

**Statement by the Board of Directors of Karolinska Development AB (publ), Corporate Registration Number 556707-5048, in accordance with Chapter 19, Section 22 of the Swedish Companies Act**

**Financial position of Karolinska Development and the Group**

The financial position of Karolinska Development AB and the Group as per 31 December 2011 is presented in the Annual Report for the 2011 fiscal year. The Annual Report also describes the principles applied to the valuation of assets, provisions and liabilities.

The proposal for authorization for the Board to determine to acquire own shares covers maximum 150 800 shares of series B in Karolinska Development AB.

**Justification of acquisition authorization**

With respect to the aforementioned and information that is otherwise known to the Board of Directors, it is the Board's opinion that the proposed authorization to acquire own shares is justifiable given the requirements that the nature, scope and risks associated with the operations impose on the amount of Karolinska Development AB's and Group's equity, and Karolinska Development AB's and Group's consolidation requirements, liquidity and financial position.

---

Board of Directors, May 2012