Interim Report 2012

FOR EARLIER DISEASE DETECTION DIAGENIC

Q1 2012 Highlights

Alzheimer's disease

DiaGenic and GE Healthcare enter into R&D agreement to collaborate on Amyloid-PET imaging and gene signatures in Alzheimer's disease – First in class study comparing gene signature and brain PET imaging.

Increased out-licensing interactions in US (with Ferghana Partners)

Additional collaborative interest for DiaGenic's Alzheimer's products from large pharma

Parkinson`s disease

European multicenter study in Parkinson's disease show high accuracy (88%) in early diagnosis.

Intellectual property

Breast cancer patents filed in 2004 and in 2005 progress from Notice of Allowance to Approval.

Financial review

Q1 pre-tax earnings of NOK - 9 million, improved by NOK 0.1 million compared with Q1 2011.

Cash balance of NOK 48 million at the end of March.

CEO recruitment

Erik Christensen resigned as Chief Executive Officer on April 17th and will continue to support DiaGenic as a consultant. Henrik Lund appointed interim Chief Executive Officer. Recruitment of New Chief Executive Officer is initiated.

JAD awards DiaGenic

The world's leading Alzheimer's disease magazine, Journal of Alzheimer`s Disease (JAD) awards DiaGenic for best scientific publication in 2011. The publication describes the performance of ADtect®.

Unique study on familial Parkinson's disease

Data collection and genetic analysis in unique study on familial Parkinson's disease aiming at identifying pre-symptomatic gene signature in mutation carriers (LRRK2) completed.

DiaGenic has been granted world-wide trademarks

DiaGenic has been granted world-wide trademarks for its key brands ADtect®, BCtect®, PDtect® and MCItect®.

R&D collaboration with GE healthcare

Launch of new PET ligands globally opens market opportunities for DiaGenic

DiaGenic and GE Healthcare signed a R&D collaborative agreement March 27th, which represents to our knowledge the first trial ever to investigate gene expression signatures and the relation to accumulation of amyloid in the brain of patients with pre-symptomatic Alzheimer's disease (MCI-AD).

- A target of 300 individuals will be recruited to the study. A majority will undergo GE Healthcare 18F-Flutemetamol amyloid-PET imaging. All subjects will be analyzed with exploratory gene expression analyses.
- Collaboration with the University of Lund and co-funded by Innovation Norway providing 2 million NOK.
- AD market sees important step change with FDA approval of first 18 F-PET ligand (AMYVID®; Eli Lilly) for detection of amyloid in the brain April 4th. Market expected to reach 1.5 billion USD.
- GE Healthcare completes successful phase 3 program developing 18F Flutemetamol PET ligand and expects FDA submission in late 2012.

The DiaGenic - GE Healthcare R&D collaboration announced in first quarter aims at developing a blood based gene expression test that will identify individuals with memory impairment at risk for AD and eligible for further investigations with amyloid-PET brain imaging. This is DiaGenic's second major collaborative agreement with one of top 10 global Pharma/Diagnostic companies.

The agreement adds to the therapeutic R&D collaboration with Pfizer Inc. US which was initiated in 2010, aiming at developing a product (MCItect®) for detection of AD before the onset of dementia. DiaGenic is thereby well positioned to serve both the therapeutic and high end PET imaging market. A significant market driver is represented by the first launch of an 18F amyloid PET ligand specifically designed to support the diagnosis of Alzheimer's disease through direct visualisation of amyloid in the brain. The Pharma collaboration with Pfizer and GE Healthcare have added significant momentum to DiaGenic's license discussions with potential partners in the US.

The GE Healthcare and DiaGenic collaboration seeks to establish how brain beta-amyloid, a substance believed to be the major pathological hallmark (sign) in the brain of patients suffering from AD, correlates with a specific gene signature to be identified by DiaGenic. The study will include patients with memory decline, but before the onset of dementia which is a state called Mild Cognitive Impairment (MCI). It is in this stage when patients are believed to be more responsive to upcoming therapeutics against AD. Key opinion Leaders and analyst believe that reimbursement of PET imaging for AD will require PET imaging to be combined with a low-cost blood test that will be used as a selection tool identifying patients who are likely to have amyloid accumulation in the brain before they are approved to undergo expensive brain imaging. The anticipated cost of single dose of amyloid-PET in US is likely to be in the range of 1500-2000 USD. In addition comes 1000-2000 USD for the PET procedure itself. The regulatory cost avoidance for subsequent filing of a blood test to support PET imaging with positive correlation will be significant for DiaGenic.

With the increasing prevalence of AD and the associated health economy burden on the society, escalating costs will not be accepted and algorithms to reduce it will be necessary. Therefore DiaGenic's products may represent a good fit and a clear opportunity to provide a simple solution aiming at reducing costs while maintaining a high healthcare benefit.

DiaGenic presented high accuracy (88%) in diagnosing early PD in European multicenter trial

A whole genome investigation in Parkinson's disease (PD) conducted by DiaGenic's experts lead to the findings of a gene signature that detects PD with unprecedented high accuracy (88%) in patients at an early stage of the disease. In the 1st quarter the findings from this DiaGenic sponsored prospective European multicenter PD study shows a diagnostic accuracy of 85% in early disease patients while overall accuracy was 88% across all stages. The trial included 79 PD patients, whereof 27 were early and non-drug treated patients (de novo PD), and 109 age-matched neurodegenerative healthy controls were tested utilizing a 700 assay approach. Patients were selected from DiaGenic's biobank which currently contains approximately 900 PD patients from Europe.

These unprecedented results have triggered high interest from potential business partners.

Dialogues with partners providing imaging products for Parkinson diagnosis can be initiated based on these promising results.

The use of imaging in diagnosing PD is standard procedure. However, a major unmet need is early and differential diagnosis and progression monitoring of patients with PD. DiaGenic's PD gene expression signature may act as a co-diagnostic to imaging and represents an encouraging business opportunity for DiaGenic.

2 million imaging procedures are performed annually. Early diagnosis is however insufficient.

To date, there no alternatives for early diagnosis and few measures of disease progression and DiaGenic may quickly provide an innovative improvement to the diagnosis of PD.

The potential of a new diagnostic biomarker for PD is indicated by the increasing number of clinical trials with potential disease modifying therapy. The key is an early diagnosis identifying individuals before too many of the dopamine generating cells have been lost by this degenerative process. Current diagnostic tools and biomarkers identify PD when 70% of the relevant brain structures have been lost and there is a large unmet need for early and differential diagnosis and progression monitoring of patients. There are few alternatives and DiaGenic may quickly provide an innovative improvement to the diagnosis of PD. DiaGenic's finding of a blood based gene expression signature is encouraging and may act as a co-diagnostic to imaging to cover these unmet medical needs.

DiaGenic's ambition is to develop a diagnostic which can be used to support the initiation of disease modifying interventions of PD as early on in the disease as possible.

Breast cancer patent progress from Notice of Allowance to Approval

In Q1, the previous communicated Notice of Allowance of US family 3 breast cancer patent USPTO 8105773 (11/628,300) has now been granted. The claims cover the use of some important gene sequences or related proteins in blood sample for detection and monitoring of breast cancer in the US. The patent will be valid until 2025. The family 2 patent PCT/GB03/005102 has also been granted by ARIPO (African Regional Intellectual Property Organization) in Q1.

Licensing interactions and requests from large pharma to collaborate utilizing DiaGenic's Alzheimer's disease products

In November 2011, DiaGenic was first in the world to present a blood-based gene expression biomarker for detecting prodromal AD i.e. before the onset of dementia. DiaGenic has demonstrated that MCI patients converting to AD within two years can be identified in an MCI population with a prediction accuracy of 74 %. Identification of patients converting to AD within 2 years will enable early initiation of treatment towards AD, and is a key for pharmaceutical companies in their efforts to design clinical trials to test proposed disease modification therapies against AD.

Market studies conducted by DiaGenic in 2011 confirm the current need for blood-based tests. In USA alone there is a market potential of more than $200 million annually. A large number of pharmaceutical companies have disease modification compounds in their pipelines and the AD market is expected to more than double, from $5.8 billion to $14.5 billion annually in the coming years. Therefore DiaGenic's products will be key in order to identify individuals with AD before the onset of clinical signs of dementia to allow for better efficacy of medicines towards AD.

Launch of new disease-modifying medicines for AD are expected in 2013 with completion of phase III readout for the front runner Pfizer's Bapineuzumab, in Q2-2012. Additional amyloid sequestrant therapy will see late phase completion near term. Successful phase III for any disease modifying therapy will likely result in a 4-5 fold increase in projected size of the market for diagnostic tests. To take advantage of this huge market potential, DiaGenic have intensified our joint activities with Ferghana Partners to outlicence ADtect®, MCItect® and BCtect® to global diagnostic partners.

The R&D collaborative agreements with Pfizer and GE Healthcare provide momentum in moving licensing discussions forward and create attraction for more large pharmas developing new AD drugs. They today rely upon PET imaging and CSF to identify eligible patients for large phase III trials which represents a very costly option for late stage confirmatory trials and also ties the therapeutic to these costly and complex diagnostics. As a sign of high biological validity, DiaGenic's biomarker ADtect® has high agreement (< 80%) with cerebrospinal biomarkers, which is currently the most commonly used biomarker for pharma R&D. Market studies confirm that blood tests are preferred by clinicians and pharma companies due to a lower cost, ease of use and better safety.

DiaGenic has received additional requests for collaboration from large pharma players with ongoing clinical AD programs in the quarter.

A series of face-to-face partner meetings in the US with DiaGenic supported by transaction partner Ferghana have been logged in Q1.

International recognition

In the first quarter of 2012, the DiaGenic technology and products and partnerships with for example Pfizer, was commented upon in the top renowned scientific Journal Nature (Snyder et al, Nature Reviews, Vol. 11, March 2012, 183-184). The article states that: "Pfizer has facilitated the development of imaging tools through its venture investment in Avid Radiopharmaceuticals, and has also entered a development partnership with DiaGenic for a blood-based biomarker. Pfizer has therefore positioned itself to access an advanced imaging diagnostic in clinical trials and also supports the development of a blood-based test that can help physicians diagnose patients once Pfizer's therapies reach the market."

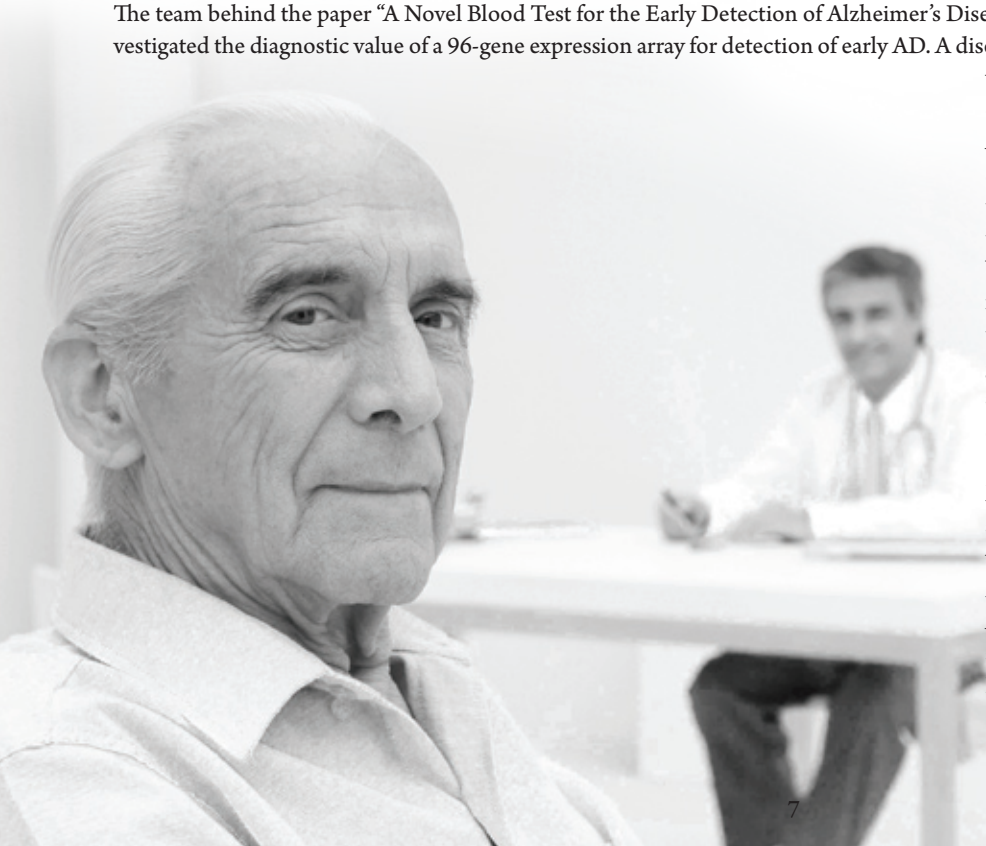
Erik Christensen leaves the Chief Executive Officer position April 17th and will support DiaGenic as consultant. Henrik Lund appointed interim Chief Executive Officer. Recruitment of New Chief Executive Officer is initiated.

On April 17th Erik Christensen notified the Board of Directors of his resignation as CEO and request to continue as consultant for DiaGenic. Erik Christensen has led DiaGenic for 5 years and has made a great contribution to the progress of DiaGenic's technology and leadership of the Company. Erik Christensen will still be available for counterparties in technology and transaction activities as requested by the Board of Directors and Management. Chairman of the Board Henrik Lund was appointed interim CEO until a new CEO is hired and has stepped down from the Board. Deputy Chairman Ingrid Wiik acts as Chairman of the board until the General Assembly. The Executive search for a new CEO has been initiated.

DiaGenic receives international recognition for ADtect® development. Journal of Alzheimer's Disease (JAD) announces 2012 award for the best scientific article published in 2011 to DiaGenic. The price is sponsored by IOS Press and Elan Pharmaceuticals

DiaGenic's article "A Novel Blood Test for the Early Detection of Alzheimer's Disease" (J Alzheimers Dis 23, 121-129, 2011, P. Rye et al) was in April 2012 nominated best publication of the year 2011 by the prestigious Journal of Alzheimer's disease (JAD). JAD writes:

The team behind the paper "A Novel Blood Test for the Early Detection of Alzheimer's Disease" (J Alzheimers Dis 23, 121-129, 2011), investigated the diagnostic value of a 96-gene expression array for detection of early AD. A disease classification algorithm was developed and was validated in two steps using an independent initial test set and another second test set. A similar accuracy (72%), sensitivity (72%) and specificity (71%) were achieved both in the initial analysis and in the two independent test sets. When compared with available CSF biomarker data high agreement (85%) was found. Although further studies are needed to confirm these findings they suggest that the gene expression test using a convenient blood sample can aid the diagnosis of mild to moderate AD."



Each year, the Associate Editors of the journal select the best article from the previous year's volumes. The awardee receives the Alzheimer Medal, a 3" bronze medal with a portrait of Alois Alzheimer. This yearly award is made possible through the generous support from IOS Press and Elan Pharmaceuticals.

Data collection and genetic analysis in unique study on familial Parkinson's disease aiming at identifying pre-symptomatic gene signature in mutation carriers (LRRK2) completed

As part of the larger program on development of diagnostic biomarkers for PD, the objective of the study in LRRK2 carriers and relatives is to identify a biomarker for individuals at risk of developing the disease. The LRRK2 study is unique being the first blood based RNA analysis in pre-clinical PD. The study is also expected to allow independent validation of DiaGenic's European multicentre study stating high 88% accuracy in early untreated PD patients reported February 8th 2012.

The gradual build-up of the Parkinson's disease biobank and data from the Norwegian individuals with this rare mutation has been ongoing since 2009 and includes collection of blood for gene signature analysis, clinical variables and imaging of the brain.

By taking blood samples from individuals with LRRK2 mutations before signs of the disease occur, a general blood based diagnostic test for early PD can be developed.

The gene analyses including technical controls and samples of 82 participants from families with a LRRK2 gene mutation are performed on an Illumina whole genome platform and aims to identify disease related gene probes (i.e. gene transcripts) for disease specific diagnostic models. The gene analyses were completed May 8th and the study now enters into the phase of final bioinformatic analyses.

DiaGenic has been granted world-wide trademarks for its key brands ADtect®, BCtect®, PDtect® and MCItect®

DiaGenic has reviewed its trademark coverage in mayor markets. Broad coverage in most key markets for ADtect®, PDtect®, MCItect® and BCtect® have been obtained. Registered trademarks are now granted in 30 countries representing key global markets including US, EU and Rest of the World (ROW). For one product, BCtect®, a preliminary refusal of trademark in the US, due to similarity with "BC Detect" from Panacea Inc., is noted. MCItect® application in South Korea is still pending processing. For more information see a.o. WIPO, World Intellectual Property Organisation.

Post quarter 2012 outlook

- CEO recruitment
- Study start of 18F PET study with GE Healthcare and first patient scanned with amyloid PET
- Partnering discussion with large pharma players with ongoing AD clinical programs.
- US out-licensing activities of DiaGenic's products with Ferghana Partners
- Results from Parkinson's disease LRRK2 study

Q1 2012 pre-tax earnings of NOK -9 million, improved by NOK 0.1 million compared with Q1 2011. Cash balance of NOK 48 million at the end of the quarter.

Comparative figures from the corresponding period last year are shown in parentheses.

In the first quarter DiaGenic had NOK 23k (NOK 1,608k) in operating revenue from sales of ADtect®. Operating revenue in first quarter 2011 relates to revenue from collaborative agreements with pharma based on milestones achieved, which will vary quarter on quarter. Research grants are entered as a reduction of other operating costs and totaled NOK 785k (NOK 990k) in the quarter. The main business activities during the quarter have been focused on discussions with potential licensees of DiaGenic products, entering the R&D agreement with GE Healthcare and continue with the ongoing clinical studies within Alzheimer's disease and Parkinson's disease.

Comprehensive income

Revenues and research grants

DiaGenic had NOK 23k (NOK 1,608k) in operating revenues in the first quarter 2012. Operating revenue in the quarter relates to pilot sales of ADtect® in Spain. First quarter 2011 revenue relates to income from collaborative agreements with pharma based on milestones achieved which vary quarter on quarter. Research grants are entered net into the accounts (reducing other operating costs). Research grants for the first quarter 2012 were NOK 785k (NOK 990k).

Operating costs

Total operating costs after deducting research grants were NOK 9,426k (NOK 11,231k) for the first quarter. Salaries and personnel expenses amounted to NOK 5,959k (NOK 6,177k) for the first quarter and other operating costs less salaries and personnel expenses were NOK 3,147k (NOK 4,244k) for the quarter. The reduction in other operating costs is mainly due to lower blood sample expense in the quarter compared with the corresponding period in 2011.

Financial position

Total assets at 31 March 2012 were NOK 60,353k (NOK 96,835k), of which current assets amounted to NOK 56,908k (NOK 92,664k). Cash and cash equivalents accounted for the largest share of current assets at the end of March 2012 with a balance of NOK 48,091k (NOK 86,687k). Total value of inventory was NOK 1,323k (NOK 1,734k) at 31 March 2012.

Equity at 31 March 2012 amounted to NOK 46,081k (NOK 80,469k). Current liabilities at the end of March 2012 was NOK 7,223k (NOK 8,424k) and pension liabilities totaled NOK 4,132k (NOK 3,241k). Other long term liabilities at 31 March 2012 totals NOK 2,917k (NOK 4,702k) and relates to a loan from Innovation Norway.

Cash flows

Net cash flow from operating activities for first quarter 2012 was NOK -10,227k (NOK -11,563k). Payment of long term liabilities in the quarter includes a NOK 417k down payment of a loan from Innovation Norway. The company's cash and cash equivalents are held in bank deposits and amounted to NOK 48,091k (NOK 86,687k) on 31 March 2012.

Equity and number of shares

Effective from 30 May 2011 DiaGenic performed a reverse share split in the ratio 10:1. Consequently the number of shares in the Company was reduced from 270,236,520 shares to 27,236,520 shares, and the face value per share increased from NOK 0.05 to NOK 0.50.

Risk factors

The information contained in this report includes certain forward looking statements that address activities, events or developments that the company expects, projects, believes in or anticipates will occur in the future. These statements are based on various assumptions made by the Company which are beyond the Company's control and subject to risk factors and uncertainties. The Company is exposed to a large number of risk factors including, but not limited to, market acceptance of the company's products, necessary approvals from the authorities and the clinical effectiveness of the company's products, and the success of the pharma companies' drug development programs. Reference is made to the annual report for 2011 for further information relating to risk factors. As a result of the above-mentioned or other risk factors actual events and the actual result may differ significantly from that indicated in the forward looking statements. For the next 12 month period key risks are considered to evolve around entering collaborative agreements with key healthcare players, the potential terms in such collaborative agreements and the outcome of the delivery in such collaborative agreements.

Statement of comprehensive income

	Note	2012	2011	2011
(figures NOK thousands)		*Q1*	*Q1*	*1 Jan-31 Dec*
Operating Income				
Other income		23	1 608	1 093
Total operating revenue		23	1 608	1 093
Operating expenses				
Cost of goods sold	4	320	811	1 805
Total cost of goods sold		320	811	1 805
Operating costs				
Wages and social costs		5 959	6 177	22 129
Depreciation		224	238	923
Other operating costs		2 922	4 005	18 768
Total other operating costs		9 105	10 420	41 820
Total operating costs		9 426	11 231	43 625
Operating profit (loss)		-9 403	-9 623	-42 532
Financial income		480	728	1 058
Financial expenses		57	151	348
Net financial income/expense		423	577	710
Pre-tax profit (loss)		-8 980	-9 046	-41 821
Income tax costs (benefits)		0	0	0
Net profit (loss)		-8 980	-9 046	-41 821
Other comprehensive income		0	0	0
Comprehensive income		-8 980	-9 046	-41 821
Net profit per share (figures in NOK)	*5*	*-0.33*	*-0.33*	*-1.95*
Net profit per share after delution (figures in NOK)	*5*	*-0.33*	*-0.33*	*-1.95*

Statement of financial position

	Note	2012	2011	2011
(figures NOK thousands)		*31. March*	*31. March*	*31 Dec*
Assets				
Fixed assets				
Goodwill		572	572	572
Software		804	1 139	888
Fixed assets		2 068	2 460	2 133
Total non-current assets		3 444	4 172	3 594
Current assets				
Inventory	4	1 323	1 734	915
Trade receivables		33	34	53
Other receivables		7 462	4 209	5 183
Cash and cash equivalents		48 091	86 687	58 859
Total current assets		56 908	92 664	65 010
Total assets		60 353	96 835	68 603
Equity and liabilities				
Equity				
Share capital	2	13 512	13 512	13 512
Paid in equity	2	76 302	117 824	76 216
Retained earnings		-43 733	-50 867	-34 753
Total equity		46 081	80 469	54 975
Provisions				
Pension liabilities		4 132	3 241	3 867
Total provisions		4 132	3 241	3 867
Other long term liabilities				
Other long term liabilities		2 917	4 702	1 667
Total other long term liabilities		2 917	4 702	1 667
Liabilities				
Accounts payable		2 571	2 670	1 689
Social security, VAT etc. payable		1 086	1 011	1 554
Other current liabilities		3 565	4 743	4 851
Total current liabilities		7 223	8 424	8 094
Total e quity and liabilities		60 353	96 835	68 603

Cash flow statements

	Note	2012	2011	2011
(figures NOK thousands)		*Q1*	*Q1*	*1.1.-31.12.*
Cash flow from operating activities				
Pre-tax profit (loss)		-8 980	-9 046	-34 753
Income taxes paid		0	0	0
Ordinary depreciation		224	238	961
Impairment of fixed assets		0	0	0
Fair value granted option rights		86	24	237
Loss on sale of fixed assets		0	0	0
Change in pension scheme liabilities		265	156	783
Change in inventories, accounts receiveable and accounts payable		495	-1 739	-4 865
Change in other short-term receivables and other short-term liabilities		-2 366	-1 196	-241
Net cash flow from operating activities		*-10 277*	*-11 563*	*-37 877*
Cash flow from investment activities				
Proceeds from sale of fixed assets		0	0	0
Acquisitions of fixed assets		-74	0	-145
Net cash flow from investing activities		*-74*	*0*	*-145*
Cash flow from financing activities				
Contribution of share capital		0	-106	-106
Proceeds from new loan		0	0	0
Payment of long term liabilities		-417	-483	-1 852
Net cash flow from financing activities		*-417*	*-588*	*-1 957*
Net change in cash and cash equivalents		*-10 768*	*-12 151*	*-39 979*
			0	
Cash and cash equivalents		48 091	86 687	58 859

Statement of changes in Equity and Number of Shares:

(figures in NOK/numbers)	Share capital	Share prem. reserve	Other reserves	Other equity	Total equity	Number of shares
As at 1st January 2011	13 512	76 085	0	-0	89 596	27 023 652
Fair value granted option rights	0	0	237	0	237	0
Transaction cost	0	-106	0	0	-106	0
Comprehensive income 01.01.-31.12.2011	0	0	0	-34 753	-34 753	0
As at 31st December 2011	13 512	75 979	237	-34 753	54 975	27 023 652
Fair value granted option rights			86		86	
Comprehensive income 01.01.-31.03.2012				-8 980	-8 980	
As at 31st March 2012	13 512	75 979	323	-43 733	46 081	27 023 652

Oslo, 8th of May 2012

Ingrid Wiik
Chairman

Gustav Ingmar Kihlström
Board member

Ulrica Slån
Board member

Tom Pike
Board member

Henrik Lund
Managing Director

Note 1: Presentation

The financial information is prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34"). This financial information should be read together with the financial statements for the year ended 31st of December 2011 prepared in accordance with International Financial Reporting Standards ("IFRS").

The accounting policies used and the presentation of the Interim Financial Statements are consistent with those used in the latest Annual Financial Statements.

The preparation of the Interim Financial Statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and disclosure of contingent liabilities at the date of the Interim Financial Statements. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the Interim Financial Statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

Note 2: Going concern

The financial statement is presented on the going concern assumption under International Financial Reporting Standards. Accordingly, the financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts, the amounts and classification of liabilities, or any other adjustments that might result should the Company be unable to continue as going concern.

As per 31 March 2012 the Company has sufficient working capital for its planned business activities over the next twelve month period.

The Board of Directors confirmed on this basis that the going concern assumption is valid, and that financial statements are prepared in accordance with this assumption.

Note 3: Related parties

Transactions with related parties by way of consultancy services took place in the quarter. The transactions in the quarter are considered not to be significant.

Transactions with companies that have connections to related parties are conducted at market terms, based on the principle of arm's length.

Supplier:	Related part:	Q1	Acc. pr. 31.03.12
Cornucopia AS	Henrik Lund	60 000	60 000
		60 000	60 000

Note 4: Inventory – figures in thousand NOK

	Q1 2012	Q1 2011
Inventory	1 323	1 734

Inventory is valued at lower of cost and net selling price. Inventory is recorded at cost in the financial statements.

Note 5: Earnings per share - figures in NOK

The following table shows the changes in number of shares in 2012:

	Ordinary shares
Number of shares as of 1st of January	27 023 652
Number of shares as of 31st of March	27 023 652
Average number of shares per 31st of March	27 023 652

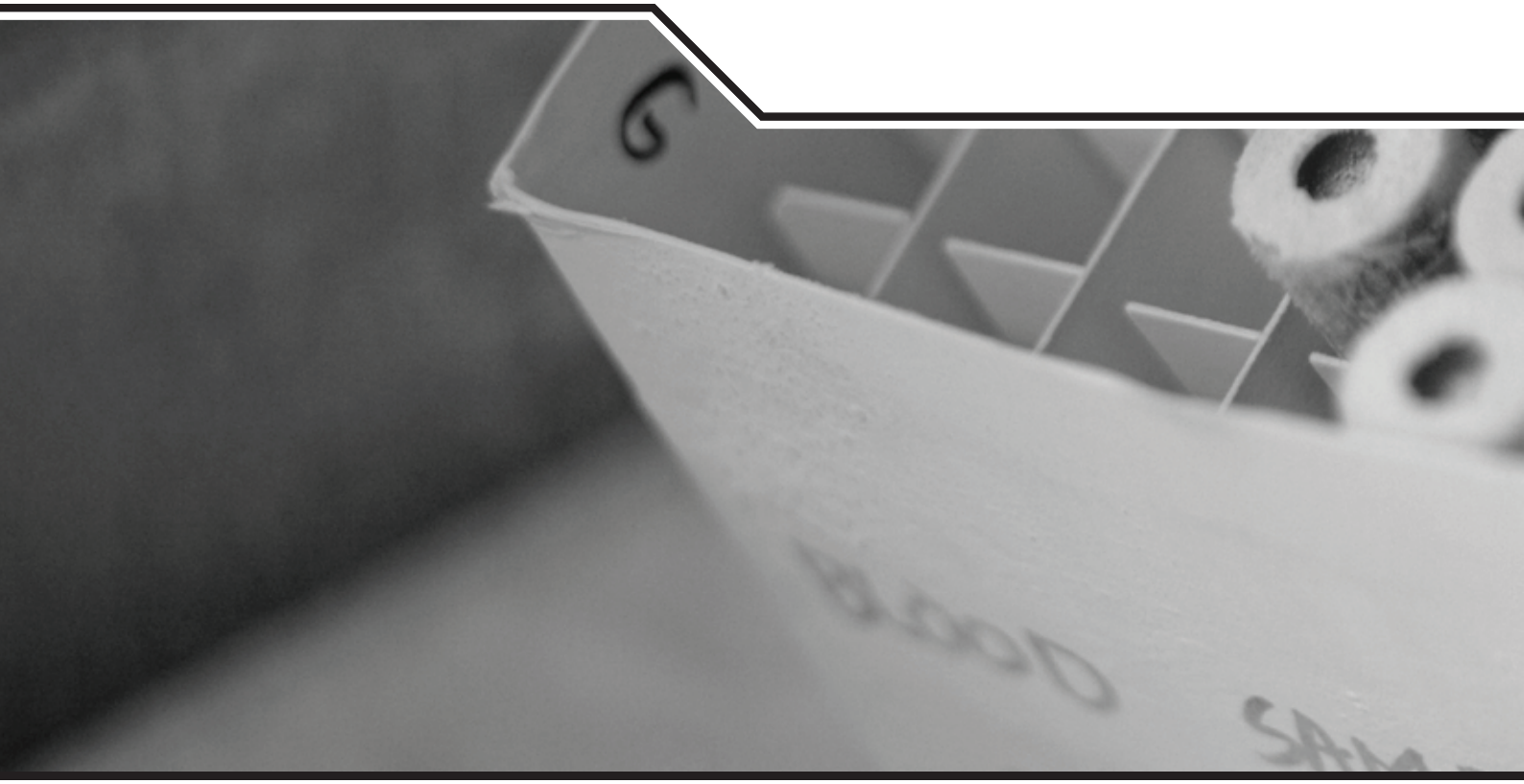
Note 6: Share Options

On 5th of September 2011 the Board of Directors in DiaGenic ASA allotted options to DiaGenic employees. The share options have strike price of NOK 6.00 per share, which is set based on weighted share price + 10%. The options have life of 4 years and can be exercised after 3 years.

Note 7: Events after the balance sheet date

At the date of this report, there are no events, except for the items listed below, after the balance sheet date that will affect the company's position on the balance sheet date which is essential for the company's future financial position.

Erik Christensen chose to resign from his position as CEO of DiaGenic effective from 17 April 2012. Chairman of the Board Henrik Lund stepped in as interim CEO for DiaGenic, and deputy chairman Ingrid Wiik will act as chairman until the Annual General Meeting. A recruitment process for a new CEO has been initiated. 12 months' salary with deduction upon new position and a consultancy agreement has been agreed between Erik Christensen and the Board of Directors.



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