



## Interim report

### First quarter 2013

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*IDEX agrees partnership with a global player in the mobile communications market*
- IDEX strengthens executive team and appoints new CEO:  
*Hemant Mardia appointed as CEO. Ralph W. Bernstein continues as CTO*
- New fingerprint sensor being prepared for high volume mobile and embedded markets:  
*The new SmartFinger Colibri sensor is under evaluation, and being prepared for market launch*
- Private placement in April to fund expansion was oversubscribed:  
*Adding NOK 30 million new equity*
- Recognition of IDEX's unique IP and patents:  
*Apple/AuthenTec verifies licensing agreement with IDEX*
- Promising progress on important customer agreements:  
*The project with Chinese technology company for a security device using IDEX's SmartFinger sensor is progressing.*  
*The European OEM partner is currently adding further functionality to luggage locks*

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## IDEX ASA interim report for the first quarter 2013

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### Breakthrough agreement

In 2013 IDEX has achieved a major breakthrough: securing a partnership with a global player in the mobile communications market.

IDEX announced on 12 March 2013 an agreement on terms with a partner serving the global mobile communications market. The global partner and IDEX entered into the commercial partnership agreement on 10 May 2013. This agreement is an important step for IDEX to exploit the extremely strong demand for fingerprint sensors in the mobile market. Technical collaboration activities are ongoing and this agreement is an essential milestone in delivering IDEX technology to the mobile market.

"We are very pleased that we have secured a comprehensive agreement with a strong global partner serving the mobile market," said CEO Ralph W. Bernstein of IDEX.

IDEX is experiencing an extremely positive market outlook for its product offering, with great interest in the company's technology and IP from leading players in the mobile and IT market. IDEX sees a paradigm shift, with clear indications that fingerprint recognition is the method replacing pin codes and passwords in future personal and corporate electronic products. There is a strong demand for increased security in consumer electronic devices, and fingerprint is generally considered and acknowledged as the superior biometric solution by virtually all market players. The expected release of a new Apple phone equipped with a fingerprint sensor, will contribute to rapid market development. IDEX is currently in active dialogue with most of the major handset manufacturers. IDEX is convinced

that fingerprint sensors will become the *de facto* standard mobile security in smartphones and other personal networked devices.

At the Mobile World Congress 2013 in Barcelona in February IDEX demonstrated mobile phone-related technology implementations such as IDEX's SmartFinger running on an Android platform as well as a technology concept for fingerprint sensors built into the cover glass of mobile phones. The Sensor-in-Glass concept utilizes IDEX's patented principle of separating the finger-sensing array from the electronics. IDEX's patented through-substrate microvia connections enable the fingerprint image to be read through virtually any material such as glass, silicon, polymer and ceramics. The concept received significant interest from several mobile phone manufacturers.

### IDEX strengthens executive team and appoints new CEO

In line with IDEX's strategic growth plans, the company has appointed Hemant Mardia as CEO. Mr. Mardia will lead the business as it commercialises its leading fingerprint biometric sensor technology and unique IP portfolio for mass market secure identification, including mobile communications, cards and adjacent market applications.

"I am very excited to join IDEX as CEO. Following Apple's acquisition of AuthenTec last year, I believe that IDEX is uniquely placed with IP and patents to exploit the transformation of digital ID security through fingerprint recognition. IDEX has the earliest, core, fundamental patents for low cost fingerprint sensors and a unique patent cross license agreement with

Apple/AuthenTec, which makes IDEX an important player in the multi-billion dollar market opportunity for mobile communications, cards and new consumer devices. I look forward to working with the IDEX team and the company's international partners to fully leverage IDEX's patent position, rapidly commercialise the technology and deliver significant shareholder value growth," said Mr. Mardia.

Mr. Mardia has a proven track record leading high growth technology businesses in executive and technical roles. He was formerly CEO of Filtronic Plc, a London Stock Exchange listed business in the telecoms sector. He brings extensive commercial, technical, M&A and investor relations experience to IDEX. Mr. Mardia has successfully developed strategic partnerships as a key supplier of innovative electronic components for tier one global mobile telecom OEMs, network operators, security and defense system integrators. He has founded businesses in emerging sectors and developed international teams across Europe, USA and the Far East, with world class, cost efficient design and manufacturing capabilities.

Mr. Mardia has a PhD in electronics and has developed innovative technologies and products within multiple market sectors including advanced semiconductors, mobile telecoms infrastructure and aerospace.

### New fingerprint sensor being prepared for mobile and embedded markets

Industrial prototypes of IDEX's new miniature SmartFinger Colibri fingerprint sensor are under evaluation, and being prepared for market launch. SmartFinger

Colibri is based on IDEX's high-performance polymer technology, which has been refined over the past few years. The Colibri fingerprint sensor is currently undergoing extensive qualification, before release for volume production.

"During the period since Apple acquired fingerprint sensor technology, the IDEX team has extended the company's technology and IP platform for the card market, and established a complete sensor and software solution suitable for mobile phones and also embedded devices at large. The Colibri sensor is versatile and offers high biometric performance. We have high expectations to the market potential of the Colibri sensor", said Bernstein.

The Colibri sensor qualification testing and supply chain will be ready this summer. Samples are being delivered to potential customers.

**Private placement in April to fund expansion was oversubscribed**

The private placement of new shares which the board resolved on 22 April 2013 received great interest from investors. The book building amounted to more than twice the planned maximum of NOK 22 million. The board therefore increased the placement amount to NOK 30 million to better accommodate the investors' demand for IDEX shares.

The board has proposed to the annual general meeting on 16 May 2013 to issue 18.8 million new shares at NOK 1.60 per share. Major shareholders and also the board members who hold or control shares

have committed themselves to vote for the proposal.

**Recognition of IDEX's unique IP and patents**

IDEX holds some of the key patents of the fingerprint sensor industry. IDEX has since 1997 been a pioneering company in the field of capacitive fingerprint sensing technology, and owns and controls the earliest, basic patents for low cost fingerprint sensors.

In addition IDEX in connection with a legal process obtained in 2007 a license to certain key patents which at the time were owned by the fingerprint sensor company UPEK Inc. The patent rights of UPEK have later been assigned to AuthenTec which was acquired by Apple last year.

Apple/AuthenTec has now verified IDEX's licensing agreement, through a notice of so-called recordal of the license to key patents in the field of fingerprint sensing at the United States Patent and Trademark Office, sanctioning that IDEX maintains its licensed rights to important early patents for fingerprint sensors.

**Promising development in important customer agreements**

In the fourth quarter 2012, IDEX entered into a commercial agreement with a European OEM partner for SmartFinger sensor and software. The agreement has a minimum value of NOK 21 million and a potential of about NOK 80 million in 2013 and 2014. This agreement defines specific volumes with planned deliveries during the fourth quarter of 2013, and with an expected significant increase in 2014.

Volumes will depend on the demand from the OEM's customers for the OEM's device where the sensor is embedded. The OEM customer is currently adding further functionality in the proprietary lock solution.

IDEX and a Chinese technology company are collaborating closely to develop a security device in which IDEX's SmartFinger solution is embedded. The project has successfully reached its milestones. The parties extended their cooperation by a memorandum of understanding at the end of 2012, outlining deliveries amounting to more than NOK 35 million in 2013 and 2014. The project is ongoing.

**Outlook**

IDEX expects that 2013 will be the breakthrough year for the fingerprint industry, with adoption of fingerprint sensors into several new consumer products. From 2014 the board expects exceptional growth for biometric devices with IDEX as a major contributor. Events to date in 2013 and in particular the recent agreement in the mobile communication market underline this.

The board welcomes Hemant Mardia as the new CEO in IDEX. Mr. Mardia will lead IDEX going into its commercial phase.

The board thanks Ralph W. Bernstein for his significant contribution to the progress of IDEX's technology and development of the company's business and product strategy. It is a great benefit to IDEX that Dr. Bernstein will continue working for IDEX as CTO.

**Fornebu, 15 May 2013**  
***The board of directors of IDEX ASA***

*Financial narrative and interim financial statements with notes are enclosed.*

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## Interim financial statements as at 31 March 2013

Note on group structure: IDEX ASA does not have any subsidiaries or other entities which shall be consolidated. In 2012, IDEX ASA had two subsidiaries, both of which were inactive since 2010 and dissolved on 30 November 2012. The reported numbers for 2012 in this interim financial report are the consolidated IDEX group numbers whenever applicable, while the reported numbers for 2013 are for IDEX ASA.

### Profit and loss statements

IDEX earned revenue amounting to NOK 0.8 million in the first quarter of 2013, down from NOK 1.1 million in the previous quarter. The revenue in the first quarter of 2012 was NOK 0.6 million. Virtually all revenue in the periods was related to government support of research and development (R&D) activities. This revenue has been recognised corresponding to the recognition of the expenses that the grants compensate.

Operating expenses in the quarter were NOK 10.8 million, compared to NOK 5.7 million in the preceding quarter and NOK 10.7 million in the corresponding quarter of 2012. The payroll cost line includes the notional cost of subscription rights, NOK 3.4 million in the first quarter of 2013 because of grants in the quarter and also because of strong share price increase. The R&D expenses which include production ramp-up, fluctuate with the purchases of materials and services. R&D costs and costs related to IP are expensed as incurred and not capitalised. In the second half of 2012, R&D spending was harnessed and less technical work incurring external

costs of materials and services was conducted. R&D costs in the first quarter of 2013 amounted to NOK 2.0 million, which was on par with the gross expense before Skattefunn contribution in the preceding quarter, but down from NOK 2.9 million in the first quarter of 2012. Other costs, mainly related to marketing activities and the partner search project, have increased from NOK 1.6 million in the preceding quarter to NOK 2.2 million in the first quarter in 2013, which was in line with the corresponding quarter of 2012.

IDEX had eight employees at the end of the first quarter 2013, down from ten at the end of 2012. Three technical/scientific individual contractors work full time or regularly as part of the development team, and additional technical experts are contracted as and when needed. One independent sales representative work on contract. Two contractors are working on an ongoing basis in marketing, sales and admin.

No investments in tangible assets such as office facilities, computers and laboratory equipment were made in 2012 or to date in 2013. With a small fixed asset base, the

depreciation charge is less than NOK 0.1 million per quarter.

Because of the small amount of revenue, EBIT in the quarter amounted to a loss of NOK 10.1 million, compared to a loss of NOK 10.2 million in the corresponding period of 2012 and a loss of NOK 4.7 million in the fourth quarter of 2012. The cost increases noted above explain the increase from the preceding quarter.

Financial items amounted to net NOK 48 thousand income in the quarter, mainly from interest income. In the fourth quarter of 2012 the amount was NOK 59 thousand, and in the first quarter of 2012 NOK 98 thousand, also mainly from interest income.

Profit/loss per basic weighted average number of shares amounted to a loss of NOK 0.03 in the first quarter of 2013. Per share results are not directly comparable between periods because the number of shares have increased by share issues.

### Balance sheets

The assets held in the balance sheet are essentially comprised of cash in bank, the receivables from the government R&D grant schemes for the preceding year and quarters; misc. prepayments and deposits; and investments in office facilities and equipment – with cash being the major item. The patents and other intellectual property rights are not held in the balance sheet because they do not satisfy the criteria for capitalisation. The same applies to the development costs.

On 31 March 2013, the assets amounted to NOK 17.0 million of which NOK 13.7 million were cash, down from NOK 25.0 million at the end of 2012. The cash position is commented upon below.

The major liabilities are various operational payables to employees and suppliers, and amounted to NOK 6.7 million at 31 March 2013, the same as at the end of 2012. There are usually variations between quarters due

to fluctuating payables to suppliers and accrued liabilities.

Equity amounted to NOK 10.3 million, down from NOK 18.3 million at the end of 2012, reflecting the loss in the quarter, partly offset by a part of the notional cost of share-based compensation being added to equity.

The going concern assumption has been applied when preparing this interim financial report. The board points out that until IDEX enters the commercial stage, there is uncertainty attached to this assumption. IDEX does not earn recurring revenue. On 31 March 2013, the equity amounted to NOK 10.3 million or 22 per cent of the share capital, meaning that more than half the share capital had been lost. IDEX has since 2012 sought and evaluated potential strategic industry partners. This activity is on going. The board has stated that to cement such strategic alliance, it is willing to offer a suitable partner

an equity stake in IDEX through a capital injection.

On 22 April 2013 the board resolved to propose to the annual general meeting on 16 May 2013 that the company shall issue 18,771,250 new shares in a private placement of new shares at NOK 1.60 per share, which will raise NOK 30.0 million before expenses. By a book building process, the company has received irrevocable subscription commitments for the full amount. Significant shareholders and also the board members who hold or control shares have committed themselves to vote for the proposal. The board has deemed that it can take for its basis that the company has adequate equity and liquidity for going concern in accordance with present plans into 2014.

## Cash flow, cash position

The operational cash outflow in the quarter was NOK 6.5 million. The main items in addition to the profit/loss, are the share based compensation and changes in working capital, both items being positive in the quarter.

No investments were made in 2012 or to date in 2013.

At 31 March 2013 the cash position amounted to NOK 13.7 million, while net receivables and payables amounted to NOK 4.3 million

payable. The company does not have financial debt. Reference is made to the comments above regarding the equity situation.

## Principal risks

It is the duty of the board of directors to duly present the principal risks of IDEX and its business. IDEX does not have any significant assets or liabilities with risk. IDEX does not have financial instruments or financial assets or liabilities, and has limited financial risks related to currency and interest rates. However, more than half the share capital had been lost at 31 March 2013, which is why the

proposal for a private placement was resolved and secured on 22 April 2013.

The company's major risk is its business risk, meaning its ability to earn revenue. This risk is difficult to assess, because IDEX hitherto has earned insignificant revenue from its technology. The company's ability to earn revenue depends on firstly, its ability to develop and market successful components

which its partners will embed in their products and systems, and secondly, the company's ability to legally protect its IPR, and finally, to maintain a competitive advantage. IDEX considers that its fingerprint sensor has one of the best biometric performances among swipe sensors, and that the SmartFinger Colibri sensor offers unique properties.

**IDEX ASA**
**Condensed interim financial statements with notes**
**31 March 2013 (Unaudited)**

<b>Interim statements of comprehensive income</b> Amounts in NOK 1,000	<b>1 January – 31 March 2013</b>	<b>1 January – 31 March 2012</b>	<b>1 January – 31 December 2012</b>
<b>Operating income</b>			
Sales and services revenue	7	3	1 046
Other operating revenue	790	584	3 460
<b>Total revenue</b>	<b>797</b>	<b>587</b>	<b>4 506</b>
<b>Operating expenses</b>			
Payroll expense	6 576	5 367	17 778
Research and development expenses	2 014	2 948	10 747
Other operating expenses	2 183	2 365	9 233
<b>Total operating expenses</b>	<b>10 773</b>	<b>10 680</b>	<b>37 758</b>
<b>Profit (loss) before interest, tax, depreciation and amortization (EBITDA)</b>	<b>(9 976)</b>	<b>(10 093)</b>	<b>(33 252)</b>
Depreciation	76	79	313
<b>Profit before interest and tax (EBIT)</b>	<b>(10 052)</b>	<b>(10 172)</b>	<b>(33 565)</b>
<b>Financial income and expenses</b>			
Interest income	53	81	208
Other financial income	9	28	65
Interest expense			
Other financial expense	(14)	(11)	(73)
<b>Net financial items</b>	<b>48</b>	<b>98</b>	<b>200</b>
<b>Net result before tax</b>	<b>(10 004)</b>	<b>(10 074)</b>	<b>(33 365)</b>
Taxes			
<b>Net profit (loss) for the period</b>	<b>(10 004)</b>	<b>(10 074)</b>	<b>(33 365)</b>
<i>Profit (loss) per share – basic and diluted</i>	<i>NOK (0.03)</i>	<i>NOK (0.04)</i>	<i>NOK (0.12)</i>
<b>Net profit (loss) for the period</b>	<b>(10 004)</b>	<b>(10 074)</b>	<b>(33 365)</b>
Other comprehensive income			
<b>Total comprehensive income for the period, net of tax</b>	<b>(10 004)</b>	<b>(10 074)</b>	<b>(33 365)</b>

The notes are an integral part of this condensed interim financial report.

Interim balance sheets Amounts in NOK 1,000	1 January – 31 March 2013	1 January – 31 March 2012	1 January – 31 December 2012
<b>ASSETS</b>			
<b>Long-term assets</b>			
<b>Fixed assets</b>			
Machinery and office equipment	550	860	626
<b>Total fixed assets</b>	<b>550</b>	<b>860</b>	<b>626</b>
<b>Financial assets</b>			
Long term receivables	332	325	332
<b>Total financial assets</b>	<b>332</b>	<b>325</b>	<b>332</b>
<b>Total long-term assets</b>	<b>882</b>	<b>1 185</b>	<b>958</b>
<b>CURRENT ASSETS</b>			
<b>Receivables</b>			
Accounts receivable	12		17
Other receivables	1 889	1 716	3 715
Prepaid expenses	568	514	512
<b>Total Receivables</b>	<b>2 469</b>	<b>2 230</b>	<b>4 244</b>
<b>Cash and bank deposits</b>			
Cash and bank deposits	13 650	13 025	19 833
<b>Total cash and bank deposits</b>	<b>13 650</b>	<b>13 025</b>	<b>19 833</b>
<b>Total current assets</b>	<b>16 119</b>	<b>15 255</b>	<b>24 077</b>
<b>TOTAL ASSETS</b>	<b>17 001</b>	<b>16 440</b>	<b>25 035</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Paid-in-capital</b>			
Share capital	46 463	40 794	46 422
Share premium reserve	86 486	63 429	86 292
Other paid-in capital	12 938	8 526	11 235
<b>Total paid in-in-capital</b>	<b>145 887</b>	<b>112 749</b>	<b>143 949</b>
Other equity	(135 634)	(102 340)	(125 631)
<b>TOTAL EQUITY</b>	<b>10 253</b>	<b>10 409</b>	<b>18 318</b>
<b>LIABILITIES</b>			
<b>Short-term liabilities</b>			
Accounts payable	1 567	1 311	2 561
Public duties payable	119	838	906
Other short-term liabilities	5 062	3 882	3 250
<b>Total short-term liabilities</b>	<b>6 748</b>	<b>6 031</b>	<b>6 717</b>
<b>Total liabilities</b>	<b>6 748</b>	<b>6 031</b>	<b>6 717</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>17 001</b>	<b>16 440</b>	<b>25 035</b>

The notes are an integral part of this condensed interim financial report.

Interim cash flow statements Amounts in NOK 1,000	1 January – 31 March 2013	1 January – 31 March 2012	1 January – 31 December 2012
<b>Cash Flows from operating activities</b>			
Profit (loss) before interest and taxes	(10 052)	(10 172)	(33 565)
Share-based remuneration (equity part)	1 704	1 117	3 825
Depreciation	76	79	313
Interest paid			
Change in working capital and other items	1 801	458	(894)
<b>Net cash flow from operational activities</b>	<b>(6 471)</b>	<b>(8 518)</b>	<b>(30 321)</b>
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment			
Change in long-term receivables			(7)
Interest received	53	81	208
<b>Net cash provided by investing activities</b>	<b>53</b>	<b>81</b>	<b>201</b>
<b>Cash flows from financing activities</b>			
Share issues net of expenses	235		28 491
<b>Net cash provided by financing activities</b>	<b>235</b>	<b>-</b>	<b>28 491</b>
<b>Net change in cash and cash equivalents</b>	<b>(6 183)</b>	<b>(8 437)</b>	<b>(1 629)</b>
Opening cash balance	19 833	21 462	21 462
<b>Closing cash balance</b>	<b>13 650</b>	<b>13 025</b>	<b>19 833</b>

Interim statements of changes in equity Amounts in NOK 1,000	Share Capital	Share premium	Other paid-in capital	Retained earnings (uncovered loss)	Total equity
<b>Balance 1 January 2013</b>	<b>46 422</b>	<b>86 292</b>	<b>11 235</b>	<b>(125 631)</b>	<b>18 318</b>
Share issues	41	194			235
Share-based compensation			1 704		1 704
Total comprehensive income for the period				(10 004)	(10 004)
<b>Balance 31 March 2013</b>	<b>46 463</b>	<b>86 484</b>	<b>12 939</b>	<b>(135 635)</b>	<b>10 253</b>

Balance 1 January 2012	40 794	63 429	7 409	(92 266)	19 366
Share-based compensation			1 117		1 117
Total comprehensive income for the period				(10 074)	(10 074)
<b>Balance 31 March 2012</b>	<b>40 794</b>	<b>63 429</b>	<b>8 526</b>	<b>(102 340)</b>	<b>10 409</b>

Balance 1 January 2012	40 794	63 429	7 409	(92 266)	19 366
Share issues	5 628	22 863			28 491
Share-based compensation			3 826		3 826
Total comprehensive income for the period				(33 365)	(33 365)
<b>Balance 31 December 2012</b>	<b>46 422</b>	<b>86 292</b>	<b>11 235</b>	<b>(125 631)</b>	<b>18 318</b>

The notes are an integral part of this condensed interim financial report.



## Notes to the condensed interim financial statements (unaudited)

### 1 IDEX ASA and the former IDEX group

IDEX ASA is a public limited liability company incorporated and domiciled in Norway. The address of the registered office is Rolfsbuktveien 17 at NO-1364 Fornebu, Norway. IDEX ASA shares have been listed at Oslo Axess market place of Oslo Børs since 12 March 2010. The objective of the company

as stated in the articles of association is to deliver computer-based identification systems and other related activities.

IDEX ASA does not have any subsidiaries or other entities which shall be consolidated. In 2012, IDEX ASA had two subsidiaries, both of

which were inactive since 2010 and dissolved on 30 November 2012. The comparison numbers for 2012 in this interim financial report are the consolidated IDEX group numbers whenever applicable, while the reported numbers for 2013 are for IDEX ASA.

### 2 Basis of preparation, accounting policies, resolution

This condensed interim financial report for the first quarter of 2013 has been prepared in accordance with IAS 34 'Interim financial reporting'. The condensed interim financial report should be read in conjunction with the annual financial statements for 2012.

The IFRS accounting policies applied in this condensed interim financial report are consistent with those applied and described in the annual financial statements for 2012.

The going concern assumption has been applied when preparing this interim financial report. The board points out that until IDEX enters the commercial stage, there is uncertainty attached to this assumption. IDEX

does not earn recurring revenue. On 31 March 2013, the equity amounted to NOK 10.3 million or 22 per cent of the share capital, meaning that more than half the share capital had been lost. At 31 March 2013 the cash position amounted to NOK 13.7 million, while net receivables and payables amounted to NOK 4.3 million payable. The company does not have financial debt.

On 22 April 2013 the board resolved to propose to the annual general meeting on 16 May 2013 that the company shall issue 18,771,250 new shares in a private placement of new shares at NOK 1.60 per share, which will raise NOK 30.0 million before expenses. By

a book building process, the company has received irrevocable subscription commitments for the full amount. Significant shareholders and also the board members who hold or control shares have committed themselves to vote for the proposal. The board has deemed that it can take for its basis that the company has adequate equity and liquidity for going concern in accordance with present plans into 2014.

This interim financial report has not been subject to audit. The report was approved by the board of directors on 15 May 2013.

### 3 Property, plant and equipment

Amounts in NOK 1,000	Tangible assets
<b>1 January-31 March 2013</b>	
Net book value on 1 January 2013	626
Additions	0
Disposals	0
Depreciation and other movements	(76)
Net book value on 31 March 2013	550
<b>1 January-31 March 2012</b>	
Net book value on 1 January 2012	939
Additions	0
Disposals	0
Depreciation and other movements	(79)
Net book value on 31 December 2012	860
<b>1 January-31 December 2012</b>	
Net book value on 1 January 2012	939
Additions	0
Disposals	0
Depreciation and other movements	(313)
Net book value on 31 December 2012	626

## 4 Shares, warrants and subscription rights

	1 January – 31 March 2013	1 January – 31 March 2012	1 January – 31 December 2012
<b>Shares</b>			
Opening balance	<b>309 479 430</b>	271 960 641	271 960 641
Share issue(s)	<b>275 000</b>		37 518 789
Warrants exercised			
<b>Closing balance</b>	<b>309 754 430</b>	271 960 641	309 479 430

<b>Warrants</b>			
Opening balance	<b>0</b>	9 049 103	9 049 103
Issue of warrants			9 954 013
Exercise of warrants			
Expired warrants			(19 003 116)
<b>Closing balance</b>	<b>0</b>	9 049 103	0

<b>Incentive subscription rights</b>			
Opening balance	<b>17 745 259</b>	14 596 266	14 596 266
Grant of incentive subscription rights	<b>7 700 000</b>		6 000 000
Exercised incentive subscription rights	<b>(275 000)</b>		6 000 000
Terminated/expired subscription rights	<b>(612 500)</b>		(2 851 007)
<b>Closing balance</b>	<b>24 557 759</b>	14 596 266	17 745 259

IDEX has granted incentive subscription rights (SRs) to employees, individual contractors and board members. The grants to board members (in 2008 and 2010) have been made by the general meeting in lieu of cash board remuneration. Unless specifically resolved otherwise, 25 per cent of each grant of subscription rights vest 12 months following the date of the grant, and expire on the fifth anniversary following the general meeting that resolved the programme. Unvested subscription rights terminate on the holder's last working day. Vested subscription rights may be exercised up to 90 days after the holder's last working day. The weighted average exercise price of outstanding incentive SRs on 31 March 2013 was NOK 1.25 per share.

### 2013:

The board resolved on 9 January 2013 to grant a total of 4,700,000 incentive subscription rights to employees under the company's 2012 incentive subscription rights plan as resolved at the annual general meeting on 15 May 2012. The exercise price of the SRs is NOK 1.00 per share for 2,350,000 shares and NOK 1.30 per share for 2,350,000 shares. 25 per cent of each lot of SRs vest on each anniversary from the date of the grant. The SRs expire on 15 May 2017.

The board resolved on 23 January 2013 to

issue a total of 275,000 shares to employees who have exercised incentive subscription rights under the company's 2011 incentive subscription rights plan as resolved at the annual general meeting on 19 May 2011. The price per share was NOK 0.94.

The board resolved on 28 February 2013 to grant a total of 3,000,000 incentive subscription rights to contractors under the company's 2012 incentive subscription rights plan as resolved at the annual general meeting on 15 May 2012. The exercise price of the SRs is NOK 1.23 per share. 25 per cent of the SRs vested at grant, while 25 per cent of SRs vest on each of the three anniversaries from the date of the grant. The SRs expire on 15 May 2017.

### 2012:

Following solicitation for interest, IDEX completed a successful private placement of shares 9 May 2012. The placement was oversubscribed by 30 per cent, and 9,954,013 new shares were issued at a subscription price of NOK 1.00 per share. The annual general meeting on 15 May 2012 resolved to issue one 2012-warrant for each new share. The 2012-warrants were exercisable 3-14 September 2012, at an exercise price of NOK 1.30 per share. The warrants were not in the money in the exercise period, and none were exercised.

Following the annual general meeting of IDEX on 15 May 2012, board members Joan Frost Urstad and Harald Voigt elected to receive the board remuneration in shares. Each acquired 184,356 shares for which they paid the par value in lieu of cash remuneration, in lieu of a cash board remuneration of NOK 140,000.

The board resolved on 30 August 2012 to grant a total of 6,000,000 incentive subscription rights to two contractors under the company's 2012 subscription rights plan as resolved at the annual general meeting on 15 May 2012. The exercise price of the SRs is NOK 1.00 per share for 3,000,000 shares and NOK 1.30 per share for 3,000,000 shares. 1/3 of SRs in each category vest at grant, 1/3 vest 9 months after the grant and 1/3 vest 18 months after the grant. The SRs expire on 30 August 2014.

On 8 November 2012 IDEX carried out a private placement by book building. The placement was significantly oversubscribed. The board resolved on 9 November 2012 to issue the maximum number of shares according to the authorisation, viz. 27,196,064 shares at a subscription price of NOK 0.75 per share, thereby raising NOK 20.4 million new equity and liquidity before expenses. The capital was fully paid in and registered in 2012.

## 5 Profit (loss) per share

	1 January – 31 March 2013	1 January – 31 March 2012	1 January – 31 December 2012
Profit (loss) attributable to the shareholders (NOK 1 000)	<b>(10 004)</b>	(10 074)	(33 365)
Weighted average basic number of shares	<b>309 684 152</b>	271 960 641	281 405 296
Weighted average diluted number of shares	<b>313 619 737</b>	275 459 341	282 395 678
Profit (loss) per share, basic and diluted	<b>NOK (0.03)</b>	NOK (0.04)	NOK (0.12)

When the period result is a loss, the loss per diluted number of shares shall not be reduced by the higher diluted number of shares but equals the result per basic number of shares.

The diluted number of shares has been calculated by the treasury stock method. If the exercise price of subscription rights or warrants exceeds the average share price in

the period, the subscription rights or warrants are not counted as being dilutive.

## 6 Contingent assets and liabilities

IDEX does not have any contingent assets or contingent liabilities. IDEX has not issued any guarantees.

## 7 Related party transactions

In the first quarter of 2013 IDEX has recorded NOK 364 thousand for services provided from IDEX's legal counsel, law firm Ræder, in which chairman Morten Opstad is a partner. Mr. Opstad's work beyond board duty is invoiced by Ræder.

is controlled by Kristian Wiermyhr who is also a shareholder in IDEX, has charged IDEX NOK 240 thousand for ongoing services conducted by Kristian Wiermyhr in the first quarter of 2013. IDEX also refunds the out-of-pocket expenses related to the ongoing services.

tive subscription rights on 28 February 2013. The grant to Mr. Keith is related to a service agreement under which he will assist IDEX in strategic analysis and in dealing with larger, international, prospective partners. Mr. Keith will not receive other remuneration for his service.

Lupum AS, which is a shareholder in IDEX and

Robert N. Keith was granted 2,000,000 incen-

## 8 Events occurring after the balance sheet date

The board resolved on 19 April 2013 to issue 425,000 shares to an employee who has exercised incentive subscription rights which were granted in 2010 under the company's 2010 incentive subscription rights plan. The price per share is NOK 0.98.

On 22 April 2013 the board resolved to propose to the annual general meeting on 16 May 2013 that the company shall issue 18,771,250 new shares in a private placement of new shares at NOK 1.60 per share, which will raise NOK 30.0 million before expenses. By

a book building process, the company has received irrevocable subscription commitments for the full amount. Significant shareholders and also the board members who hold or control shares have committed themselves to vote for the proposal.

The board resolved on 6 May 2013 to grant a total of 4,600,000 incentive subscription rights to managers in the company, under the company's 2012 incentive subscription rights plan as resolved at the annual general meeting on 15 May 2012. The exercise price of the SRs

is NOK 1.80 per share. 25 per cent of the SRs vested at grant, while 25 per cent of SRs vest on each of the three anniversaries from the date of the grant. The SRs expire on 15 May 2017.

Between 31 March 2013 and the resolution of these condensed interim financial statements, there has not been any other events which have had any noticeable impact on IDEX's result for the first quarter of 2013 or the value of the company's assets and liabilities at 31 March 2013.

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