

Today's presentation will focus on...

A major health problem – Asthma

A new exciting Biomarker – Exhaled Nitric Oxide

An attractive life science business – Aerocrine AB

Asthma is a major global health problem

- Globally about 300 million people suffer from asthma
- The cost of asthma is estimated at \$40 billion a year
- Asthma is a chronic disease, airway inflammation is the main pathogenic factor
- Asthma is still poorly controlled
- By measuring the level of nitric oxide (NO) in exhaled breath – asthma control can be dramatically improved

This is what Aerocrine has made available to the medical community – and to asthma patients

Strong parallels to glucose monitoring of diabetics

Aerocrine's technology has the potential to have the same impact on the asthma market as blood glucose monitoring has had on the diabetes market

- Like diabetes, asthma is a chronic disease, there is no cure
- Medical care for both diseases is focused on improving disease control by optimizing drug therapy. For diabetes, this is done with glucose monitoring
- Optimization of drug therapy through early recognition of loss of control can significantly reduce symptoms and severity of exacerbations

The Inflammation Biomarker – Exhaled Nitric Oxide

Exhaled Nitric Oxide, eNO, is perfectly suited for the management of asthma

- eNO is the only Biomarker that can be used for Diagnosis, Monitoring and Screening for Asthma
- The test is **highly reproducible, non-invasive and results are available in a minute**. eNO is measured in ppb

An elevated eNO level is not only a test result, it is a call for action!

- If asthma patients measure eNO regularly they can optimize drug intake
- By optimizing asthma control there will be less ER visits, less patients hospitalised and less people on sick leave

Monitoring NO in exhaled breath – leads to direct patient benefits

Ensures correct
asthma diagnosis

Predicts

- drug response
- worsening of
disease

Identifies
non-compliance

Optimizes
drug therapy

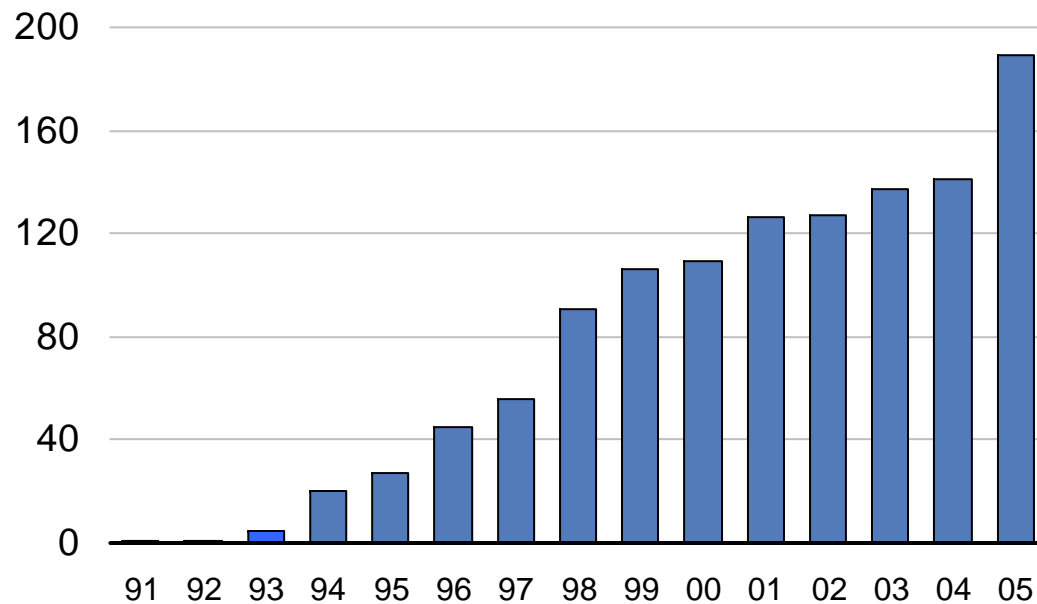
improves asthma control



The References

Major clinical benefits supported by more than 1,300 publications in peer reviewed journals

No. publications



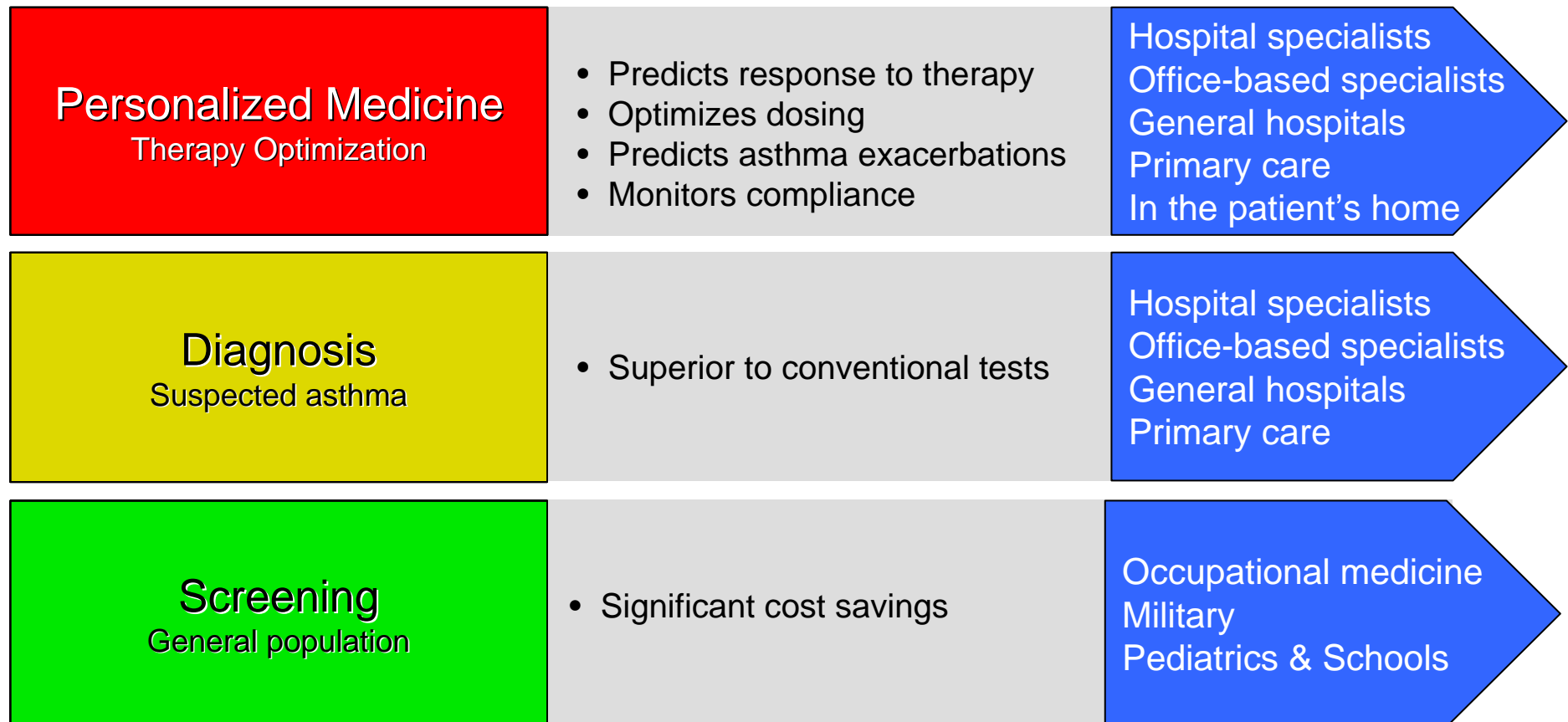
- eNO obtains asthma control through optimized dosing, Dose optimization with NIOX reduces drug use by more than 40%

(N Engl J Med, May 2005)

- Inflammation monitoring, improves asthma control, leads to significantly fewer exacerbations (down by ~70%)

(The Lancet, Nov 2002)

The Market – we are creating it!



Guide to interpretation of FENO values – in patients with suspected airway disease

	LOW	NORMAL	INCREASED	HIGH
Adult	<5	5-25	25-45	<45
Child	<5	5-25	25-35	<35
	<p>Suspicious</p> <ul style="list-style-type: none"> - May require investigation <p>Possible causes:</p> <ul style="list-style-type: none"> - Primary ciliary dyskinesia - Cystic fibrosis - Bronchopulmonary dysplasia 	<p>Eosinophilic inflammation is unlikely</p>	<p>Eosinophilic inflammation may be present</p> <ul style="list-style-type: none"> - May require further investigation depending on clinical history 	<p>Highly indicative of ongoing eosinophilic inflammation</p> <p>Symptomatic patients likely to respond to anti-inflammatory treatment</p> <p>NOTE! Not all patients with high FENO values display symptoms</p>

Aerocrine

– from Managing Symptoms to Managing a Disease

Aerocrine is the first company

- to provide the Clinician with a product that can predict asthma attacks as well as monitoring the effects of medication in the treatment of asthma Patients
- to provide the Clinician with a tool that improves asthma patients disease control and optimizes drug therapy

This is a Paradigm Shift in the treatment and management of Asthma

The Products



NIOX®, cleared by the FDA in 2003

Stationary device for academic centres and leading specialist clinics

Sales of instruments as business model



NIOX MINO® introduced in 2005

Hand-held, plug and play device for hospital and office based specialist, general hospitals, primary care and patient's in home use

Razor razor-blade business model



NIOX MINI™ – to be developed

This next generation of NIOX for home use will be using the latest technology available

Several business models can be used e.g. smart card, charging via mobile phone etc

NIOX MINO[®] a new technology suited for a razor-razorblade business model



Disposable sensor enables
pay-per-use testing

Allows penetration of the
whole asthma market
including home care

Potential to be used by all
asthma patients over 4
years old

Tests may be done as often
as daily



NIOX MINO[®] tests are

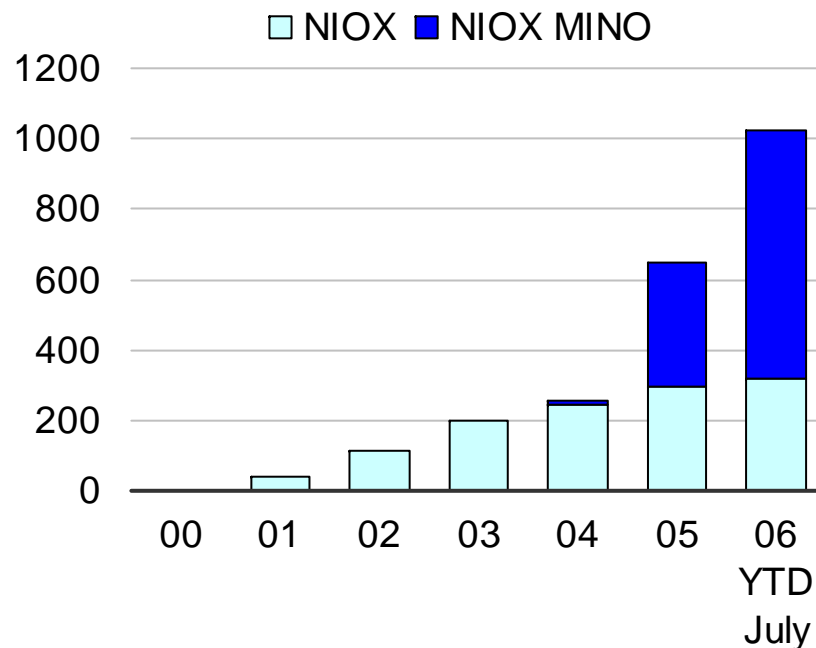
- Easy
- Non-invasive
- Objective
- Reliable & reproducible
- Fast

Aerocrine is positioned for rapid market development

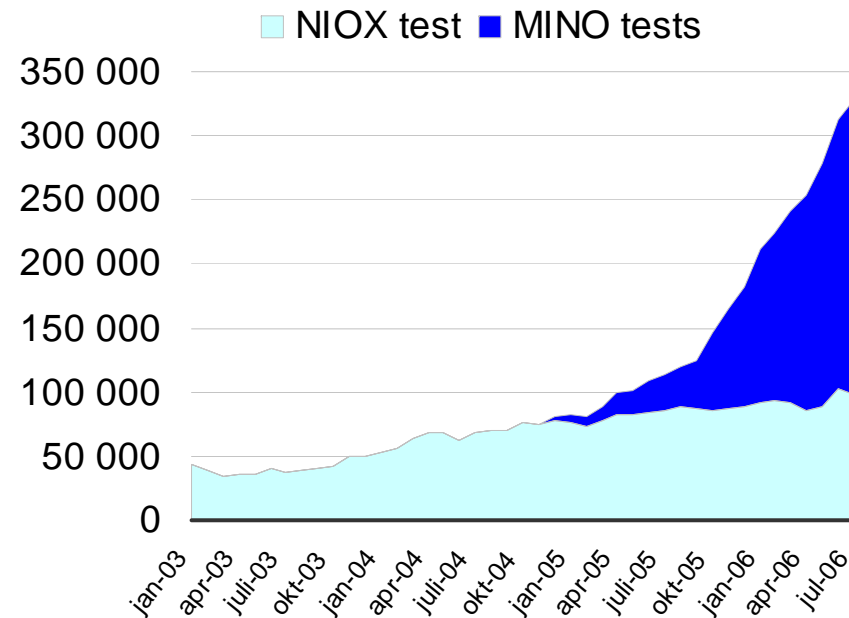
- With NIOX[®] as a first-of-a-kind gold standard and NIOX MINO[®] with a razor-razorblade business model
- More than 1300 peer-reviewed publications treat exhaled NO
- The company's IPR, with twelve US patents issued, covers NO as an inflammation marker in the Respiratory, Gastrointestinal & Urogenital areas
- The R&D phase has been successfully executed for asthma
- Aerocrine's management team has extensive experience drawn from the pharmaceutical and medical device industries

Aerocrine is building its market position

sold instruments (accumulated) have more than tripled since 2004, and is now exceeding 1000 units



Number of sold tests shows strong increase



Focus for 2006...

- eNO for the management of Asthmatics is becoming a part of the clinical guidelines and also eligible for reimbursement
- Reimbursement is underway
 - Portugal first country to get reimbursement, at €31
 - US reimbursement status for exhaled NO tests is expected in 2007
- FDA 510(k) clearance for NIOX MINO® is expected in 2007
- Build up market & sales organization

The Business Opportunity – A \$40 billion market

Aerocrine

General use

