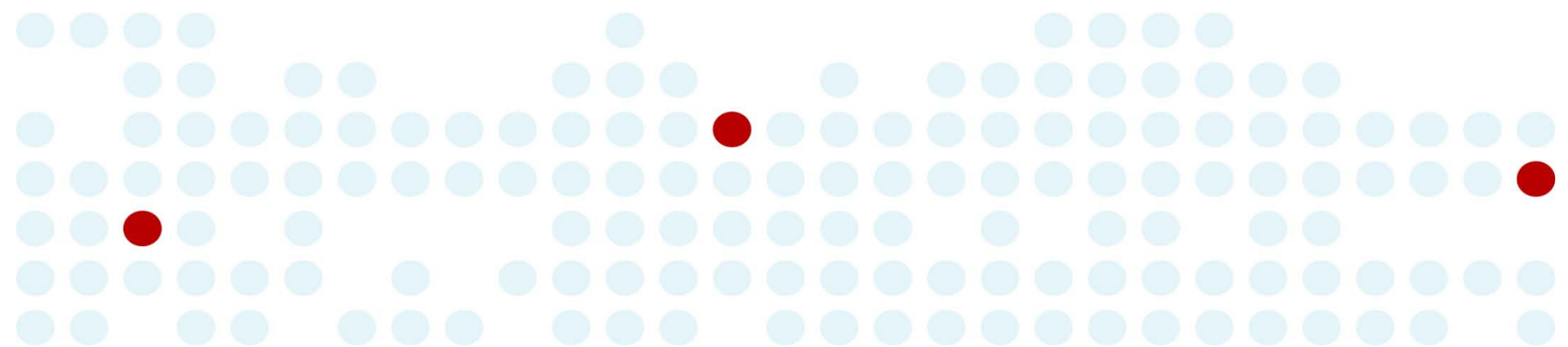


**SIEIB ENSKILDA, June 2010**

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- **Business overview**
- Intellectual Property Rights and Technologies
- Introducing our two business segments
  - Life Sciences business (LS)
  - Diagnostics business (DX)
- Financial review

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## Exiqon at a glance

### Highlights

- Based on proprietary LNA™ detection technology
- Established one-stop shop for miRNA products
- Promising diagnostic pipeline based on miRNA
- 214 patents and patent applications (114 issued) cover products, pipeline and miRNA biomarkers
- 2009 sales of DKK 82m
- Listed on NASDAQ OMX, Copenhagen ("EXQ")

### Locations



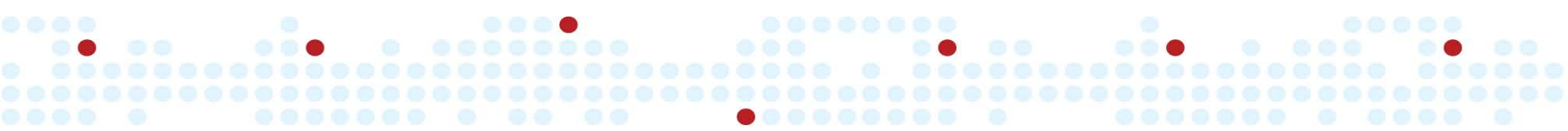
### Business divisions



- Exiqon Life Sciences combines leading-edge scientific expertise in gene expression with our proprietary LNA™ technology. Our products, services and scientific staff enable life science researchers to make groundbreaking discoveries

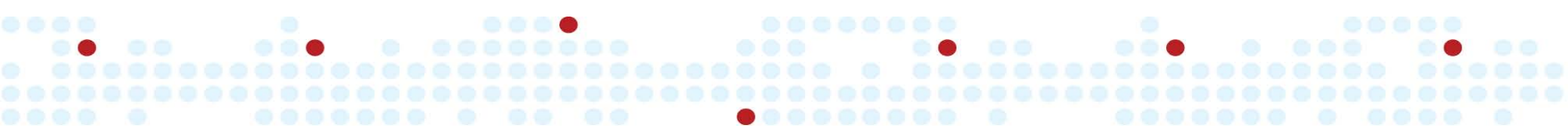


Exiqon Diagnostics is the leader in providing technologies for miRNA biomarker detection. Exiqon Diagnostics is dedicated in collaboration with partners to develop novel molecular diagnostic test for early detection of diseases and knowledge based treatment selection.



## Natural progression between two business segments

Interlink between Life Sciences and Diagnostics		Market status	Market drivers
<p><b>EXIQON</b> Life Sciences</p> <p>Life Science products focus at:</p> <ul style="list-style-type: none"> <li>• qPCR assays</li> <li>• ISH assays</li> </ul>		50-70 mUSD, 30-40% annual growth	miRNA analysis in serum/plasma
<p><b>EXIQON</b> Life Sciences</p> <p>Unique Life Science products lead to <b>clinical research</b></p> <ul style="list-style-type: none"> <li>• Sale of Research Use Only products</li> <li>• Possible sale of all assays published in literature readily available to clinical market</li> </ul>		Focus is on miRNA in serum/plasma	Further clinical validation
<p><b>EXIQON</b> Life Sciences</p> <p>Use of unique Life Science products in clinical research lead to discovery of new <b>biomarkers</b></p> <ul style="list-style-type: none"> <li>• So far &gt; 75 papers on validated miRNA biomarkers</li> </ul>		clinical validation miRNA data	Validated miRNA biomarkers
<p><b>EXIQON</b> Diagnostics</p> <p>Exiqon can harvest biomarkers developed (and validated) by customers</p> <ul style="list-style-type: none"> <li>• This will lead to reduced risk and cost of new <b>Diagnostics</b></li> </ul>		Several top 10 collaborations	Partnership with one or more leading players



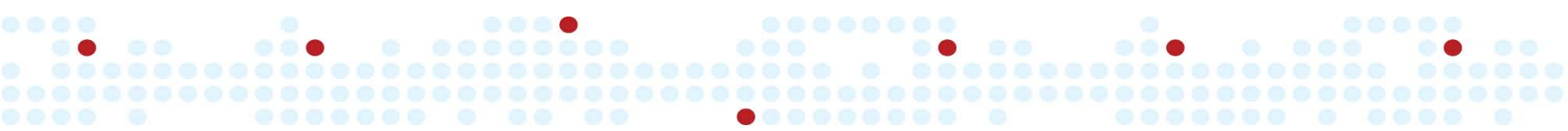
## Potential value triggers/inflexion points in 2010 and beyond

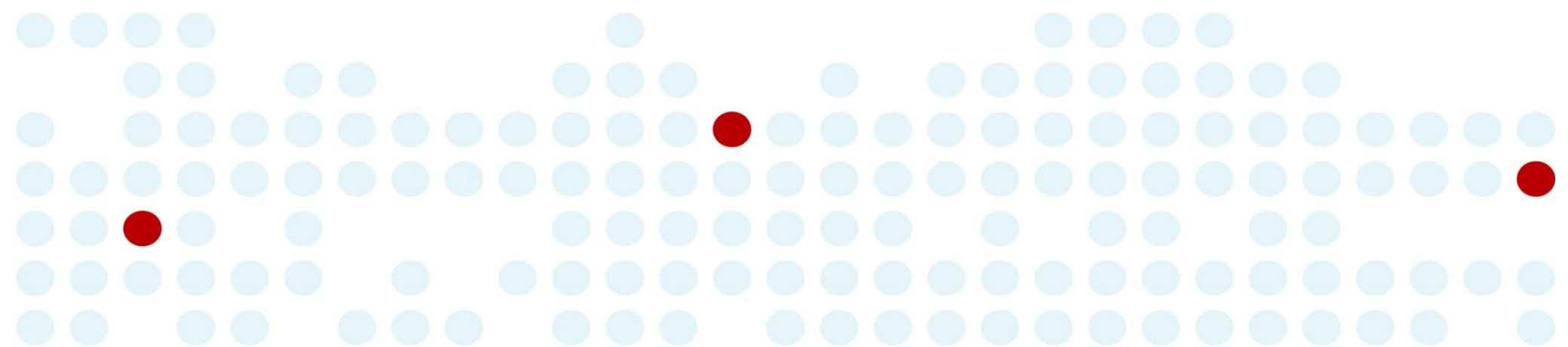
### 2010

- Cash flow positive Life Sciences business projected for 2010
- New UniRT qPCR products important revenue driver
- 25% growth in research product sales in 2010
- Recent product launches address market needs in clinical research → diagnostics
- First partnership for diagnostic commercialization expected to be concluded in 2010
- First data from early colon cancer detection program expected towards end 2010
- Revenue of DKK 80-90 million in 2010
- Net loss of DKK 40 million (including DKK 15m non-cash; excluding discontinued business)

### 2011 & beyond

- Continued strong growth in research product sales
  - Driven by clinical research (pharma)
  - First commercial diagnostic sales through partnership
- Additional partnerships on companion diagnostics
- Company to be profitable 2011

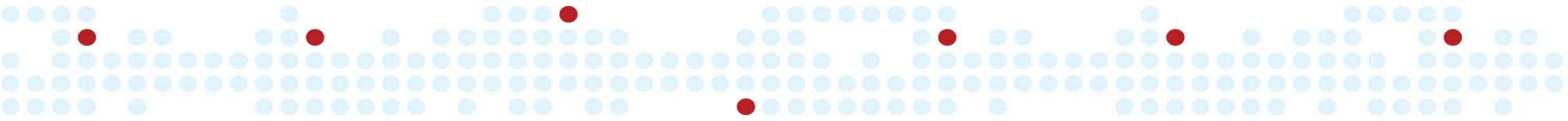
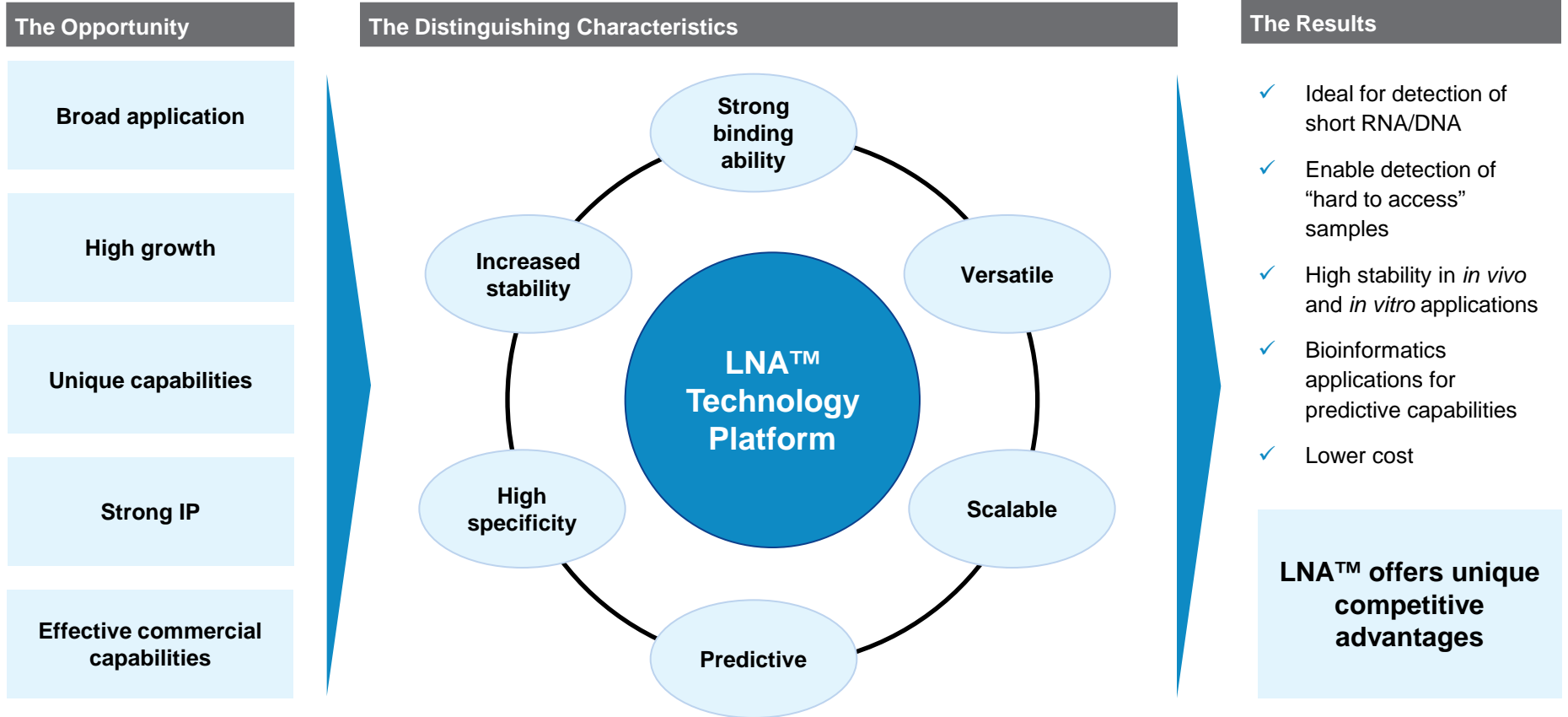




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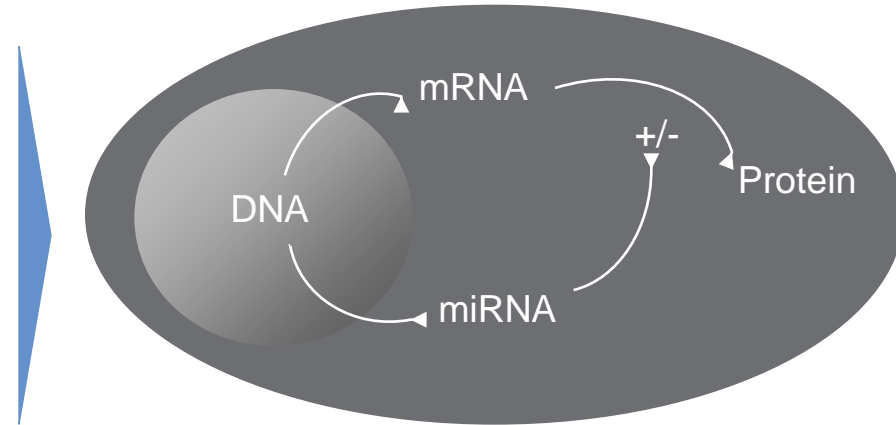
## Proprietary LNA™ detection platform drives results



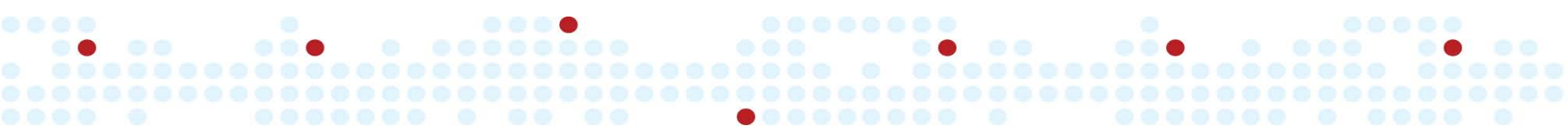
## miRNAs are biomarkers used for new molecular diagnostics

### miRNA advantage

- Stable in tissue and blood
- Associated with cancer and other diseases (demonstrated in altered expression profiles)
- Involved in cell cycle control and apoptosis, physiological processes, tissue differentiation, and maintenance of identity



MicroRNA are key regulatory components

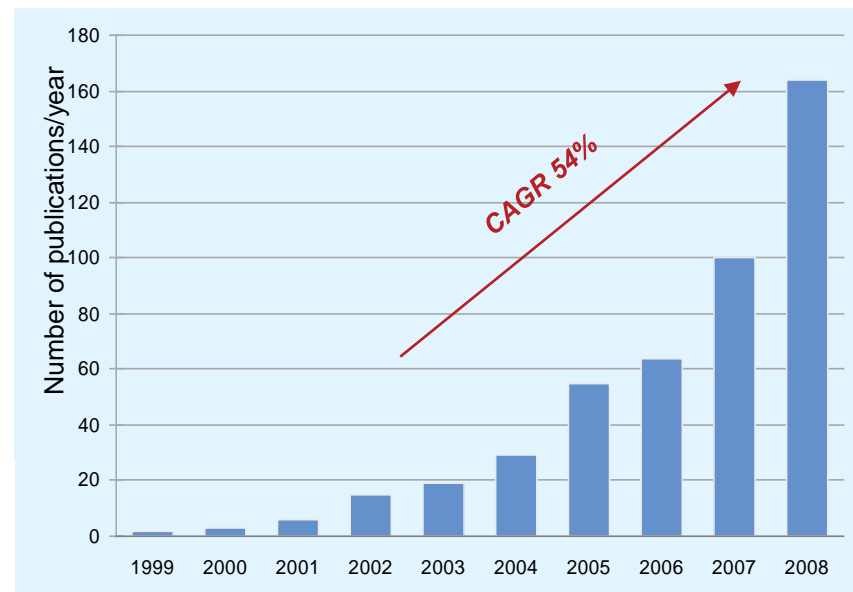


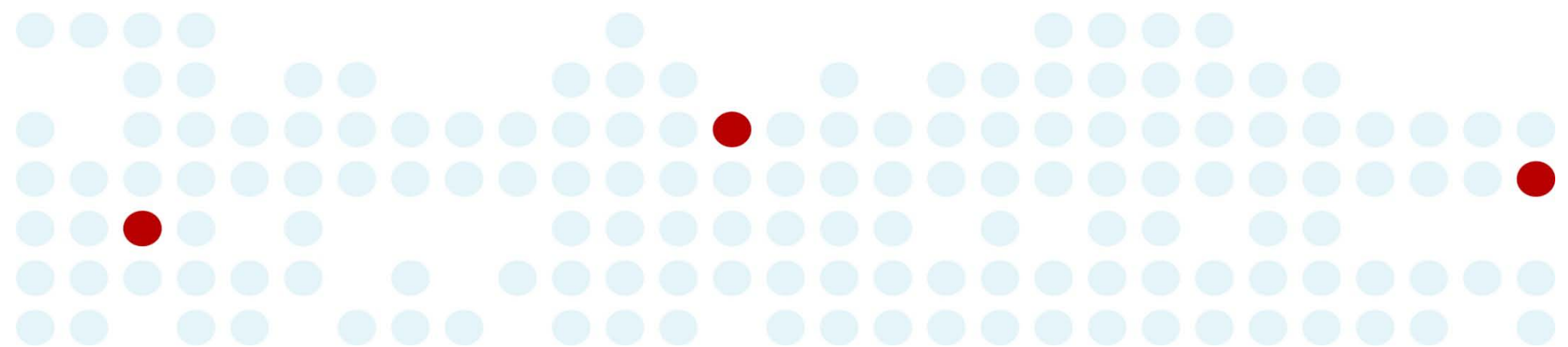
## The combination of LNA™ and miRNA is ideal for molecular diagnostics

### LNA™ adds value to biomarker analyses

- Increased sensitivity
- Increased specificity
- Enhances the robustness of tests
- Enables pathology tests based on miRNA biomarkers
- Preferred qPCR Dx technology is enhanced by LNA™
- LNA™ enhances miRNA detection in FFPE and serum

### Number of LNA™ publications (based on Highwire)



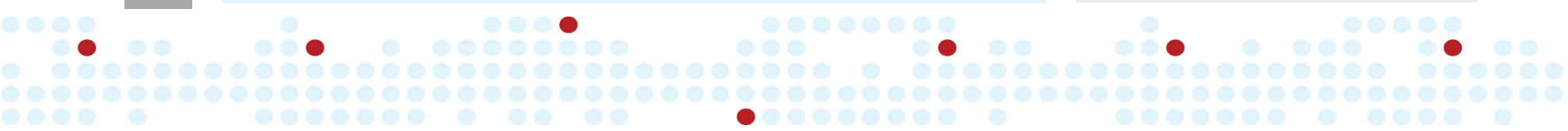


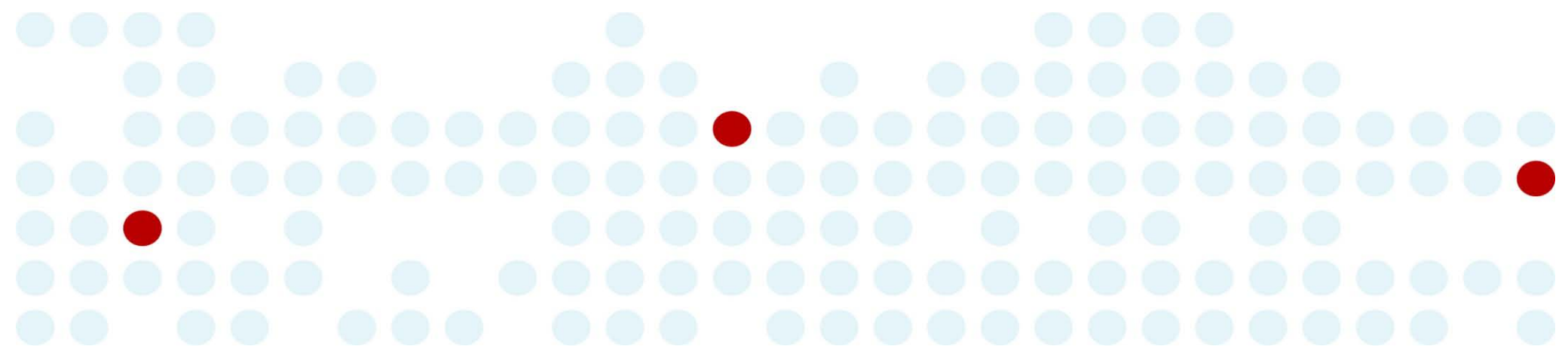
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## Life Sciences and Diagnostics

	<b>EXIQON</b> Life Sciences	<b>EXIQON</b> Diagnostics
	<b>Sub segment: basic research</b>	<b>Sub segment: clinical research</b>
Comp.	<ul style="list-style-type: none"> <li>Competitors: Agilent, Life Tech, Affymetrix and Qiagen</li> </ul>	<ul style="list-style-type: none"> <li>Competitors: Life Tech and Qiagen</li> </ul>
Exiqon adv.	<ul style="list-style-type: none"> <li>Only Life Tech and Qiagen offer as broad product portfolio as Exiqon</li> </ul>	<ul style="list-style-type: none"> <li>Exiqon is the only company offering <i>in situ</i> and qPCR products</li> </ul>
Go to market	<ul style="list-style-type: none"> <li>Market access through own sales force &amp; distributors</li> <li>Year of market entrance: 2005</li> </ul>	<ul style="list-style-type: none"> <li>Market access through own sales force &amp; distributors</li> <li>Year of market entrance: 2010</li> </ul>
Exiqon products	<ul style="list-style-type: none"> <li>Array product offerings</li> <li>KD product offerings</li> <li>Custom oligonucleotides</li> <li><i>In situ</i> product offerings</li> <li>qPCR product offerings</li> </ul>	<ul style="list-style-type: none"> <li>To be marketed through partner</li> <li>Year of market entrance: 2012</li> <li>IP/technology platform</li> <li>IP/technology platform</li> </ul>



- 
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## Market opportunity: miRNA research

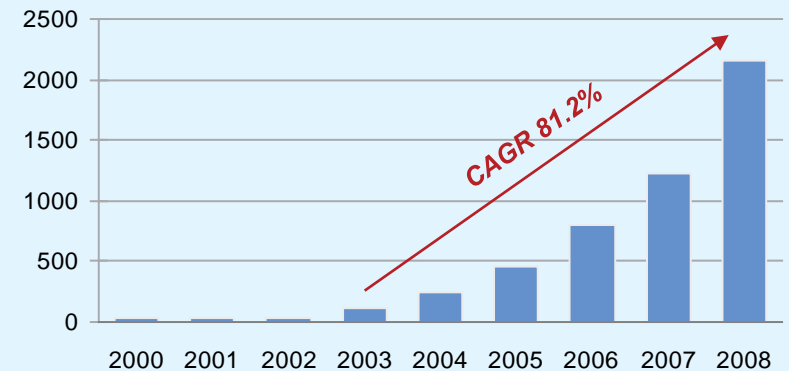
### Need for biological insight drives market for research products

- **Growing need for nucleic acid analysis since the sequencing of the human genome in 2003**
  - Over 2,000 publication references to miRNA in 2008 – 5.0x increase since 2005
  - The market for miRNA research products is expected to grow at 30-40% exceeding other segments
- **miRNAs “fit the bill” of a promising biological marker**

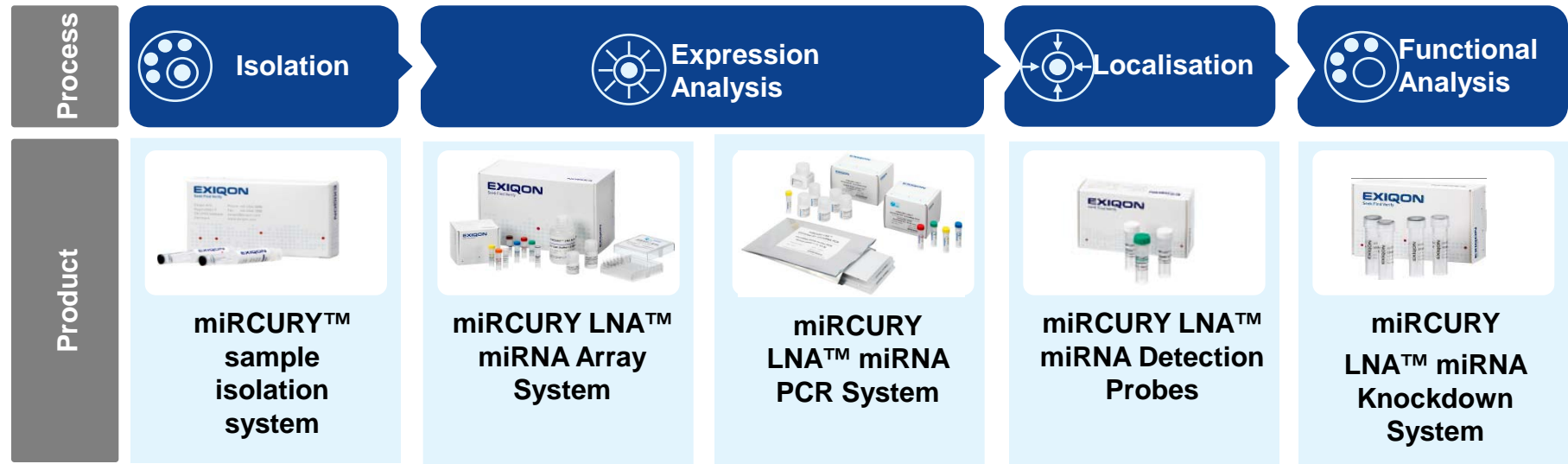
### Broad application of miRNAs

- Diagnosis; early detection
- Prognosis/recurrence
- Drug resistance/sensitivity
- Treatment response
- Therapy

### Number of miRNA publications



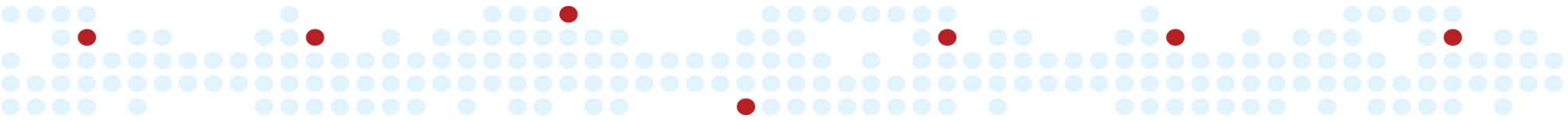
## Established market leader (one-stop shop) for miRNA research

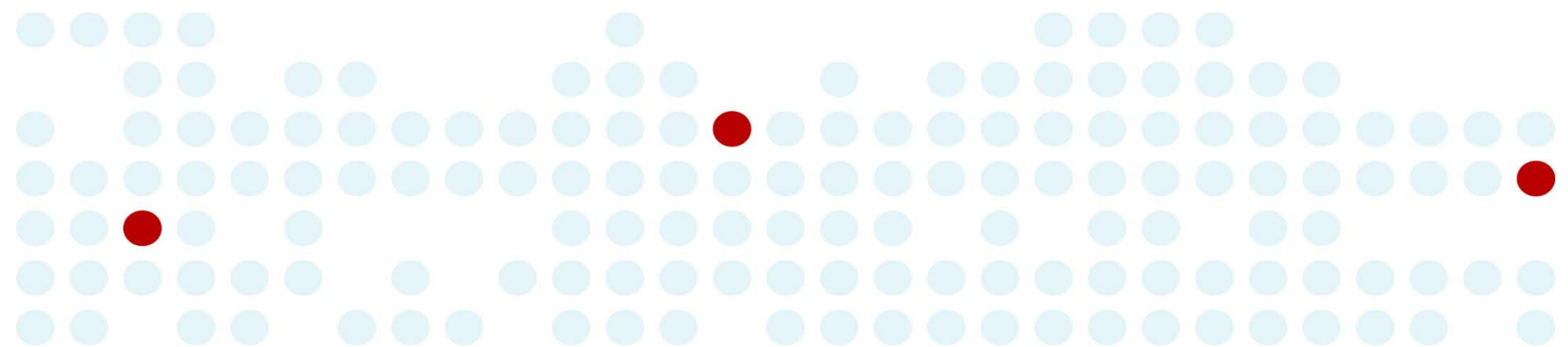


### miRNA market shares\*

Market shares	miRNA market	Expression analysis	Localization	Functional analysis
	<ul style="list-style-type: none"> <li>● Exiqon: 24%</li> <li>● Others: 76%</li> </ul>	<ul style="list-style-type: none"> <li>● Exiqon: 16%</li> <li>● Others: 84%</li> </ul>	<ul style="list-style-type: none"> <li>● Exiqon: 100%</li> <li>● Others: 0%</li> </ul>	<ul style="list-style-type: none"> <li>● Exiqon: 30%</li> <li>● Others: 70%</li> </ul>

\*The analysis is based on 103 peer-reviewed scientific articles on miRNA published in November 2009



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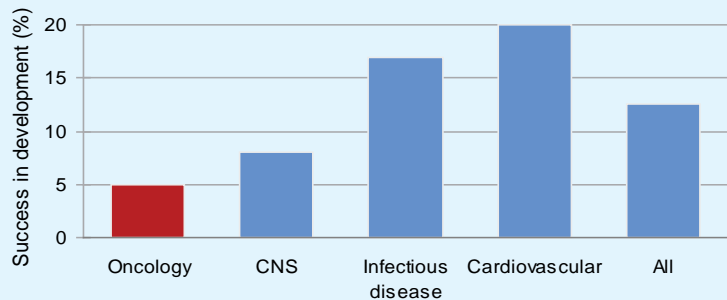
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## Market opportunity; Pharma collaboration & molecular diagnostics

### Increased healthcare costs drive new paradigm

- Drug development based on “trial and error” is costly with only 5% success rate in oncology
- Need for better biological insight to improve cost and effect
- Only 30% of the patients benefit from the treatment they receive: USD 8.4 billion are spent without effect.

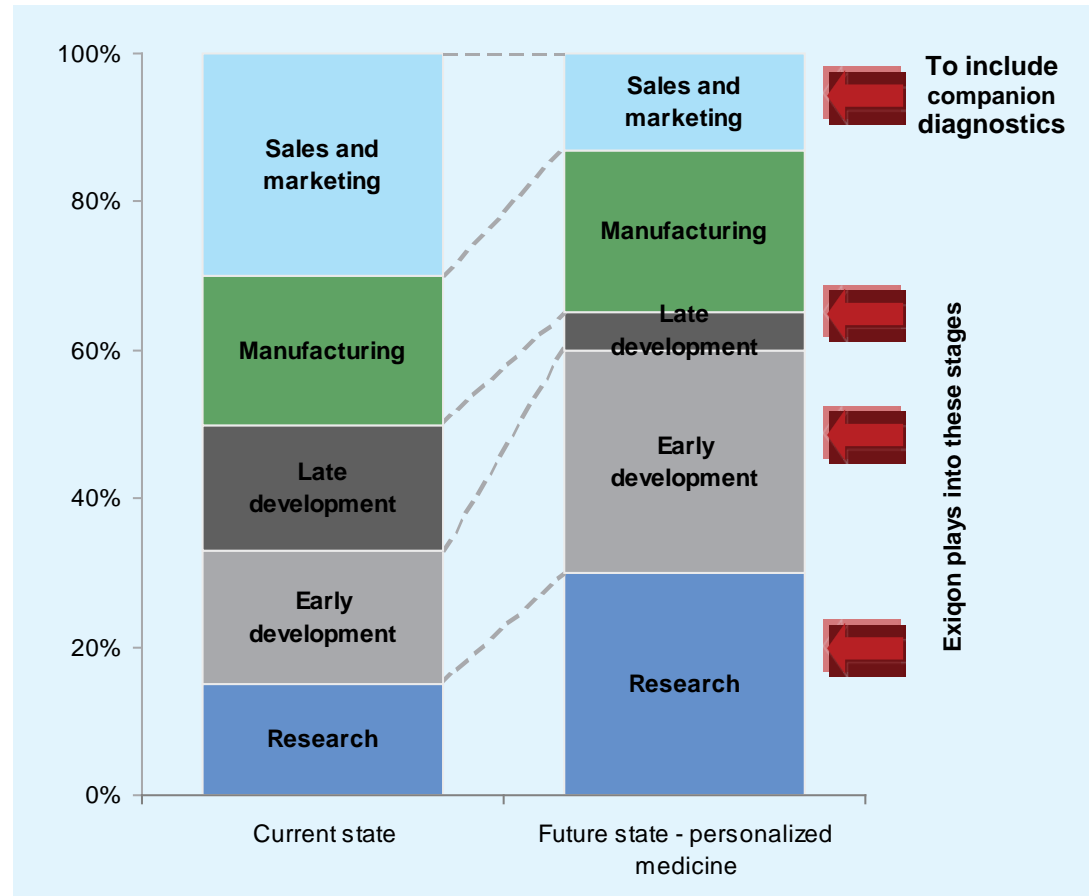
<sup>1</sup> Keenan. Health Affairs 2008; 27:145-155



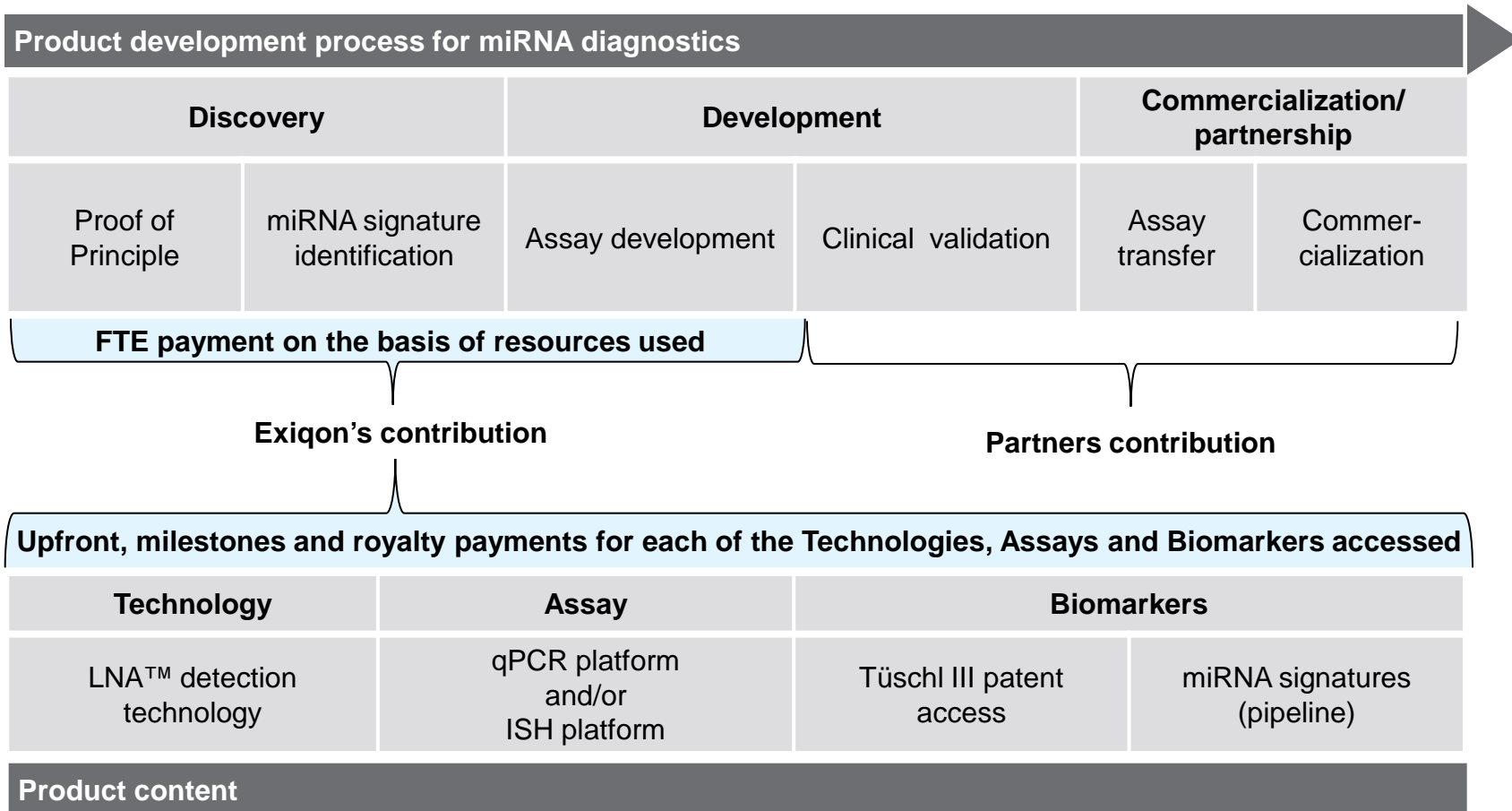
Source: Kola & Landis J. Nature Rev. Drug Discov. 2004, 3:711-715

Source: Ernst & Young, Beyond Borders – Global Biotechnology Report, 2008

### Paradigm shift in drug development



## Exiqon Diagnostics: Partnering strategy to capitalize on miRNA capabilities



## Exiqon Diagnostics: Pipeline of projects for partnering and status

### Product content (enhanced competitive miRNA diagnostics )

Technology	Assay	Biomarkers	
LNA™ detection technology	qPCR platform and/or ISH platform	Tüschi III patent access	miRNA signatures (pipeline)

### Pipeline summary (partnering projects )

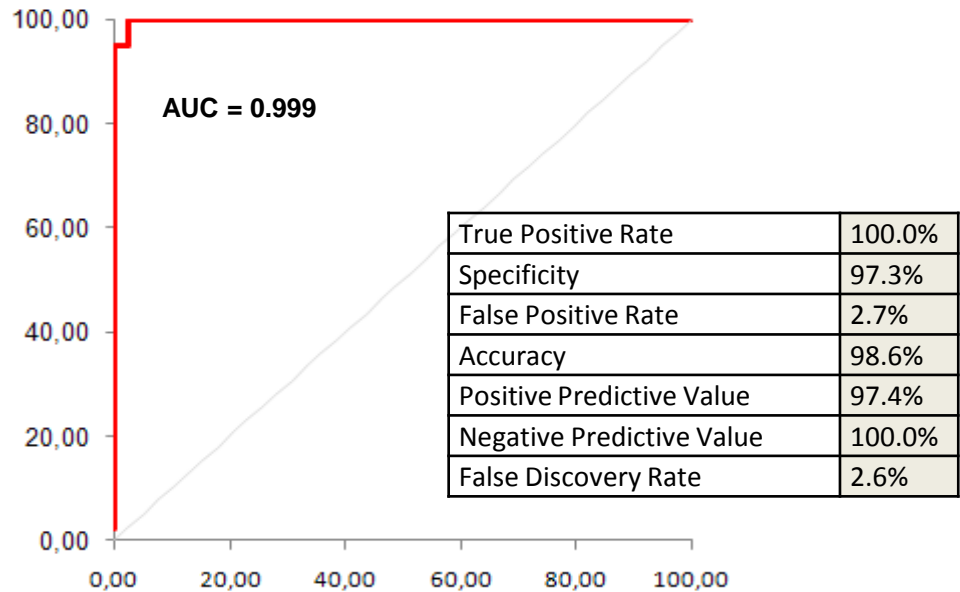
Cancer	Product	Available platforms	IP	Status
<b>Cancer vs. non-cancer (colon)</b>	miRSign RUO	qPCR	LNA™ /Tüschi III	Clinical validation/partner
<b>Colon</b>	Recurrence	qPCR/ISH	LNA™ /Tüschi III	Clinical validation/partner
	Diagnosis (blood)	qPCR	LNA™ /Tüschi III	Clinical proof of concept
<b>CUP</b>	Tissue identifier	qPCR/ISH	LNA™ /Tüschi III	Various specific applications being investigated with pharma
		qPCR/ISH	LNA™ /Tüschi III	

## miRSign (RUO); colon cancer screening product

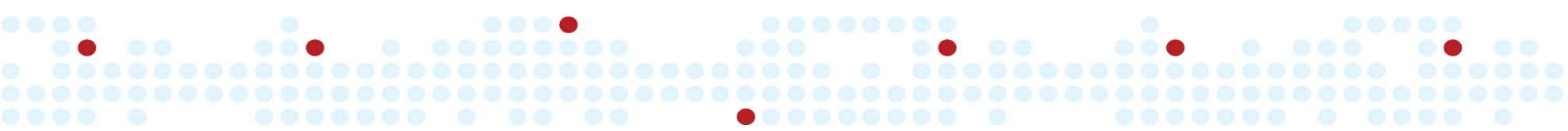
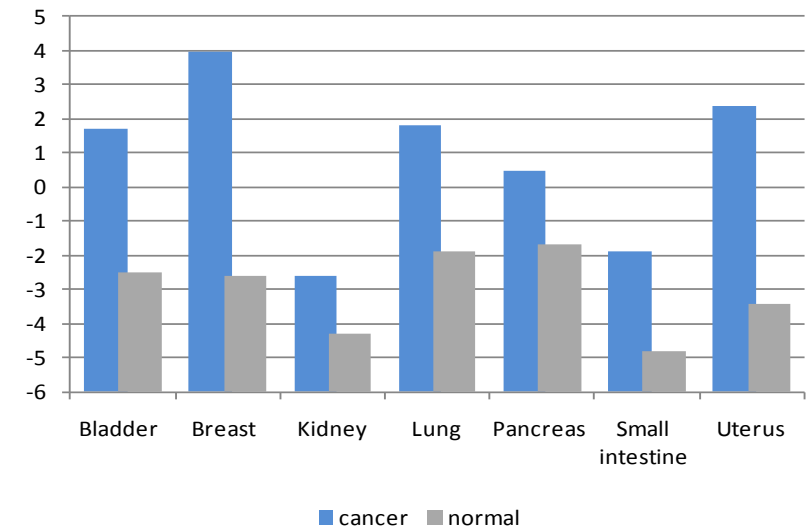
Cancer	Product	Status	Incidences in the U.S.
Cancer vs. non-cancer	miRSign RUO	Clinical scope may be expanded with partner	If screening then in the hundred of thousands of samples

### High sensitivity and specificity

Normal vs. cancer in colon



### Potential in other tumors



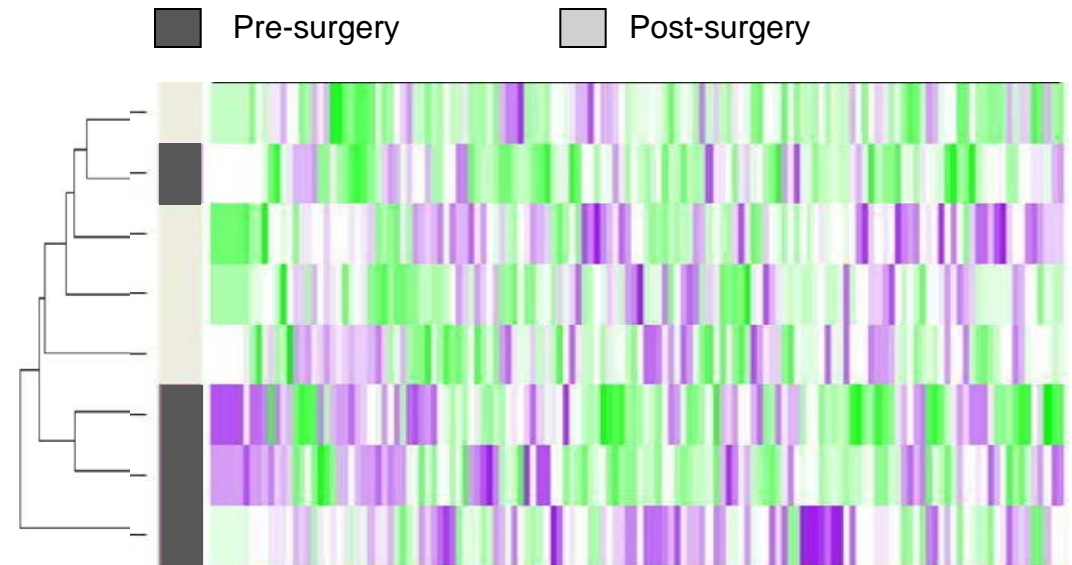
## Colon cancer: Recurrence & early detection (circulating miRNAs)

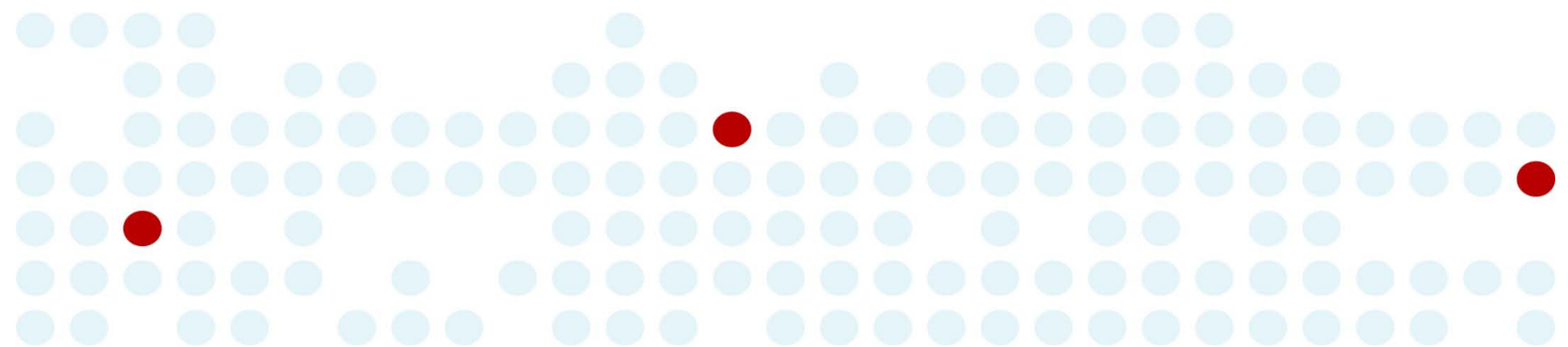
Cancer	Product	Status	Incidences in the U.S.
Colon	Recurrence	Clinical validation/partner	26,000
	Diagnosis (early detection in blood)	Clinical proof of concept	Screening

### Product development

- Biomarker being developed with leading university hospitals
- 10,000 relevant blood samples available

### Clustering of patients pre and post colon cancer surgery (preliminary). Based on miRNAs circulating in blood



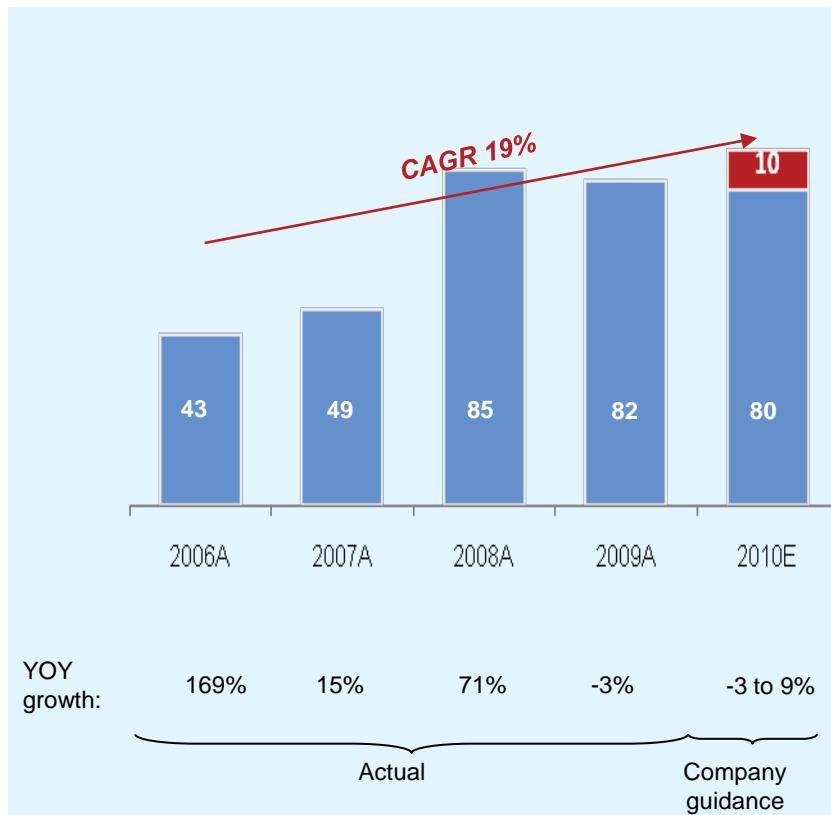


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## Strong financial performance (excluding discontinued operations)

### Exiqon revenues (DKK millions)



### Key commentary

#### Recent news flow/events

- **Oct-09:** Launched qPCR product series with strong potential
- **Dec-09:** Announced plan to divest Oncotech
- **May-10:** First quarter results:
  - Revenue of DKK 20.7 million; 29% increase (DKK 16.0 million)
  - Research product sales increased 45%
  - Total operating expenses decreased 30% to DKK 21.9m
  - EBIT increased 59% to DKK -10.8 million (DKK - 26.2 million).

#### 2010 announced financial targets

- LS - DKK 80-90 million sales (USD \$15-\$17mm<sup>1</sup>)
- 25% growth on own Life Sciences product sales
- Cash-flow positive Life Sciences segment from 2010

<sup>1</sup> Based on an USD/DKK exchange rate of 5,25

■ As per the company Annual Report 2009 released February 15, 2010; CAGR reflects mid-point of the range

## Q1 2010 Highlights

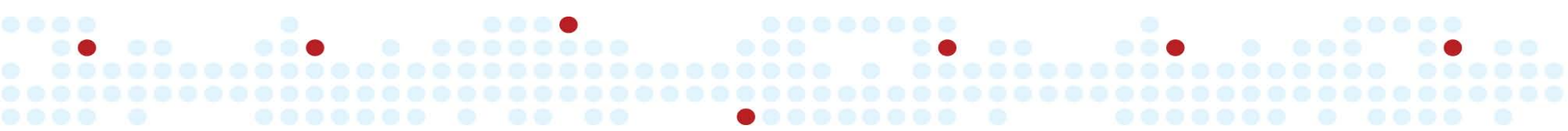
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### Off to a good start:

- Record revenues and strong organic growth on top of significantly improved gross margins and overall reduced costs set the tone for Q1 2010

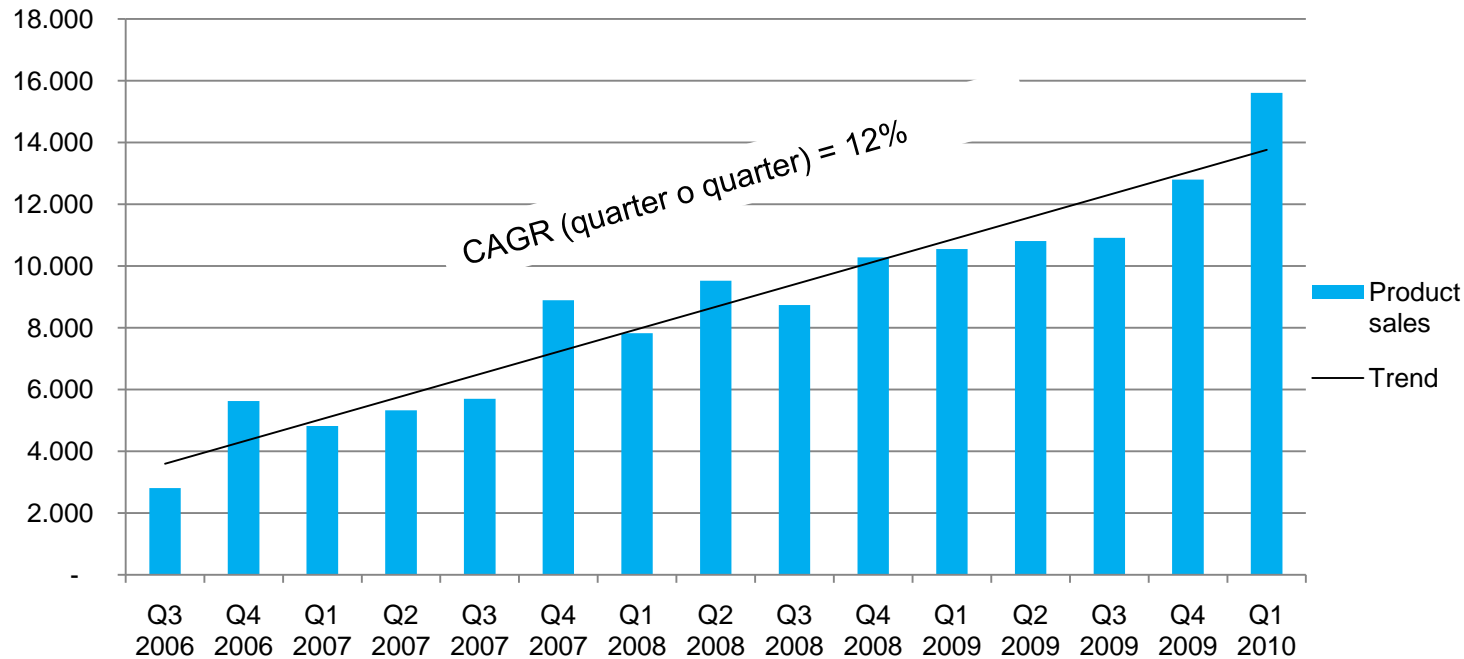
### Financial effect of the 2009 restructuring is showing:

- Revenue of DKK 20.7 million; 29% increase (DKK 16.0 million)
- Operating expenses decreased 30% to DKK 21.9 million (DKK 31.3 million).
- Gross profit improved 118% to DKK 11.1 million (DKK 5.1 million).
- EBIT increased 59% to DKK -10.8 million (DKK - 26.2 million).
- Net result from continued operations of DKK -11.8 million (DKK -25 million)
- EPS amounted to DKK -0.37 per share from continued operations (DKK -0.84 per share)
- FY Guidance maintained: DKK 80-90 mill in revenue



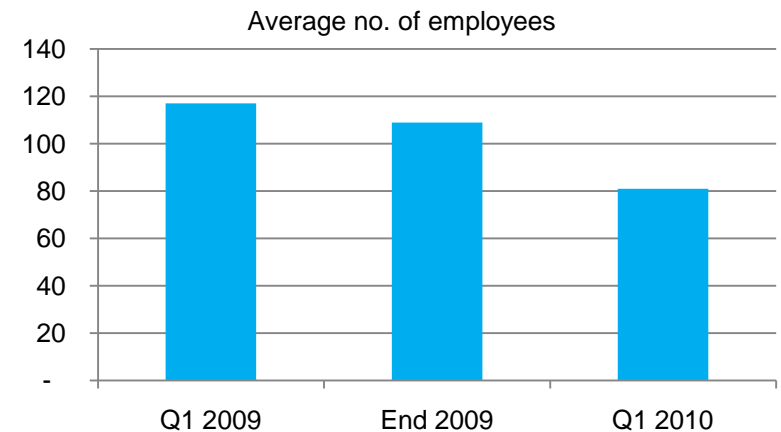
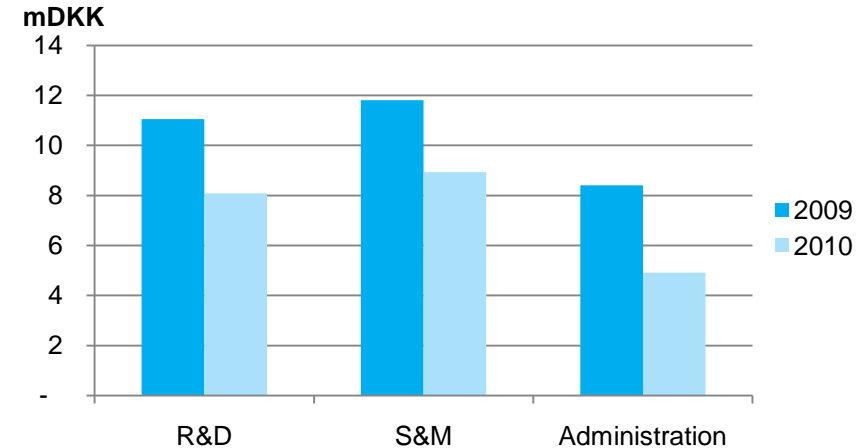
## Q1 2010 Highlights – continued strong revenue growth

- Revenue increased 29% to DKK 20.7 million (31% growth when excluding currency impact)
  - Research product sales increased 45%, when excluding one-time reagent sales associated with OEM agreement (47% growth when excluding currency impact)
  - Quarterly growth of more than 12% over the last 15 consecutive quarters
  - Growth in 2010 driven by unique new PCR product launched in Q4 2009 for analysis of miRNA in blood (serum/plasma) **tDKK**



## Q1 2010 Highlights – significantly reduced cost-base

- Total operating expenses decreased 30% to DKK 21.9m
  - Restructuring of Exiqon Life Sciences in 2009 impacts the numbers significantly
  - Gross profit improved 118% to DKK 11m
  - Gross margin increased to 53.8% from 31.6%
  - R&D costs (net) decreased 26% to DKK 8m
  - Administrative costs (net) decreased 34% to DKK 5m
  - Sales and marketing costs (net) decreased 23% to DKK 9m



## Exiqon – News flow and value drivers 2010 and beyond

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Life Sciences

- Continued strong organic growth – above peers
- New qPCR and ISH products
- Strategic collaborations
- License grant(s)

**Cash flow positive segment**

- Strategic collaborations

**Profitability**

- Margins: 65-70%
- R&D costs : 15% of revenue
- SG&A costs : 30% of revenue

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Diagnostics

- Publish data on early detection of colon cancer by miRNAs in blood
- Leverage the potential of the new UniRT qPCR products in blood based diagnostics
- License grant(s)
- Partnerships

**Partner within diagnostic**

- Expand on existing partnerships and establish new partnerships with pharma and diagnostic industries

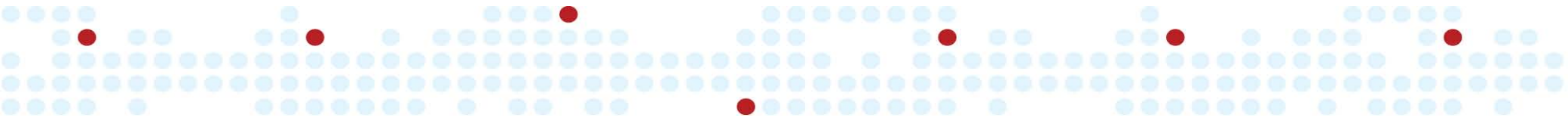
**Profitability**

- Early detection miRNA blood test (Colon)
- Focus on IVD potential

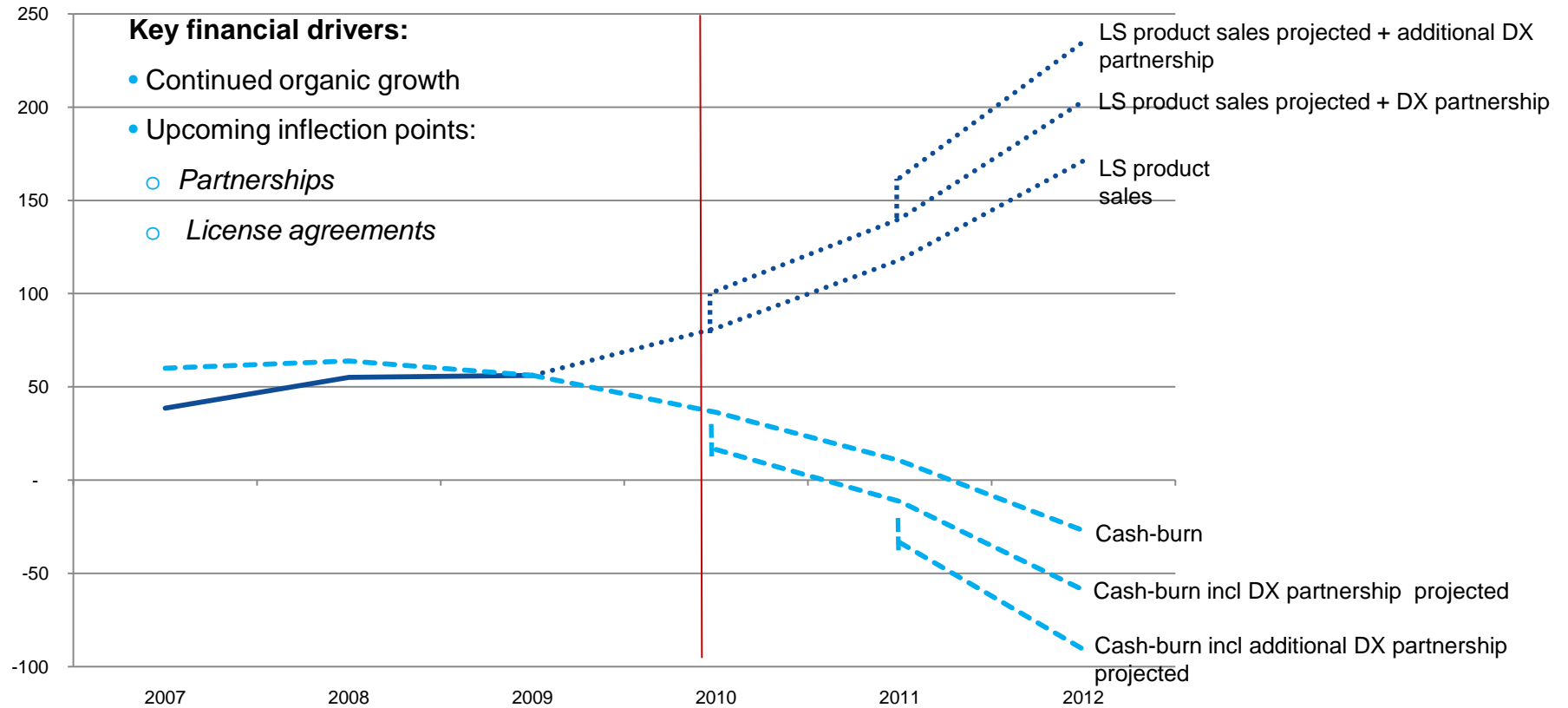
2010

2011

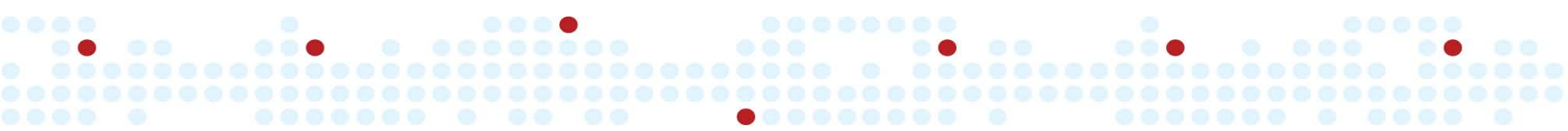
2012+

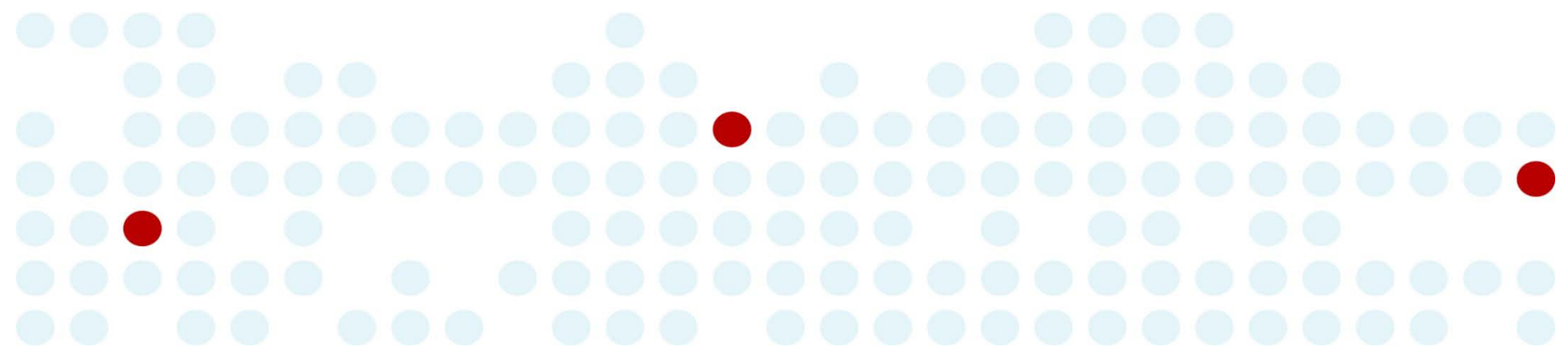


## Beyond 2010 - the potential



- Revenue projected forward with an annual growth rate of 45%
- Direct margin Q1 2010 projected forward for Q2 2010 to Q4 2012
- Costbase Q1 2010 projected forward for Q2 2010 to Q4 2012





Thank you for your attention

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## Peer analysis (% organic growth Q1, 2010 over Q1, 2009)

