 Procedure in writing

(a) Each of the Company or the Agent can at any time call for a Bondholders' meeting or demand for a procedure in writing among the Bondholders. Bondholders representing at least ten (10) per cent of the total outstanding Adjusted Nominal Amount may demand that such call is made. Such demand shall be made in writing to the Company and the Agent and shall include (i) information regarding the issues that shall be discussed and (ii) documentation which indicates the holding of the relevant Bondholders. If the Agent establishes that such demand has been received in due order and the abovementioned majority requirement has been met the Agent shall, within twenty (20) Banking Days from receipt of such demand, call to a meeting or demand for a procedure in writing. Such obligation does not exist if, according to the Agent, (i) the proposal must be approved by the Company and the Company informs the Agent that it will not give such approval, (ii) the proposal is not in accordance with applicable laws or (iii) it appears clearly unlikely that the meeting will consent to the proposal in view of previous meetings or procedures in writing.

(b) Notice shall be made to the Bondholders and the Agent or, as the case may be, the Company in accordance with Condition 16 below and shall be made not later than ten (10) Banking Days and not earlier than thirty (30) Banking Days prior to the meeting or the last day for replies. The notice shall include (i) time for the meeting or the last day for replies, (ii) place for the meeting or address for replies, (iii) agenda for the meeting, (iv) information regarding which day a Bondholder shall be registered as owner, and if such possibility is provided by the CSD, is entitled to vote in the register of the CSD and (v) what is otherwise required by a Bondholder in order to attend the meeting. The Company or, if the Agent is calling, the Agent shall determine the contents in the notice and provide, in writing or electronically, a proxy form or, in case of a procedure in writing, a decision form with the relevant alternatives for resolution.

(c) Provided that the required quorum exists, a resolution is passed through voting at a meeting (or, in case of a procedure in writing, through calculation), at which each Bondholder entitled to vote shall have one vote per Bond (each at a Nominal Amount of SEK 1,000,000) such Bondholder holds. A Bondholder that holds more than one Bond must vote in the same manner for all Bonds held. However, a representative who represents different Bondholders may vote differently for different Bondholders. Bonds held by the Company or a Group Company shall not entitle to any voting rights and shall not be considered when calculating if necessary majority has been achieved in accordance with these Terms and Conditions.

(i) The resolution of the Bondholders shall be the opinion which represents more than 50 per cent of the votes cast or answers received ("**Majority**").

(ii) The following actions require at least 75 per cent of the votes cast or answers received in order to deem a resolution passed ("**Qualified Majority**"): (a) reduction of the principal amount, interest rate or interest amount which is payable by the Company in respect of Bonds is reduced, (b) for delaying any due date of payment of any amount of principal or interest, (c) for amendment of any redemption premium, (d) for amendment of the conditions in this Condition 11.1 (c) or (e) for a change of debtor in respect of the Bonds.

(d) If the number of votes is equal, the opinion which is most beneficial for the Bondholders, according to the chairman of the meeting (or, in case of a procedure in writing, the Agent) will prevail.

(e) Quorum exists only where (i) Bondholders representing at least one fifth of the aggregate outstanding Adjusted Nominal Amount are duly represented at the meeting (or, in case of a procedure in writing, provide answers), or (ii) where any decision requiring a Qualified Majority is at issue, Bondholders representing at least one-half of the aggregate outstanding Adjusted Nominal Amount are duly represented at the meeting (or, in the case of a procedure in writing, provide answers). If quorum is not achieved within fifteen (15) minutes from the scheduled starting of the meeting (or, in case of a procedure in writing, through received answers at the end of the time for replies), the meeting shall be adjourned (or, in case of a procedure in writing, the time for replies shall be extended) to the day which falls on the fifth Banking Day thereafter. If the meeting is quorate for some but not all issues which are to be resolved upon at the meeting, the meeting shall be adjourned after resolutions have been adopted on matters for which the meeting was quorate. Notice containing information regarding time and place for a continued meeting (or, in case of a procedure in writing, information regarding extended time for replies) shall promptly be provided to the Bondholders in accordance with Condition 16. At a continued meeting (or, in case of a procedure in writing, at a new calculation) a resolution can be passed through a Majority (or, if required in accordance with (c) above, through Qualified Majority) of Bondholders entitled to vote irrespective of the number of Bonds represented.

(f) At the meeting the Company, the Bondholders and the Agent may attend along with its representatives, counsels and assistants. The meeting can decide that further individuals may attend. The meeting is opened by the Agent or by a person appointed by the Agent and the meeting is led by that person until Bondholders have appointed a chairman for the meeting. The chairman shall arrange for minutes to be kept at the meeting in which Bondholders entitled to vote shall be listed, which other persons have been attending, what has been discussed, how the voting has turned out and which resolutions that have been passed. The minutes shall be signed by the chairman and by at least one person appointed to verify the minutes. In case of a procedure in writing, the Agent shall provide for the calculation and draw up minutes in respect of the calculation. The Agent may request clarifications but is not obliged to do so and may disregard any unclear or illegible answers. The Agent shall disregard answers which do not follow listed alternatives or answers from respondents where it is not clear from the material provided by the Bondholder or CSD that the respondent is entitled to vote for the relevant number of Bonds. The

Company shall have access to the calculation. The minutes shall be completed promptly and be held available for the Bondholders at the Company and the Agent.

(g) If the Company and the Agent deem it appropriate a meeting may be combined with a possibility for Bondholders to provide answers in accordance with a written resolution form as an alternative to being present or being represented at a meeting.

(h) A resolution that has been passed at a duly convened meeting or a procedure in writing is binding to all Bondholders irrespective of them being present or being represented at the meeting or if they have participated in the procedure in writing and irrespective of how and if the they have voted.

(i) The Company shall bear all costs of the Company and the Agent in connection with a meeting or a procedure in writing irrespective of who has initiated the meeting or the procedure.

12. THE AGENT

12.1 Each Bondholder appoints the Agent to act as agent for and on behalf of the Bondholders under these Terms and Conditions, and the Agent's obligations are exhaustively regulated herein. The Agent has no obligation to monitor the Company's financial standing or its fulfilment of obligations and liabilities, other than as expressly set forth herein.

12.2 The Agent shall not be bound to account to any Bondholder for any sum received by it for its own account.

12.3 The Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.

12.4 Even without a separate authorization from the Bondholders, the Agent, or a person appointed by the Agent, is authorised to represent the Bondholders against the Company in accordance with these provisions in every matter concerning the Bonds, whether or not in court or before an executive authority (including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Bonds). Each Bondholder shall immediately upon request by the Agent provide the Agent with any such documents, including a written power of attorney (in form and substance to the Agent's satisfaction), which the Agent deems necessary for the purpose of carrying out its duties under these Terms and Conditions. The Agent is under no obligation to represent a Bondholder which does not comply with such request of the Agent. Even though the Agent is entitled to represent the Bondholders, the Agent is not obliged to take action unless explicitly expressed in these Terms and Conditions.

12.5 The Agent may rely on any representation, notice or document believed by it to be genuine, correct and appropriately authorized and any statement made by a director, authorized signatory or employee of any person regarding any matters which may reasonably be assumed to be within his knowledge or within his power to verify.

12.6 In relation to these Terms and Conditions, the Agent may act through its personnel and agents. The Agent may further engage, pay for and rely on the advice or services of any lawyers, accountants or other experts. The reasonable, evidenced and proper costs for such third party advice shall be borne by the Company. In acting as Agent for the Bondholders, the Agent shall be regarded as acting through its agency division which shall be treated as a separate entity from any other of its divisions or departments. If information is received by another division or department of the Agent, it may be treated as confidential to that division or department and the Agent may reasonably not be deemed to have received it.

12.7 Replacement of Agent

(a) The Agent may retire from its assignment by giving notice to the Company and the Bondholders, in which case the Bondholders shall appoint a leading Swedish or

international business bank or securities institution or a reputable provider of fiduciary services (each an "**Acceptable Replacement Agent**") to accede as new Agent at the same time as the present Agent retires. Bondholders may, by notice if representing more than 50 per cent of the Adjusted Nominal Amount, or if constituting a Majority in accordance with Condition 11 at a meeting or in a procedure in writing, require the Agent to resign.

(b) If the Bondholders have not appointed a new Agent within thirty (30) days after the Agent has given the Company and the Bondholders notice of its resignation or been required to resign, the Agent has the right to appoint an Acceptable Replacement Agent as a new Agent.

(c) If the Agent is subject to bankruptcy or financial reconstruction according to law or regulations from a supervising authority, the Bondholders shall immediately appoint a new Agent.

(d) No resignation by the Agent shall take effect until a new Agent has been appointed and all necessary documentation to replace the Agent has been duly executed.

(e) When a new Agent has been appointed, the resigning Agent shall bear no responsibility for acts or omissions during the time after the replacement of the Agent but shall continue to enjoy the rights under these Terms and Conditions in respect of any action it took or failed to take whilst acting as Agent.

(f) The Agent's successor, the Company and the Bondholders shall have the same rights and obligations among themselves as they would have had if such successor would have been the original Agent.

12.8 Remuneration of the Agent

The Agent is entitled to receive remuneration from the Company for acting as Agent in accordance with these Terms and Conditions. If the Agent, based on good reasons, believes that the Company is or will become insolvent the Agent is entitled to reserve reasonable remuneration from Bondholders for its continued work in accordance with these Terms and Conditions, save that the Agent shall make the arrangements stated in Condition 10.6 without having received remuneration or being indemnified by the Bondholders. If the Agent notifies the Bondholders that it will not take further actions each Bondholder may independently represent its holding of Bonds against the Company without having to observe the provisions in Conditions 10, 11 and 12.

13. AMENDMENTS OF THE TERMS AND CONDITIONS, WAIVERS

13.1 The Company and the Agent, acting on behalf of the Bondholders, may agree to amend these Terms and Conditions or the Agent may acting on behalf of the Bondholders, waive a right under the Terms and Conditions provided that:

(a) such amendment or waiver, in the opinion of the Agent, does not adversely affect the rights and interests of the Bondholders under these Terms and Conditions in any material respect;

(b) such amendment or waiver is of a formal, minor or technical nature or is made to correct a clear and manifest error;

(c) such amendment or waiver has been duly approved by a Bondholders' meeting or procedure in writing in accordance with Condition 11; or

(d) all Bondholders have been notified of the proposed amendments or waiver in accordance with Condition 16, at least 10 Business Days have passed since such notifications and the matter has been duly approved by Bondholders holding Bonds representing more than 50 per cent of the Adjusted Nominal Amount in matters dealt with in Condition 11.1 c (i) and at least 75 per cent of the Adjusted Nominal Amount in matters dealt with in Condition 11.1 c (ii).

13.2 Any amendment or waiver of these Terms and Conditions shall be notified without delay by the Agent in accordance with Condition 16, setting out the date from which the amendments or waiver will be effective.

13.3 Any amendment or waiver made in accordance with this Condition 13 is binding and effective on each Bondholder.

14. PRESCRIPTION

14.1 Subject to Condition 14.2 the right to receive payment of the Nominal Amount shall be statute-barred and become void ten (10) years from the relevant Redemption Date and the right to receive payment of interest shall be statute-barred and become void three (3) years from the relevant due date for payment. The Company is entitled to any funds set aside for payments in respect of which the Bondholders right to receive payment has been statute-barred and has become void.

14.2 If such term of limitation periods are duly interrupted, in accordance with the Swedish Act on Limitations (1981:130), a new limitation period of ten (10) years with respect to the Nominal Amount, and of three (3) years with respect to interest payments will commence, in both cases calculated from the date of interruption of the limitation period as such date is determined pursuant with the provisions of the Swedish Act on Limitations.

15. ALLOCATION OF PAYMENTS

15.1 If both the Nominal Amount and interest are due for payment and if the available funds are insufficient to discharge all the amounts due and payable, the available funds shall first be applied towards payment of interest and secondly towards payment of the Nominal Amount.

16. NOTICES

16.1 Notices from the Company or the Agent to the Bondholders shall be given to the Bondholders at their addresses as registered with the CSD. In addition to this, notice by the Company may be given by advertisement in a nation-wide Swedish newspaper (any of Dagens Industri, Dagens Nyheter or Svenska Dagbladet) with the notice in its entirety or with reference to where the notice in its entirety is available. Any notice made by the Company must be copied to the Agent.

16.2 Notices to the Company shall be sent (with a copy to the Agent) to the Company's registered address at the time of the notice, a notice to the Company shall be addressed with attention to "CFO and Chief Legal Counsel".

16.3 Notices to the Agent shall be sent to the Agent's registered address at the time of the notice.

16.4 The language used for notices and communication under these Terms and Conditions shall be English and Swedish.

17. NOMINEE REGISTRATION

In respect of Bonds registered with authorised nominees in accordance with the Swedish Financial Instruments Accounts Act (1998:1479) the authorised nominee shall be deemed to be the Bondholder for the purpose of applying these Terms and Conditions, subject to the provisions about the voting rights and relevant majority of the Bondholders in Conditions 10.6, 11 and 13.1(d) and the rights of Bondholder in Condition 7.3 or if otherwise evident from the context where the term Bondholder shall apply to the beneficiary owner of any Bonds held by the authorised nominee.

18. LIMITATION OF LIABILITY ETC.

18.1 The Agent and the CSD shall have no liability for damage caused by Swedish or foreign enactment, action taken by a Swedish or foreign authority, war, strike, blockade, boycott, lockout or other similar circumstance. This limitation of liability in the case of a strike, blockade, boycott or lockout also applies if the Agent or the CSD would itself initiate or become subject to such conflict.

18.2 The Agent shall have no liability for damage caused by the Agent acting as a representative for the Bondholders, unless directly caused by its gross negligence or wilful misconduct. This shall also apply to the Agent or affiliate of the Agent acting in another manner in relation to the Company within the scope of other dealings with the Company. In no event will indemnification be made for indirect damage.

18.3 Should the Agent or the CSD be prevented from performing their obligations due to the circumstances mentioned in Condition 18.1 above, performance may be postponed until it is no longer prevented by such events.

18.4 The provisions in this Condition 18 apply unless they are inconsistent with the provisions of the Swedish Financial Instruments Accounts Act (1998:1479) which provisions shall take precedence.

19. GOVERNING LAW AND JURISDICTION

19.1 These Terms and Conditions and any non-contractual obligations relating thereto shall be governed by and construed in accordance with the material provisions of Swedish law.

19.2 Any dispute or claim arising in relation to these Terms and Conditions shall be determined by Swedish courts, with the District Court of Stockholm as the court of first instance.

We hereby certify that the above Terms and Conditions are binding upon the Company.

26 June 2012

Swedish Orphan Biovitrum AB (publ)

_____ _____

We hereby undertake to act in accordance with the above Terms and Conditions to the extent they refer to us.

26 June 2012

CorpNordic Sweden AB

As Agent on behalf of itself and the Bondholders

_____ _____

Schedule 1
Form of Leverage Test Certificate

To: CorpNordic Sweden AB as Agent

From: Swedish Orphan Biovitrum AB (publ)

Dated: [date of Compliance Certificate]

Dear Sirs,

We refer to the terms and conditions for the bond loan of an initial issue of SEK 600,000,000 which may be increased up to SEK 1,000,000,000 with STIBOR 3m + 500 bps coupon and duration 2012/2017 issued by Swedish Orphan Biovitrum AB (publ) (the "**Terms and Conditions**"). Capitalized terms used and not defined herein shall have the meaning ascribed to them in the Terms and Conditions.

In accordance with Condition 9.3 of the Terms and Conditions, we hereby wish to inform you that we intend to [incur Financial Indebtedness/make a Distribution[1]] (the "**Intended Action**") and certify that:

1. no Event of Default is continuing;

2. the Leverage Test will not be exceeded due to the Intended Action and Net Debt to EBITDA calculated in accordance with Condition 9.4 of the Terms and Conditions is before the Intended Action equal to [●] and will after the Intended Action be equal to [●].

ON BEHALF OF SWEDISH ORPHAN BIOVITRUM AB (PUBL)

_____	_____
By:	By:
Title:	Title:

[1] Please specify the intended action to be taken in some detail including amounts

Glossary

Antibody
Protein that is formed in the body, recognizes foreign proteins, binds to them and renders them or the microorganism they are a constituent of harmless.

Autoimmune
The immune system erroneously attacks the body's own proteins.

Chronic
Disease that develops slowly, is prolonged or incurable (can only be relieved).

Clinical development
Studies of a drug candidate's effect in humans. Divided into three main phases: phase I involves limited studies of the substance's safety in healthy volunteers, phase II involves testing the effect in smaller groups and phase III in larger groups of patients.

Drug candidate
A chemical compound that has shown good drug activity in model systems and that has not yet been tested in humans.

EMA
The European Medicines Agency.

FDA
Food and Drug Administration in the US.

GMP
Good Manufacturing Practice. A set of rules regulating manufacturing, including packaging, of pharmaceuticals.

HDN
Hemolytic disease of the newborn. A condition appearing in the newborn child due to a situation where the mother has developed antibodies against the Rhesus-D factor.

Hemophilia A
Bleeding disorder caused by a deficiency in coagulation factor VIII.

Hemophilia B
Bleeding disorder caused by a deficiency in coagulation factor IX.

ITP
Idiopathic thrombocytopenia purpura. A bleeding disorder caused by abnormally low levels of platelets in the blood depending on an autoimmune reaction.

Interleukin
The Interleukin 1 family is a group of pro-inflammatory cytokines that play a central role in the regulation of immune responses in the human body.

Neonatology
A subspecialty of pediatrics that consists of the medical care of newborn infants, especially ill or premature newborn infants.

Nitisinone
Nitisinone is a prescription drug used to treat the metabolic disorder called hereditary tyrosinemia type 1 (HT-1).

Orphan drug
Drugs intended for the treatment of serious diseases with a prevalence of 5/10,000 individuals within the EU or which without stimulating measures are unlikely to be developed since sales revenues would not generate sufficient return to motivate the costs for the necessary investments in research.

Polyclonal antibodies
An antibody that has been extracted from a non-homogeneous population of cells. Antibodies that have been extracted in this way recognize and bind specifically to several proteins.

Preclinical development
The phase of drug development that precedes the clinical phase. Includes among other things lead-generation, lead-optimization and selection of candidate drugs.

Protein pharmaceutical
Drug in the form of a protein, e.g. antibodies. Unlike small molecule drugs, protein drugs are usually not taken as pills but must be given as injections.

Rhesus-D factor
A protein factor that is present in most humans and is used in the system for determination of blood groups.

Small molecules
Compounds that consists of up to about a hundred atoms and that can be chemically synthesized; medicines in tablet form belong to this type.

Specialty pharmaceutical
Pharmaceutical mainly prescribed by specialists.

Addresses

THE ISSUER

Swedish Orphan Biovitrum AB (publ)
Visiting address: Tomtebodavägen 23A, Solna
Postal address: SE-112 76 Stockholm
Sweden

Telephone: +46 (0)8 697 20 00
www.sobi.com

LEGAL ADVISOR TO THE ISSUER

Mannheimer Swartling Advokatbyrå
P.O. Box 1711
SE-111 87 Stockholm
Sweden

www.mannheimerswartling.se

BOOKRUNNERS

Merchant Banking, Skandinaviska Enskilda Banken AB (publ)
SE-106 40 Stockholm
Sweden

www.seb.se

Nordea Bank AB (publ)
SE-105 70 Stockholm
Sweden

www.nordea.se

LEGAL ADVISOR TO THE BOOKRUNNERS

Hannes Snellman Attorneys
P.O. Box 7801
SE-103 96 Stockholm
Sweden

www.hannessnellman.com

SWEDISH ORPHAN BIOVITRUM AB (PUBL)

SE-112 76 Stockholm, Sweden
www.sobi.com