



To NASDAQ OMX Copenhagen A/S
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Interim report for the period 1 January to 31 March 2010

Copenhagen, Denmark – 20 May 2010 –The Board of Directors of Topotarget A/S (NASDAQ OMX: TOPO) today adopted the company's interim report for the period 1 January to 31 March 2010.

- License and cooperation agreement, as of 2 February 2010, with Spectrum Pharmaceuticals Inc. comprising development and commercialisation of belinostat in USA and India. Potential value corresponding to USD 350 million cash plus double digit royalties on future sales. Topotarget has received non refundable upfront payment of USD 30.0 million
- Divesture of Savene[®] rights to SpePharm for the European market on 2 March 2010. EUR 5.0 million received and royalties on sales to be received concurrently. Potential maximum value corresponds to EUR 6 million.
- Topotarget generated revenue of DKK 29.2 million (137% increase) during the period compared with DKK 12.3 million in the same period last year. Operating expenses for the three months period ended 31 March 2010 were DKK 38.1 million (10% decrease) compared to DKK 42.1 million for the same period 2009
- Operating profit for the three months period ended 31 March 2010 was DKK 24.8 million compared to a loss of DKK 29.8 million for the same period 2009
- Totect sales development in the USA for Q1 2010 was stable despite the manufacturing problems in the first two months of the period. This shows a steady demand. Manufacturing problems are solved.
- Cash and cash equivalents at 31 March 2010 were DKK 287.5 million compared to DKK 80.8 million at 31 March 2009
- Topotarget confirms its financial guidance as stated at the Annual General Meeting 22 April 2010 of a pre-tax profit for the 2010 financial year of approximately DKK 0 million to DKK 20 million.

Selected highlights during Q1 2010

- On 6 January 2010 Topotarget announced that the GOG (The Gynecologic Oncology Group, US) initiated a phase 2 trial evaluating the efficacy and safety of belinostat and carboplatin in the treatment of recurrent or persistent platinum-resistant ovarian, fallopian tube or peritoneal cancer. The GOG is receiving support for this trial from the National Cancer Institute (NCI) of the National Institutes of Health (NIH).

- On 2 February 2010 it was announced that a co-development and commercialization agreement with Spectrum Pharmaceuticals Inc. for belinostat had been signed.
 - Potential value of USD 350 million plus double digit royalties
 - Topotarget to receive USD 30 million cash upfront
 - Topotarget and Spectrum will jointly develop belinostat with Spectrum contributing 70% of future development costs
 - Spectrum's exclusive territory includes North America, India and a first right of offer for the Chinese market
 - Topotarget have rights to all data for regulatory purposes to commercialize belinostat in Europe, Japan and rest of the world
- On 23 February 2010 Topotarget announced a new CEO, M.D. Francois R. Martelet to prepare for the commercialisation of belinostat
- On 2 March 2010 Topotarget announced that SpePharm Holding, BV acquired the rights to Savene® for EUR 6 million including potential EUR 1 million of royalties. The acquisition includes all the Savene® European assets and the transition of the Topotarget sales team in Europe to SpePharm.

On 19 March 2010 Topotarget announced the initiation of a Phase I/II clinical trial of belinostat in combination with cisplatin, doxorubicin and cyclophosphamide in the first line treatment of malignancies of the thyroid gland. This trial is sponsored by the National Cancer Institute (NCI), USA and is expected to recruit between 30 and 48 patients.

Highlights for the period after 31 March 2010

- On 7 April 2010 Topotarget announced a new CFO & Head of IR, Anders Fink Vadsholt.
- On 7 April 2010 As a consequence of Topotarget's focus on belinostat, the Company restructured its research and pre-clinical development organization as well as its management structure leading to the reduction of eight full time employees.
- On 13 April 2010 Topotarget announced the appointment of Professor Jean-Louis Misset as Chairman of its global scientific and medical advisory board. Professor Misset is a full professor of Oncology at the University of Paris and at the St. Louis Hospital of Oncology Division in Paris, France. Professor Misset is an experienced Key Opinion Leader within Oncology who has served as an advisor to several big Pharma companies.
- On 21 April 2010 Topotarget announced the presentation of preclinical data at the 101th Annual Meeting of the American Association for Cancer Research (AACR). The data showed schedule-dependent additive to synergistic activity of belinostat when combined with etoposide or cisplatin in small cell lung cancer cell lines.
- On 22 April 2010 in connection with the Annual General Meeting, Topotarget established of a new Board of Directors. Bo Jesper Hansen became Chairman of the Board, Anker Lundemose was elected a new member. The former Chairman Håkan Åström stepped down as well as Anders F. Vadsholt as he is now the CFO of Topotarget.
- On 22 April 2010 in connection with the Annual General Meeting, Topotarget issued financial guidance of a pre-tax profit for the 2010 financial year in the range of DKK 0 million to DKK 20 million.

Interim report for the period 1 January to 31 March
2010

Conference call

Topotarget will host a conference call this afternoon, 20 May at 2.00 pm (CET), at which management will present and discuss the results for Q1 2010 in English. A presentation will be available on Topotarget's website, www.topotarget.com, before the start of the conference call.

To participate in the conference call please dial:

- From Denmark: 32 71 47 67
- Outside Denmark: +45 70 26 50 40 or +44 800 634 5205 (UK) or +1 866 629 2704 (US) or +46 200 125 785 (SE)

A replay of the conference call will be available approximately two hours after the conference call and until 20 June, 2010 at the following number: +353 1 436 4267 or +44 207 769 6325, pin code: 2854904#.

Highlights and key figures

Consolidated income statements	3 months 2010 DKK ' 000	3 months 2009 DKK ' 000	2009 DKK ' 000
Revenues	29.230	12.343	43.979
Production costs	(3.355)	(2.230)	(10.125)
Research and development costs	(19.525)	(24.489)	(89.884)
Write down of research and development projects	0	0	(21.200)
Sales and distribution costs	(6.095)	(9.275)	(29.136)
Administrative expenses	(9.169)	(6.108)	(26.126)
Financial income and expenses	(1.225)	(3.104)	(10.250)
Profit/loss before tax	23.585	(32.863)	(142.742)
Basic EPS (DKK)	0,18	(0,41)	(1,36)
Diluted EPS (DKK)	0,18	(0,41)	(1,36)

Consolidated balance sheets	31 March 2010 DKK ' 000	31 March 2009 DKK ' 000	31 December 2009 DKK ' 000
Cash and cash equivalents	287.522	80.823	130.145
Assets	744.776	564.053	585.413
Equity	436.045	400.359	411.798

Consolidated cash flow statements	3 months 2010 DKK ' 000	3 months 2009 DKK ' 000	2009 DKK ' 000
Cash flows from operating activities	10.062	(27.541)	(99.198)
Cash flows from investing activities	680	35.785	37.861
Cash flows from financing activities	146.635	(124)	118.780

Consolidated key figures	31 March 2010 DKK ' 000	31 March 2009 DKK ' 000	31 December 2009 DKK ' 000
Number of fully paid shares in issue as at period end	132.609.020	66.304.510	61.304.510
Weighted average number of shares in issue for the period	132.609.020	66.304.510	53.955.186
Assets/equity	1,71	1,41	1,42
Share price, closing (DKK)	4,92	9,30	3,62
Share price, book value (DKK)	3,29	6,04	6,72
Average number of employees	54	60	58

Management's report

The agreement with Spectrum Pharmaceuticals Inc. to co-develop and commercialise Topotarget's lead anticancer drug belinostat in North America and India will strengthen Topotarget's ability to develop the product world wide. Spectrum commits to fund 100% of the costs for the ongoing PTCL study and Topotarget will fund 100% of the ongoing CUP study. Spectrum and Topotarget will split the development costs in a 70 to 30 ratio for development of possible future indications for belinostat.

Belinostat:

Belinostat is Topotarget's most advanced product candidate, and a number of patients have benefited from belinostat with substantial reduction, and in some cases complete regression of tumours for several types of cancer. It appears that belinostat exhibits a very favorable safety profile in relation to any other HDAC inhibitor in clinical development. For example, there are only mild or no cases of thrombocytopenia (benefit: reduced risk of bleeding) and there have been no report of pericarditis (benefit: reduced risk of cardiac side-effects). This may allow for both full dose of belinostat as single agent treatment and full dose of belinostat in combination with a full dose of chemotherapy, thereby maximizing clinical activity. Belinostat is currently the only HDAC inhibitor in clinical development with the possibility of both IV dosing (bolus or continuous infusion) and oral (tablet) administration routes, which provides additional flexibility in the clinical setting.

The complete development program includes 26 ongoing and completed clinical trials including 13 clinical trials funded and coordinated by the NCI, USA. For the NCI funded clinical trials Topotarget only supplies belinostat without incurring any costs associated with the completion of these trials. Topotarget has access to all data for regulatory purposes.

Furthermore Topotarget has a Cooperative Research and Development Agreement (CRADA) with the NCI to conduct preclinical and nonclinical studies on belinostat in order to better understand its anti-tumor activity and to provide supporting information for clinical trials.

Steadily growing clinical data with belinostat as single agent and in combination with marketed drugs add further support to belinostat business development activities.

Clinical trial progress:

PTCL and CTCL - belinostat

In March 2009 and in December 2009 positive updates of an initial Phase II study with belinostat in peripheral T-cell lymphoma (PTCL) and cutaneous T-cell lymphoma (CTCL) was announced at an international T-cell lymphoma meeting in Italy and at the American Society of Clinical Oncology Meeting in the US. Complete/partial response (CR/PR) were observed in 29% of 19 evaluable patients and stable disease (SD) was demonstrated in 4 further patients, indicating a disease control rate (CR/PR/SD) rate of 53%.

The achieved efficacy and safety data supports the registration plan in PTCL. Spectrum is on target to file NDA in 2011.

PTCL – belinostat – the BELIEF-study

Data from the study described above led Topotarget to initiate its pivotal BELIEF-study in PTCL in December 2008 following a Special Protocol Assessment (SPA) procedure and Fast Track agreement with the FDA (the US health authorities). In Q3 Topotarget received an Orphan Drug designation from the FDA granted for belinostat for the treatment of PTCL. This designation will entitle belinostat to 7 years of market exclusivity in the USA after eventual successful approval. The first data from the BELIEF-study are expected during 2010 in an interim analysis when 41 evaluable patients have been treated.

Cancer of Unknown Primary Site (CUP) - belinostat in combination with carboplatin and paclitaxel (BelCaP)

The CUP study is an ongoing open label randomized Phase II study of belinostat in combination with carboplatin and paclitaxel (BelCaP) compared to carboplatin and paclitaxel in patients with previously untreated CUP. The study aims to demonstrate the efficacy of belinostat in solid tumors in a randomized setting. Approximately 44 patients will be randomized to each group, in total 88 patients. Recruitment is ongoing and according to plan.

Thymoma - belinostat

In May 2009 positive data from a Phase II study of belinostat monotherapy in patients with thymoma and malignancies of the thyroid gland was announced and presented at the ASCO 2009 conference. A total of 27 patients were evaluable for response. In two out of 17 patients with thymoma a partial response was documented (13 and 13+ months), and in addition 11 patients had stable disease (4-15+ months). No response was seen in 10 patients with thymic carcinoma. The conclusion is that belinostat has activity in patients with recurrent or refractory thymoma. The thymoma cohort has been expanded to the second stage of the study and enrollment is ongoing. The study is sponsored by the NCI. A new study in thymoma was initiated by NCI in March 2010, examining a combination of belinostat with cisplatin, doxorubicin and cyclophosphamide as a first line treatment. The study expects to enrol 58 patients.

Lymphoma – oral belinostat

In May 2009 positive data from a Phase I study of belinostat given as oral monotherapy on days 1-14 every three weeks in patients with lymphoma were presented by Topotarget at the American Society of Clinical Oncology (ASCO) Conference. Oral belinostat can be delivered safely to lymphoma patients in doses that are higher than the maximum tolerated dose for patients with solid tumors. Despite extensive pre-treatment which normally makes the patients less receptive to treatment, remissions have been seen both in patients with Hodgkin's disease and Non-Hodgkin's lymphoma. The acceptable safety profile and early tumor shrinkage noted warrants continued evaluation of belinostat in lymphoma, especially in combination with other active compounds.

Solid tumors – oral belinostat

In May 2009 positive data from a Phase I study of belinostat given as oral monotherapy to patients with solid tumors were presented at the annual ASCO conference. Oral belinostat can be delivered safely in multiple schedules. Despite a median of 3 prior lines of therapy 48 (64%) of 75 evaluable patients achieved tumor growth control (SD), 15 patients had a treatment duration \geq 3 months. The safety

profile and long stabilizations in multiple tumor types adds further support to this option.

Solid tumors - belinostat + bortezomib (Velcade)

In November 2009 a NCI phase 1 dose escalation study of the combination of belinostat and Velcade was reported at the AACR/NCI/EORTC meeting on Molecular Targets. The combination proved well tolerated and induced disease stabilization in 4 of 20 patients.

Small Cell Lung Cancer (SCLC) and other advanced cancers – continuous infusion (CIV) belinostat in combination with cisplatin and etoposide

In August 2009 Topotarget announced the initiation of patient dosing in a Phase I study for the combination of 48 hours continuous intravenous infusion of belinostat with standard doses of cisplatin and etoposide for the treatment of patients with small cell lung carcinoma (SCLC) and other advanced cancers. The study is sponsored by the NCI.

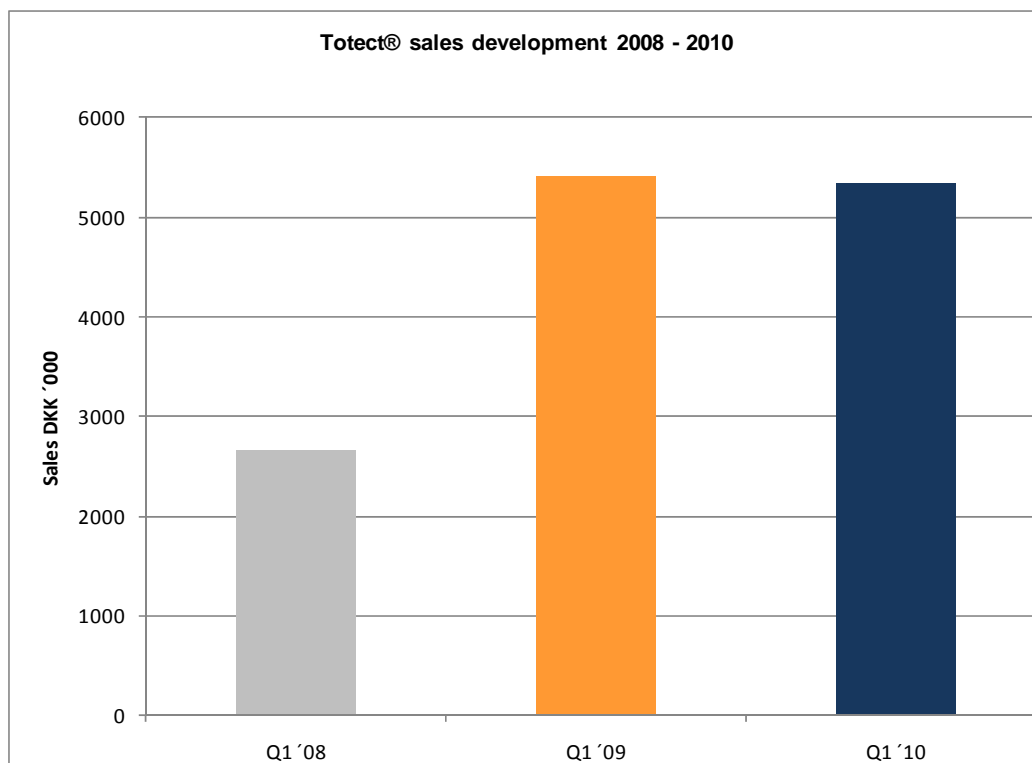
Ovarian Cancer

In January 2010 it was announced that the Gynecologic Group, USA (GOG) initiated a phase 2 study evaluating belinostat in combination with carboplatin in patients with platinum-resistant ovarian cancer.

Savene®/Totect®:

Topotarget's first marketed product Savene®/Totect® is used for the prevention of serious tissue damage caused by anthracycline extravasation. Savene® was launched in October 2006 in selected European countries and Totect® was launched on the US market in October 2007.

SpePharm Holding, BV acquired the rights to Savene® on 2 March 2010. Therefore the figure below illustrates sales in Q1 2008, 2009 and 2010 for Totect®, measured in TDKK. The production issues relating to Totect® were resolved during first quarter 2010.



Expected key milestones for 2010

PTCL

- Patients for the pivotal BELIEF study in PTCL will continue to be recruited during 2010 with expected regulatory filing in 2011.
- Intermediate accrual data to be published from the BELIEF study (pivotal trial in PTCL)

CUP

- The ongoing trial, the proof-of-concept phase 2 randomized controlled study in solid tumors in CUP, will be fully recruited by the end of 2010. Intermediate accrual data to be published from the CUP study.

NSCLC

- Initiate randomized phase 2 study in NSCLC

MDS (Myelodysplastic Syndromes)

- Preliminary data from phase 2 (NCI)

Liver cancer

- Pharmacokinetic data from study (NCI)

Comments on the interim financial statements for the three months ended 31 March 2010

On 2 February 2010 Topotarget entered into an agreement with Spectrum Pharmaceuticals Inc. for the development and commercialisation of belinostat in North America and India.

The agreement can be summarised as follows:

- Potential value of USD 350 million plus double digit royalties

- Topotarget to receive USD 30 million cash upfront
- Topotarget and Spectrum will jointly develop belinostat with Spectrum contributing 70% of future development costs
- Spectrum's exclusive territory includes North America, India and a first right of offer for the Chinese market
- Topotarget can use data to commercialise belinostat in Europe, Japan and rest of the world

On 2 March 2010 Topotarget divested the European rights to Savene[®] to SpePharm Holding, BV. The divestiture included all the Savene[®] European assets and the transition of the Topotarget sales team in Europe. The right to receive royalty from sale of Savene[®] and Totect[®], the US trademark for the same product, will remain with Topotarget and continue to be promoted by the Topotarget US sales team.

This further reinforces Topotarget's focus on the development of our lead candidate belinostat.

Topotarget generated revenue of DKK 29.2 million (137% increase) during the period compared with DKK 12.3 million in the same period last year. Revenues in the first 3 months of 2010 are primarily composed of deferred income of DKK 17.9 million in relation to the Spectrum upfront payment (total upfront payment received is USD 30.0 million) and reimbursement of FTE's according to the Spectrum agreement of DKK 1.4 million. Also included in revenues are Savene[®]/Totect[®] sales of DKK 9.0 million and royalty income from SpePharm Holding, BV according to the Spepharm agreement as well as a small amount of rental income as detailed below. In the same period of 2009 revenues consisted of Savene[®]/Totect[®] sales plus a small amount of other income.

Savene[®]/Totect[®] sales revenue for the first 3 months of 2010 was DKK 9.0 million compared to DKK 11.6 million in the same period of 2009. The main reason for the decline is that sales of Savene[®] in 2010 was only included for 2 months due to the divestiture. A Savene[®] sale in the first 3 months of 2010 was DKK 3.7 million compared to 6.1 million in the same period of 2009. Totect[®] sales were DKK 5.3 million in the first 3 months of 2010 compared with DKK 5.4 million in the same period of 2009 despite supply problems during the first 2 months thus showing a continuous demand and sales development. The small amount of other income arises from the sublease in the Swiss subsidiary, which is in line with the comparative figure from the same period in 2009.

The first 3 months of 2010 production costs were DKK 3.4 million. DKK 1.2 million is Topotarget personnel costs related to the Spectrum collaboration agreement and DKK 2.2 million is related to Savene[®]/Totect[®]. This is compared with DKK 2.2 million which is related to Savene[®]/Totect[®] in the same period of 2009. The difference is thus completely contributed to the reimbursement of DKK 1.4 million of Topotarget personnel costs related to the Spectrum agreement.

The first 3 months of 2010 research and development costs were DKK 19.5 million (20% decrease) compared with DKK 24.5 million in the same period of 2009. The reduction is primarily due to the Spectrum agreement and Topotarget's focus on belinostat.

The first 3 months of 2010 profit on sale of rights to Savene[®] were DKK 33.7 million compared with nil in the same period of 2009. The profit is recorded due to the divestiture of the European rights to Savene[®]. The first 3 months of 2010 sales and distribution costs were DKK 6.1 million, compared with DKK 9.3 million in the same period of 2009. The reduction is primarily due to the divestiture of Savene[®] on 2 March 2010.

The first 3 months of 2010 administrative expenses were DKK 9.2 million compared with DKK 6.1 million in the same period of 2009. The increase can be attributed to the

increase of holiday provision due to timing and recruitment and to one-off costs in relation to recruitment and increased investor relation activities.

The first 3 months of 2010 net financial expenses were DKK 1.2 million compared with DKK 3.1 million in the same period of 2009. The primary difference between the amounts in the first 3 months of 2010 and the first 3 months of 2009 are an increased income of exchange rate adjustments to the bank deposits by DKK 3.9 million and increased expenses in relation to the translation of subsidiaries from foreign currencies to DKK with an amount of DKK 2.1 million.

The first 3 months of 2010 tax income was DKK 0.0 million compared with 2.3 million in the same period of 2009. The comparison figure is resulting from a reduction in the deferred tax liability in Topotarget Switzerland S.A.

In the period 1 January to 31 March 2010 Topotarget recorded a profit before tax of DKK 23.6 million compared with a loss before tax of DKK 32.9 million in the same period of 2009 and a profit after tax of DKK 23.6 million compared with a loss after tax of DKK 30.6 million in the same period of 2009.

At 31 March 2010, total assets were DKK 744.8 million. Of this amount, cash and cash equivalents amounted to DKK 287.5 million. At 31 March 2009, total assets were DKK 564.1 million of which amount cash and cash equivalents amounted to DKK 80.8 million.

The net reduction in intangible assets since 31 December 2009 of DKK 4.9 is directly contributable to the divestiture of Savene®.

At 31 March 2010, equity amounted to DKK 436.0 million compared with DKK 400.4 million at the same time in 2009. The change consists of the net proceeds from the capital increase 2 July 2009 of DKK 119.1 million, the loss of DKK 86.4 million during the period from 1 April 2009 to 31 March 2010 and the additions during the period of share-based payment totalling DKK 2.9 million.

Outlook for 2010

Topotarget confirms its financial statement as stated at the Annual General Meeting 22 April 2010 of a pre-tax profit for the 2010 financial year of approximately DKK 0 million to DKK 20 million.

Topotarget A/S

For further information, please contact:

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Anders Vadsholt, CFO: Direct: +45 39 17 83 45; Mobile: +45 28 98 90 55

Statement by the Board of Directors and Senior Management

The Board of Directors and Senior Management today discussed and adopted the interim report for Topotarget for the period 1 January to 31 March 2010.

The interim report is presented in accordance with IAS 34 as adopted by EU and additional Danish disclosure requirements on the presentation of interim reports by listed companies. The interim report is not audited or reviewed.

We consider the accounting policies to be appropriate. Accordingly, the interim report gives a true and fair view of the Group's assets, liabilities, and financial position at 31 March 2010 and of Group's operations and cash flows for the period 1 January to 31 March 2010.

In our opinion, the management's report gives a true and fair view of developments in the activities and financial position of the Group, the results for the period and of the Group's financial position in general and gives a fair description of significant risk and uncertainty factors that may affect the Group.

Copenhagen, 20 May 2010

Senior Management

Francois Martelet
CEO

Anders Vadsholt
CFO

Board of Directors

Bo Jesper Hansen
Chairman

Anker Lundemose

Jeffrey Buchalter

Anders Gersel Pedersen

Ingelise Saunders

Per Samuelsson

Background information

About Topotarget

Topotarget (NASDAQ OMX: TOPO) is an international biotech company headquartered in Denmark, dedicated to improve cancer therapies. Topotarget currently focuses, in collaboration with Spectrum Pharmaceuticals Inc., on the development in pivotal studies of its lead drug candidate, belinostat, which has shown proof-of-concept as monotherapy in treating haematological malignancies and positive results in solid tumours. Belinostat can be used in combination with full doses of chemotherapy, and is currently in a pivotal trial within PTCL (peripheral T-cell lymphoma). Topotarget's key cancer drugs target HDAC, NAD+, mTOR, Fas ligand and topoisomerase II. The company's first marketed product, Savene®/Totect®, was approved by EMEA in 2006 and the FDA in 2007, and is marketed by Topotarget's own sales force in the US. For more information, please refer to www.Topotarget.com.

Topotarget Safe Harbour Statement

This announcement may contain forward-looking statements, including statements about our expectations of the progression of our preclinical and clinical pipeline including the timing for commencement and completion of clinical trials and with respect to cash burn guidance. Such statements are based on management's current expectations and are subject to a number of risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. Topotarget cautions investors that there can be no assurance that actual results or business conditions will not differ materially from those projected or suggested in such forward-looking statements as a result of various factors, including, but not limited to, the following: The risk that any one or more of the drug development programs of Topotarget will not proceed as planned for technical, scientific or commercial reasons or due to patient enrolment issues or based on new information from non-clinical or clinical studies or from other sources; the success of competing products and technologies; technological uncertainty and product development risks; uncertainty of additional funding; Topotarget's history of incurring losses and the uncertainty of achieving profitability; Topotarget's stage of development as a biopharmaceutical company; government regulation; patent infringement claims against Topotarget's products, processes and technologies; the ability to protect Topotarget's patents and proprietary rights; uncertainties relating to commercialization rights; and product liability exposure; We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, unless required by law.

Condensed income statements/comprehensive income

	Note	3 months 2010 DKK ' 000	3 months 2009 DKK ' 000	2009 DKK ' 000
Revenue	2,3	29.230	12.343	43.979
Production costs	4	(3.355)	(2.230)	(10.125)
Research and development costs	4,5	(19.525)	(24.489)	(89.884)
Divestiture of rights in Europe to Savene		33.724	0	0
Write down of research and development projects		0	0	(21.200)
Sales and distribution costs	4	(6.095)	(9.275)	(29.136)
Administrative expenses	4	<u>(9.169)</u>	<u>(6.108)</u>	<u>(26.126)</u>
Operating profit/loss		24.810	(29.759)	(132.492)
Financial income and expenses		<u>(1.225)</u>	<u>(3.104)</u>	<u>(10.250)</u>
Profit/loss before taxes		23.585	(32.863)	(142.742)
Tax on profit/(loss) for the period		<u>0</u>	<u>2.277</u>	<u>2.277</u>
Net profit/loss for the period		<u>23.585</u>	<u>(30.586)</u>	<u>(140.465)</u>
Fair value adjustment of available-for-sale financial assets		0	0	0
adjustment of available-for-sale financial assets		0	0	0
Income tax relating to components of other comprehensive income		<u>0</u>	<u>0</u>	<u>0</u>
Other comprehensive income for the period (net of tax)		<u>0</u>	<u>0</u>	<u>0</u>
Total comprehensive income for the period		<u>23.585</u>	<u>(30.586)</u>	<u>(140.465)</u>
Basic EPS (DKK)		0,18	(0,41)	(1,36)
Diluted EPS (DKK)		0,18	(0,41)	(1,36)

Condensed balance sheets - assets

	Note	31 March 2010 DKK ' 000	31 March 2009 DKK ' 000	2009 DKK ' 000
Intangible assets	5	426.635	452.953	431.885
Property, plant and equipment		5.814	10.634	7.044
Non-current investments		940	1.608	1.371
Non-current assets		433.390	465.195	440.300
Inventories		2.458	2.612	1.944
Receivables		21.406	15.423	13.024
Cash and cash equivalents		287.522	80.823	130.145
Current assets		311.386	98.858	145.113
Assets		744.776	564.053	585.413

Condensed balance sheets - equity and liabilities

	Note	31 March 2010 DKK ' 000	31 March 2009 DKK ' 000	2009 DKK ' 000
Equity		436.045	400.359	411.798
Non-current liabilities	6	227.640	121.675	114.695
Current liabilities	7	81.091	42.018	58.920
Liabilities		308.731	163.693	173.615
Equity and liabilities		744.776	564.052	585.413

Accounting policies 1

Condensed cash flow statements

	3 months 2010 DKK ' 000	3 months 2009 DKK ' 000	2009 DKK ' 000
Operating profit/loss	24.812	(29.759)	(132.490)
Reversal of share-based payments	661	1.568	3.793
Reversal of pension commitments	0	0	207
Reversal of deferred income	(17.927)	0	0
Depreciation, amortisation and impairment losses	6.232	1.644	25.735
Working capital changes	(6.387)	(6.112)	(2.050)
Cash flows from operating activities before interest	7.391	(32.659)	(104.806)
Received and paid interest etc.	2.671	5.118	5.608
Cash flows from operating activities	10.062	(27.541)	(99.198)
Purchase of intangible assets	0	0	0
Purchase of property, plant and equipment	(171)	(6)	(97)
Sale of property, plant and equipment	418	181	2.113
Purchase of investments	433	315	550
Purchase of securities	0	0	0
Sale of securities	0	35.295	35.295
Cash flows from investing activities	680	35.785	37.861
Received upfront payment belinostat	162.894	0	119.095
Instalment on loans	(16.259)	(124)	(315)
Cash flows from financing activities	146.635	(124)	118.780
Increase/decrease in cash and cash equivalents	157.377	8.120	57.443
Cash and cash equivalents at 1 January	130.145	72.703	72.703
Cash and cash equivalents at 31 March	287.522	80.823	130.145
Cash and cash equivalents comprise:			
Deposit on demand and cash	287.477	80.778	30.067
Special-term deposits	45	45	100.078
Total	287.522	80.823	130.145

Statement of equity for the period 1 January to 31 March 2010

	Number of shares	Share-capital DKK ' 000	Share-based payments DKK ' 000	Retained earnings DKK ' 000	Total DKK ' 000
Equity at 1 January 2010	132.609.020	132.609	31.140	248.049	411.798
Recognition of share-based payment	0	0	661	0	661
Total comprehensive income for the period	0	0	0	23.585	23.585
Equity 31 March 2010	132.609.020	132.609	31.801	271.634	436.044

The share capital is an undistributable reserve, while the other reserves are distributable for dividend purposes subject to the provisions of the Danish Public Companies Act.

Statement of equity for the period 1 January to 31 March 2009

	Number of shares	Share-capital DKK ' 000	Share-based payments DKK ' 000	Retained earnings DKK ' 000	Total DKK ' 000
Equity 1 January 2009	66.304.510	66.304	27.347	335.725	429.376
Recognition of share-based payment	0	0	1.569	0	1.569
Total comprehensive income for the period	0	0	0	(30.586)	(30.586)
Equity 31 March 2009	66.304.510	66.304	28.916	305.139	400.359

The share capital is an undistributable reserve, while the other reserves are distributable for dividend purposes subject to the provisions of the Danish Public Companies Act.

Notes

1. ACCOUNTING POLICIES

The interim financial statements have been prepared in accordance with IAS 34, Interim financial reporting, and additional requirements for interim financial statements of listed companies. No interim financial statements have been prepared for the parent company.

The accounting policies applied in the interim report are unchanged relative to the accounting policies applied in TopoTarget's annual report for 2009, and are in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies. The interim report has been prepared on a going concern basis.

The interim report is presented in Danish kroner (DKK), which is the parent company's functional currency.

Management's significant accounting assumptions and estimates

Revenue recognition

Revenue is recognised when it is probable that future economic benefits will flow to the company and such economic benefits can be measured reliably. In addition, recognition requires that all significant risks and rewards of ownership of the rights or services included in the transaction have been transferred to the buyer. Income from agreements with multiple components and where the individual components cannot be separated is recognised over the period of the agreement. In addition, recognition requires that all significant risks and rewards of ownership of the goods or services included in the transaction have been transferred to the buyer. If all risks and returns

have not been transferred, revenue is recognised as deferred income until all components of the transaction have been completed.

2 February 2010 Topotarget entered a license and cooperation agreement with Spectrum Pharmaceuticals Inc. covering development and commercialisation of belinostat. Topotarget has received an upfront payment of USD 30.0 million. According to the agreement, the initial license fee payment concerns several components, which cannot be separated. The amount is recognised over a period of 18 months commencing 2 February 2010, which is the expected period of reimbursement of FTE services for development for the PTCL trials.

Implementation of new and revised standards and interpretations

The consolidated financial statements are presented in accordance with the new and revised standards (IFRS/IAS) and interpretations (IFRIC) which apply for financial years starting on or after 1 January 2010.

The implementation of the new and revised standards and interpretations in the interim report for the first three months of 2010 has not resulted in changes to accounting policies.

Standards and interpretations not yet in force

At the date of the interim report for the first nine months of 2010, a number of new or amended standards and interpretations have not yet entered into force, and are therefore not included in this interim report.

These new and revised standards and interpretations are not expected to result in any changes to the accounting policies applied.

2. REVENUE

	3 months 2010 DKK ´000	3 months 2009 DKK ´000	2009 DKK ´000
Sales of goods	9.030	11.549	39.708
Sales of services	2.274	793	3.213
Milestone payments	17.927	0	1.058
Total	29.230	12.342	43.979

3. SEGMENT INFORMATION

The Group has identified two segments comprising the activity Savene/Totect and the activity development of new products.

	Savene/ Totect	Development activities	Non-distributed activities	Total
	Q1, 2010 DKK ´000	Q1, 2010 DKK ´000	Q1, 2010 DKK ´000	Q1, 2010 DKK ´000
Revenues	9.272	19.321	637	29.230
Production costs	(2.021)	(1.333)	0	(3.355)
Research- and development costs	0	(19.525)	0	(19.525)
Divestiture of rights in Europe to Savene	33.724	0	0	33.724
Sales and distribution costs	(6.095)	0	0	(6.095)
Administrative expenses	0	0	(9.169)	(9.169)
Operating profit/loss	34.880	(1.538)	(8.532)	24.810
Financial income and expenses	0	0	(1.225)	(1.225)
Profit/loss before tax	34.880	(1.538)	(9.757)	23.585
Tax on profit/loss for the period	0	0	0	0
Net profit/loss for the period	34.880	(1.538)	(9.757)	23.585

The Group is not relating assets or liabilities to the individual segments.

	Savene/ Totect	Development activities	Non-distributed activities	Total
	Q1, 2009 DKK ´000	Q1, 2009 DKK ´000	Q1, 2009 DKK ´000	Q1, 2009 DKK ´000
Revenues	11.549	0	793	12.342
Production costs	(2.230)	0	0	(2.230)
Research- and development costs	0	(24.489)	0	(24.489)
Write-down of research and development projects	0	0	0	0
Sales and distribution costs	(9.275)	0	0	(9.275)
Administrative expenses	0	0	(6.108)	(6.108)
Operating profit/loss	44	(24.489)	(5.315)	(29.759)
Financial income and expenses	0	0	(3.104)	(3.104)
Profit/loss before tax	44	(24.489)	(8.419)	(32.863)
Tax on profit/loss for the period	0	0	2.277	2.277
Net profit/loss for the period	44	(24.489)	(6.142)	(30.586)

The Group is not relating assets or liabilities to the individual segments.

The Group's revenue is divided into the following geographical areas:

	Revenue		
	3 months 2010 DKK '000	3 months 2009 DKK '000	2009 DKK '000
Denmark	218	291	1.349
Europe	10.317	6.640	25.484
USA	18.695	5.411	17.146
Total	29.230	12.342	43.979

The Groups assets and additions to acquired research and development projects plus other fixtures and fittings, tools and equipment are divided geografically as follows:

	Assets			Additions to aquired research & development projects plus other fixtures and fittings, tools and equipment		
	2010 DKK '000	2009 DKK '000	2009 DKK '000	3 months 2010 DKK '000	3 months 2009 DKK '000	2009 DKK '000
Denmark	484.667	307.074	367.095	171	0	94
Europe	251.677	247.632	211.848	0	0	3
USA	8.432	9.346	6.470	0	0	0
Total	744.775	564.052	585.413	171	0	97

4. STAFF COSTS

	3 months 2010 DKK ' 000	3 months 2009 DKK ' 000	2009 DKK ' 000
Allocated by function:			
Production costs	1.333	0	0
Research and development costs	6.376	6.599	23.907
Sales and distribution costs	3.401	5.343	16.854
Administrative expenses	3.953	2.689	10.978
Total	15.064	14.631	51.739
Hereof share-based payments	661	1.568	10.015
Average number of employees	54	60	58

5. INTANGIBLE ASSETS

	31 March 2010 DKK ' 000	31 March 2009 DKK ' 000	2009 DKK ' 000
Acquired research- and development projects still in progress			
Cost at 1 January	536.384	549.180	549.180
Adjustment of acquisition value	0	(14.053)	(12.796)
Additions	0	0	0
Disposals	0	0	0
Cost at 31 March	536.384	535.127	536.384
Amortisation 1 January	(114.700)	(93.500)	(93.500)
Amortisation and write downs	0	0	(21.200)
Amortisation at 31 March	(114.700)	(93.500)	(114.700)
Carrying amount at 31 March	421.684	441.627	421.684
Acquired research- and development projects - available for use			
Cost at 1 January	15.076	15.076	15.076
Disposal	(7.500)	0	0
Cost at 31 March	7.576	15.076	15.076
Amortisation at 1 January	(4.875)	(3.375)	(3.375)
Amortisation	(313)	(375)	(1.500)
Amortisation related to the disposal	2.562	0	0
Amortisation at 31 March	(2.626)	(3.750)	(4.875)
Carrying amount at 31 March	4.951	11.326	10.201
Total acquired research and development projects	426.635	452.953	431.885
The weighted average residual term of acquired research and development projects - available for use is approximately (number of years)	6,50	7,50	6,75

Amortisation and impairment by function:

	3 months 2010 DKK ' 000	3 months 2009 DKK ' 000	2009 DKK ' 000
Production costs	313	375	1.500

6. NON-CURRENT LIABILITIES

	31 March 2010 DKK ' 000	31 March 2009 DKK ' 000	2009 DKK ' 000
Deferred income tax	46.188	43.259	43.985
Pension commitments	0	751	315
Other debt	73.514	77.665	70.395
Accruals	107.938	0	0
Total	<u>227.640</u>	<u>121.675</u>	<u>114.695</u>

Other debt is primarily debt in relation to the APO866-milestone and the belinostat-milestone.

Accruals are comprised of the non-current portion of the upfront payment in relation to belinostat.

7. CURRENT LIABILITIES

	31 March 2010 DKK ' 000	31 March 2009 DKK ' 000	2009 DKK ' 000
Leasing commitments	0	191	0
Trade payables	38.826	35.304	37.299
Other payables	6.287	6.523	21.621
Deferred income	35.979	0	0
Total	<u>81.091</u>	<u>42.018</u>	<u>58.920</u>

Other debt in the comparison year 2009 is primarily debt in relation to the CuraGen-milestones.

Accruals are comprised of the current portion of the upfront payment in relation to belinostat.