



Press release

Stockholm, February 20, 2009

Year-End Report 2008

Affibody Holding AB (publ) (“Affibody” or “the Company”) today issued its year-end 2008 report. Affibody is a Swedish biotech company focused on developing next generation products for therapy, diagnostic imaging, and other applications based on its unique proprietary technology platforms: Affibody® molecules and albumin binding technology.

Financial Highlights

- Revenue for the full year 2008 was SEK 27.6 (27.0) million
- Net loss for the period amounted to SEK -90.3 (-86.1) million
- Earnings per share was SEK -3.01 (-3.01)
- Cash flow from current operations was SEK -69.3 (-68.8) million
- Cash and cash equivalents as of December 31, 2008 amounted to SEK 24.1 (78.8) million.
- Increased equity position by SEK 75 million as a result of a revaluation of a license agreement

Key Corporate Highlights

- Affibody emerged from 2008 with a new corporate strategy following a strategic restructuring of the business during the year. The Company’s new strategy aims to generate profitable corporate partnerships across the life science sector based on its unique proprietary technology platforms: Affibody® molecules and albumin binding technology.
- These partnerships, which will generate license fees and royalties on product sales, are designed to allow Affibody to reach its key corporate objective of sustainable profitability in the next two years.
- David Beijker was recently appointed as the Company’s CEO to execute the Company’s new business development focused strategy. Mr Beijker, who joins Affibody from venture capital firm HealthCap has experience of the biotech industry both as an investor and as a successful business development professional.
- Affibody gained regulatory and ethics approval to commence a Phase I study in Germany with its lead molecular imaging agent, ABY-025, which is based on a highly specific Affibody® molecule that binds the breast cancer marker HER2.
- Further progress has been made with Affibody’s albumin binding technology, including the filing of additional IP. This technology platform could be of great value for improving the therapeutic properties of a broad range of biotherapeutics being developed by other pharmaceutical and biotechnology companies.

David Beijker CEO, said: *“Affibody enters 2009 with a new strategy and a more streamlined organization which is focused on achieving sustainable profitability as quickly as possible. Our new collaborative business strategy is designed to maximize the revenue generating potential of our two highly innovative technology platforms; Affibody® molecules and albumin binding technology. We are confident that this focus will enable us to partner with companies across the life science sector.*

“Our existing collaborations already demonstrate the broad applicability of our Affibody® molecules and I am certain that we can turn the increasing interest in our albumin binding technology platform into further revenue generating deals. Given the power of these two technology

platforms and our increased business development activities I look forward to announcing a number of important new collaborative agreements over the coming months.”

Enquiries

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About Affibody

Affibody is a Swedish biotech company focused on developing next generation products for therapy, diagnostic imaging, and other applications based on its unique proprietary technology platforms: Affibody® molecules and albumin binding technology.

Affibody® molecules, which are small, robust and easily produced, can be designed to bind specifically to a large number of target proteins. They have a broad range of applications including protein purification, enzyme inhibition, research reagents for protein capture and detection, diagnostics, including molecular imaging, and targeted therapeutics.

Affibody is also commercializing its unique albumin binding technology designed to extend the half-life of any biotherapeutic.

Affibody has already developed biotechnological products that are commercialized by GE, Agilent and Finnzymes, and is developing Affibody® molecules for further biotechnology applications in a number of commercial collaborations.

Affibody was founded in 1998 by researchers from the Royal Institute of Technology and the Karolinska Institute and is based in Stockholm, Sweden. Major shareholders in the Company include the investment companies HealthCap, Investor Growth Capital and SV Life Sciences.

Further information can be found at: www.affibody.com

Statements in this press release that are not strictly historical may be forward-looking and include risks and uncertainties. Therefore, though based on Affibody’s current expectations, it should be duly noted that a variety of factors could cause actual results and experiences to differ materially from what is herein expressed. Risks and uncertainties include, but are not limited to, risks associated with the management of growth and international operations (including effects of currency fluctuations), variability of operating results, unforeseen changes in the diagnostic and pharmaceutical markets, market competition, rapid or unexpected changes in technologies, fluctuations in product demand, difficulties to successfully develop, adapt, produce or commercialize products, the ability to identify and develop new products and to differentiate products from those of competitors, future capital needs and the uncertainty of additional funding, as well as various legal hazards.