



# NattoPharma<sup>®</sup>

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Interim report – 4<sup>th</sup> Quarter 2009

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# Highlights

- **Extensive cost-cuts:** Additional significant cost-cuts achieved in the 4<sup>th</sup> quarter, resulted in an operating cost for the quarter of MNOK 4.3. This represents a reduction of 57 % compared to the 4<sup>th</sup> Quarter 2008 operating costs. The company has thus achieved its objective to reduce quarterly operational costs to a level below MNOK 5.0.
- **Sales development:** 2009 revenue reached MNOK 23.5 compared to MNOK 19.7 in 2008, which represents a growth equal to 20 %. Significant interest in the market as a result of the regulatory approvals in Europe and positive R&D results. The company has created a solid foundation for negotiation agreements with global and regional operators. These agreements will represent a basis for a significant increase in future sales.
- **Development in the Supplement market:** NattoPharma is still the only operator in the European market. Hence, the product MenaQ7 attracts significant attention and thus a strong expansion of the sales in this region is expected. NattoPharma continues to pursue registration of so called market claims in EFSA, in order to obtain maximum protection in the future against entries of possible other operators in the European market.
- **Share issue:** A fully subscribed share issue of MNOK 10 was carried out October 13<sup>th</sup> 2009, of which MNOK 5 were guaranteed. The share issue was resolved in an extra ordinary general meeting taking place November 5<sup>th</sup> 2009.
- **Objective for 2010:** NattoPharma has achieved full cost-control, and is looking at possibilities to increase its gross margin. This together with expected growth in revenue is anticipated to result in a positive operating result for 2010.

## **Regulatory issues**

During the last quarter of 2009, menaquinone (vitamin K2 as MK-7) was added as an Appendix to the EU Directive 2001/15/EC for substances that can be added for specific nutritional purposes in foods for specific nutritional uses. The European Commission published an updated list of substances (including menaquinone) on 13<sup>th</sup> October 2009 in the Official Journal of the European Union under Commission Regulation (EC) No 953/2009. MK-7 was also added to the Annex II list of EU Directive 2002/46/EC as approved ingredient in dietary supplements and in Annex II of the regulations (EC) No 1925/2006 as approved vitamin additives for food products. The European Commission published an updated list of approved ingredients (here under MK-7) on 30<sup>th</sup> November 2009 in the Official Journal of the European Union under Commission Regulation (EC) No 1170/2009. As previously reported NattoPharma is the only company that has the Novel Food Approval; i.e. NattoPharma's MenaQ7 (natural vitamin K2 as MK-7) is the only vitamin K2 product allowed to be marketed and sold in Europe.

The work of approvals in other non-EU countries like Switzerland, Russia and Australia is progressing as planned. In the United States continued efforts is made to achieve a "no comment letter".

## **Health claims in the EU for NattoPharma's vitamin K2**

In September 2009, EFSA's "Panel on Dietetic Products, Nutrition, and Allergies" (NDA), published the results of their first round of Article 13.1 "Health claim" evaluations. They concluded that there is a cause and effect relationship between intake of vitamin K including vitamin K2 based on NattoPharma's application, and maintenance of normal bone health. This positive result is very important for NattoPharma's sales and marketing activities as customers who use MenaQ7 in their products can now label the products in accordance with this Law and approved statement. During the last quarter of 2009 NattoPharma decided on a strategy with regards to Article 13.5 "Health Claims" (health claims for healthy adults based on new science). NattoPharma is also working on a strategy for Article 14.0 "Health Claims" (health claims related to prevention of disease and health claims aimed at children). The process of getting more health claims approved (what NattoPharma and NattoPharma's customers can say in their promotional materials) than the one we had in 2009 will be a main priority area for NattoPharma in 2010. Based on targeted clinical research NattoPharma will document the effect of MenaQ7 further against relevant potential health problems in the population. Based on these results NattoPharma will continue its aggressive strategy to get more health claims approved in Europe.

## **R&D**

During the 4th quarter of 2009, the report of a major human study comparing three different product types of MenaQ7 (Powder and Oil formats) was finished. All product types of MenaQ7 had the same absorption and

efficacy. The absorption profiles were determined by measuring the circulating MK-7 levels. Efficacy was determined by effects on circulating levels of uncarboxylated osteocalcin and matrix Gla-protein, two important markers for extra-hepatic vitamin K deficiency. In addition, an animal intervention to study MenaQ7's ability to modulate arterial calcification was finalized during the 4th quarter of 2009. Analysis of the main study parameters also started in the last quarter of 2009.

During the 2nd and 3rd quarters of 2010, the two-year measurements of the three-year clinical trial in postmenopausal women will be performed. The aim of this comprehensive clinical study is to document the positive effect of MenaQ7 for arterial- and bone health in this group of the population. The final results will not be available before January 2012.

In the 2nd and 3rd quarters of 2010, several clinical studies will also be started with the aim of securing specific documentation for health claim applications towards several health segments.

## **Marketing and Business development**

The company achieved a good ending to the year with sales of MNOK 4.9 million in 4<sup>th</sup> quarter, and total sales in 2009 of MNOK 23.5, representing approx. 20% increase compared to 2008. Volume wise the increase of approx. 30%, since volume discounts were given to the largest customers. The increase is the same level in the United States and in Europe. Sales in 2009 were distributed with approx. 60% in the U.S. and approx. 40% in Europe and abroad.

NattoPharma has in recent months been focusing on improving our "go-to-market" strategy to increase the possibilities to ensure optimal sales process to the major players in the various territories. We have terminated several distributor agreements and NattoPharma will make direct sales responsibilities to a greater extent than previously. The big players we already are in negotiations with, not least in the United States, express a great satisfaction over communicating and negotiating directly with the supplier of MenaQ7. We expect the revised strategy to lead to positive results both with regards to sales and profit in 2010.

NattoPharma is the only company in Europe that has the regulatory approval for vitamin K2, and as mentioned earlier in this report our product (natural vitamin K2 as MK-7) has been added as a new approved vitamin on the relevant Annex's to directives and regulations in the EU - also called positivity lists. Since the EU from 2010 has introduced significantly stricter requirements for clinical evidence for what is claimed in marketing can actually be proven after stern evaluation by the regulatory authorities in the EU, NattoPharma has a good starting point since investment in research has always been a focus of the company and a significant force in the sales process. However, it will, like many other companies be a challenge to achieve significant sales until health claims for each health area is approved. Currently NattoPharma has got the approval that there is an association between vitamin K2 and bone health which can be used in

marketing. This is very important and positive for further introduction in Europe, and it will be this health area which will be emphasised in the EU in 2010.

NattoPharma is well underway with the introduction of MenaQ7 to potential food customers in Europe with partner Danisco. In early 2010, MenaQ7 will be introduced in South America and thereafter in Asia. In the U.S. the regulatory process is demanding and it will take time before MenaQ7 will be introduced in the food segment there. Danisco has completed a significant application work and has developed procedures for how MenaQ7 can be added during the processing of different foods, and documented that MenaQ7 has not got any negative effect on the quality of food and not the customer's experience of this. They have also made relevant sales and marketing material. Since the sales process of a new ingredient to potential new customers is time consuming, and the fact that the product development of secured customers takes time, NattoPharma does not expect any significant sales from this segment until 2011.

### **Financial information**

The company's share capital as per December 31<sup>st</sup> 2009 equals NOK 2 562 950.30. In 2009, two share capital issues were carried out through private placements. The first, resolved in an extraordinary general meeting held May 20<sup>th</sup> 2009, equalled NOK 7 000 154 gross by an issuance of 2 000 044 new shares at a subscription price of NOK 3.5 per share. Net capital increase after deduction for share issue and guarantee costs equalled NOK 6 289 990.18 including share premium. In addition, a share capital issue through a private placement was carried out October 13<sup>th</sup> 2009 which was resolved by an extra ordinary general meeting held November 5<sup>th</sup> 2009. In this share issue, 3 184 235 new shares were subscribed at a subscription price of NOK 3.14 per share. In total this capital increase equalled NOK 9 998 497 gross prior to deduction for share issue and guarantee costs. Net capital increase equalled NOK 8 917 706.60.

As per 4<sup>th</sup> quarter 2009 the company can show revenue of NOK 23.5 million. Operating costs totals NOK 38.1 million, of which cost of goods equal NOK 13.2 million, salary costs amounts to NOK 5.9 million, R&D NOK 7.5 million, marketing NOK 0.4 million, depreciation NOK 0.9 million and other operating costs amounts to NOK 10.2 million, which gives a negative operating result equal to NOK 14.6 million. Financial costs amounts to NOK 3.9 million. It is recognised deferred tax asset of NOK 1.6 million, which provides a pre-tax income that is negative with NOK 16.9 million.

Cost-cuts are carried out where the objective is to reach a breakeven level through a revenue equal to NOK 10 million/quarter.

Gross margin for the period was 43.8 %, which is equal to the 3<sup>rd</sup> quarter, but an improvement compared to the two first quarters of 2009. The company will pursue the possibility to improve the future gross margin.

The Company refinanced its bond loan of net NOK 15.5 million which was due July 9<sup>th</sup> 2009. The bond loan, issued through Norsk Tillitsmann ASA was refinanced by the issue of new bond loan amounting to NOK 17 million, with a duration of two years, free of instalments and with a nominal interest rate equal to 10.4 % per annum. It is issued new warrants, which give the bondholders right to subscribe up to 3 777 778 shares each with a nominal value of NOK 0.10 at a subscription price equal to NOK 4.50 per share.

The Company's cash flow from operations was negative with NOK 18.2 million as per 4<sup>th</sup> quarter 2009.

For the 4<sup>th</sup> quarter 2009 isolated, a revenue of NOK 4.9 million is shown. After deduction of operating costs of NOK 6.9 million and net financial costs of NOK 1.2 million, the period shows a negative result equal to NOK 3.2 million. Correspondingly, the 4<sup>th</sup> quarter 2008 shows a revenue of NOK 3.9 million, which after deduction for operating costs of NOK 12.2 million, financial costs of NOK 0.4 million and reversed deferred tax allocation of NOK 8.3 million, negative result for the period is shown equal to NOK 17.0 million.

Further cost-cuts in the 4<sup>th</sup> quarter, resulted in a quarterly operational cost of NOK 4.3 million. This represents a reduction of 57 % compared to the same quarter in 2008. Thus, the objective of reducing the quarterly costs to a level of less than NOK 5 million is hereby reached.

Purchase of technology and patent rights from external suppliers is the foundation for capitalization of intangible assets in accordance with IFRS. A patent purchased in December 2006, approved by the EU in spring 2007, technology and IPR finally delivered by 3<sup>rd</sup> quarter and report completed in December 2007 is the basis for capitalization. All other studies are to be regarded as research or search for new applications for the product, and will be expensed. Based on this intangible value being a significant part of the continued economic development for the company, it is depreciated over a period of 5 years starting January 1<sup>st</sup> 2008.

The Board of Directors observes that the balance sheet shows a negative equity of NOK 3 million as per December 31<sup>st</sup> 2009. The Board of Directors is aware of its responsibility and evaluates on a continued basis evaluate its obligations in accordance with the Norwegian public limited liability companies act Section 3-4 and Section 3-5. In this evaluation, the company's expectations for a positive result and cash flow for 2010 is taken into consideration.

Cash and cash equivalents as per December 31<sup>st</sup> 2009 amounts to NOK 8.3 million of which NOK 1.0 million are restricted funds. As per December 31<sup>st</sup> 2009 the company had approximately 467 shareholders. The Company's total debt and liabilities amounts to NOK 12.2 million.

### **Outlook**

During the 4<sup>th</sup> quarter, NattoPharma achieved its cost

control objective, and sees the possibility to increase its gross margin in the future. Based on this and in connection with increased revenue, the company expects to achieve a positive operating result for 2010.

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# Income statement by nature of expense as per December 31<sup>st</sup> 2009

NattoPharma Group					
<i>(Numbers in NOK 1 000)</i>	Notes	01.10- 12.31.09	01.01- 12.31.09	01.10- 12.31.08	01.01- 12.31.08
<b>Revenue</b>					
Revenue	4	4 884	23 410	3 883	18 935
Other income		-	61	8	51
<b>Total revenue</b>		<b>4 884</b>	<b>23 471</b>	<b>3 891</b>	<b>18 986</b>
<b>Operating expenses</b>					
Raw material and consumables used		(2 685)	(13 116)	(2 304)	(8 302)
Employee benefits expense		(697)	(5 865)	(3 408)	(11 263)
Depreciation and amortisation expense		(261)	(975)	(145)	(1 130)
Other operating expense		(3 297)	(18 158)	(6 377)	(20 898)
<b>Total operating expense</b>		<b>(6 940)</b>	<b>(38 114)</b>	<b>(12 234)</b>	<b>(41 593)</b>
<b>Operating profit/loss</b>		<b>(2 056)</b>	<b>(14 643)</b>	<b>(8 343)</b>	<b>(22 607)</b>
<b>Financial income and expense</b>					
Finance income		22	74	173	889
Other finance income		38	426	255	726
Interest expense		(1 065)	(3 557)	(714)	(2 809)
Other interest expense		(167)	(823)	(154)	(831)
<b>Net finance</b>		<b>(1 172)</b>	<b>(3 880)</b>	<b>(440)</b>	<b>(2 025)</b>
<b>Loss before income tax</b>		<b>(3 228)</b>	<b>(18 523)</b>	<b>(8 783)</b>	<b>(24 632)</b>
Income tax expense	2	-	1 648	(8 309)	(3 906)
<b>Net profit/(loss)</b>		<b>(3 228)</b>	<b>(16 875)</b>	<b>(17 092)</b>	<b>(28 538)</b>
Result and diluted result per share assigned to the company's shareholders:					
Result and diluted result per share		(0,14)	(0,78)	(0,84)	(1,40)

TOTAL RESULT					
NattoPharma Group					
<i>(Numbers in NOK 1 000)</i>		10.01- 12.31.09	01.01- 12.31.09	10.01- 12.31.08	01.01- 12.31.08
<b>Result for the period</b>		<b>(3 228)</b>	<b>(16 875)</b>	<b>(17 092)</b>	<b>(28 538)</b>
<b>Other income and expenses recorded against equity</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total result for the period</b>		<b>(3 228)</b>	<b>(16 875)</b>	<b>(17 092)</b>	<b>(28 538)</b>
Result and diluted result assigned to the company's shareholders:					
		(3 228)	(16 875)	(17 092)	(28 538)

# Balance Sheet

## Assets

NattoPharma Group			
<i>(Numbers in NOK 1 000)</i>	Notes	12.31.2009	12.31.2008
<b>Non current assets</b>			
<b>Intangible assets</b>			
Other intangible assets		3 120	3 920
<b>Total intangible assets</b>		<b>3 120</b>	<b>3 920</b>
<b>Tangible assets</b>			
Equipment		128	286
<b>Total tangible assets</b>		<b>128</b>	<b>286</b>
<b>Total non current assets</b>		<b>3 248</b>	<b>4 206</b>
<b>Current assets</b>			
Warehouse		63	86
Accounts receivables and other receivables		559	1 213
Cash and cash equivalents		8 314	10 272
<b>Total current assets</b>		<b>8 936</b>	<b>11 571</b>
<b>Total assets</b>		<b>12 184</b>	<b>15 777</b>

## Equity and liabilities

NattoPharma Group			
<i>(Numbers in NOK 1 000)</i>	Notes	12.31.2009	12.31.2008
<b>Equity</b>			
<b>Owners equity</b>			
Share Capital		2 563	2 045
Share premium reserve		45 561	30 932
Other paid in equity		5 747	1 496
<b>Total owners equity</b>		<b>53 871</b>	<b>34 473</b>
<b>Earned equity</b>			
Accumulated loss		(56 961)	(40 086)
<b>Total Equity</b>		<b>(3 090)</b>	<b>(5 613)</b>
<b>Long term debt</b>			
Long term debt	6	11 819	
<b>TOTAL LONG TERM DEBT</b>		<b>11 819</b>	<b>-</b>
<b>Liabilities</b>			
Bond loan		-	14 802
Accounts payable		1 611	1 032
Public duties payable		328	1 278
Other current liabilities		1 516	4 278
<b>Total liabilities</b>		<b>3 455</b>	<b>21 390</b>
<b>Total debt</b>		<b>15 274</b>	<b>21 390</b>
<b>Total equity and liabilities</b>		<b>12 184</b>	<b>15 777</b>

# Cash Flow Statement

<i>(Numbers in NOK 1 000)</i>	1.1-12.31.09	1.1-12.31.08
<b>Cash flow from operating activities</b>		
Loss before income tax	(18 523)	(24 632)
Depreciation	975	1 130
Amortisation of interest	1 866	1 177
Loss on repurchase of bonds	-	328
Share compensation expense	15	65
<i>Changes in assets and liabilities:</i>		
Trade receivables and other receivables	654	4 412
Trade payables	578	(2 517)
Other receivables and payables	(3 744)	3 022
<b>Net cash flow from operating activities</b>	<b>(18 179)</b>	<b>(17 015)</b>
<b>Cash flow from investment activities</b>		
Payment from sale of subsidiary	55	-
Purchase inventory and equipment	(16)	(56)
<b>Net cash flow from investment activities</b>	<b>39</b>	<b>(56)</b>
<b>Cash flow from financial activities</b>		
Issuance of share capital	15 147	13 262
Payment from issuance of bonds	16 535	
Repurchase of obligations	(15 500)	(3 105)
<b>Net cash flow from financial activities</b>	<b>16 182</b>	<b>10 157</b>
Net change in cash and cash equivalents	(1 958)	(6 914)
Cash and cash equivalents 1.1.09	10 272	17 186
<b>Cash and cash equivalents 3.31.09</b>	<b>8 314</b>	<b>10 272</b>
Paid interest	1 612	1 775

# Changes in Equity

<i>(Numbers in NOK 1 000)</i>	Share capital	Share premium	Paid in - not registered equity	Other paid in equity	Accumulated deficit	Total equity
<b>Equity 1.1.2008</b>	1 878	16 661	1 175	1 430	(11 548)	9 596
Result for the period					(11 446)	(11 446)
Registry of paid in equity	30	1 145	(1 175)	-	-	-
Share issue	137	16 278	-	-	-	16 415
Transaction cost	-	(2 269)	-	-	-	(2 269)
Share based remuneration	-	-	-	49	-	49
<b>Equity 12.31.2008</b>	<b>2 045</b>	<b>31 815</b>	<b>-</b>	<b>1 479</b>	<b>(22 994)</b>	<b>12 345</b>
<b>Equity 1.1.2009</b>	<b>2 045</b>	<b>30 932</b>	<b>-</b>	<b>1 496</b>	<b>(40 086)</b>	<b>(5 613)</b>
Result for the period					(16 875)	(16 875)
Share issue	518	16 480				16 998
Transaction costs		(1 851)				(1 851)
Subscription rights / warrants				4 237		4 237
Share based remuneration				14		14
<b>Equity 12.31.2009</b>	<b>2 563</b>	<b>45 561</b>	<b>-</b>	<b>5 747</b>	<b>(56 961)</b>	<b>(3 090)</b>



# Notes to consolidated accounts as per December 31<sup>st</sup> 2009

## 1. ACCOUNTING PRINCIPALS

Interim reports are prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting". The report does not contain all information necessary to a full annual report, and must be read in conjunction with the consolidated financial statements for the Group NattoPharma ASA for the fiscal year up to and including 31. December 2009. The interim report was approved by the company's board on February 25<sup>th</sup> 2010.

## 2. DEFERRED TAX

A deferred tax asset accumulated throughout the year 2008 equaled NOK 9 million as per September 30<sup>th</sup> 2008. The amount was finally written down in the 4<sup>th</sup> quarter 2008. The company has continued to employ in 2009 the same principle which was followed by 4<sup>th</sup> quarter 2008 accounts. By the issuance of a new bond loan, a deferred tax advantage occurred amounting to NOK 1.6 million, where the contra entry is recorded directly against the equity. To offset the deferred tax obligation, a non-balance sheet deferred tax asset of equivalent amount was recorded, which has resulted in a revenue in the income statement in the third quarter 2009 accounts.

## 3. SHAREHOLDER INFORMATION

List of the 20 major shareholders as per December 31<sup>st</sup> 2009

Shareholder list 20 major NattoPharma ASA	31.12.2009	
	No. Of shares	Owner- ship
1 Svenska Handelsbanken Stockholm	2 485 500	9,70 %
2 Tibesi AS	2 287 268	8,92 %
3 Anacott Steel AS	2 264 700	8,84 %
4 Sellæg, Bjørn Arne Fr.	1 986 700	7,75 %
5 Bohan & Co AS	1 612 700	6,29 %
6 Macama Invest AS	955 533	3,73 %
7 Nordea Bank Denmark	736 666	2,87 %
8 MP Pensjon	660 000	2,58 %
9 Zinober Invest AS	473 000	1,85 %
10 Sobona AS	450 000	1,76 %
11 Haadem Invest AS	427 800	1,67 %
12 Sellæg Aase	416 600	1,63 %
13 Pictet & Cie Banquiers, Sveits	400 000	1,56 %
14 Gjersvik, Karsten	398 000	1,55 %
15 Universal Exports AS	388 000	1,51 %
16 Easy2Connect AS	300 000	1,17 %
17 Hagen, Karsten	223 000	0,87 %
18 Uddén, Anders	214 286	0,84 %
19 Carlsen, Geirr Emil	203 235	0,79 %
20 LKG Holding AS	200 000	0,78 %
Other Shareholders	8 546 515	33,35 %

## 4. SEGMENT RAPPORTERING

<i>Geographic distribution of sales figures</i>	<i>NattoPharma Group</i>	
	1.1- 12.31.2009	1.1- 12.31.2008
<i>(Numbers in NOK 1 000)</i>		
<b>USA</b>	<b>12 725</b>	<b>11 298</b>
<b>Europe</b>	<b>9 112</b>	<b>7 534</b>
<b>Other areas</b>	<b>1 635</b>	<b>103</b>
<b>Total</b>	<b>23 472</b>	<b>18 935</b>

## 5. CLOSELY RELATED PARTIES

<u>Company</u>	<u>Closely related party</u>	<u>Transaction amount</u>
1. Anacott Steel ASA	Morten Sundstø	NOK 1.274.239
2. Kvale & Co. AS	Christian Stang Våland	NOK 410.025
3. Sobona AS	Ola Røthe	NOK 360.000

A consultant agreement between NattoPharma ASA and Anacott Steel AS (shareholder in the company) dated March 1<sup>st</sup> 2009 regarding the hiring of Mr. Morten Sundstø as IR manager and advisor in connection with strategic company and funding issues, is renewed with effect as per June 1<sup>st</sup> 2009, with a 3 months mutual termination clause. As per August 18<sup>th</sup> 2009, a new agreement has been signed were Mr. Morten Sundstø has been appointed CEO, with a 2 months mutual termination clause.

Legal advice and consultancy has been acquired from the law firm Kvale & Co. Mr. Christian Stang Våland is a partner in Kvale & Co, board member of NattoPharma ASA and shareholder in the Company.

Sobona AS has invoiced the Company for services rendered amounting to NOK 360.000 exclusive of vat. Sobona AS is a shareholder in NattoPharma AS and is controlled / owned by Mr. Ola Røthe, who is the chairman of the board of directors of NattoPharma ASA.

## 6. BOND LOAN

	Nominal interest	Expiry date	Nominal value	Balance value
<b>Bond loan with subscription rights</b>	10,4 %	10.07.2011	17 000 000	11 818 683

The company's bond loan of net NOK 15.5 million with maturity date July 9<sup>th</sup> 2009 was refinanced through a new bond loan of NOK 17 million. The issuer is Norsk Tillitsmann ASA. The term is 2 years from July 10<sup>th</sup> 2009, and carries an annual nominal interest rate equal to 10.4 %. It is issued new subscription rights/warrants which gives the bond holders right to subscribe up to 3 777 778 shares each with a nominal value of NOK 0.10 and with a subscription price of NOK 4.50 per share. In the balance sheet, a split has been made between the bond loan and the subscription rights between debt and equity in accordance with the IFRS accounting standard, showing an equity part of NOK 6 million. A tax obligation of NOK 1.6 million, which arises as a result of the split between the equity part and the financial obligation, is recognized as a reduction of the equity. Net entering against the equity element after deferred tax and transaction costs of NOK 0.1 million is equal to NOK 4.2 million.

## 7. SHARE ISSUES 2009

	Ordinary shares
Balance 01.01.2009	20 445 224
Share issue in may 2009	2 000 044
Share issue in November 2009	3 184 235
<b>Balance 12.31.2009</b>	<b>25 629 503</b>

In 2009 it is carried out two share issues through private placements. The first, resolved in an extraordinary general meeting held May 20<sup>th</sup> 2009, 2 000 044 new shares were issued at a subscription price of NOK 3.5 per share. In the second share issue, resolved in an extra ordinary general meeting held November 5<sup>th</sup> 2009, 3 184 235 new shares were issued at a subscription price of NOK 3.14 per share. Total number of new shares issued as per December 31<sup>st</sup> 2009 equals 25.629.503. For more information, see above table Changes in Equity.