



Probi AB

Quarterly Report Summary 2007.01.01 - 2007.09.30

Actual report period 2007.07.01 – 2007.09.30

- Probi's net sales for the period January to September amounted to 30,6 million SEK (20,3), an increase of 51 percent (-5). The net sales during the third quarter was 10,4 million SEK (6,9). Growth within the business area Functional Food was 40 percent (-8) during the period January to September and 117 percent (17) within the business area Dietary Supplements. Growth during the third quarter was 43 percent (-1) within Functional Food and 104 percent (0) within Dietary Supplements.
- After tax result for the period January to September continued to be positive and amounted to 4,8 million SEK (-5,1). Even the third quarter after tax result improved to 2,9 million SEK (-0,9).
- Earnings per share for the period January to September amounted to 0,51 SEK (-0,55) and to 0,31 SEK (-0,10) during the third quarter.
- Cash flow from current activities during the period January to September improved to 15,6 million SEK (-1,8). Liquid assets were 45,5 million SEK (36,7) at the end of the period.
- Probi has signed a license agreement with NextFoods for the US market. An assortment of "fruit shots" will be launched with significant market investments during fall 2008.
- Probi has carried out a placebo controlled study in which a combination of one the company's patented *Lactobacillus plantarum* strains and a *Lactobacillus paracasei* have shown effect on the immune system and may thereby reduce the duration and severity of common cold infections.
- Institut Rosell has signed another agreement in India for the sale of dietary supplements. Ranbaxy Pharmaceuticals will launch the dietary supplement to gastro specialists during fall.
- After the end of the period, Probi's partner Institut Rosell has started to supply the pharmaceutical company Merck in Chile with a dietary supplement product based on Probi's bacteria Lp299v.
- Probi still deems that result and cash flow from current activities will be positive during 2007.

Probi is a leading player in probiotic research and development. The company's research is carried out using living micro-organisms with scientifically proven health effects. The main research areas are: stomach and gastrointestinal tracts, immune defense, risk factors for cardiovascular diseases, stress and recovery. Probi's business concept is based on offering efficient and well-documented probiotic product concepts with comprehensive patent protection, which result in the possibility of considerably higher royalty levels than for the sector as a whole. Probi's customers include leading companies in the functional foods, dietary supplements and clinical nutrition marketing areas. Since the middle of the 1990s, the Company has had continuous income from commercialized products. The global market for probiotic products shows a favorable underlying growth. New insight into the advantages of probiotics, an increasingly greater health interest and authorities' increasing documentation demands and regulations are the primary trends that support Probi. Probi's shares are listed on the Nordic Exchange. For further information, visit www.probi.se.

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