

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 regarding the proposal for resolution on acquisition of own shares

The Board of Directors proposes that the extraordinary general meeting shall authorize the Board of Directors to resolve on acquisition of own shares. The Board of Directors shall, in connection herewith, make a statement on whether the proposal is justifiable with regard to the shareholders' equity in relation to the type and scope of the business and risks within the Group and the Group's consolidation needs, liquidity and position in general.

Financial position of Karolinska Development and the Group

The financial position of Karolinska Development AB and the Group as per 31 December 2013 is presented in the Annual Report for the 2013 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 of Directors to determine to acquire own shares covers maximum 136 560 shares of series B in Karolinska Development AB in order to cover charges in the form of social security fees in PSP 2014 II.

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, November 2014