Interim report for fourth quarter and preliminary results for 2010

IDEX receives prestigious award and its first sensor order

- SmartFinger® Film receives the prestigious SESAMES Award at the CARTES & IDentification 2010 exhibition and conference in Paris in December 2010
- Increasing interest in IDEX' SmartFinger Film fingerprint sensor during and after CARTES
- Validus Technologies orders the first batch of SmartFinger Film sensors
- Successful testing of IDEX SmartFinger Film sensors
- The eGo Project with twelve European R&D and industrial partners launched
- Technical evaluation project with major semiconductor manufacturer completed

Investment in SmartFinger Film is validated by prestigious award and first order.

"The recent and exciting developments mean that IDEX can enter into a commercial phase. Going forward, we will focus on sales activities, customer support and ramp up to production of the award-winning SmartFinger Film sensors," says Ralph W. Bernstein, CEO of IDEX.

"Our ultra thin and bendable polymer-based fingerprint sensor opens new markets for fingerprint authentication," Bernstein adds. "With the SmartFinger Film integrated on an ID, access, transportation or bank card, the owner is unambiguously linked to the card just by swiping the finger."

Increasing number of qualified customer leads

IDEX has in the last few months experienced substantial growth in customer prospects, and demonstration modules, development kits and sensor samples have been delivered to several new, qualified customers leads.

Prospective customers from Asia, North America and Europe are now in the process of conducting evaluations and making demonstrators and trial configurations based on the SmartFinger Film solutions.

Testing of IDEX SmartFinger Film successful

IDEX has during the last few months performed extensive quality testing of SmartFinger Film at its own laboratory and at accredited laboratories. Based on these results, IDEX is now ready to initiate the ramp up to volume production, and the company is prepared to take more and larger orders going forward. SmartFinger Film sensors have been tested according to industry standards for operational conditions at elevated temperatures, humidity, vibrations and wear.

First order from Validus

US-based Validus Technologies in January 2011 ordered a batch of 1,000 SmartFinger Film fingerprint sensors and complementary software for use with the new generation of Validus' biometric card. Delivery is scheduled for the second quarter of 2011. The sensors will be used to build a series of VALIDcards™ for customer demonstrations and pilots. The VALIDcard is a biometric display card with state-of-the-art security fingerprint-based authentication technology.

The VALIDcard has the same shape and size as a standard credit card. When a registered user swipes the finger over the embedded IDEX SmartFinger sensor, the fingerprint is authenticated, and a unique one-time password (OTP) is generated. The OTP verifies the user's identity in the manner known from Internet banking applications. The initial target markets for Validus' ID and access products include government, banking and financial services, as well as corporate security.

The total market for OTP tokens is forecasted to be in the region of USD 700 million in 2013, according to an analyst report from Frost & Sullivan. IDEX and its partners will provide biometric OTP cards to this market.

CARTES

The one-time password (OTP) VALIDcard with an integrated SmartFinger Film sensor was demonstrated for the first time at the CARTES and IDentification 2010 exhibition in Paris. IDEX experienced substantially increased interest in SmartFinger Film during and after CARTES, which is the world-leading event for digital security and smartcard technologies.

SESAMES award
IDEX received the prestigious SESAMES Award for the SmartFinger Film at the CARTES & IDentification exhibition, in the Identification and ID cards category. There were more than 100 nominees in ten categories. The prize was awarded by a panel of more than thirty leading experts and journalists.

The award recognizes the achievements of IDEX in bringing the SmartFinger Film fingerprint sensor technology to market and its contribution to the future security of ID, payment and other biometric enabled cards.

eGo Project
Together with twelve European R&D and industrial partners, such as Gemalto, ST Microelectronics, Precise Biometrics and Atos Worldline, IDEX will develop new technologies for simple, safe and secure transactions, log-on and physical access control.

"What you touch is yours" is the motto of the eGo™ project. The project offers an innovative way to establish wireless bidirectional channels of communication between objects and users. The objective is to enable intuitive, very simple-to-use applications where the key is the touch that opens the personalized object. The eGo project also won the SESAMES Award in the IT Security application category.

Evaluation project with major semiconductor manufacturer
The technical activities in the evaluation project with a major semiconductor manufacturer announced in 2009 were completed in the fourth quarter 2010. This project focused on a silicon-based sensor, as opposed to the polymer-based SmartFinger Film. Functional sensors have been made and tested. The quality of the fingerprint images complied with or exceeded specifications and confirmed a functionally successful SmartFinger design and implementation. No final conclusion had been reached by end of the year, and the work on specific product prospects and business opportunities continues in 2011.

Notable events in 2010
- Following application and due diligence procedures in the fourth quarter of 2009 and into 2010, the IDEX share was admitted to listing on Oslo Axess with the first day of listing being 12 March 2010.
- SmartFinger Film was demonstrated and presented to the market at the CARTES in Asia exhibition in Hong Kong 16-18 March 2010.
- In April IDEX' manufacturing and licensing partner, Ionics EMS Inc., completed the first fingerprint sensor prototypes based on the novel SmartFinger Film technology.
- Validus Technologies Inc. has designed the sensor into its biometric-powered VALIDcard.
- The sales and marketing organization has been expanded in 2010.
- The eGo project, in which IDEX is a partner with twelve European R&D and industrial entities, was launched in the third quarter.
- IDEX demonstrated SmartFinger Film integrated into one-time password cards at the CARTES and IDentification 2010 exhibition in Paris in December.
- IDEX received the prestigious SESAMES Award for SmartFinger Film, also at the CARTES & IDdentification 2010 exhibition.

About IDEX
IDEX ASA is a Norwegian public company specializing in fingerprint imaging and recognition technology. IDEX' vision is to ensure individuals a safe, secure and user-friendly use of personal ID. IDEX has developed the award-winning SmartFinger Film technology platform including the patented fingerprint imaging principle, sensing scheme and chip design. Combined with core software solutions for imaging and authentication SmartFinger Film enables on-device enrollment, template storage and verification within the very same module. The SmartFinger Film sensor is thin and bendable and can be customized for a variety of applications such as One Time Password devices, Smartcards, ID cards, access control devices and biometric tokens. The SmartFinger technology is available to customers under an intellectual property (IP) licensing scheme or as SmartFinger Film sensor assemblies for integration into customers' products. IDEX ASA (ticker IDEX) is listed at

the Oslo Axess market place on the Oslo Børs (Oslo stock exchange). For more information, please visit www.idex.no or contact IDEX at: mailbox@idex.no

Preliminary financial statements as at 31 December 2010

Profit and loss statements

IDEX has earned NOK 66 thousand from product sales and NOK 77 thousand from administrative services in 2010. In 2009, revenue was NOK 68 thousand.

Operating expenses were NOK 27.9 million year to date, up from NOK 25.3 million in the same period of 2009. Payroll cost has increased, reflecting expanded staff. The notional cost of incentive subscription rights have increased year on year because of grants, partly offset by a credit in the third quarter for terminated subscription rights. The research and development (R&D) expenses fluctuate with the purchases of materials and services. R&D costs and costs related to IP are expensed. The R&D activity level in 2010 is significantly higher than in 2009. The Skattefunn government R&D contribution, amounting to NOK 1.1 million in 2010 and NOK 1.0 million in 2009, is accounted for in the last quarter of the respective years. Other expenses are in line year-on-year, with peaks in the fourth quarter of 2009 and first quarter of 2010, when IDEX incurred about NOK 1.0 million non-recurring costs in connection with the listing at Oslo Axess commencing in March 2010.

IDEX has ten employees. In addition, about four technical/scientific individual contractors work full time or regularly as part of the development team, and two independent sales representatives work on contract.

IDEX has invested in total NOK 0.8 million in its office facility, computers and laboratory equipment in 2009-2010. Depreciation remains less then NOK 0.2 million per year.

Because of the absence of revenue, EBIT in 2010 amounted to a loss of NOK 27.9 million compared to a loss of NOK 25.3 million in 2009. The fourth quarter losses were NOK 7.9 million and NOK 8.1 million respectively.

Financial items represented virtually no cost in 2010, with costs mainly in the first half being offset by income in the second half, compared to a net cost of NOK 2.3 million, mainly interest expense on the convertible financial loan, which principal amount originally amounted to NOK 12.5 million. The loan was converted to equity mid February 2010. Other financial items but interest relate to currency fluctuations on payables.

Profit/loss per basic weighted average number of shares amounted to a loss of NOK 0.14 in the year. Because of the 7.5-for-1 share issue in 2009, the warrants exercise and private placement in the first quarter of 2010, followed by the 3-for-1 consolidation of shares in March 2010, the profit/loss per share numbers are incomparable.

Balance sheets

The assets held in the balance sheet essentially comprise of cash, prepayments and deposits and the receivable from the Skattefunn government R&D grant scheme for the preceding year. The patents and other intellectual property rights are not held in the balance sheet because they do not satisfy the criteria for capitalisation. Cash position is commented upon below. The main liabilities consist of various operational payables to employees and suppliers.

Equity increased by NOK 43.8 million net after expenses by several transactions in 2010. Three transactions took place in the first quarter: The debt conversion added NOK 13.1 million. Early exercise of warrants raised new equity and working capital amounting to NOK 18.1 million. In a private placement, conducted to satisfy the listing conditions at Oslo Axess, a further NOK 11.9 million new equity and liquidity was added. The first ordinary exercise period of warrants was in the third quarter, with NOK 1.3 million received in September-October.

At the extraordinary general meeting on 17 February 2010, the shareholders also resolved a 3-to-1 share consolidation. The consolidation became effective as of and including 10 March 2010. The par value of the shares after the consolidation is NOK 0.15 per share. Following the exercise of warrants in the third quarter, there are 39,205,778 'consolidated' warrants outstanding. The holders of the remaining warrants may in the period 1 May-12 August 2011 request the issue of one share at NOK 0.30 per share for each warrant held.

The net equity is NOK 9.6 million and 70 per cent of the share capital has been lost.

Cash flow, cash position
The operational cash outflow in 2010 was NOK 23.2 million, which is in line with the outflow in 2009. The amount differs from the EBIT loss in the periods because of working capital changes, the effect of non-cash share-based remuneration and interest costs.

The share issues have added NOK 30.7 million net liquidity. At 31 December 2010 the cash position amounted to NOK 12.6 million, while net receivables and payables, excluding financial debt, amounted to NOK 4.0 million payable. The liquidity is adequate to cover the accrued costs and obligations at the date of this report. The company does not have financial debt.

Principal risks
It is the duty of the board of directors to 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, assets or liabilities, and has limited financial risks related to currency and interest rates.

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 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 Film sensor offers unique properties.

The board acknowledges that 70 per cent of the share capital has been lost. The net available liquidity after deducting payables and accruals is adequate to cover present obligations. The company does not have financial debt. The board acknowledges that IDEX will need to earn revenue or raise capital from other sources during the second quarter of 2011. Future revenue and funding is inherently uncertain. The outstanding warrants, which are exercisable in the period 1 May-12 August 2011, represent a source of new equity. The board expects to obtain additional funding by way of share issues. At the date of this report, the board has reasons to take for its basis that additional, adequate funding will be obtained. Hence, the going concern assumption has been applied when preparing the interim report for the fourth quarter ended at 31 December 2010.

Outlook
IDEX is now in a commercial phase and will ramp up to volume production of SmartFinger Film sensors to be able to take orders in commercial quantities.

The board will during the first half of 2011 prepare and carry out activities to secure adequate funding of the company.

IDEX will participate at the CARTES in Asia exhibition and conference in March 2011, to expand its list of prospects, maintain connections with the company's partners and keep abreast of the latest developments in the industry.

A substantial amount of effort will be spent by IDEX' technical team on supporting customers and partners in conducting evaluations and making demonstrators and trial configurations for their products implementing the SmartFinger Film solutions.

SmartFinger Film is the next-generation fingerprint sensor technology and suitable for a range of mass market applications. IDEX offers solutions that can significantly improve card ID and financial security by incorporating biometric ID with existing systems. In particular, system-on-card implementations, which avoid external exchange of fingerprint data, represent a strong selling point.

Fornebu, 28 February 2011
The board of directors of IDEX ASA

Press contact:
Dr. Ralph W. Bernstein, CEO, +47 930 59 303, ralph.bernstein(at)idex.no

IDEX ASA group
Condensed consolidated interim financial statements with notes 31 December 2010 (Unaudited)

Consolidated interim Statements of comprehensive income Amounts in NOK 1,000	**1 October-31 December 2010**	1 October-31December 2009	**1 January-31 December 2010**	1 January-31 December 2009
Operating income				
Sales revenue	**34**	-	**66**	3
Other operating revenue	**13**	13	**77**	65
Total revenue	**47**	**13**	**143**	68
Operating expenses				
Payroll expense	**3 023**	2 532	**10 416**	9 013
Share-based remuneration	**1 075**	1 096	**3 323**	2 993
Research and development expenses	**1 573**	992	**6 278**	4 989
Other operating expenses	**2 224**	3 435	**7 912**	8 296
Total operating expenses	**7 895**	**8 055**	**27 929**	25 291
Profit (loss) before interest, tax, depreciation and amortization (EBITDA)	**(7 848)**	**(8 042)**	**(27 786)**	(25 223)
Depreciation	**48**	28	**134**	43
Profit before interest and tax (EBIT)	**(7 896)**	**(8 070)**	**(27 920)**	(25 266)
Financial Income and Expenses				
Interest income	**70**	53	**221**	116
Other financial income	**27**	26	**69**	114
Interest expense	**-**	(589)	**(271)**	(2 420)
Other financial expense	**(3)**	(38)	**(27)**	(129)
Net financial items	**94**	**(548)**	**(8)**	(2 319)
Net result before tax	**(7 802)**	**(8 618)**	**(27 928)**	(27 585)
Taxes	**-**	-	**-**	-
Net profit (loss) for the period	**(7 802)**	**(8 618)**	**(27 928)**	(27 585)
Profit (loss) per share -basic and diluted	***NOK (0.04)***	*NOK (0.02)*	***NOK (0.14)***	*NOK (0.20)*
Net profit (loss) for the period	**(7 802)**	**(8 618)**	**(27 928)**	(27 585)
Other comprehensive income	**-**	-	**-**	-
Total comprehensive income for the period, net of tax	**(7 802)**	**(8 618)**	**(27 928)**	(27 585)

The notes on pages 4-6 are an integral part of this condensed interim financial report.

Consolidated interim balance sheets Amounts in NOK 1,000	**31 December 2010**	31 December 2009
ASSETS		
Long-term assets		
Fixed assets		
Machinery and office equipment	**632**	409
Total fixed assets	**632**	409
Financial assets		
Long-term receivables	**319**	313
Total financial assets	**319**	313
Total long-term assets	**951**	722
Current assets		
Receivables		
Accounts receivable	**32**	16
Other receivables	**1 572**	3 189
Prepaid expenses	**318**	125
Total receivables	**1 922**	3 330
Cash and bank deposits		
Cash and bank deposits	**12 649**	5 286
Total cash and bank deposits	**12 649**	5 286
Total current assets	**14 571**	8 616
TOTAL ASSETS	**15 522**	9 338

EQUITY AND LIABILITIES		
Equity		
Paid-in-capital		
Share capital	**32 240**	17 712
Share premium reserve	**29 274**	-
Other paid-in capital	**3 000**	-
Total paid-in-capital	**64 514**	17 712
Other equity	**(54 911)**	(25 903)
Total equity	**9 603**	(8 191)
Liabilities		
Long-term liabilities		
Financial loan		11 954
Total long-term liabilities	**-**	11 954
Short-term liabilities		
Accounts payable	**1 553**	2 796
Public duties payable	**840**	638
Other short-term liabilities	**3 526**	2 141
Total short term liabilities	**5 919**	5 575
Total liabilities	**5 919**	17 529
TOTAL EQUITY AND LIABILITIES	**15 522**	9 338

The notes on pages 4-6 are an integral part of this condensed interim financial report.

IDEX
THE ID OF YOU

Consolidated interim cash flow statements Amounts in NOK 1,000	**1 October-30 December 2010**	1 October-30 December 2009	**1 January-31 December 2010**	1 January-31 December 2009
Profit (loss) before interest and taxes	**(7 896)**	(8 070)	**(27 920)**	(25 266)
Share-based remuneration (equity part)	**659**	985	**3 000**	2 882
Depreciation	**48**	28	**134**	43
Interest paid	**-**	(37)	**(174)**	(1 287)
Change in working capital and other items	**2 347**	931	**1 787**	(450)
Net cash flow from operational activities	**(4 842)**	(6 163)	**(23 173)**	(24 078)
Purchases of property, plant and equipment	**(67)**	(420)	**(357)**	(420)
Interest received	**70**	53	**221**	116
Net cash provided by investing activities	**3**	(367)	**(136)**	(304)
Share issues	**192**	(118)	**43 802**	25 137
Change in financial loan	**-**	-	**(13 130)**	-
Change in long-term receivables	**-**	(313)	**-**	507
Net cash provided by financing activities	**192**	(431)	**30 672**	25 644
Net change in cash and cash equivalents	**(4 647)**	(6 961)	**7 363**	1 262
Opening cash balance	**17 296**	12 247	**5 286**	4 024
Closing cash balance	**12 649**	5 286	**12 649**	5 286

Consolidated 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**
Balance 1 January 2010	**17 712**	**-**	**-**	**(25 903)**	**(8 191)**
Share issues	**14 528**	**29 274**			**43 802**
Convertible loan conversion				**(1 080)**	**(1 080)**
Share-based compensation			**3 000**		**3 000**
Total comprehensive income for the period				**(27 928)**	**(27 928)**
Balance 31 December 2010	**32 240**	**29 274**	**3 000**	**(54 911)**	**9 603**
Balance 1 January 2009	16 206	-	-	(25 983)	(9 777)
Share issues	20 260	4 877			25 137
Reduction of share capital	(18 754)			18 754	-
Convertible loan rollover			1 152		1 152
Share-based compensation			2 882		2 882
Total comprehensive income for the period		(4 877)	(4 034)	(18 674)	(27 585)
Balance 31 December 2009	17 712	-	-	(25 903)	(8 191)

The notes on pages 4-6 are an integral part of this condensed interim financial report.

Selected notes to the condensed consolidated interim financial statements (unaudited)

1 IDEX ASA group

The IDEX ASA group ("IDEX") consists of the Norwegian parent company IDEX ASA, the subsidiary IDEX Holding Inc. and its subsidiary IDEX America Inc, which are both in the USA. The group was formed in January 2007 when IDEX ASA established the subsidiaries. The subsidiaries have been inactive since mid-2010. The IDEX ASA is a public limited liability company incorporated and domiciled in Norway. The address of its registered office is Rolfsbuktveien 17 at Fornebu, Norway. IDEX ASA shares have been listed at Oslo Axess market place of Oslo Børs since 12 March 2010. Formerly, trades in IDEX ASA shares were reported at the Norwegian Securities Dealers Association's information service, NOTC.

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

2 Basis of preparation, accounting policies, resolution

This condensed interim financial report for 2010 has been prepared in accordance with IAS 34 'Interim financial reporting'. The condensed consolidated interim financial report should be read in conjunction with the consolidated annual financial statements for 2009.

The IFRS accounting policies applied in this condensed consolidated interim financial report are consistent with those applied and described in the consolidated annual financial statements for 2009.

The going concern assumption has been applied when preparing this interim financial report. The Board points out that until the company enters the commercial stage, there is uncertainty attached to this assumption. IDEX does not earn recurring revenue. On 31 December 2010, 70 percent of the share capital was lost and the board acknowledges the need to raise additional equity and working capital during the second quarter of 2011. The liquidity is adequate to cover incurred and accrued expenses at the date of this report.

This consolidated interim financial report has not been subject to audit. The report was approved by the board of directors on 28 February 2011.

3 Property, plant and equipment

Amounts in NOK 1 000	**Tangible assets**
1 January-31 December 2010	
Net book value on 1 January 2010	**409**
Additions	**357**
Disposals	**0**
Depreciation and other movements	**(134)**
Net book value on 31 December 2010	**632**
1 January-31 December 2009	
Net book value on 1 January 2009	34
Additions	420
Disposals	0
Depreciation and other movements	(45)
Net book value on 31 December 2009	409

4 Shares, warrants and subscription rights

Shares	**1 January-31 December 2010**	1 January-31 December 2009
Opening balance	**354 233 139**	32 411 588
Conversion of debt to shares	**65 651 250**	
Warrants exercised	**181 631 781**	
Accumulated	**601 516 170**	
Consolidated 3:1 on 10 March 2010	**200 505 390**	
Share issue(s)	**9 991 300**	321 821 551
Warrants exercised	**4 436 452**	
Closing balance	**214 933 142**	354 233 139

The lender of a convertible financial loan gave notice of conversion in January 2010 and the loan including interest was converted to NOK 13.1 million new equity on 17 February 2010. At an extraordinary general meeting on 17 February 2010, the shareholders authorised the board to allow early exercise of warrants to raise additional equity. 181.6 million warrants were exercised and NOK 18.1 million new equity was raised. At the extraordinary general meeting on 17 February 2010, the shareholders also resolved a 3-to-1 share consolidation. The consolidation was effective as of and including 10 March 2010. The par value of the shares after the consolidation is NOK 0.15 per share.

In a private placement conducted to satisfy the listing conditions at Oslo Axess, 9.9 million consolidated shares were placed at NOK 1.20 per share, adding NOK 11.9 million new equity. After the annual general meeting 11 May 2010, 113,800 shares were issued to board members at NOK 0.15 per share in lieu of board remuneration 2009-2010.

Warrants were exercisable in the period 12 August-30 September 2010. 4.4 million warrants were exercised and NOK 1.3 million new equity was added.

Warrants and subscription rights	**1 January-31 December 2010**	1 January-31 December 2009
Opening balance	**333 198 027**	2 396 875
Grant of incentive subscription rights		19 847 500
Expired and forfeited subscription rights		(1 605 000)
Allotment of warrants		312 558 652
Exercise of warrants	**(181 631 781)**	
Accumulated	**151 566 246**	
Consolidated 3:1 on 10 March 2010, rounded down	**50 522 004**	
Exercise of warrants	**(4 436 452)**	
Grant of incentive subscription rights	**2 849 660**	
Terminated/expired subscription rights	**(812 338)**	
Closing balance	**48 122 874**	333 198 027

The subscribers to shares in the rights issue completed in September 2009 were allocated one warrant per new share. The warrant holders may in either of two exercise periods request the issue of one ‘consolidated’ share at NOK 0.30 per share for each warrant held. 181,631,781 ‘unconsolidated’ warrants were exercised in the first quarter 2010 in connection with the listing of IDEX’ shares. The first ordinary exercise period was 12 August-30 September 2010 when of 4,436,452 warrants were exercised. The remaining 39,205,778 outstanding warrants are exerciseable in the final exercise period 1 May-12 August 2011.

IDEX has granted incentive subscription rights (SRs) to employees and board members. The grants to board members have been made by the general meeting in lieu of cash board remuneration. The subscription rights vest by ¼ every 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 8,917,096 outstanding incentive SRs on 31 December 2010 was NOK 1.31 per share.

5 Profit (loss) per share

	1 January-31 December 2010	1 January-31 December 2009
Profit (loss) attributable to the shareholders (NOK 1 000)	**(27 928)**	(27 585)
Weighted average basic number of shares	**195 543 310**	135 609 947
Weighted average diluted number of shares	**238 824 595**	213 408 979
Profit (loss) per share, basic and diluted	**NOK (0.14)**	NOK (0.20)

Effective 10 March 2010, the shares were consolidated 3-to-1. In the calculation of weighted number of shares in 2010, the number of shares in the period 1 January-9 March 2010 has been restated as if the consolidation was effective 1 January 2010.

When the period result is a loss, the loss per diluted number of shares shall not be reduced by the higher 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. The observed share prices, exercise prices and number of shares and dilutive instruments have been adjusted as if the consolidation was effective 1 January 2010. 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

Shareholder A. S. Holding A/S was the lender of a financial loan which originally amounted to NOK 12.5 million and which earliest repayment date was 1 April 2011. The lender had the right at any time upon 30 days notice, request to convert all or a part of the outstanding loan (principal and interest) into capital stock of IDEX at a conversion price of NOK 0.20 per 'unconsolidated' share. The lender gave notice of conversion in January 2010 and the loan, including interest, was converted to NOK 13.1 million new equity on 17 February 2010.

In the twelve months ending 31 December 2010, IDEX has recorded NOK 1,973 thousand for services provided from IDEX' legal counsel, law firm Ræder, in which IDEX' chairman is a partner. Morten Opstad's work beyond board duty is invoiced by Ræder. The amount in 2010 includes Ræder's work in connection with the listing at Oslo Axess, including preparation of the prospectus and conducting the equity transactions.

Andrew Heap, who was a board member until 11 May 2010 has charged NOK 16 thousand for sales support services beyond board duty. The services were provided on request from IDEX. IDEX does not have any ongoing obligation to purchase services from Mr. Heap.

8 Events occurring after the balance sheet date

Between 31 December 2010 and the resolution of these condensed consolidated financial statements, there have not been any events which have had any noticeable impact on IDEX' result for 2010 nor the value of the company's assets and liabilities at 31 December 2010.