



ABLYNX ANNOUNCES HALF-YEAR RESULTS FOR 2008

Ghent, Belgium, 28 August 2008 - Ablynx [*Euronext Brussels: ABLX*], a pioneer in the discovery and development of Nanobodies[®], a novel class of antibody-derived therapeutic proteins, announced today its results for the six month period ending 30 June, 2008, which have been prepared in accordance with the IAS 34 'Interim Financial Reporting' as adopted by the European Union.

H1 2008 Highlights

- Initiated a Phase Ib study in patients for ALX-0081 in May
- Initiated 5 new Nanobody[®] programmes during the first half of 2008 and on track to reach the target of 6-8 new programmes for 2008
- 36% increase in revenue to €6.2 million for the six month period (2007: €4.5 million)
- €0.7 million grant was approved in April by the Flemish government to explore "Novel uses of Nanobodies[®]"
- Received milestone payment from Novartis in February
- Increased staff by 25 people, to reach a total of 173 at 30 June
- Developed plans for future facility expansion
- €115.3 million in cash at 30 June, 2008

Boehringer Ingelheim also confirmed on 21 August a one year extension of the research term for the Alzheimer disease collaboration.

Prospects for 2008

The Company aims to complete its multi-dose Phase Ib patient study of ALX-0081 during the fourth quarter. It also expects to initiate the preparations for Phase II development by engaging with regulatory authorities before the end of the year. As part of Ablynx's strategy to exploit the advantages of Nanobodies[®] and to access additional potential markets, it has also started the development of ALX-0681, a subcutaneous delivery form of ALX-0081, and is on track to file an IND equivalent for ALX-0681 by the end of 2008.

70% of Ablynx's R&D resources are dedicated to the development of its own internal pipeline. During the second half of 2008, Ablynx will advance other Nanobodies[®] into pre-clinical studies. The Company will also achieve its target of starting 6-8 new internal discovery programmes before the end of the year. In addition, it will continue to develop its own technology platform and exploit the key Nanobody[®] advantages in areas such as alternative routes of administration and generating Nanobodies[®] against target classes which are typically difficult for monoclonal antibodies.

Ablynx will also be advancing Nanobodies[®] into pre-clinical studies as part of its collaborative partnerships. The Company anticipates receiving further milestone payments from these existing collaborations this year. It also expects to enter into a risk/reward sharing collaboration to co-develop

Nanobodies[®] where, for the first time, it will have the opportunity to share in the profits of products which reach market.

Commenting on the half-year results and the very positive progress Ablynx has made during the first half of 2008, Dr Edwin Moses Chairman and CEO said:

“We have made significant progress during the first half of 2008 both in our internal therapeutic programmes as well as in our partnerships. In May, our lead programme, ALX-0081 entered a Phase Ib study in patients and we are pleased with the progress of the trial so far. We are focused on driving this lead programme forward and we are on track to file our second IND equivalent on the subcutaneously delivered form of ALX-0081 (ALX-0681) before the end of this year. In addition, we continue to strengthen our pipeline and we will start 6-8 new therapeutic programmes this year. We are particularly pleased with progress in the partnerships with Boehringer Ingelheim and Wyeth. Our strategy is to continue to dedicate a balanced amount of our resources to key strategic collaborators, whilst at the same time investing substantially in our own pipeline. We have therefore decided to reduce our research collaboration with Procter & Gamble Pharmaceuticals which we entered into in 2004 and as a result agreed with Procter & Gamble Pharmaceuticals to stop one of the two research programmes we have worked on with them. We have again successfully grown our internal resources in this period and we have taken important steps in securing appropriate facilities for the continued growth of the Company. In times of relative financial turmoil our strong cash position remains a critical competitive advantage.”

FINANCIAL INFORMATION

The consolidated interim financial statements for the six months ended June 30, 2008 have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union. They do not include all the information required for full annual financial statements and should therefore be read in conjunction with the financial statements for the year ended December 31, 2007. The financial statements are presented in thousands of Euros (unless stated otherwise).

Analysis of results of operations

The tables hereafter include information relating to the Company's results for the years ended June 30, 2007 and 2008.

Revenue

Revenue increased 36% from €4.5 million to €6.2 million. This increase was attributable to an approximately €1.6 million increase in research and development revenues, resulting mainly from the collaborative agreements with Novartis, Wyeth Pharmaceuticals, Boehringer Ingelheim and P&G Pharmaceuticals.

Research and development expenses

Research and development expenses increased by 52% to €12.9 million (2007: €8.5 million). This increase was primarily attributable to a €1.7 million increase in personnel costs as research and development staff increased to 143 as at the end of June 2008. It also reflects an increase in expenses related to laboratory costs, rent, depreciations and external development costs.

General and administrative expenses

General and administrative expenses increased €0.8 million to €3.4 million (2007: €2.6 million). This increase primarily resulted from a €0.7 million increase in administrative consulting and general costs.

Finance income

Finance income primarily comprises interest from term deposits. Finance income increased approximately €2.3 million to €2.7 million (2007: €0.4 million). The increase was principally due to increased income from deposits following the proceeds from the IPO of €85 million at the end of 2007.

Losses for the period

As a result of the foregoing, the Company's loss increased to €7.5 million (2007: €6.2 million).

BALANCE SHEET

The Company's non-current assets include intangible assets (a portfolio of patents and technical licences) and tangible assets (the Company's laboratory and office equipment). The increase in non-current assets essentially relates to the purchase of equipment.

The Company's current assets essentially consist of trade receivables and cash and cash equivalents. The increase in 2008 primarily relates to increases in cash and cash equivalents from the proceeds of the IPO of €85 million in November 2007.

The Company's current liabilities primarily relate to deferred income from collaborative arrangements and trade payables. The decrease is related to decrease in deferred income and lower outstanding trade payables.

The Company's non-current liabilities relate to a leasing contract and a borrowing contract.

CASH FLOW

Cash flow from operating activities represents a net outflow of €9.7 million in the first half of 2008 (2007: net outflow of €6.5 million) essentially caused by a higher loss of the period (€1.3 million) and a decrease in trade payables and deferred income.

Cash flow from investing activities represents a net outflow of approximately €1.6 million in 2008 (2007: €0.7 million). These changes primarily reflected increased investments in laboratory and office equipment.

Cash flow from financing activities represents a net inflow of €0.2 million in the first half of 2008 (2007: €20.0 million). The net inflow of €0.3 million in 2008 is related to the exercise of warrants and the outflow of €0.1 million from repayments of borrowings. The inflow in 2007 was related to the call down of the remaining €20 million to be paid in respect of the Company's capital increase in August 2006.

We refer to the website <http://www.ablynx.com/investorrelations/financialreports.php> for the half year report.

1. Condensed Financial Statements – June 30, 2008

1.1 CONDENSED CONSOLIDATED BALANCE SHEET (IN THOUSANDS OF EUROS)

	As at June 30, 2008	As at December 31, 2007
Non-current assets	4,212	3,505
Intangible assets	841	751
Property, plant & equipment	3,371	2,754
Current assets	119,993	130,831
Trade receivables	2,079	2,082
Other current assets	2,034	1,037
Accrued income and deferred charges	544	1,223
Cash and cash equivalents	115,336	126,489
Total assets	124,205	134,336
Equity	101,247	108,175
Share capital	62,423	61,970
Share premium account	88,851	88,851
Share-based payments	1,670	1,551
Retained earnings	(51,697)	(44,197)
Non-current liabilities	30	61
Borrowings	30	61
Current liabilities	22,928	26,100
Borrowings	58	112
Trade payables	3,803	5,223
Other current liabilities	1,638	1,689
Deferred income	17,429	19,076
Total liabilities	23,077	26,161
Total equity and liabilities	124,205	134,336

1.2 CONDENSED CONSOLIDATED INCOME STATEMENT (IN THOUSANDS OF EUROS)

	Period ended June 30,	
	2008	2007
Revenue:		
Research and development	5,828	4,181
Grants	352	349
Total revenue	6,180	4,530
Research & development expense	(12,947)	(8,491)
General & administrative expense	(3,439)	(2,611)
Total operating expenses	(16,386)	(11,102)
Other operating income/(expense)	0	4
Operating result	(10,206)	(6,568)
Finance income (net)	2,706	409
Loss before taxes	(7,500)	(6,159)
Income tax expense	0	0
Loss for the period	(7,500)	(6,159)
Basic and diluted loss per share	(0.21)	(0.26)

**1.3 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY
(IN THOUSANDS OF EUROS)**

	Share capital	Share premium	Share-based payments	Retained loss	Total Equity
Balance at December 31, 2006	24,416	26,530	780	(31,675)	20051
Unpaid capital paid up	20,004				
Exercise of warrants	134		(29)		
Share-based payments			406		
Share premium		5			
Loss of the period				(6,159)	
Balance at June 30, 2007	44,554	26,535	1,157	(37,834)	34,412
Capital increase	22,880	62,316			
Issuance costs	(5,463)				
Exercise of warrants			7		
Share-based payments			387		
Loss of the period				(6,363)	
Balance at December 31, 2007	61,970	88,851	1,551	(44,197)	108,175
Issuance costs	(14)				
Exercise of warrants	465		(135)		
Share-based payments			255		
Loss of the period				(7,501)	
Balance at June 30, 2008	62,421	88,851	1,671	(51,698)	101,245

1.4 CONDENSED CONSOLIDATED CASH FLOW STATEMENT (IN THOUSANDS OF EUROS)

	Period ended June 30,	
	2008	2007
Cash flows from operating activities		
Loss before income tax	(7,500)	(6,159)
Adjustments for:		
Amortization	59	79
Depreciation	876	375
(Profit)/loss on disposal of property, plant and equipment	0	0
Share-based payment expense	255	406
Finance income-net	(2,702)	(412)
Net movement in trade and other receivables	(315)	(140)
Net movement in trade and other payables	(3,115)	(1,077)
Cash used in operations	(12,442)	(6,928)
Interest paid	(3)	(3)
Interest received	2,704	415
Income tax paid	0	0
Net cash used in operating activities	(9,741)	(6,516)
Cash flows from investing activities		
Purchases of property, plant and equipment	(1,470)	(726)
Proceeds from sale of property, plant and equipment	0	0
Purchase of intangible assets	(174)	0
Net cash used in investing activities	(1,644)	(726)
Cash flows from financing activities		
Proceeds from issuance of ordinary shares		20,009
Proceeds from exercise of warrants	315	105
Proceeds from borrowings		10
Repayments of borrowings	(84)	(82)
Net cash generated from financing activities	231	20,042
Net (decrease)/increase in cash and cash equivalents	(11,154)	12,800
Cash and cash equivalents at beginning of the period	126,489	25,799
Cash and cash equivalents at end of the period	115,335	38,599

About Ablynx [Euronext Brussels: ABLX] - <http://www.ablynx.com>

Founded in 2001 in Ghent, Belgium, Ablynx is a biopharmaceutical company focused on the discovery and development of Nanobodies[®], a novel class of therapeutic proteins based on single-domain antibody fragments, for a range of serious and life-threatening human diseases. The Company currently has over 180 employees. Ablynx completed a successful IPO on Euronext Brussels [ABLX] on 7 November 2007. Ablynx is developing a portfolio of Nanobody[®]-based therapeutic programmes in a number of major disease areas, including inflammation, thrombosis, oncology and Alzheimer's disease. Nanobodies[®] have been generated against more than 100 different disease targets. Importantly the Nanobodies[®] which naturally exist in llamas have a very high homology with humans. Efficacy data has been obtained in 20 *in vivo* models for Nanobodies[®] against a range of different targets. Its lead programme, ALX-0081, a novel anti-thrombotic is in a multi-dose Phase 1b study in patients. ALX-0681, also a novel anti-thrombotic, is in advanced preclinical development.

Ablynx has an extensive patent position in the field of Nanobodies[®] for healthcare applications. It has exclusive and worldwide rights to more than 50 families of granted patents and pending patent applications, including the Hamers patents covering the basic structure, composition, preparation and uses of Nanobodies[®].

Ablynx has ongoing research collaborations and significant partnerships with some of the major pharmaceutical companies, including Boehringer Ingelheim, Wyeth Pharmaceuticals and Novartis. Ablynx is building a diverse and broad portfolio of therapeutic Nanobodies[®] through these collaborations as well as through its own internal discovery programmes. The Company dedicates 70% of its R&D staff to rapidly build its internal portfolio of Nanobodies[®] and has only partnered less than 2% of those targets accessible to Nanobodies[®]. Ablynx announced final Phase I data from its lead programme, an anti-thrombotic (ALX-0081) in December 2007 and another programme, which is partnered, is in advanced preclinical development.

Nanobody[®] is a registered trademark of Ablynx NV.

For more information, please contact:

College Hill Life Sciences – for UK/International media enquiries:

Sue Charles, Justine Lamond, John McIntyre

t: +44 (0)20 7866 7857

f: +44 (0)20 7866 7900

e: ablynx@collegehill.com

Ablynx:

Dr Edwin Moses

Chairman and CEO

t: +32 (0)9 262 00 07

m: +44 (0)7771 954 193 / +32 (0)473 39 50 68

e: edwin.moses@ablynx.com

Eva-Lotta Allan

Chief Business Officer

t: +32 (0)9 262 00 75

m: +32 (0)475 78 36 21 / +44 (0)7990 570 900

e: eva-lotta.allan@ablynx.com

Wim Ottevaere
Chief Financial Officer
t: +32 (0)9 262 00 08
e: wim.ottevaere@ablynx.com