

INTERIM FINANCIAL REPORT

**1st Quarter
2012**

NAVAMEDIC ASA 3 May 2012



Highlights

- ▶ All time high sales
 - 22 per cent sales growth in Q1
 - Strong margins maintained
 - ▶ Eight generic products authorized for marketing
 - 2012 roll-out starts in June/July
 - ▶ Successful private placement
 - NOK 9 million of additional equity
-

Financial results

Navamedic's first quarter 2012 revenues saw a 22 per cent growth over the same period last year. Revenues were NOK 20.6 million compared to NOK 16.8 million in 2011. Nearly all revenues were generated by the Vitaflo business area, which experienced yet another all time high quarter.

EBITDA for the first quarter reached NOK 0.1 million, compared to NOK -1.0 million in the same period of 2011. The results included NOK 1.5 million of operating expenses and developing costs in the Generic Business Area.

Net cash derived from operations during the first quarter was NOK -1.5 million compared to NOK -0.3 million in 2011. Total change in net cash was NOK 7.2 million compared to NOK -1.1 million in the first quarter last year.

Key financial indicators 2012 vs. 2011

	Group		Group
(in NOK '000)	Q1 2012	Q1 2011	FY 2011
Revenues	20 588	16 778	71 299
Gross Profit	8 265	6 672	29 272
Gross margin	40 %	40 %	41 %
EBITDA	58	-982	-2 639
EBIT	-1 500	-2 669	-9 359

Two business areas

Navamedic operates and provides detailed financial information for two business areas: the Vitaflo Scandinavia Business Area, which is a distributor of patented and non-patented drugs and healthcare products in the Nordic markets, and the Generics Business Area, which is in the process of building up a generic drugs portfolio for the Nordic, Dutch and Belgian markets based on in-licensing of generics from Aspen and additional manufacturers. The reporting format reflects the business profile of the company.

Generics Business Area

Reporting includes revenues and costs related to the sale of products to wholesalers and retail partners based primarily on the distribution agreement with Aspen Healthcare. Currently this segment accounts for the costs and investments associated with obtaining the marketing authorisations of the in-licenced products from Aspen and other manufacturers. The first two generics products were launched in October 2011 and sales commenced towards the end of last year.

Vitaflo Scandinavia Business Area

Reporting includes revenues and costs related to the sale of products to wholesalers, retail partner and end-users through Vitaflo Scandinavia AB.

Navamedic Business Areas, Q1 2012 vs Q1 2011

(in NOK '000)	Group		Generics		Vitaflo Scandinavia	
	Q1 2012	Q1 2011	Q1 2012	Q1 2011	Q1 2012	Q1 2011
Revenues	20 588	16 778	100	-	20 488	16 778
Gross Profit	8 265	6 678	20	-	8 245	6 678
Gross margin	40 %	40 %	0 %	0 %	40,2 %	40 %
Operating costs	8 207	7 660	2 042	2 716	6 165	4 944
EBITDA	58	(982)	(2 022)	(2 716)	2 080	1 734
Depreciation, amortizations, write offs	(1 558)	(1 687)	-	-	(1 558)	(1 687)
EBIT	(1 500)	(2 669)	(2 022)	(2 716)	522	47

While revenues in Q1 2012 were mostly attributable to the Vitaflo business area, the Generics business area generated sales of NOK 0.1 million. Revenues grew by 22 per cent compared to the first quarter last year.

The medical nutrition, with PKU products (Phenylketonuria), was the single largest pharmaceutical product group in the first quarter, with a sale of NOK 4.8 million. A total of five new products were introduced in the quarter, providing a revenue of NOK 0.9 million.

Gross margin in the first quarter 2012 ended at 39%, which is at par with the 40% gross margin of last year's first quarter.

The Navamedic group posted a consolidated EBITDA which was slightly positive in the first quarter; NOK 0.06 million compared to a group EBITDA of NOK -1.0 million in the same quarter last year. Operating expenses were NOK 8.0 million compared to NOK 7.7 million in the same period last year.

The Generic Business Area booked NOK 2.0 million in operating expenses and development costs in the first quarter.

Navamedic launched its two first generics products on two of the companies seven target markets in the fourth quarter of 2011. With the Generics Business Area still being in a build-up phase, revenues from these markets were as expected quite modest. Generics sales amounted to NOK 0.1 million in the first quarter.

Operational update

Generics Business Area

Navamedic entered the exciting market for generic pharmaceuticals at the end of the fourth quarter 2011. The two first products were launched in October, marking an important milestone in the development of Navamedic's Generics Business Area.

Navamedic is determined to take a leading role in the North European generics market. The Company aims to be one of the five leading generics companies in the Nordic region by 2015. During 2012 Navamedic expects to bring eight new generic products to the market, ending the year with a portfolio of ten generic drugs in the market.

The markets for generic pharmaceuticals are growing, as health authorities across Europe encourage a substitution to generics when patents for the original products expire. The Norwegian Medicines Agency estimates that the annual savings in selecting generic alternatives currently amount to NOK 2 billion in Norway alone.

An increasing number of patents will expire over the next few years, supporting continued strong market growth for generic pharmaceutical products. The Nordic and Benelux generics markets are expected to have a total market value of more than NOK 10 billion in two years.

Navamedic's generics business is based on a partnership agreement with Aspen Pharmaceuticals of South Africa and other selected generics manufactures. Aspen is one of the world leaders in generic pharmaceuticals and Navamedic is Aspens sole distributor in the Nordic and Benelux markets. The number of product candidates filed demonstrates that Navamedic is on track in building an attractive generic pharmaceutical business in the Nordic countries, Belgium and Netherland.

Vitaflo Scandinavia Business Area

Vitaflo Scandinavia achieved its best quarter ever. The company maintained its attractive margins from the previous quarters, ending the fourth quarter with a 10 per cent EBITDA margin. The progress was caused by both sales growth in the traditional product portfolio and the introduction of new products.

Five new products were included in the portfolio over the last quarter alone represent potential revenues of more than NOK 12 million on an annual basis.

Revenues per knowledge area, Vitaflo Scandinavia Business Area

(in MNOK)	Q1 2012	Q1 2011	FY 2011
Osteoarthritis	0,0	0,0	0,2
Medical Nutrition	4,8	4,4	18,0
Oral Medicine	1,6	1,6	6,1
Female Care	2,4	1,5	6,6
Dermatology	1,6	1,4	5,6
Abuse	2,2	1,9	8,4
Gastro	1,2	0,6	2,9
Neurology	2,1	1,5	6,4
Oncology (Glaxo)	4,3	3,1	15,1
Oftalmology	-	-	-
Generica	0,0	-	0,1
Pain	0,2	-	0,3
Other	0,3	0,6	1,7
Total revenues	20,6	16,8	71,3

Balance Sheet and Cash Flow

By the end of March 2012, Navamedic held cash and cash equivalents of NOK 6.6 million. At the end of 2011 the total cash and cash equivalents were NOK -0.6 million. An equity issue in March 2012 provided NOK 8.9 million of new equity. A total of 750,000 new shares at a price of NOK 12.08 were subscribed for by existing shareholders.

Navamedic's NOK 30 million bank credit facility remained unused at the end of the quarter. The cash reserve and the credit facility combined represented available funds of NOK 36.6 million at the end of the quarter.

Net cash flow from operations during the first quarter 2012 was NOK -1.5 million, compared to NOK -0.3 million in the same period of 2011. Total net change in cash in the first quarter was positive NOK 7.2 million in the first quarter, compared to NOK -1.1 in the same period the previous year. The net cash flow reflects the EBITDA for the period and changes in the working capital and payment for marketing authorisations of generic drugs.

The funds currently available are sufficient to secure the development of the company and planned investments in 2012.

Outlook

Navamedic will continue to develop its new Generics Business Area targeting additional eight product launches in 2012. The Company has an attractive pipeline of generic product candidates and is prepared to launch these following the expiration of original drug patents. For 2012, Navamedic anticipates that total investments and costs related to the Generic Business Area will continue to grow, increasing the average monthly cash outflow somewhat compared to 2011.

Navamedic's target is to reach a positive EBITDA for the Generics Business Area in the fourth quarter of 2012.

The Vitaflo Scandinavia Business Area is expected to continue its sales growth throughout 2012, based on an expanded product base and increased sales of the current product portfolio. The gross margin is expected to remain in the 38-42 per cent range and the company targets EBITDA margins well above 10 per cent.

For the group combined, Navamedic's target is to reach a positive EBITDA for the full year 2012 and a positive net result for the group in the second half of 2013.

CONDENSED CONSOLIDATED FINANCIAL INFORMATION

PROFIT AND LOSS (unaudited)

<i>(In NOK '000)</i>	Note	Q1 2012	Q1 2011	FY 2011
Operating revenues	5	20 588	16 778	71 299
Cost of goods sold		12 323	10 106	42 027
Gross profit		8 265	6 672	29 272
		40,1 %	39,8 %	41,1 %
Payroll expense		4 338	3 748	17 288
Other operating cost		4 104	4 485	15 170
Other (losses)/gains - net		-234	-579	-546
Operating costs		8 207	7 654	31 911
EBITDA		58	-982	-2 639
Depreciation	9	5	5	20
Amortization	8	1 553	1 681	6 699
Write offs	8	-	-	-
OPERATING RESULT (EBIT)		-1 500	-2 669	-9 359
Financial income and expenses				
Financial income		348	242	373
Other financial income		-	-	-
Financial expenses		-4	-4	-4
Other financial expenses		-442	-116	-930
Net financial result		-98	121	-561
ORDINARY RESULT BEFORE TAX		-1 598	-2 547	-9 920
Tax on ordinary result		560	726	2 761
NET PROFIT		-1 038	-1 822	-7 159

CONSOLIDATED BALANCE SHEET (unaudited)

(In NOK '000)	Note	31.03.2012	31.03.2011	31.12.2011
Fixed and Intangible Assets				
Intangible assets	8	88 605	84 020	91 336
Deferred tax assets	10	9 980	7 172	9 317
Tangible assets	9	45	66	50
		-	-	-
Total fixed and intangible assets		98 630	91 258	100 704
Current Assets				
Inventories		14 499	9 854	17 427
Short term receivables	7	11 819	8 437	11 357
Cash at hand, in banks		6 633	13 087	-607
		-	-	-
Total current assets		32 950	31 379	28 177
Total assets		131 580	122 637	128 881
Shareholders equity and liabilities				
Shareholders equity				
Paid in capital		137 763	128 853	128 853
Other reserves		-37 877	-29 746	-35 616
Total equity	4,11	99 886	99 107	93 237
Debt				
Deferred tax	10	10 096	11 742	10 736
Long term debt to financial institutions	12	-	-	-
Total long term debt		10 096	11 742	10 736
Trade debtors		12 043	5 774	16 038
Interest-bearing short term debt	12	0	-	-
Received license fees from customers		-	-	-
Other short term debt		9 555	6 015	8 869
Total short term debt		21 598	11 788	24 908
Total debt		31 694	23 530	35 644
Total shareholders equity and liabilities		131 580	122 637	128 881

CONSOLIDATED CHANGES IN SHAREHOLDERS EQUITY (unaudited)

<i>(In NOK '000)</i>	Note	Paid in capital	Other paid in capital/ reserves	Translation differences	Retained earnings	Total
Balance at 31 December 2009		128 888	-362	3 881	-32 201	100 206
Balance at 1. January 2010		128 888	-362	3 881	-32 201	100 206
Issue of shares, net of share issue cost		-	-		-	-
Issue of not yet registered shares, net of share issue cost		-	-		-	-
Paid out dividend		-	-		-	-
Share option scheme		233	-	-	-	233
Gains and Losses on Currency Outright Agreements		-	-	-	-	-
Translation difference		-	-	-43	-	-43
Net profit of the period		-	-	-	-7 159	-7 159
Balance at 31 December 2010		129 121	-362	3 838	-39 360	93 237
Balance at 31 December 2010		129 121	-362	3 838	-39 360	93 237
Balance at 1 January 2011		129 121	-362	3 838	-39 360	93 237
Capital increase		8 910	-	-	-	8 910
Share option scheme	11	-	-	-	-	-
Translation difference		-	-	-1 223	-	-1 223
Net profit of the period		-	-	-	-1 038	-1 038
Balance at 30 June 2011		138 031	-362	2 615	-40 398	99 886

CONSOLIDATED CASH FLOW (unaudited)

<i>(In NOK '000)</i>	Q1 2012	Q1 2011
Profit (loss) before tax	-1 598	-2 547
Taxes paid	-187	443
Depreciation	1 558	1 687
Changes in inventory	2 928	-1 605
Changes in receivables	-475	1 543
Changes in payables	-3 995	-1 110
Changes in other current items	221	1 251
Net cash flow from operations	-1 548	-338
Cash flow from investments		
Purchase of intangible assets	-	-774
Purchase of tangible assets	-	-
Other investments	-	-
Net cash flow from investments	-	-774
Cash flow from financing		
Proceeds from loan	-	-
Repayment of long term loans	-	-
Share capital	8 910	-
Share options	-	-
Net cash flow from financial activities	8 910	-
Changes in currency	-122	59
Net change in cash	7 240	-1 053
Cash and cash equivalents start period	-607	14 140
Cash and cash equivalents end period	6 633	13 087

Selected explanatory notes

1. Nature of operation

Navamedic ASA (Navamedic) was established in 2002, and comprises Navamedic ASA and the 100 percent owned subsidiaries Vitaflo Scandinavia AB and Navamedic EHF. The company is headquartered at Fornebu outside of Oslo, Norway and maintains its strategy to remain a specialty pharma player with a strong foothold both in the sales and distribution business currently organised in the subsidiary Vitaflo Scandinavia AB, as well as an increasingly important presence in the generic business. The company aims at being the partner of choice for companies wishing to enter the Northern European market.

Navamedic represents more than 50 products from over 20 foreign companies on the Nordic markets through its subsidiary Vitaflo Scandinavia AB. Navamedic aspires to grow both through increased geographical presence and through a broadened product portfolio within selected therapeutic areas.

Navamedics partner, Aspen, is Africa's largest pharmaceutical manufacturer and one of the world's 10 largest generic pharmaceutical companies with distribution in more than 100 countries. Aspen has an annual turnover of about MNOK 11.000, and is listed on the JSE Ltd stock exchange in South Africa.

Aspen has production capabilities and capacity for a wide variety of product types including tablets, capsules, steriles, injectables, antibacterials, liquids and creams. The products are renowned for their quality, efficacy and affordability. Aspen is furthermore one of the leading global players in generic antiretrovirals ("ARVs") and has an outstanding generic pipeline.

Navamedic shares have been listed on the Oslo Stock Exchange since 31 March 2006 under the ticker NAVA.

2. Basis of presentation

These Interim Financial Statements should be read in conjunction with the Consolidated Financial Statements for the year ended 31 December 2011 (hereafter 'the Annual Financial Statements'), as they provide an update of previously reported information. They were approved for issue by the Board of Directors on 12 April 2012. The accounting policies used are consistent with those used in the Annual Financial Statements. The presentation of the Interim Financial Statements is consistent with the Annual Financial Statements. The interim report has not been subject to an audit. The Board of directors approved the interim condensed financial information on 9 February 2012.

3. Summary of significant accounting policies

The accounting policies applied and the presentation of the interim condensed consolidated financial information are consistent with the consolidated financial statements for the year ended 31 December 2011.

New standards and interpretations:

The following IFRSs and interpretations have been issued as at 10 February 2012, but have not yet come into effect, nor early-implemented:

Standards that can have an effect on the accounting principles:

- Neither IFRS 9 Financial instruments with an expected effective date 1 January 2015, nor IFRS 10 Consolidated Financial Statements and IFRS 11 Joint Arrangements both with an effective date 1 January 2013 (but where it is uncertain whether EU approval will be in place by this date), will not, based on our initial assessment in terms of the operations that the company has as of today, have a significant effect on the consolidated financial statements. However, IFRS 9 may lead to reclassifications.

- IFRS 13 Fair Value Measurement with an effective date 1 January 2013 will not, based on our initial assessment in terms of the operations that the company has as of today, have a significant effect on the consolidated financial statements
- The amended IAS 19 Employee Benefits with an effective date 1 January 2013 will not, based on our initial assessment in terms of the operations that the company has as of today, have a significant effect on the consolidated financial statements

Standards that amend disclosure requirements:

- There are several changes in IFRS 7 Financial Instruments: Disclosures with different effective dates, and IFRS 12 Disclosure of Interests in Other Entities with an effective date 1 January 2013 (EU approval of IFRS 12 is at present uncertain), that will all result in an increase in disclosures.

Further amendments in standards and interpretations, will not, based on our initial assessment in terms of the operations that the company has as of today, have a significant effect on the consolidated financial statements

4. Earnings per share

Earnings per share:

	Q1 2012	Q1 2011	FY 2011
Result allocated to shareholders (in NOK '000)	(1 038)	(1 822)	(7 159)
Weighted average of outstanding shares (in '000)	8 287	7 537	7 537
Earnings per share (NOK per share)	-0,13	-0,24	-0,95

Diluted earnings per share:

	Q1 2012	Q1 2011	YTD 2011
Result allocated to shareholders (in NOK '000)	(1 038)	(1 822)	(7 159)
Weighted average of outstanding shares (in '000)	8 512	7 637	7 762
Earnings per share (NOK per share)	-0,12	-0,24	-0,92

Weighted average of outstanding diluted shares is weighted number of average shares adjusted with share options. Earnings per share are not affected by the dilution if negative results in the period.

5. Segment information

From 1 January 2010 Navamedic has two reporting segments; Vitaflo Scandinavia business area and Generics business area.

Vitaflo Scandinavia:

Revenues and costs related to the sale of products to wholesalers, retail partner and end-users through Vitaflo Scandinavia AB.

Generics:

Revenues and costs related to the sale of products to wholesalers and retail partners based on the distribution agreement with Aspen Healthcare. Currently this segment accounts for the costs associated with the marketing authorisations of the in-licence products from Aspen.

Operating segments for the fourth quarter 2011 compared with the fourth quarter 2010

(in NOK '000)	Group		Generics		Vitaflo Scandinavia	
	Q1 2012	Q1 2011	Q1 2012	Q1 2011	Q1 2012	Q1 2011
Revenues	20 588	16 778	100	-	20 488	16 778
Gross Profit	8 085	6 678	20	-	8 065	6 678
Gross margin	39 %	40 %	0 %	0 %	39,4 %	40 %
Operating costs	8 027	7 660	2 042	2 716	5 985	4 944
EBITDA	58	(982)	(2 022)	(2 716)	2 080	1 734
Depreciation, amortizations, write offs	(1 558)	(1 687)	-	-	(1 558)	(1 687)
EBIT	(1 500)	(2 669)	(2 022)	(2 716)	522	47

Revenues are allocated to the region where the customer is domiciled.

(in NOK '000)	Q1 2012	Q1 2011	FY 2011
Nordic Countries	19 765	16 535	69 250
Rest of EU/EEA	822	243	2 049
Other	-	-	-
Total revenues	20 588	16 778	71 299

The Company's revenues are not influenced by any cyclicity of operations. The Company is however dependent on obtaining national marketing authorisations in order to be able to launch and sell the Company's product as pharmaceutical products. Timing of such authorisations may be difficult to assess in the various cases and countries, and may lead to some periodical movements or revenues and profits.

6. Related party transactions

Navamedic is relying on services provided by third parties, included related parties, as a result of its organisational set-up. None of these third parties are considered as related parties.

7. Credit risk and foreign currency risk

Credit risk

Navamedic trades only with recognised, creditworthy third parties, of whom most companies are large, profitable pharmaceutical companies and wholesalers. Receivable balances are monitored on an ongoing basis with the result that the company's exposure to bad debts is not significant. As per Q1 2012, there is no offset of bad debt.

Maturity profile on short term receivables as per 31 December 2011:

NOK 1000	Not due	Less than 3 months	3 to 12 months	Total
Trade receivables	8 723	1 835	61	10 619
Other receivables	1 199	-	-	1 199
Total receivables	9 922	1 835	61	11 818

Foreign currency risk

Navamedic has transactional currency exposure arising from sales and purchases in currencies other than the functional currencies (NOK and SEK). The major portion of sales is currently in SEK. In relation to normal operations, Navamedic has not implemented any hedging strategy to reduce currency risk.

8. Intangible assets

NOK 1000	Q1		YTD	
	2012	2011	2012	2011
Carrying value at the beginning of the period	91 336	84 213	91 336	84 213
Additions	-	774	-	774
Amortization in the period	-1 553	-1 681	-1 553	-1 681
Exchange differences	-1 177	715	-1 177	715
Carrying value at the end of the period	88 606	84 021	88 606	84 021

9. Tangible assets

Changes in carrying value:

NOK 1000	Q1		YTD	
	2012	2011	2012	2011
Carrying value at the beginning of the period	54	71	54	71
Additions	-	-	-	-
Depreciation in the period	-5	-5	-5	-5
Exchange differences	-4	-	-4	-
Carrying value at the end of the period	45	66	45	66

10. Deferred tax and deferred tax assets

Deferred income tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax relates to the same fiscal authority.

The gross movement on the deferred tax assets accounts as follows:

	Q1		YTD	
	2012	2011	2012	2011
Carrying value at the beginning of the period	9 317	6 585	9 317	6 585
Income statement charge	663	584	663	587
Carrying value at the end of the period	9 980	7 169	9 980	7 172

11. Share options

All options are equity settled and valued at the date of award. The value is expensed over the vesting period, which is usually three years. The exercise price of the granted options is equal to the market price on the date of the grant.

During 2009, 100 000 share options were granted to Navamedics CEO with an exercise price set at the market share price on the 4 May 2009 of NOK 5.40 per share. Additional share options were granted 15 February 2010 with a total of 50 000 share options to Navamedics CEO. The exercise price was NOK 7.31 per share. In May 2010 the CEO was granted additional 25 000 share options with an exercise price of NOK 6.90 per share. In September 2010 the CFO was granted 30 000 options and the general manager of Vitaflø AB was granted 20 000 share options with an exercise price of NOK 7.00 per share. In July 2011 the Head of Regulatory Affairs was granted 30 000 share options with an exercise price of NOK 9.50 per share. In August 2011 the CFO was granted 20 000 share options with an exercise price of NOK 10.50 per share. In July 2011 the CEO was granted 12 500 share options with an exercise price of NOK 13.50 per share. In November 2011 the CEO was granted 12 500 share options with an exercise price of NOK 12.00 per share.

A fair value of the options using the Black-Scholes valuation model is by year end 2011 TNOK 706. The significant inputs into the model were a volatility of 65% and annual risk free rate of 4.0%. The expense related to options were 233 in 2011."

Share options outstanding at the end of the period have the following expiry date and exercise prices:

løpetid 3 år Expiry date	Exercise price in NOK per share	Number of shares				
		31.12.2011	30.09.2011	30.06.2011	30.03.2011	31.12.2010
2010 - 06.03	35,4			-		-
2010 - 18.06	38,8			-		-
2012 - 04.05	5,4					100 000
2013 - 15.02	7,3					50 000
2013 - 05.05	6,9					25 000
2013 - 01.09	6,9					50 000
2014 - 18.01	9,5		30 000			-
2014 - 4.02	11,0		20 000			-
2014 - 26.02	13,5		12 500			-
2014-02-06	12,0	12 500				
Total		300 000	287 500	225 000	225 000	225 000

12. Credit facility

In July 2011 the company entered into a credit facility of NOK 15 million with DnB NOR. The interest rate will be NIBOR with the addition of the margin of 2,75 % p.a.

Navamedic has received bank approval for an extension of the credit line from NOK 15 to 30 million.

13. Material events subsequent to the end of the reporting period

To the best of Navamedic's knowledge, there have been no events subsequent to the end of the reported interim period that would influence on the financial statements included in this report.

14. Shareholders information

Olof Milveden, CFO of Navamedic ASA, has on 4 April 2012 exercised 100,000 stock options and bought 100 000 new shares.

Navamedic ASA has in March 2012 completed a private placement of 750,000 shares (10% of total share capital) at a subscription price of NOK 12.08 per share. The increase in share capital has been carried out in accordance with the authorization given by the company's annual general meeting 14 April 2011.

The private placement was directed at the company's largest existing shareholders. Total proceeds of the offer was NOK 9.060.000 The net proceeds will be used to further develop the company's generics business area in line with the company's strategy.

As of 31 March The company had 534 share owners. The total number of outstanding shares were 8 287 051 shareholders.

Responsibility statement

We confirm to the best of our knowledge that the condensed set of financial statements for the period 1 January to 31 March 2012 has been prepared in accordance with IAS 34 'Interim Financial Reporting' and gives a true and fair view of the Group's assets, liabilities, financial position and profit and loss as a whole. We also confirm, to the best of our knowledge, that the interim report includes a fair review of important events that have occurred during the three months of the financial year and their impact on the condensed set of financial statements, a description of the principal risks and uncertainties for the remaining nine months of the financial year, and major related parties transactions.

Fornebu, 3 May 2012

Johan Reinsli (sign)

Chairman

Benedicte H. Fossum (sign)

Board Member

Grete Hogstad (sign)

Board Member

Halvor Stenstadvold (sign)

Board Member

Masha Strømme (sign)

Board Member

Svein Erik Nicolaysen (sign)

Board Member

Olof Milveden (sign)

CEO

