IDEX ASA interim report for the first half of 2013

Highlights in the first half of 2013

- **Major breakthrough for IDEX in the mobile market:**
  IDEX agrees commercial terms 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:**
  Progress with implementing volume, cost effective supply chain for the mass market
- **Progress on security and bag lock projects:**
  Order timing depends on end customer's programs
- **Private placement in April to fund expansion was substantially oversubscribed:**
  Adding NOK 30 million new equity
- **Cash position of NOK 36.6 million at 30 June 2013**
- **Recognition of IDEX's unique IP and patents:**
  Apple/AuthenTec verifies licensing agreement with IDEX

Outlook and key milestones in the second half of 2013

- **Market introduction of fingerprint sensors in smartphones**
- **Customer qualification of IDEX swipe sensor for mobile communications**
- **Further progress on supply chain for high volume capability and cost efficiency**
- **Expanded IDEX software solutions to support mobile applications**
- **Organisation and R&D expansion to accelerate product roadmap to meet demand for higher-value touch sensors**
- **Establish global sales and support footprint to respond to highly elevated interest in biometric solutions**
- **Focus on strategic tier-one partnerships within consumer electronics market**

Breakthrough agreement

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 sensor technology in the mobile market. Technical collaboration activity is intensifying and this agreement is an essential milestone in delivering IDEX technology to the mobile communication market.

Strong and positive market outlook for fingerprint recognition technology

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. IDEX sees a paradigm shift: fingerprint recognition is the method to replace pin codes and passwords in forthcoming personal and corporate electronic products. IDEX is experiencing great interest in the company's technology and IP from leading players in the mobile and IT market. 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. This outlook is supported by recent announcements from major global leaders such as Microsoft and PayPal.

Sensor in mobile telephone cover glass

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 sensor design utilising through-substrate microvia connections enable the fingerprint image to be read through virtually any material such as glass, silicon, polymer and ceramics. The concept has received significant and increasing interest from several mobile phone handset manufacturers. IDEX is progressing the concept to a hardware demonstrator that will show a realisation of the safe, secure and simple button-free solution for ID.

IDEX strengthens executive team and appoints new CEO

In May, the company appointed Hemant Mardia as CEO. Mr. Mardia will lead IDEX as it commercialises its leading fingerprint biometric sensor technology and unique IP.

"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," 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 telecommunications sector. Mr. Mardia has a PhD in electronics.

Two new board members were elected at the annual general meeting held on 16 May 2013. The board consists of chairman Morten Opstad, and board members Jon Ola Frankplads, Frode Haugli, Hanne Høvding and Toril Nag.

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 testing, and being prepared for market launch. SmartFinger Colibri is based on IDEX's high-performance polymer technology. The Colibri fingerprint sensor is undergoing extensive qualification before release for volume production. Samples are being delivered to potential customers.

Private placement in April was over-subscribed
The private placement of new shares that was resolved on 22 April 2013 received great interest from investors. The placement amount was increased to NOK 30 million to better accommodate the investors' demand for IDEX shares. The annual general meeting on 16 May 2013 resolved to issue 18.8 million new shares at NOK 1.60 per share.

Recognition of IDEX's unique IP and patents
IDEX holds some of the key patents of the fingerprint sensor industry. In connection with a legal process IDEX 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.

In May 2013 Apple/AuthenTec verified IDEX's licensing agreement, through a notice of so-called recordal of IDEX's license to certain 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.

Progress on security and bag lock projects
In the fourth quarter 2012, IDEX entered into a commercial agreement with a European OEM partner for SmartFinger sensor and software.

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 to the proprietary lock solution and is preparing demonstrators for the end customers during the second half of 2013.

IDEX and a Chinese technology company are collaborating closely to develop a security device in which IDEX's SmartFinger solution is embedded. The parties extended their cooperation by a memorandum of understanding at the end of 2012. The customer is currently preparing demonstrators as part of a proof of concept of a complete security system.

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 and increase confidence in the rapid adoption of fingerprint biometric sensors leading to a multi-billion dollar mass market opportunity for IDEX. The recent statements from industry leaders have underlined the need for touch sensors in addition to low cost swipe sensors. The relative value of these sensors is several times that of swipe sensors and will lead to significant market scale increase for IDEX.

IDEX is adding new employees and contractors in order to deliver commercial solutions to meet this market demand. IDEX also invests in enhancing its IP and technology position to deliver an increased product portfolio and leverage its strong patent position.

Fornebu, 13 August 2013
The board of directors of IDEX ASA

A financial narrative and interim financial statements with notes are enclosed.

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IDEX
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Interim financial statements as at 30 June 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 had been inactive since 2010 and dissolved on 30 November 2012. The reported numbers for 2013 in this interim financial report are for IDEX ASA only, while the comparison numbers for 2012 are the consolidated IDEX group numbers wherever applicable.

Profit and loss statements

IDEX earned revenue amounting to NOK 1.6 million in the first half of 2013, divided into NOK 0.8 million in each of the first and second quarters. The revenue in the first half of 2012 was NOK 2.1 million. Almost all revenue in 2013 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. NOK 0.6 million of the revenue in 2012 originated from a feasibility study for a customer.

Operating expenses in the second quarter were NOK 13.0 million, compared to NOK 10.8 million in the preceding quarter and NOK 12.3 million in the corresponding quarter of 2012. The payroll cost line includes the notional cost of subscription rights. This notional cost amounted to NOK 6.4 million in the first half of 2013, up from NOK 1.9 million in the first half of 2012. Grants and the strong, favourable share price development caused this sharp 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. R&D costs in the first half of 2013 amounted to NOK 5.3 million, of which NOK 3.1 million was spent in the second quarter. These amounts are lower than in the corresponding periods in 2012, at NOK 7.3 million and NOK 4.4 million respectively, but higher than in the second half of 2012 when R&D spending was harnessed and less technical work incurring external costs of materials and services was conducted. Other costs, mainly related to marketing activities and the partner search project, were at NOK 2.7 million in the second quarter, up from NOK 2.2 million in the preceding quarter but lower than the corresponding quarter of 2012, when the activity level was higher.

IDEX had ten employees at the end of the first half 2013, same as at the end of 2012. Four technical/scientific individual contractors works 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 second quarter amounted to a loss of NOK 11.7 million, and NOK 21.7 million year to date. In the corresponding periods of 2012 the EBIT losses amounted to NOK 10.9 million and NOK 21.0 million respectively. The increased notional cost of subscription rights, but lower R&D activity level and other costs, and lower revenue noted above, explain the increased loss.

Financial items amounted to net NOK 51 thousand income in the quarter, and NOK 99 thousand in the first half, mainly from interest income. In 2012 the amounts were NOK 11 thousand and NOK 109 thousand, also mainly from interest income.

Profit/loss per basic weighted average number of shares amounted to a loss of NOK 0.08 in the first half of 2013. Per share results are not directly comparable between quarters 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; various 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 30 June 2013, the assets amounted to NOK 40.2 million, of which NOK 36.6 million were cash, up 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 9.6 million at 30 June 2013, up from NOK 6.7 million at the end of the preceding quarter and the end of 2012. There are usually variations between quarters due to fluctuating payables to suppliers and accrued liabilities. At 30 June 2013, NOK 3.5 million was notional debt in the form of net present value of possible employer's tax on subscription rights.

Equity amounted to NOK 30.6 million, up from NOK 10.3 million at the end of the preceding quarter. NOK 30.1 million new equity was added from a private placement of shares and exercised subscription rights in the quarter. The private placement of new shares received great interest from investors.

On 30 June 2013, the equity amounted to 62 per cent of the share capital. IDEX has since 2012 sought and evaluated potential strategic industry partners. This activity is ongoing. 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.

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 first half was NOK 7.2 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.

NOK 30.1 million new equity was added from a private placement of shares and exercised subscription rights in the second quarter. At 30 June 2013 the cash position amounted to NOK 36.6 million, while net receivables and payables amounted to NOK 6.8 million payable. The company does not have financial debt.

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.

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 finger-print 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
30 June 2013 (Unaudited)

Interim statements of comprehensive income Amounts in NOK 1,000	**1 April- 30 June 2013**	1 April- 30 June 2012	**1 January- 30 June 2013**	1 January- 30 June 2012	1 January- 31 December 2012
Operating income					
Sales and services revenue		568	**7**	571	1 046
Other operating revenue	**789**	939	**1 579**	1 523	3 460
Total revenue	**789**	**1 507**	**1 586**	**2 094**	**4 506**
Operating expenses					
Payroll expense	**6 970**	4 983	**13 546**	10 350	17 778
Research and development expenses	**3 298**	4 365	**5 312**	7 313	10 747
Other operating expenses	**2 701**	2 932	**4 884**	5 297	9 233
Total operating expenses	**12 969**	**12 280**	**23 742**	**22 960**	**37 758**
Profit (loss) before interest, tax, depreciation and amortization (EBITDA)	**(12 180)**	**(10 773)**	**(22 156)**	**(20 866)**	**(33 252)**
Depreciation	**74**	79	**150**	158	313
Profit before interest and tax (EBIT)	**(12 254)**	**(10 852)**	**(22 306)**	**(21 024)**	**(33 565)**
Financial income and expenses					
Interest income	**61**	39	**114**	120	208
Other financial income	**6**	7	**15**	35	65
Interest expense					
Other financial expense	**(16)**	(35)	**(30)**	(46)	(73)
Net financial items	**51**	**11**	**99**	**109**	**200**
Net result before tax	**(12 203)**	**(10 841)**	**(22 207)**	**(20 915)**	**(33 365)**
Taxes					
Net profit (loss) for the period	**(12 203)**	**(10 841)**	**(22 207)**	**(20 915)**	**(33 365)**
Profit (loss) per share - basic and diluted	***NOK (0.04)***	*NOK (0.04)*	***NOK (0.07)***	*NOK (0.08)*	*NOK (0.12)*
Net profit (loss) for the period	**(12 203)**	**(10 841)**	**(22 207)**	**(20 915)**	**(33 365)**
Other comprehensive income					
Total comprehensive income for the period, net of tax	**(12 203)**	**(10 841)**	**(22 207)**	**(20 915)**	**(33 365)**

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

Interim balance sheets Amounts in NOK 1,000	**30 June** **2013**	30 June 2012	31 December 2012
ASSETS			
Long-term assets			
Fixed assets			
Machinery and office equipment	**476**	781	626
Total fixed assets	**476**	781	626
Financial assets			
Long-term receivables	**332**	325	332
Total financial assets	**332**	325	332
Total long-term assets	**808**	1 106	958
Current assets			
Receivables			
Accounts receivable	**11**	281	17
Other receivables	**2 381**	3 091	3 715
Prepaid expenses	**446**	684	512
Total receivables	**2 838**	4 056	4 244
Cash and bank deposits			
Cash and bank deposits	**36 571**	12 047	19 833
Total cash and bank deposits	**36 571**	12 047	19 833
Total current assets	**39 409**	16 103	24 077
TOTAL ASSETS	**40 217**	17 209	25 035
EQUITY AND LIABILITIES			
Equity			
Paid-in-capital			
Share capital	**49 433**	42 343	46 422
Share premium reserve	**113 612**	71 643	86 292
Other paid-in capital	**15 419**	9 783	11 235
Total paid-in-capital	**178 464**	123 769	143 949
Other equity	**(147 838)**	(113 181)	(125 631)
Total equity	**30 626**	10 588	18 318
Liabilities			
Short-term liabilities			
Accounts payable	**975**	1 310	2 561
Public duties payable	**551**	1 231	906
Other short-term liabilities	**8 065**	4 080	3 250
Total short term liabilities	**9 591**	6 621	6 717
Total liabilities	**9 591**	6 621	6 717
TOTAL EQUITY AND LIABILITIES	**40 217**	17 209	25 035

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

Interim cash flow statements Amounts in NOK 1,000	**1 April-30 June 2013**	1 April-30 June 2012	**1 January-30 June 2013**	1 January-30 June 2012	1 January-31 December 2012
Cash Flows from operating activities					
Profit (loss) before interest and taxes	**(12 254)**	(10 852)	**(22 306)**	(21 024)	**(33 565)**
Share-based remuneration (equity part)	**2 480**	1 257	**4 184**	2 374	**3 825**
Depreciation	**74**	79	**150**	158	**313**
Interest paid					
Change in working capital and other items	**2 464**	(1 264)	**4 265**	(806)	**(894)**
Net cash flow from operational activities	**(7 236)**	(10 780)	**(13 707)**	(19 298)	(30 321)
Cash flows from investing activities					
Purchases of property, plant and equipment					
Change in long-term receivables					**(7)**
Interest received	**61**	39	**114**	120	**208**
Net cash provided by investing activities	**61**	39	**114**	120	201
Cash flows from financing activities					
Share issues net of expenses	**30 096**	9 763	**30 331**	9 763	**28 491**
Net cash provided by financing activities	**30 096**	9 763	**30 331**	9 763	28 491
Net change in cash and cash equivalents	**22 921**	(978)	**16 738**	(9 415)	(1 629)
Opening cash balance	**13 650**	13 025	**19 833**	21 462	**21 462**
Closing cash balance	**36 571**	12 047	**36 571**	12 047	19 833

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 2013	**46 422**	**86 292**	**11 235**	**(125 631)**	**18 318**
Share issues	**3 011**	**27 320**			**30 331**
Share-based compensation			**4 184**		**4 184**
Total comprehensive income for the period				**(22 207)**	**(22 207)**
Balance 30 June 2013	**49 433**	**113 612**	**15 419**	**(147 838)**	**30 626**
Balance 1 January 2012	40 794	63 429	7 409	(92 266)	19 366
Share issues	1 548	8 215			9 763
Share-based compensation			2 374		2 374
Total comprehensive income for the period				(20 915)	(20 915)
Balance 30 June 2012	42 342	71 644	9 783	(113 181)	10 588
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)
Balance 31 December 2012	46 422	86 292	11 235	(125 631)	18 318

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

Notes to the condensed interim financial statements
30 June 2013 (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 had been 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 only.

2 Basis of preparation, accounting policies, resolution

This condensed interim financial report for the first half 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. The company does not have financial debt.

This interim financial report has not been subject to audit. The report was approved by the board of directors on 13 August 2013.

3 Property, plant and equipment

Amounts in NOK 1,000	**Tangible assets**
1 January-30 June 2013	
Net book value on 1 January 2013	**626**
Additions	**0**
Disposals	**0**
Depreciation and other movements	**(150)**
Net book value on 30 June 2013	**476**
1 January-30 June 2012	
Net book value on 1 January 2012	939
Additions	0
Disposals	0
Depreciation and other movements	(158)
Net book value on 30 June 2012	781
1 January-31 December 2012	
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 – 30 June 2013	1 January – 30 June 2012	1 January – 31 December 2012
Shares			
Opening balance	**309 479 430**	271 960 641	271 960 641
Share issue(s)	**20 074 407**	10 322 725	37 518 789
Warrants exercised			
Closing balance	**329 553 837**	282 283 366	309 479 430
Warrants			
Opening balance	**0**	9 049 103	9 049 103
Issue of warrants		9 954 013	9 954 013
Exercise of warrants			
Expired warrants		(9 049 106)	(19 003 116)
Closing balance	**0**	9 954 013	0
Incentive subscription rights			
Opening balance	**17 745 259**	14 596 266	14 596 266
Grant of incentive subscription rights	**12 300 000**		6 000 000
Exercised incentive subscription rights	**(950 000)**		6 000 000
Terminated or expired subscription rights	**(2 310 106)**	(16 666)	(2 851 007)
Closing balance	**26 785 153**	14 579 600	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 30 June 2013 was NOK 1.33 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 (of which one, Hemant Mardia, became CEO and primary insider as of May 2013) 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.

The board resolved on 22 April 2013 to carry out a private placement by book building. Following great interest from investors, the placement amount was increased to NOK 30 million to accommodate the high demand for IDEX shares. The annual general meeting on 16 May 2013 issued 18,771,250 new shares at NOK 1.60 per share.

Primary insiders and related parties were allocated shares as follows: K-konsult AS (controlled by chairman Morten Opstad): 187,500 shares, board member Jon Ola Frankplads: 80,000 shares, Edorf Invest AS (controlled by board member Frode Haugli): 156,250 shares, board member Hanne Høvding: 31,250 shares, board member Joan Frost Urstad: 3,125 shares, CEO Hemant Mardia 265,625 shares, Lupum AS (controlled by adviser and shareholder Kristian Wiermyhr): 187,500 shares.

The board resolved on 6 May 2013 to grant a total of 4,600,000 incentive subscription rights to employees - viz. CEO Hemant Mardia 4,000,000 and CTO Ralph Bernstein 600,000 - 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.

Following the annual general meeting of IDEX on 16 May 2013, chairman Morten Opstad and board members Hanne Høvding and Joan Frost Urstad elected to receive the full board remuneration in shares, while board member Harald Voigt elected to receive half the board remuneration in shares. The board members received a combined total of 353,157 shares for which they paid the par value in lieu of a combined cash board remuneration of NOK 530,000.

The board resolved on 6 June 2013 to issue 62,500 shares to an employee who had exercised incentive subscription rights which were granted in 2011 under the company's 2010 incentive subscription rights plan. The price per share was NOK 1.96.

The board resolved on 12 June 2013 to issue 187,500 shares to an employee who had exercised incentive subscription rights which were granted in 2011 under the Company's 2011 incentive subscription rights plan. The price per share was NOK 0.94.

2012:
Following solicitation for interest, IDEX completed a successful private placement of shares on 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 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 – 30 June 2013	1 January – 30 June 2012	1 January – 31 December 2012
Profit (loss) attributable to the shareholders (NOK 1 000)	**(22 207)**	(20 915)	(33 365)
Weighted average basic number of shares	**314 018 649**	274 241 534	281 405 296
Weighted average diluted number of shares	**322 398 284**	276 514 382	282 395 678
Profit (loss) per share, basic and diluted	**NOK (0.07)**	NOK (0.08)	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 half of 2013 IDEX has recorded NOK 1,428 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 has been invoiced by Ræder.

Lupum AS, which is a shareholder in IDEX and is controlled by Kristian Wiermyhr who is also a shareholder in IDEX, has charged IDEX NOK 480 thousand for ongoing services conducted by Kristian Wiermyhr in the first half of 2013. IDEX also refunds the out-of-pocket expenses related to the ongoing services.

Robert N. Keith was granted 2,000,000 incentive 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.

Grants of incentive subscription rights to related parties are listed in note 4 above. Some board members chose to receive board remuneration for 2012-2013 in shares in lieu of cash. See note 4 above.

8 Events occurring after the balance sheet date

Between 30 June 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 half of 2013 or the value of the company's assets and liabilities at 30 June 2013.

Responsibility statement
30 June 2013 (Unaudited)

We confirm, to the best of our knowledge, that the condensed consolidated financial statements with notes for the period 1 January-30 June 2013 has been prepared in accordance with IAS 34 - Interim Financial Reporting and gives a true and fair view of IDEX's assets, liabilities, financial position and profit or loss as a whole. Major related parties transactions have been disclosed in notes 7 and 4.

We also confirm, to the best of our knowledge, that the interim report issued in concert with these condensed financial statements includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the condensed consolidated financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year.

Fornebu, 13 August 2013

The board of directors of IDEX ASA

Morten Opstad, chairman	*Jon Ola Frankplads, board member*	*Frode Haugli, board member*
Hanne Høvding, board member	*Toril Nag, board member*	*Hemant Mardia, CEO*