

EXIQON

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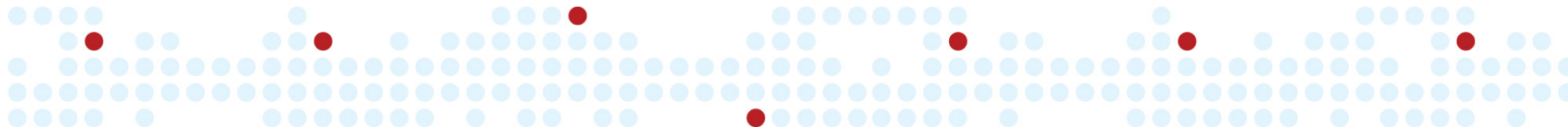
May, 2008

Lars Kongsbak, CEO

Hans Henrik Chrois Christensen, CFO

Forward looking statements

This presentation contains forward looking statements. The words “believe”, “expect”, “anticipate”, “intend”, “will”, “may”, “would”, “could” and “plan” and similar expressions identify forward looking statements. All statements other than statements of historical facts included in this presentation, including, without limitation, those regarding our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our products), are forward looking statements. Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance, achievements to be materially different from any future results, performance, or achievements expressed or implied by such forward looking statements. Such forward looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. The important factors that could cause our actual results, performance or achievements to differ materially from those in the forward looking statements include, among others, risks associated with product development and commercialization, the unenforceability or lack of protection of our patents and proprietary rights, uncertainties related to product manufacturing and supply chain, the lack of market acceptance of our products, our ability to manage growth, the competitive environment in relation to our business area and markets, our ability to attract and retain suitably qualified personnel, our relationships with third parties, changes and developments in technology and third party’s intellectual property rights which our products may become dependant upon, and other factors. Further, certain forward looking statements are based upon assumptions of future events which may not prove to be accurate. The forward looking statements in this document speak only as at the date of this presentation.



Present from Exiqon



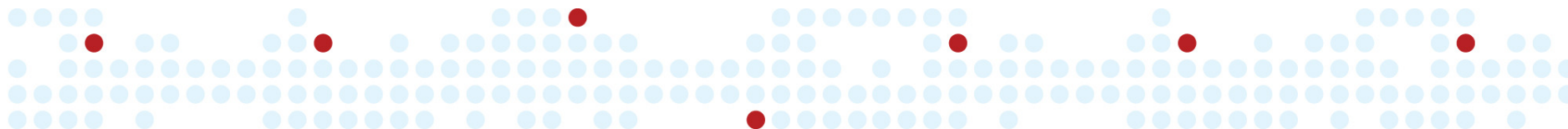
- **Lars Kongsbak, CEO**

M.Sc. in Biology from the University of Copenhagen (1988), PhD in Molecular Biology from the Technical University of Denmark (1990), was appointed as CEO in 2003. Before joining Exiqon, Lars Kongsbak served as Senior Scientist (discovery & product development) with Novozymes, Novo Nordisk and BiImage, respectively.



- **Hans Henrik Chrois Christensen, CFO**

LLM from the University of Copenhagen (1990), attorney-at-law (1993), joined Exiqon as CFO on January 1, 2007 from a similar position with OMX-listed Pharmexa A/S. Has a background as a group general counsel with Danisco A/S and as attorney with Dragsted & Helmer Nielsen law firm, Copenhagen.



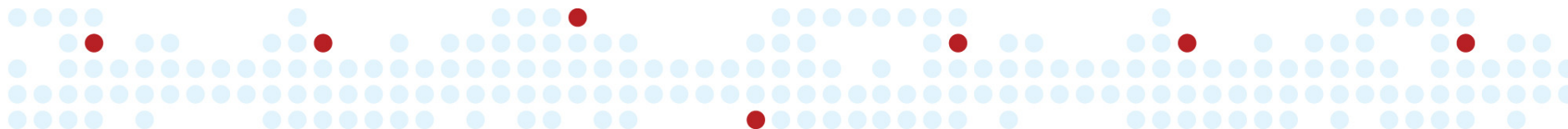
Better use of existing medicine is "low hanging fruit "

Cancer treatment today

- More than 150 drugs have been approved by FDA for cancer treatment for even more indications
- Oncologists administer more than 600,000 chemotherapies annually in the U.S. alone but only 30% benefit from the prescribed drug
- In the US, USD 8.4 bn in annual drug costs are associated with non-responding chemotherapy

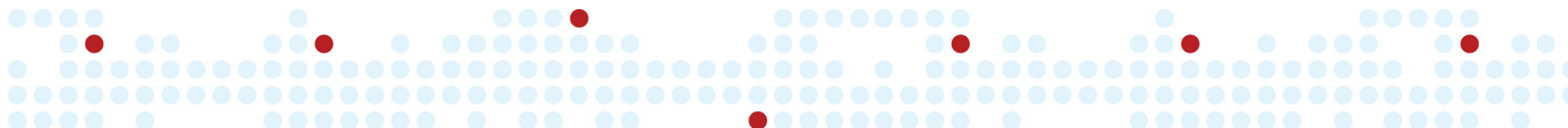
Exiqon can change the paradigm of cancer treatment

- By securing better use of existing drugs
- Through new molecular diagnostic products for treatment selection
- Immediate and significant benefit to patients and healthcare cost



Exiqon's investment case

- Exiqon addresses the large unmet medical need for disease management (initial focus on cancer)
- Molecular diagnostic products based on miRNA biomarkers can change the paradigm of cancer treatment selection
- Exiqon already has a leading market position
 - In cell based Extreme Drug Resistance testing (EDR); revenue in 2007 was USD 12 million through US based Oncotech, Inc.
 - In research products for miRNA and mRNA analysis; revenue in 2007 was USD 10 million
- Exiqon is uniquely positioned to capitalize on the trend towards personalized medicine
- Exiqon is publicly traded on NASDAQ OMX in Copenhagen (Small Cap+)



History

1995; Exiqon A/S was founded in Denmark

1997; Exiqon secured the exclusive rights to the LNA™ (Locked Nucleic Acid) technology

1999; Subsidiary founded to exploit therapeutic potential of the LNA™ technology

2003; Implemented the current strategy with focus on products based on LNA™ technology

2004; First LNA™ based research product launched

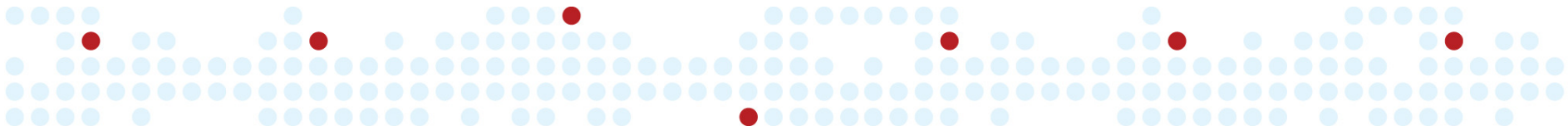
2005; Exiqon formed a strategic alliance with Roche

2006; Exiqon concluded license with Max-Planck-Innovation GmbH and The Rockefeller University

2006; Exiqon A/S established a subsidiary in the United States (Exiqon, Inc.)

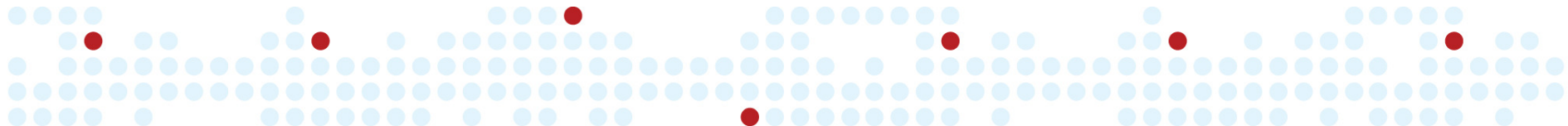
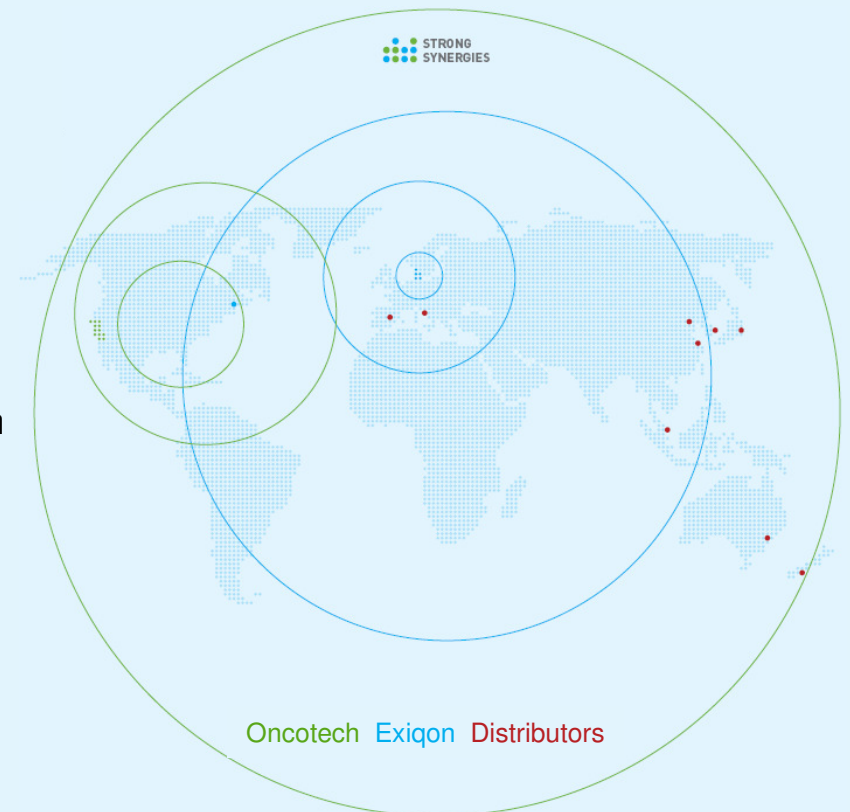
2007; Exiqon A/S was listed (May) on NASDAQ OMX Exchange in Copenhagen, Denmark

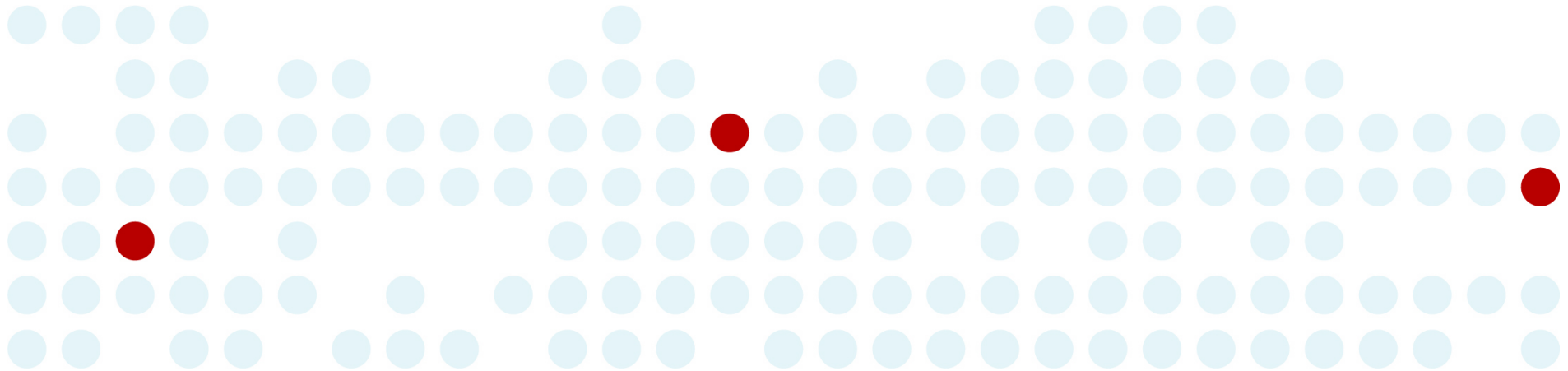
2008; Exiqon A/S acquired Onctotech, Inc. (a U.S. California based diagnostic company)



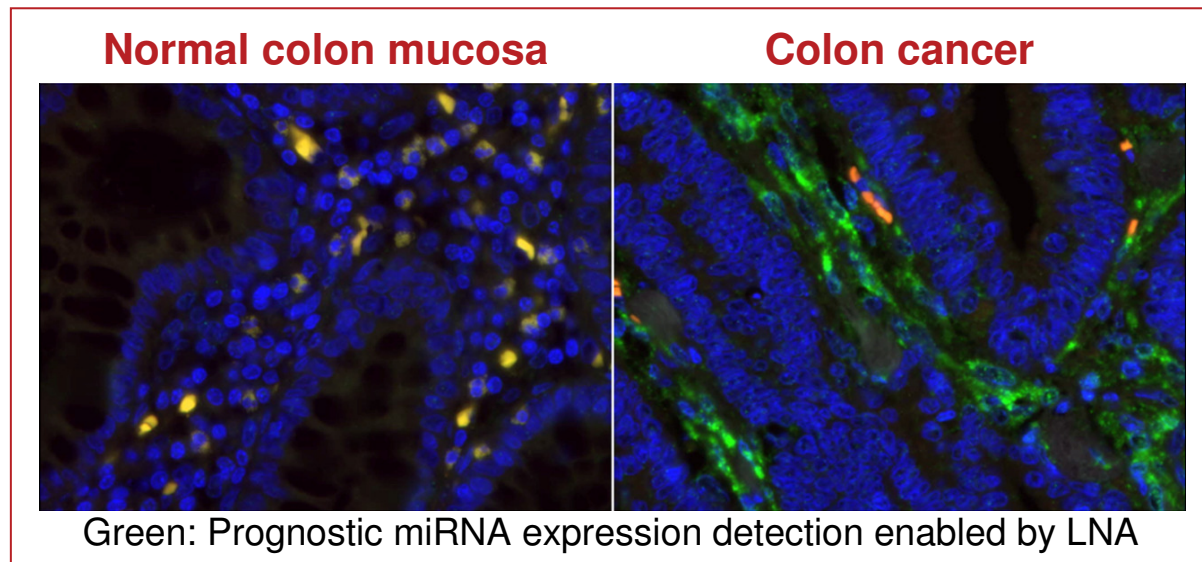
Business model

- Use proprietary miRNA biomarkers and LNA™ technology to develop, market and sell molecular diagnostic products for treatment selection (cancer) by leveraging current market leading position of Oncotech within cell based assays
- Use largest privately held human tissue bank (>150,000 tumor samples) for stratification of patients and development of companion products in partnership with the pharmaceutical industry
- Use proprietary LNA™ technology to be market leader in the field of research products for gene expression analysis (miRNA and mRNA)
- Own sales force and strong partnerships





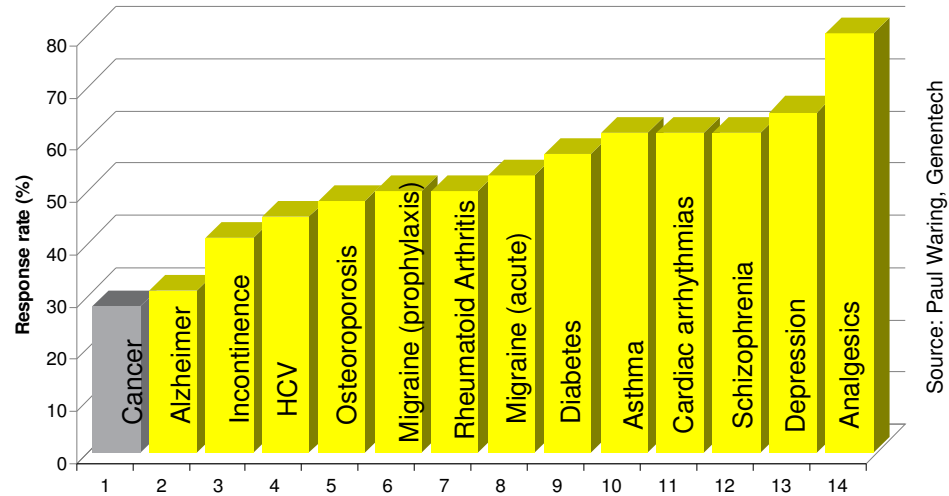
Diagnostic business



Large unmet medical need for treatment selection (cancer)

70% of cancer patients do not respond to chemotherapy

USD 8.4 bn in annual drug costs associated with non-responding chemotherapy



Objective

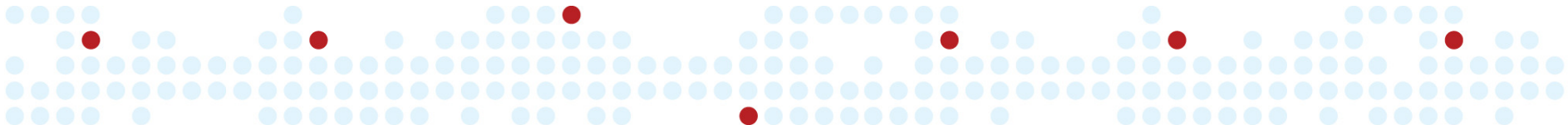
Be the leading oncology company in treatment selection, recurrence and prognostic tests

Strategy:

Provide products through CLIA laboratory (Oncotech, Inc., CA)

Tactic

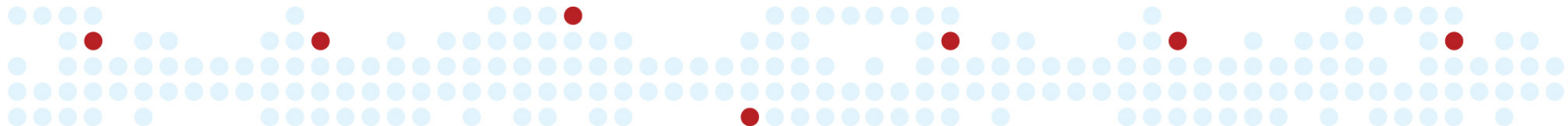
Update current cell based *in vitro* assays with molecular diagnostic tests based on miRNA



Unmet medical need represents significant market opportunity

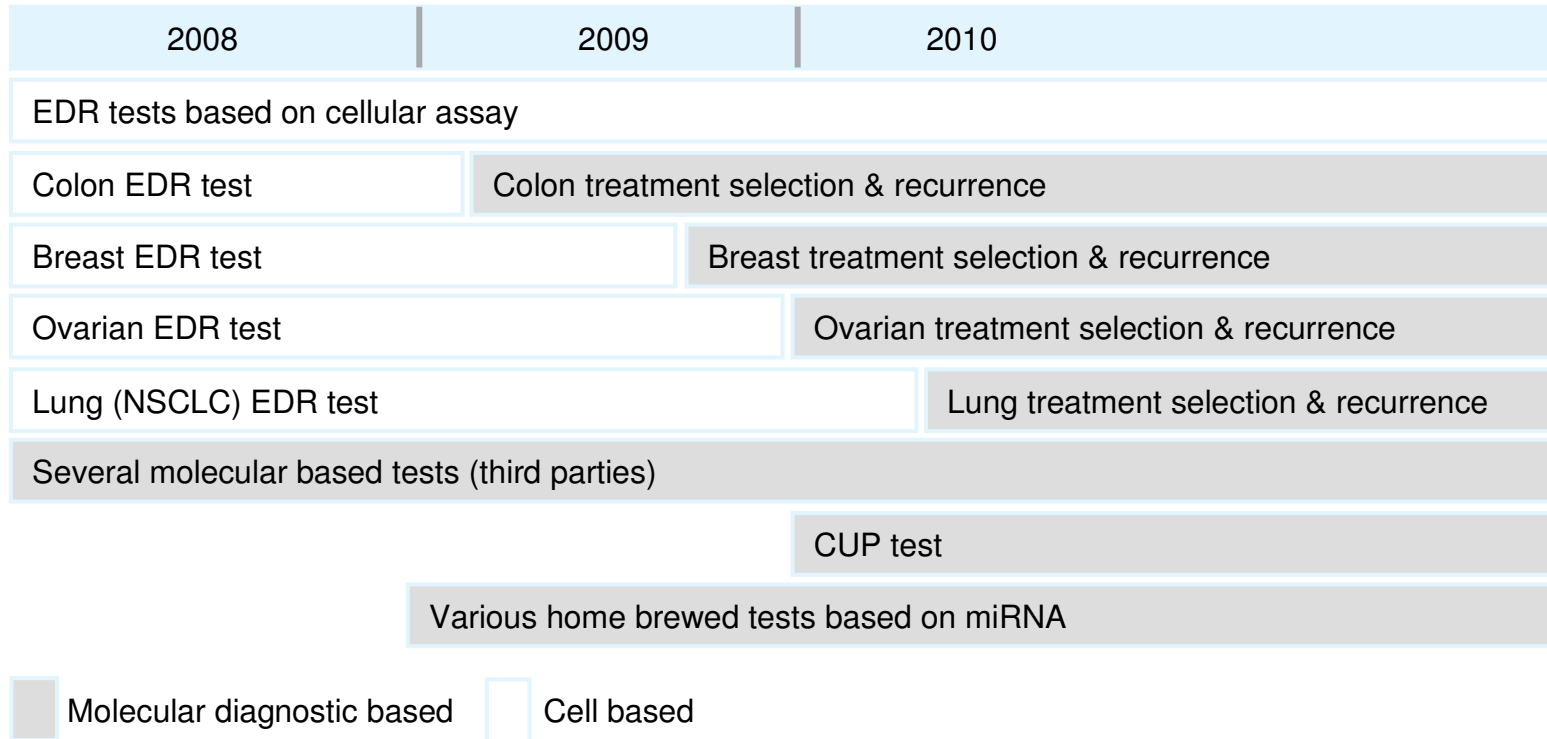
Molecular product (LNA™ & miRNA based)	Incidence (US)	Target patient population (EDR)	US market potential (mill USD)
Colon	112,340	61,600	209
NSCLC (lung)	170,704	102,000	347
Breast	180,510	72,204	245
Ovarian	22,430	20,187	69
CUP	72,246	32,000*	109
Total			979

Assuming USD 3,400 per test

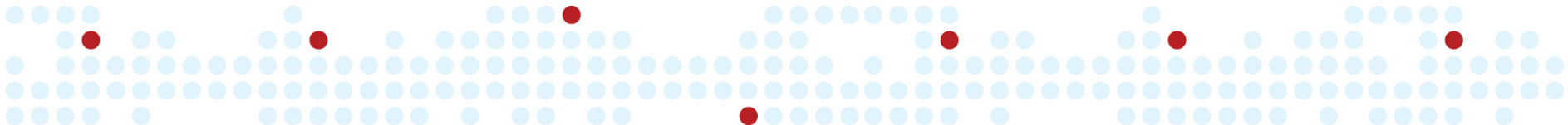


Focus on *In vitro* diagnostic products for treatment selection

Tactic: Oncotech's cell based EDR products will be upgraded to molecular diagnostic products

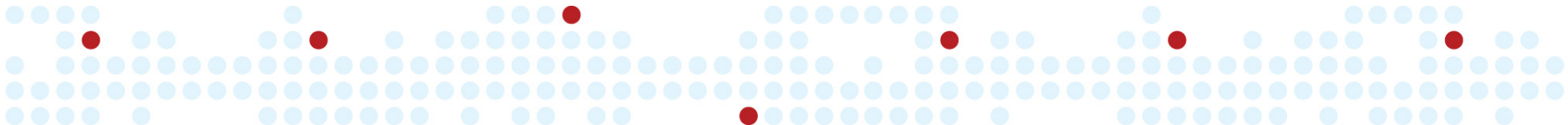
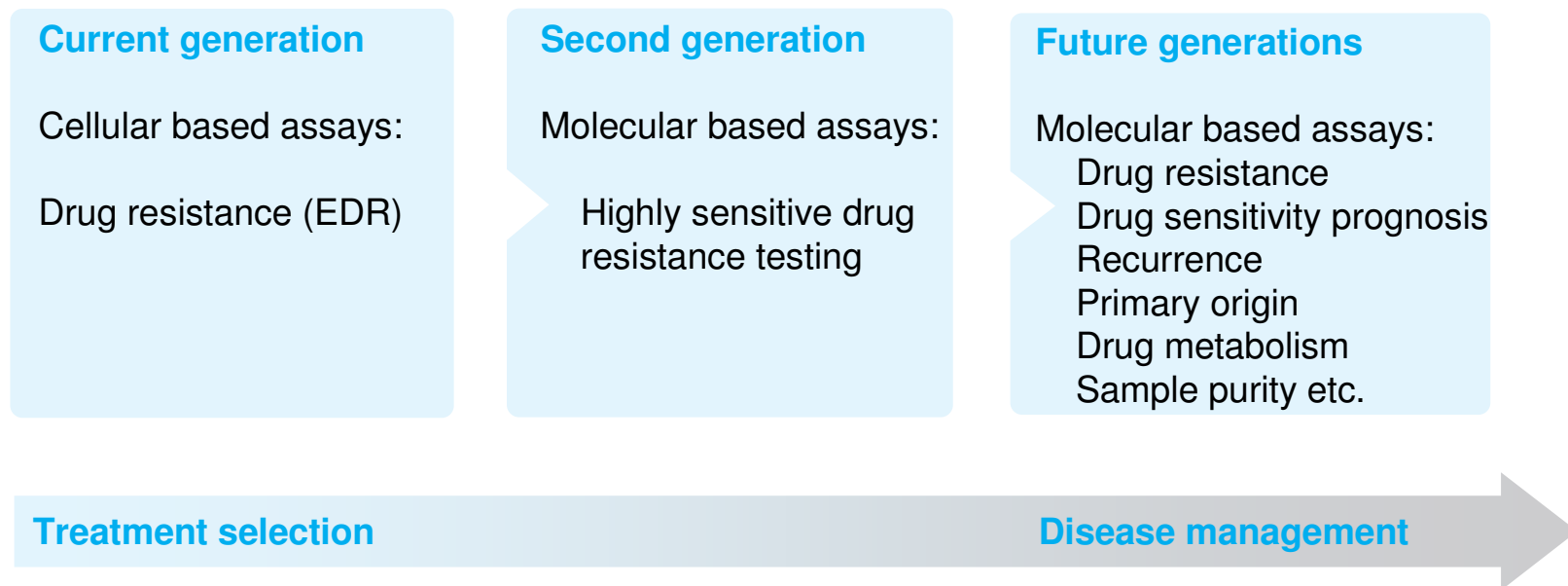


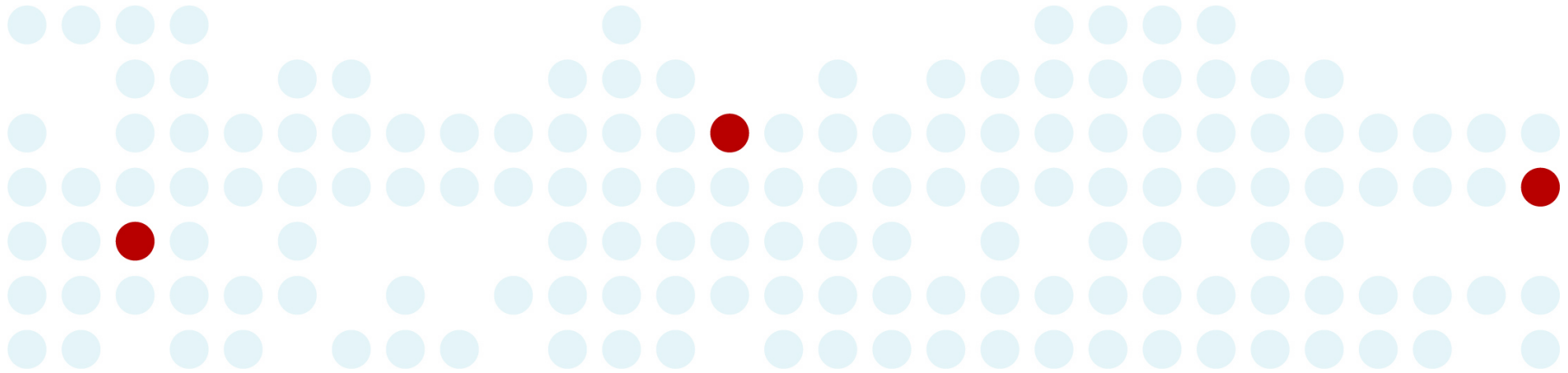
EDR: Extreme Drug Resistance; CUP: Cancer of Unknown Primary



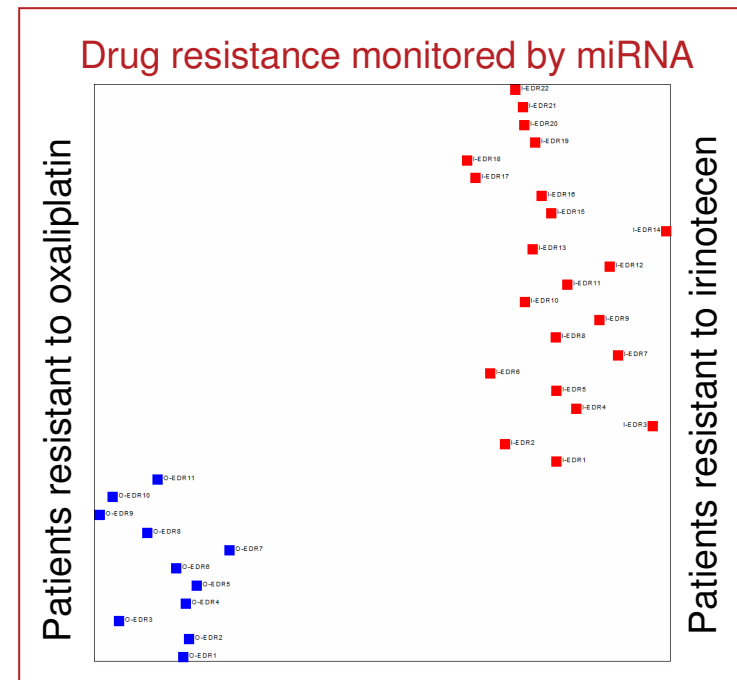
Molecular diagnostic products addresses need for treatment selection

- The use of FFPE samples will facilitate penetration through convenience
- Significantly increased sensitivity will increase market potential
- Turn around time is about 48 hours as opposed to 7 days will make test attractive





Pharma services



Large unmet need for improved drug development



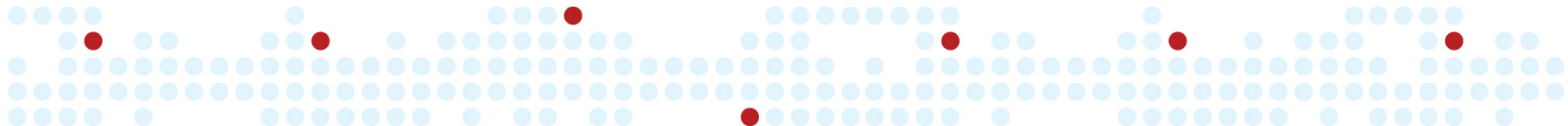
"One can say that, except for the very rare instance, Novartis' approach is that [unless] there is a drug with a really solid biomarker attached to it, we don't develop it," Robert Schmourer, executive director of translational medicine at Novartis, said at a Cambridge Healthtech Institute conference on translational medicine, held here last week.

Novartis peers Bristol-Myers Squibb, Wyeth, and Roche, among others, have similarly changed their R&D strategies and pharmacogenomic outlook.

Novartis is not alone in incorporating biomarkers into drug development and embracing the learn-and-confirm model. Encouraged by a willingness at the FDA to accept adaptive clinical trial designs, Novartis is following a larger shift within pharma toward more predictive drug-development strategies.

For instance, Bristol-Myers Squibb uses biomarkers and pharmacogenomics to expand the indications for existing oncologics [see [PGx Reporter 01-10-07](#)].

Also, Wyeth instated a learn-and-confirm model of its own last year, hoping that in two years the strategy will enable 75 percent of its drug program to have some kind of pharmacogenomic component.



Large unmet need to improve the cost of drug development

	Experimental design	With HER2 test	Without test
Savings in clinical trial costs ~ USD 35 million			
Income from 8 year acceleration of products ~ USD 2.5 bn			
Access to drug from acceleration ~ 120,000 patients			
	Number of patients	470	2200
	Response rate	50%	10%
	Years follow-up	1.6	10

Source: Press and Seeling, Targeted Medicine 2004.

Objective

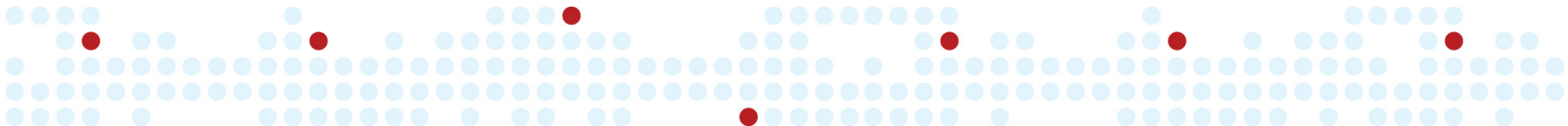
Become preferred partner for development of companion products

Strategy

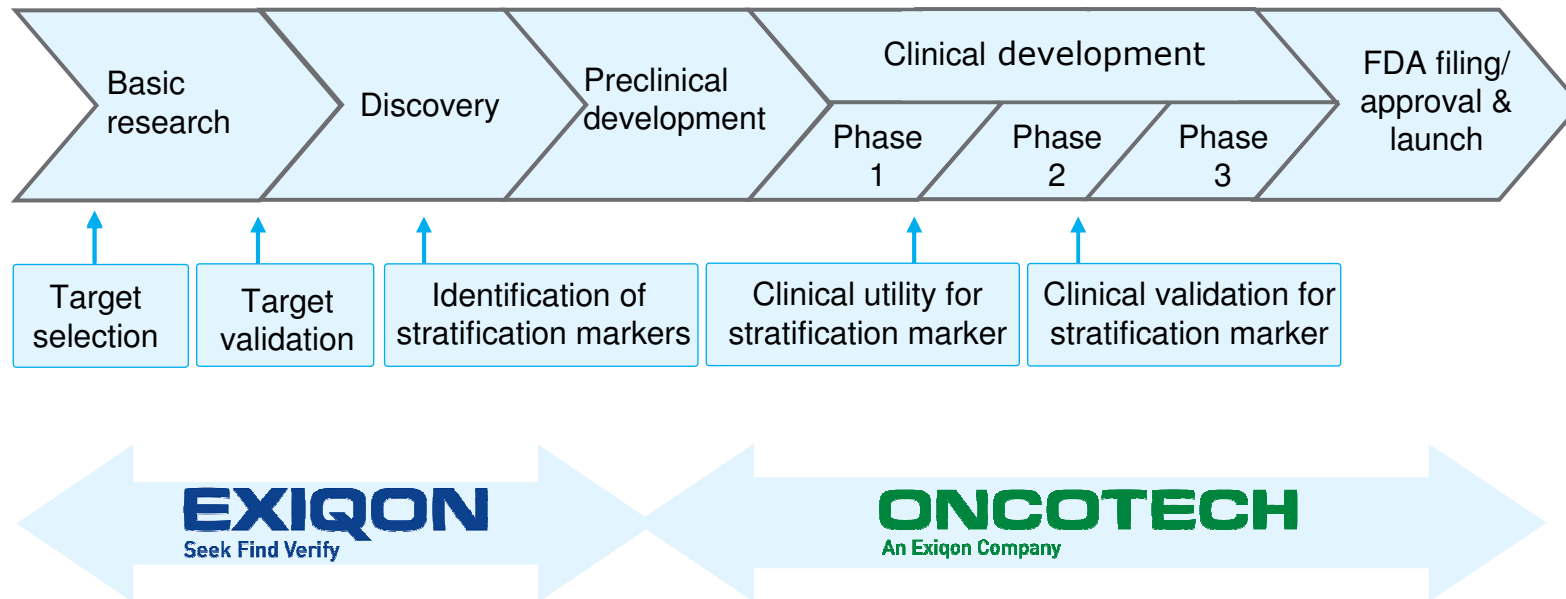
Provide stratification of patients through CLIA laboratory (Oncotech)

Tactic

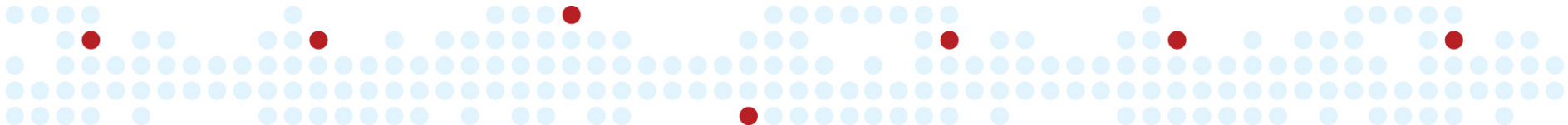
Use Oncotech's >150,000 cell bank, high throughput screening facility and proprietary miRNA

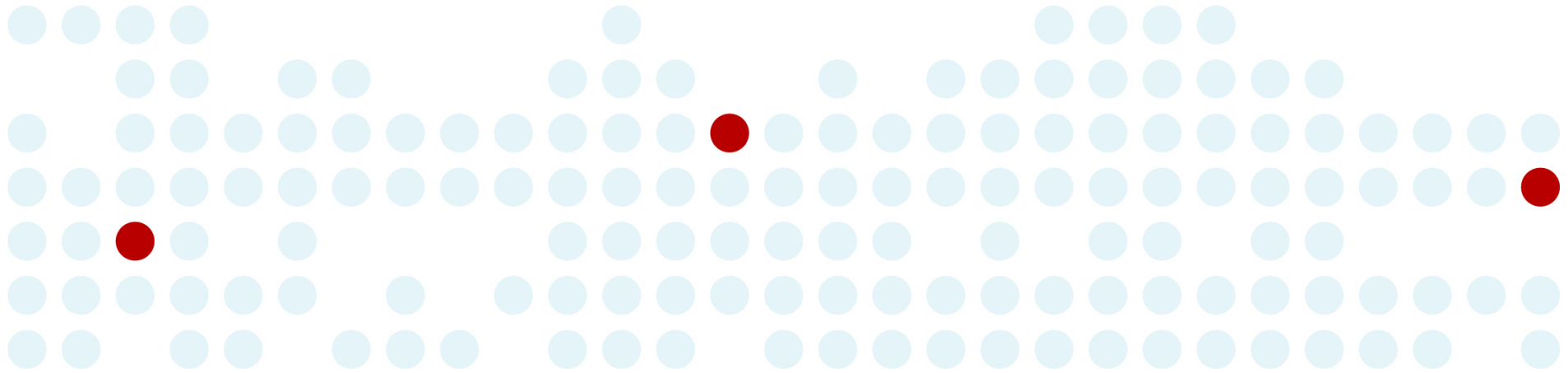


Exiqon is uniquely positioned to capitalize on personalized medicine trend



- Business unit "Pharma Services" to accommodate market needs
- Exiqon offers access to miRNA biomarkers and biobank (150,000 tumor samples)
- Exiqon is the only company to offer this including CLIA lab based services





Research business



Need for specific and sensitive miRNA and mRNA research products

Market segments (RNA analysis)	mRNA	miRNA
Market size (DKK mill)	6.000	120
Market growth	15-20%	80%
Business	Current (Research products)	Current (Research products)

Objective

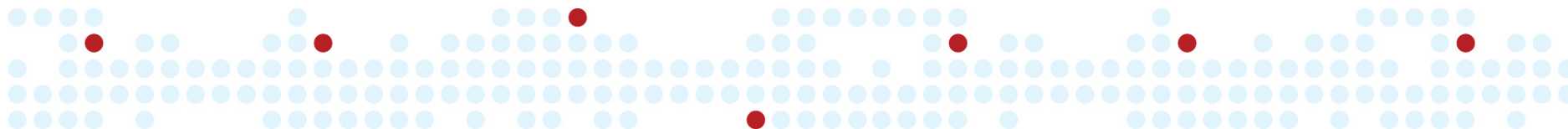
Become preferred supplier for miRNA research products

Strategy

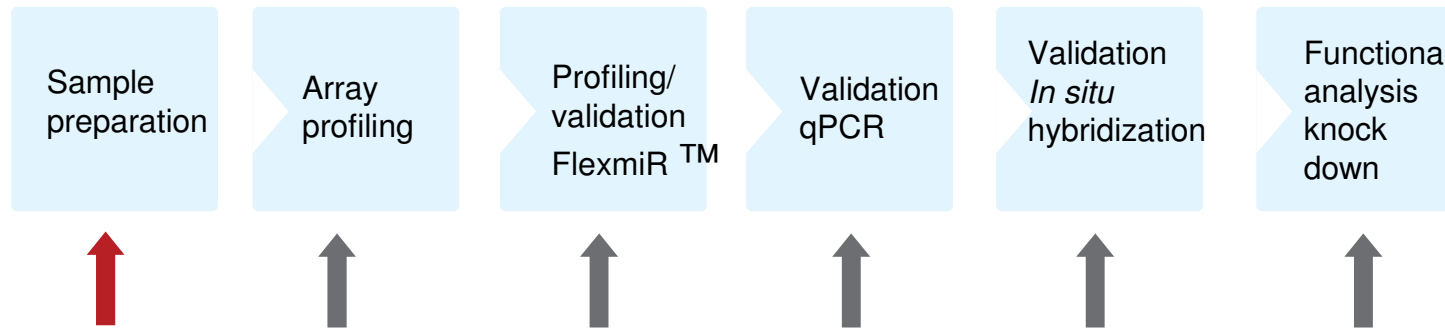
Be one stop supplier of miRNA research products

Tactic

Offer best research products for miRNA analysis (based on LNA™ technology)

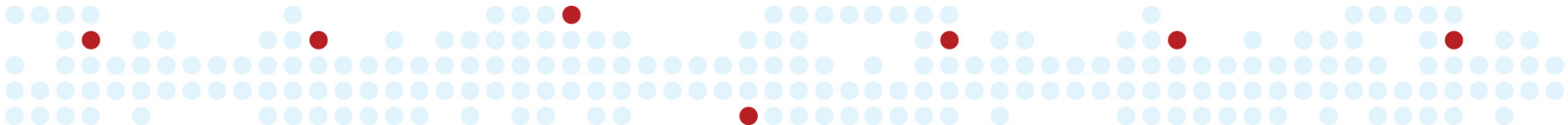


Exiqon pursues a “one stop supplier” strategy for research products



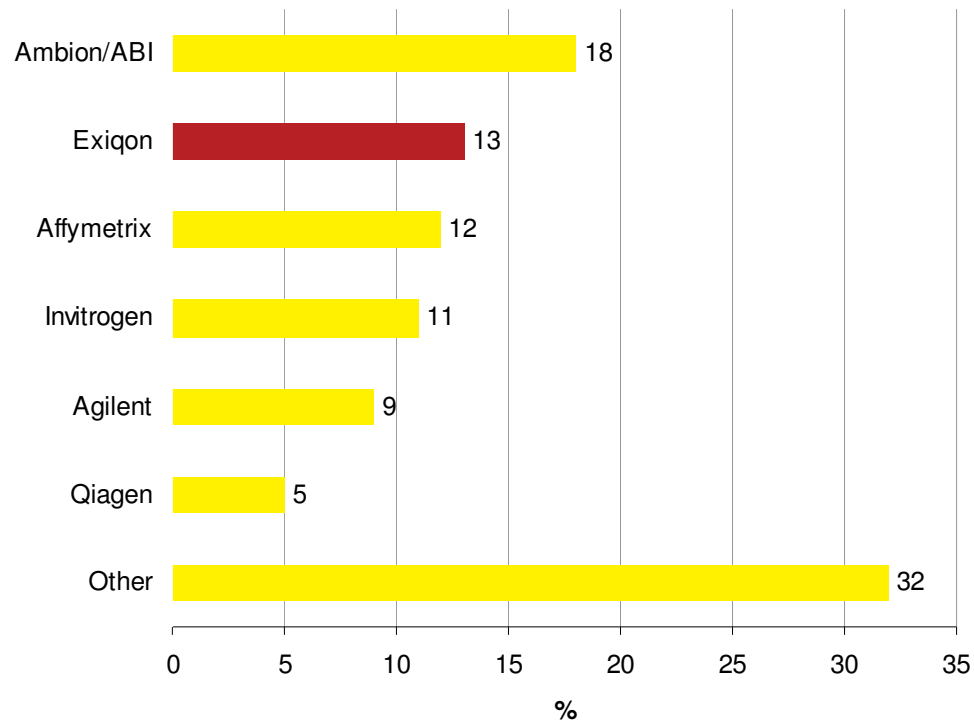
Current product offering for miRNA analysis includes:

- Array (miRCURY LNA™, launched 2006)
- Bead based assays (FlexmiR™ launched 2007)
- qPCR (miRCURY LNA™, launched Dec 2007)
- *In situ* (miRCURY LNA™, launched 2005)
- Knockdown (miRCURY LNA™, launched 2006)
- Sample isolation product still to be marketed



Established leader in the market space for miRNA research products

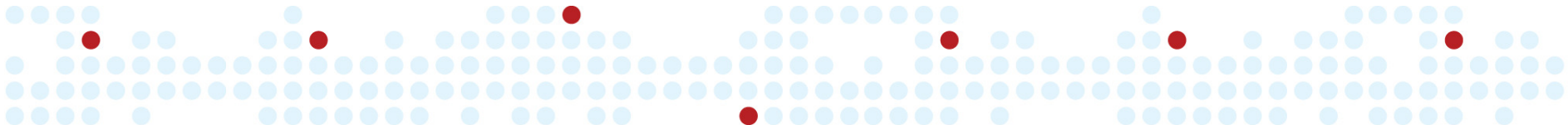
“When considering a microarray product for your miRNA research, which manufacturers come to mind?”

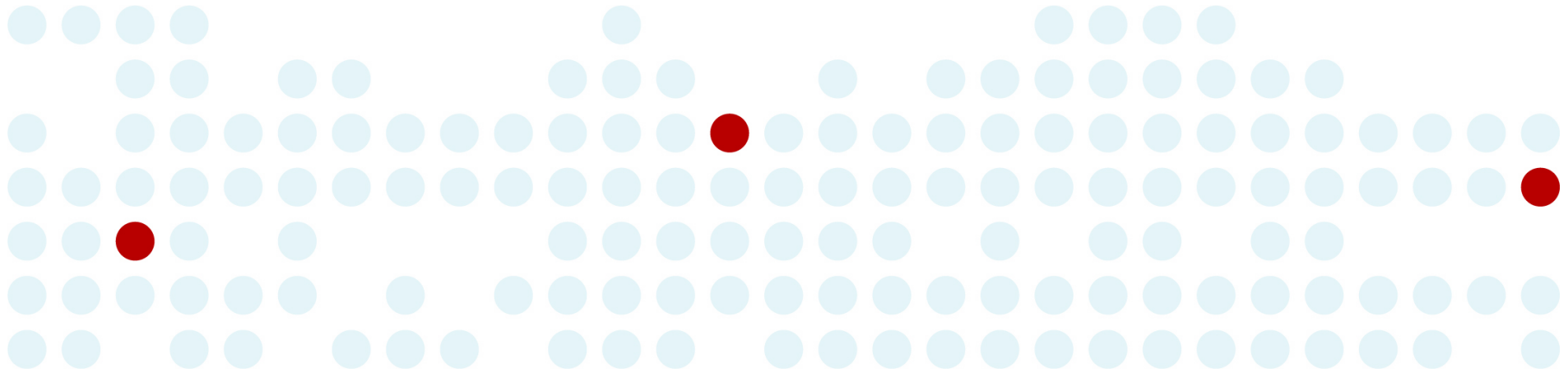


Source: Online (registered as visitors to the *Science* website) survey: 4,000 life scientists working in molecular biology were asked to participate; response based on 239 completed survey.

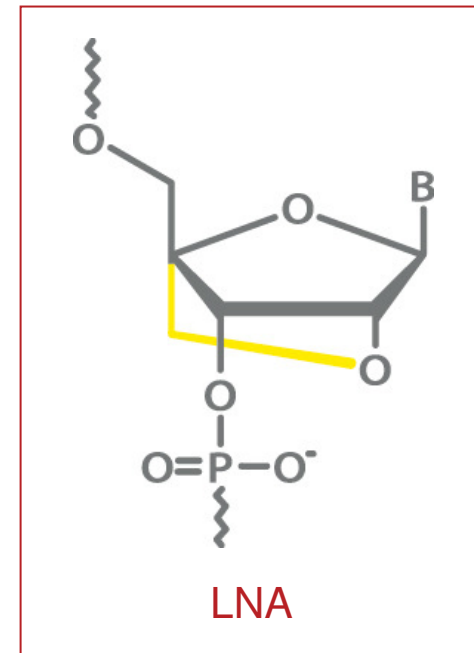
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Technology & biomarkers



LNA™ and miRNA biomarkers provide exceptional business opportunities

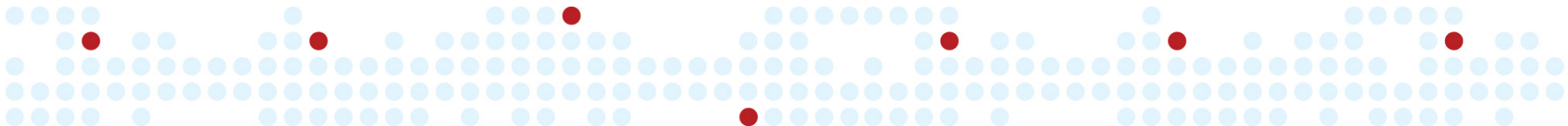
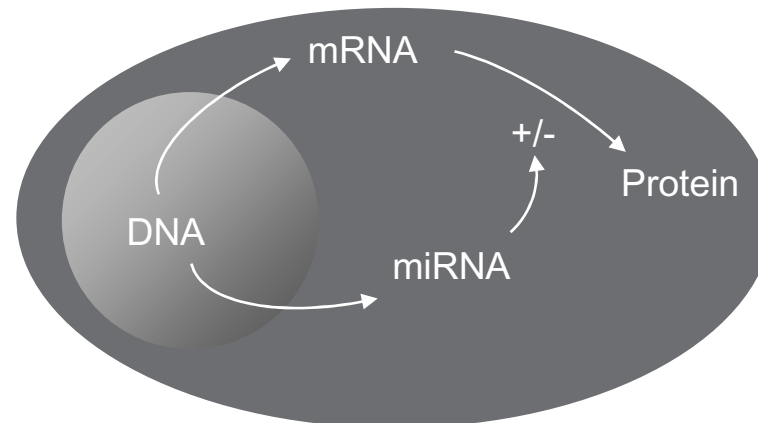
The LNA™ (Locked Nucleic Acid) technology enables Exiqon to make products for analysis of gene expression with higher specificity and increased sensitivity than competing products = *most specific analyses of mRNA and miRNA*

Research Products:

Research products for mRNA and miRNA analysis are being applied in drug discovery, target validation, biomarker identification and basic research

Diagnostic Products and Pharma Services:

Diagnostic products to be based on analysis of miRNA as a biomarker. *"Biomarkers are crucial for individualizing, or personalizing, medical treatment...can be used to create more precise classifications of disease to target or stratify therapy."* (FDA's "Critical Path Opportunities Report and List - March 2006)



The LNA™ (Locked Nucleic Acid) technology is unique and proprietary

What is LNA™?

- LNA™ is a synthetic RNA molecule

Why is LNA™ unique?

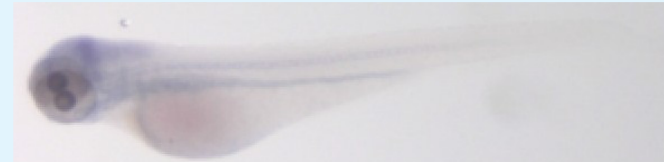
- Provides more specific and sensitive gene expression analysis than any other technology
- Compatible with standard equipment

LNA™ vs. competing technology

LNA



DNA



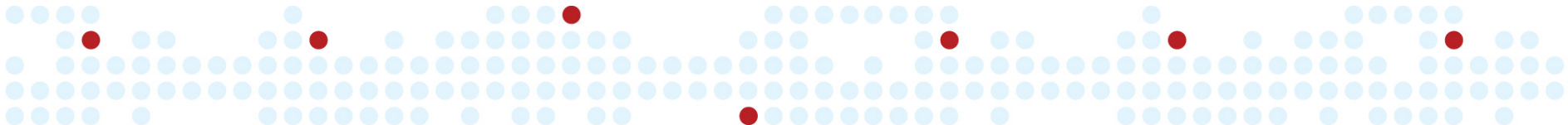
RNA

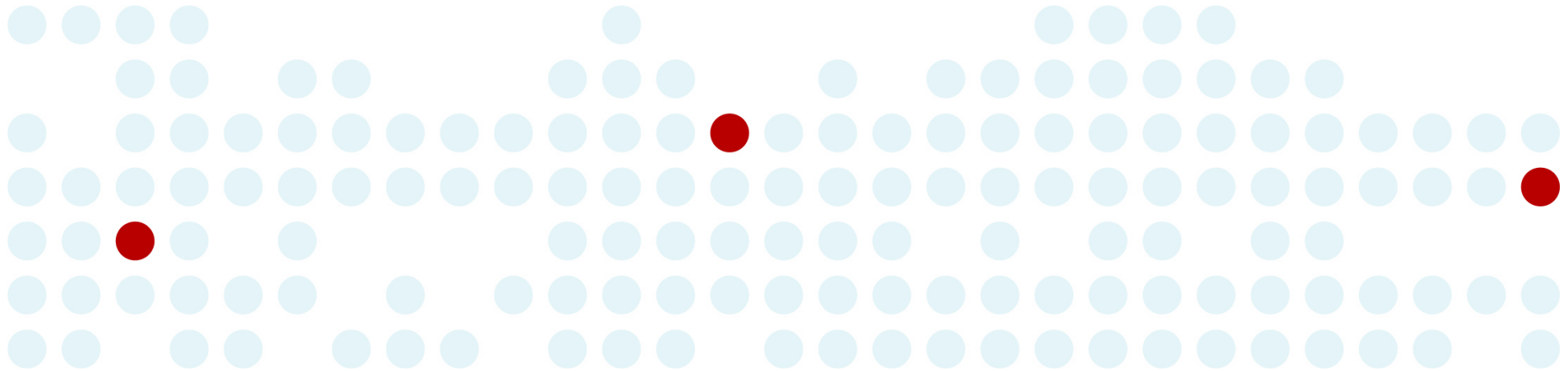


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Exiqon has 108 issued patents and about 150 patent applications to protect our business





Financial outlook for 2008 and beyond



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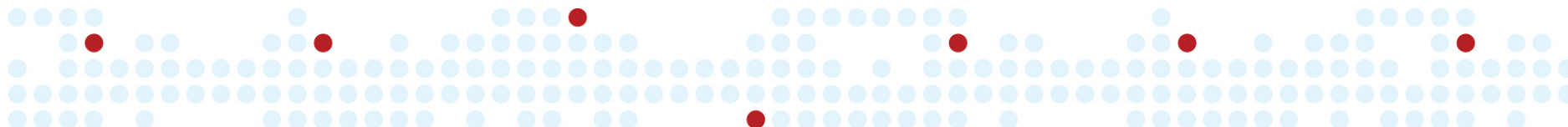
Guidance 2008 and beyond

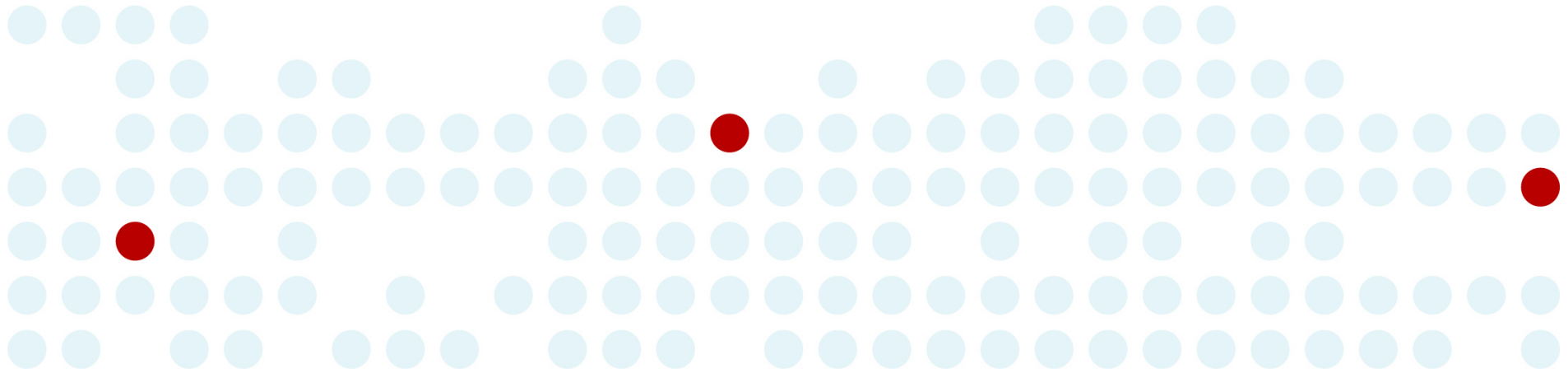
Guidance 2008

- Revenue expected to amount to USD 28-30 mill
- Profit forecast for the year of minus USD 20-23 mill

Financial outlook beyond 2008

- Funded until expected break even by 2011
- Research business expected to be cash positive by end of 2009
- COGS expected to improve over time, particularly during 2008-09
- Margins expected to align with industry standards over time: 65-70%
- R&D costs expected to align with industry standards over time: 15% of revenue
- SG&A costs expected to align with industry standards over time: 30% of revenue



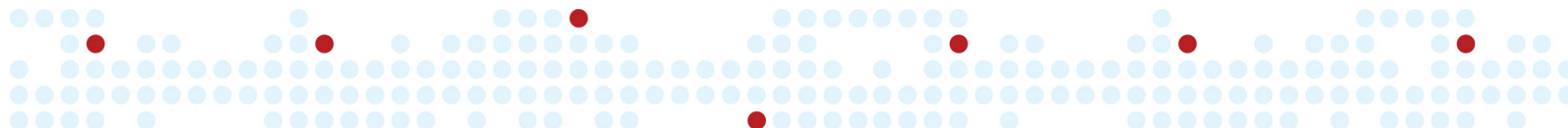


Financials Q1, 2008



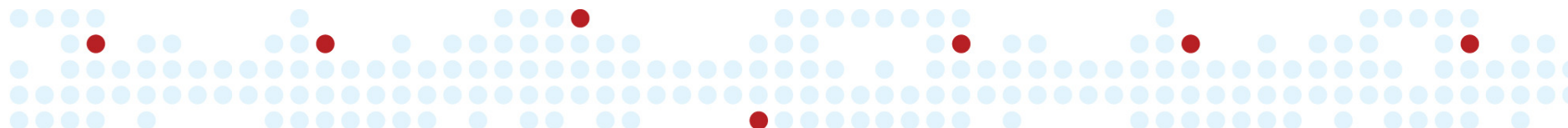
Key figures – P&L account Q1 2008

USD '000 (roe USD/DKK 5,00)	Q1 2008	Q1 2007	2007
Product sales	2,855	1,370	7,705
License income	384	263	1,338
Contract research	60	238	852
Revenue	3,299	1,871	9,895
Production cost	(1,754)	(683)	(5,035)
R&D costs	(2,317)	(978)	(5,807)
Sales & Marketing costs	(2,280)	(1,331)	(7,816)
Administrative costs	(2,298)	(1,122)	(6,263)
Operating profit (EBIT)	(5,351)	(2,243)	(15,026)
Non-operating income	400	3	1,468
Profit for the year	(4,951)	(2,240)	(13,558)



Key figures – Balance Sheet Q1 2008

USD '000 (roe USD/DKK 5,00)	Q1 2008	Q1 2007	2007
Fixed assets	54,609	4,127	7,228
Inventories	1,968	1,287	1,409
Receivables	6,181	2,071	3,453
Cash	54,203	3,656	66,301
Assets	116,961	11,141	78,391
Equity	104,898	4,332	68,673
Provisions	1,835	902	1,564
Short term liabilities	10,228	5,907	8,154
Equity & liabilities	116,961	11,141	78,391

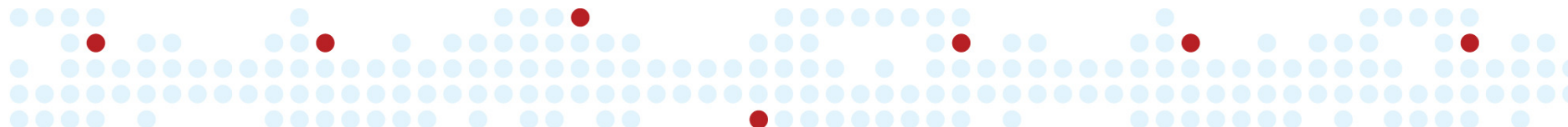


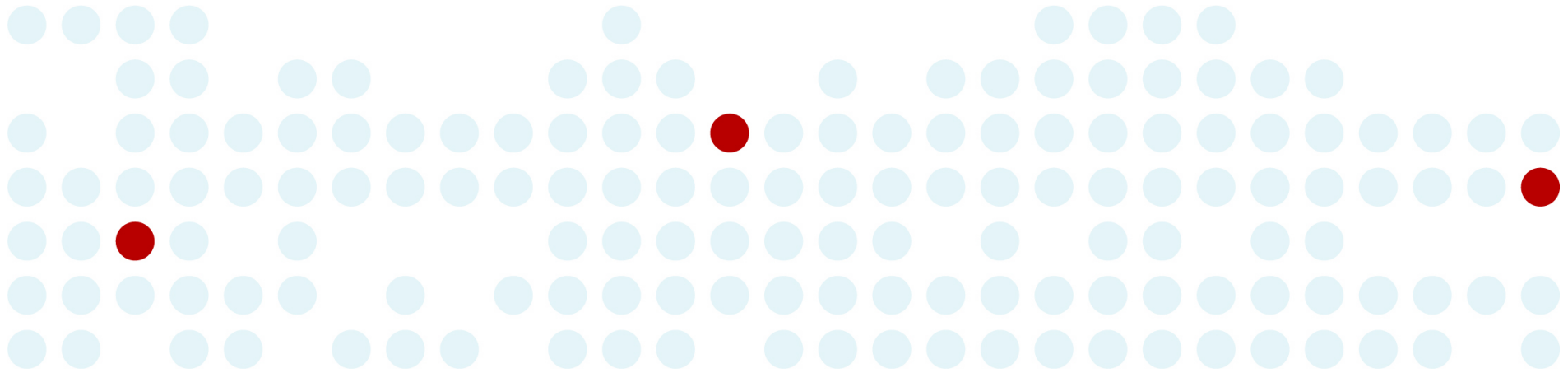
Breakdown of Q1 2008 revenue

USD '000 (roe USD/DKK 5,00)	Q1 2008	Q1 2007	2007
Product sales	2,855	1,370	7,705
License income	384	263	1,338
Contract research	60	238	852
Total revenue – by type	3,299	1,871	9,896
North America	1,754	712	3,883
Europe	1,472	1,092	5,667
Asia	73	66	345
Total revenue – by geography	3,299	1,871	9,896
	Group	Tools	Diagnostics
Revenue – by segment	3,299	2,473	826
EBIT	(5,365)	(4,157)	(1,208)

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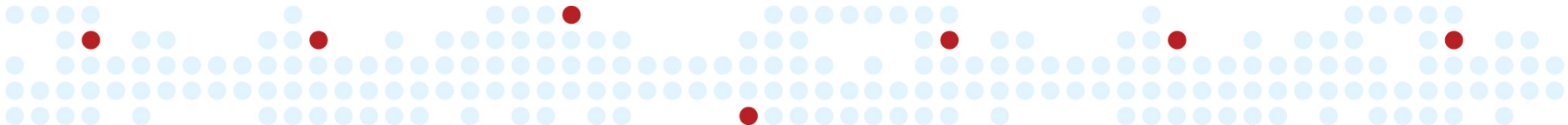


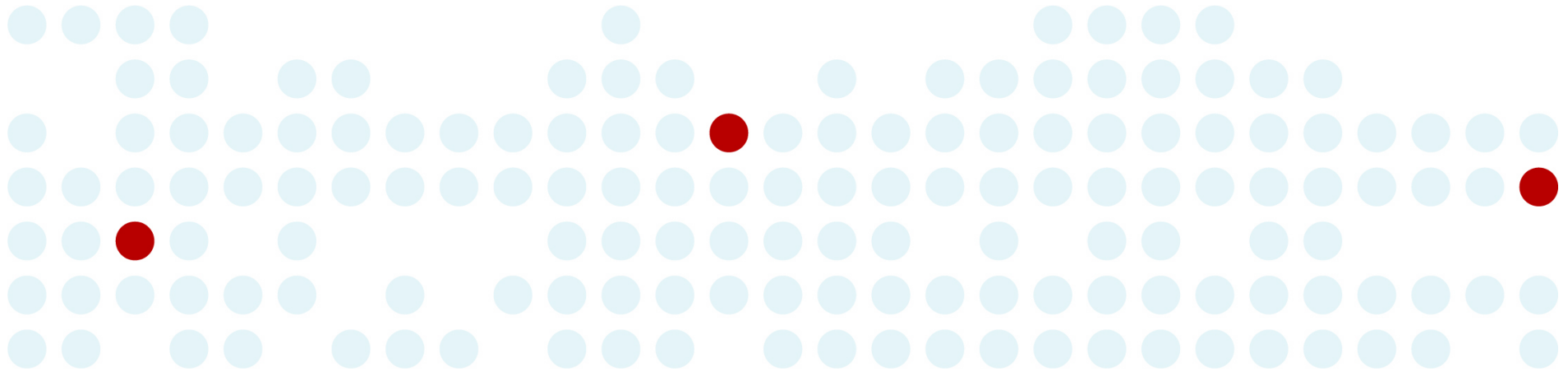


Conclusions

Conclusions

- Significant short term potential for miRNA based molecular diagnostic tests
 - Initial focus on cancer treatment selection
 - Migration of existing EDR product portfolio offers attractive risk profile
 - Significant market potential for new molecular diagnostic tests
 - Improved reimbursement profile
 - Improved COGS
 - First diagnostic product launch in 2008
- Many partnering opportunities for development of companion products
- Continued strong development in tools business
- Expected profitability by 2011 and cash positive tools business by 2009
- Current business model leaves untapped potential; infectious diseases, neural disorders, metabolic diseases, etc.





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