

INTERIM RESULTS:
FIRST QUARTER - 2006



INTERNATIONAL MARITIME EXCHANGE

23 May 2006

International Maritime Exchange ASA

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Quarterly highlights

- Group operating revenue was NOK 26.9 million in the first quarter of 2006 (29.7)¹
- Profit after taxes was NOK 0.9 million (2.9)
- The number of trades was 2 144 in the first quarter (1 677), the number of lots traded was 51 415 (51 792) and the nominal trade value was USD 1 216 million (936)
- The number of exchange and clearing members at the end of the quarter was 123 (82)
- NOS merger announced in April
- M3 acquisition announced in May

Trading and membership growth continues

International Maritime Exchange ASA (OSE: IMAREX), experienced strong growth in the first quarter of 2006, both in terms of number of trades and in nominal trade value. The number of exchange and clearing members continued to rise, and was up 50 % from 82 to 123 members compared to the first quarter of 2005.

The number of trades was up 28 % to 2 144 in the first quarter, compared to the same period the year before (1 677). The number of lots traded was practically unchanged at 51 415 (51 792), and the nominal trade value was USD 1 216 million, up 30 % (936). The quarter also saw IMAREX report on market place operations for bunker fuel oil, which added close to USD 400 million to the nominal value of trades reported.

Group operating revenue was NOK 26.9 million (29.7) down 9 %, compared to the same period the year before, though in line with average revenues for the last five quarters. The comparative fall in revenues is to a large extent explained by an overall drop in the underlying value of contracts traded.

Clearing costs were unchanged at NOK 10 million. Payroll expense was down from NOK 10.7 million to 9.2 million, while the number of employees increased from 25.5 to 36.5. Payroll expenses also include a bonus provision and the cost of employee options. Other operating expenses increased from NOK 4.0 million to 6.9 million. The last quarter's figures include NOK 0.5 million of costs related to the transaction with NOS ASA. Net financial items for the quarter were unchanged at NOK 1.2 million. The company has increased its ownership in NOS ASA to 20 % in the reporting period. The NOS shareholding is therefore now reported according to the equity method, and the unrealised gain due to the share price appreciation has been removed. The 20 % ownership gave a NOK 1.1 million contribution to the net financial items. (Please also see Note 3.) The result for the period was down from NOK 2.9 million to 0.9 million.

Group key figures

IFRS, figures in NOK 1,000	Q1 06	Q1 05	YTD 06	FY 2005
Operating revenue	26 869	29 675	26 869	104 482
Operating result	-281	4 520	-281	7 988
<i>Operating margin</i>	-1,0 %	15,2 %	-1,0 %	7,6 %
Ordinary result before tax	930	5 687	930	11 238
Result for the period	930	2 924	930	7 488
<i>Profit margin</i>	3,5 %	9,9 %	3,5 %	7,2 %
Earnings per share				
Basic	0,13	0,43	0,13	1,07
Diluted	0,13	0,42	0,13	1,05
Total assets	163 449	207 631	163 449	186 745
Total equity	148 836	180 909	148 836	172 493
<i>Equity ratio</i>	91,1 %	87,1 %	91,1 %	92,4 %

¹ Last year's comparable figures in brackets.

Building a stronger IMAREX

In the previous quarterly report IMAREX outlined a strategic plan to grow the organisation into different commodity markets where ocean freight plays a key role either directly in oil products, gas and coal, or indirectly in electricity and emissions. These commodity markets are closely price related.

Creating links between the trading of price-related commodity derivatives makes Imarex able to build a solid position as a leading international commodity market – with shipping as a key element. IMAREX has therefore embarked on a series of mergers and acquisitions to add customers, expertise and systems required to achieve this goal.

As the next logical step in assembling a strong integrated organisation Imarex and NOS have agreed to merge the ownerships of the two companies. The merged organisation will retain the IMAREX listing on the Oslo stock exchange. NOS' equities clearing division will be sold to VPS (Norwegian Central Securities Depository) for NOK 227 million. Some of the immediate effects of the merger are strengthened clearing capital for NOS and a more effective organisation for marketing, compliance and customer support. In the coming period, Imarex and NOS will launch new products within freight, oil, coal, power and emissions.

Following the announcement of the NOS merger, IMAREX have added electricity and emissions to the multi-commodity expansion plan by agreeing to acquire all the outstanding shares in leading Nordic electricity broker M3 for NOK 25 million in cash. To ensure continuity and growth of M3's market position, an additional consideration will be made based on the acquired company's future sales and profits

M3 is the leading brokerage house in the Nordic Electricity market with an estimated 32 % of the OTC market. M3 has the most experienced and competent brokers in this market and is recognised to be particularly strong in the options market and have a long track record for its placing power of large deals.

IMAREX will during 2006 integrate each of the trading markets now acquired. Further expansion is expected by way of both acquisitions and organic growth.

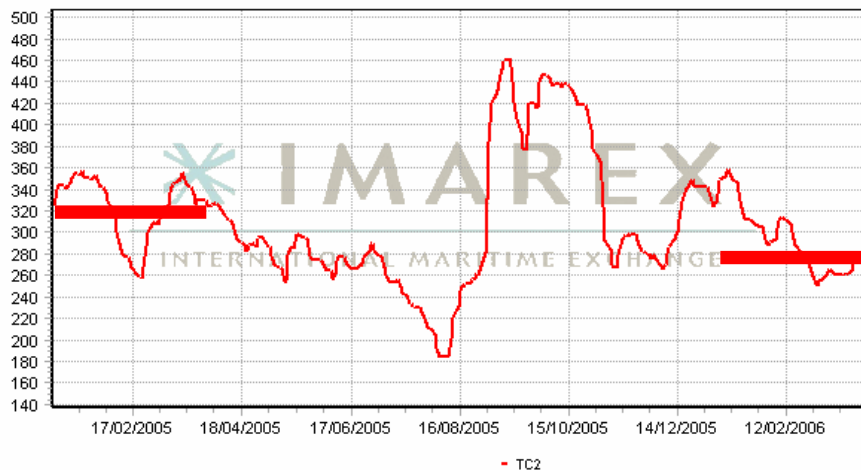
Trading Statistics

	Q1 06	Q1 05	YTD 06	FY 2005
Tankers				
# Trades	1 647	1 593	1 647	5 663
Lots (1 000 tonnes)	31 345	41 387	31 345	135 993
Value (\$m)	529	636	529	2 217
Dry Bulk				
# Trades	317	84	317	570
Lots (days)	18 719	10 405	18 719	52 475
Value (\$m)	280	300	280	1 067
Bunker Fuel Oil				
# Trades	180	0	180	23
Lots (1 000 tonnes)	1 351	0	1 351	260
Value (\$m)	407	0	407	57
Total				
# Trades	2 144	1 677	2 144	6 256
Lots (k/tons + days)	51 415	51 792	51 415	188 728
Value (\$m)	1 216	936	1 216	3 341

Business Development

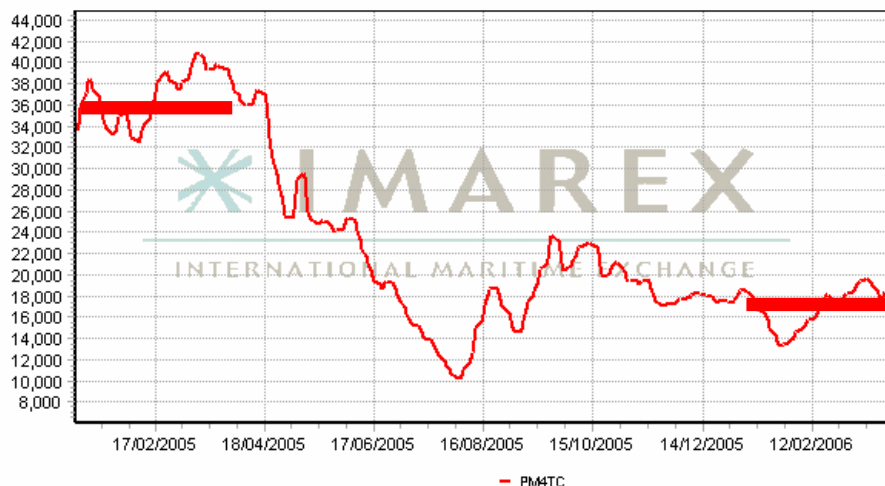
Tanker trading

In the last twelve month Imarex has seen a growing influence of clean product tanker contracts in trade statistics, demonstrating a new level of sophistication among customers. The underlying clean product tanker market weakened during the quarter compared to the same period last year with the bellwether TC2 (37KT Rotterdam - New York) contract falling 10 % between the periods (see the figure below). A total of 31 175 tanker derivatives contracts were traded in 1 647 transactions, down 24 % compared to the first quarter of 2005. The average tanker transaction value was 18 (26). The average transaction value fell 22 % to USD 308 000 compared to USD 397 000 in the first quarter of 2005.



Dry bulk trading

Imarex substantially improved its position in the dry bulk derivatives market compared to the first quarter of 2005. Transactions across all dry bulk segments rose by 277 % and the volume of trades (lots) rose 80 %. The nominal value of all trades fell 6 %. The average transaction size in the reporting period was USD 886 000, down 75 % from USD 3 525 000 in the same period in 2005. Transaction volumes grew to 379 (84) and a total of 18 719 (10 405) contracts were traded with a nominal trade value of USD 280 million (300). The figure below shows that the PM4TC spot rates are down 54%.



Bunker fuel oil trading

Bunker fuel oil derivatives were listed for trading on Imarex in December 2005. 1 351 000 tonnes were traded during the quarter and the number of transactions was 180. In bunker fuel oil, Imarex earns trade commission based on volumes – not nominal trade values, as in freight. The nominal value of bunker contracts was USD 407 million.

Exchange and clearing members

At the end of March 2006, Imarex had 123 direct trading and clearing members. This is an increase of 50 % compared to the same period in 2005. Among new members are some of the world's largest trading houses and banks, including Cargill, Merrill Lynch, Mitsui Oil Asia, ABN Amro and Koch Carbon.

Group profit and loss account

IFRS, figures in NOK 1,000	Q1 06	Q1 05	YTD 06	FY 2005
Operating revenue	26 869	29 675	26 869	104 482
Clearing costs	10 056	9 993	10 056	37 578
Payroll expense	9 386	10 715	9 386	34 220
Depreciation	797	488	797	2 497
Other operating expenses	6 911	3 961	6 911	22 199
Operating result	-281	4 518	-281	7 988
Net financial items	1 211	1 169	1 211	3 250
Ordinary result before tax	930	5 687	930	11 238
Tax on ordinary result	0	2 765	0	3 750
Result for the period	930	2 922	930	7 488

Group balance sheet

IFRS, figures in NOK 1,000	31.03.06	31.03.05	31.12.05
Assets			
Intangible fixed assets	16 630	6 415	4 981
Tangible fixed assets	4 919	3 509	4 500
Financial fixed assets	45 930	44 229	65 744
Total non-current assets	67 479	54 153	75 225
Accounts receivable	14 429	65 439	16 085
Liquid funds	81 541	88 039	95 435
Total current assets	95 970	153 478	111 520
Total assets	163 449	207 631	186 745
Equity and liabilities			
Total paid-in capital	109 707	105 554	109 766
Other equity	39 129	75 355	62 727
Total equity	148 836	180 909	172 493
Company taxes		1 120	
Current liabilities	14 613	25 603	14 252
Total current liabilities	14 613	26 722	14 252
Total equity and liabilities	163 449	207 631	186 745

* The carrying amount of negative goodwill is not recognised. Negative goodwill does not satisfy the definition of liabilities in accordance with IFRS 3.

Business Areas

The Imarex group is engaged in two different lines of business, maritime freight derivatives and maritime communication software.

Maritime Freight Derivatives

International Maritime Exchange ASA is the world's only regulated marketplace for freight derivatives. Maritime freight derivatives had operating revenue of NOK 26.9 million in the first quarter of 2006, down from 29.7 million. Operating profit was NOK 0.6 million, down from 4.5 million. The Singapore subsidiary reported operating revenues of NOK 0.7 million and an operating loss of NOK 1.0 million. The U.S. subsidiary had revenues of NOK 0.5 million and a profit of NOK 0.3 million.

IFRS, figures in NOK 1,000	Q1 06	Q1 05	YTD 06	FY 2005
Operating revenue	26 869	29 675	26 869	104 482
Operating result	600	4 518	600	11 610
Operating revenue per country				
Norway	25 614	28 600	25 614	97 568
Singapore	711	1 075	711	6 914
U.S.A.	544	0	544	0
Sum	26 869	29 675	26 869	104 482
Operating result per country				
Norway	1 291	5 289	1 291	11 909
Singapore	-1 024	286	-1 024	174
U.S.A.	333	0	333	-473
Sum	600	5 575	600	11 610
Total assets per country				
Norway	173 358	187 788	173 358	164 374
Singapore	10 838	1 731	10 838	9 988
U.S.A.	790	0	790	1 017
Sum	184 986	189 519	184 986	175 379
Total current liabilities per country				
Norway	38 421	50 407	38 421	31 114
Singapore	11 339	1 254	11 339	9 660
U.S.A.	598	0	598	1 181
Sum	50 358	51 661	50 358	41 955

Maritime Communication Software (Laycan Solutions AS)

The group's maritime communication software business is done in the wholly owned subsidiary Laycan Solutions AS, which has activities only in Norway. Laycan Solutions AS was acquired in 2004. The company has not had any revenues in 2006. The last quarter's operating loss was NOK 0.9 million.

IFRS, figures in NOK 1,000	Q1 06	Q1 05	YTD 06	FY 2005
Operating revenue	0	0	0	0
Operating result	-881	-1 053	-881	-3 622
Total assets	4 923	3 291	4 923	5 055
Total current liabilities	3 989	21 370	3 989	5 805

Group cash flow statement

IFRS, figures in NOK 1,000	Q1 06	Q1 05	YTD 06	FY 2005
Cash flow from operating activities				
Ordinary result before taxes	930	5 687	930	11 238
Depreciation	797	488	797	2 497
Revaluation of negative goodwill				
Taxes paid				-1 120
Cost of employee options	1 268	2 781	1 268	5 940
Difference between pension premiums paid and pension expense	250		250	696
Change in accounts receivable	1 656	-42 891	1 656	6 463
Change in accounts payable	463	1 506	463	-8 145
Change in other short-term operating assets and liabilities	-1 477	1 420	-1 477	-2 085
Net cash flow from operating activities (A)	3 887	-31 009	3 887	15 484
Cash flow from investing activities				
Investment in subsidiaries	-1 455		-1 455	
Purchase of tangible fixed assets	-1 215	-1 245	-1 215	-3 645
Purchase of shares, net of purchased cash and cash equivalents	-10 925	-31 966	-10 925	-33 367
Net cash flow from investing activities (B)	-13 595	-33 211	-13 595	-37 012
Cash flow from financing activities				
Share issue proceeds	-4 186	30 466	-4 186	34 677
Change in short-term interest bearing debt				
Change in long-term interest bearing debt				
Dividends paid				-39 507
Net cash flow from financing activities (C)	-4 186	30 466	-4 186	-4 830
Net change in cash and cash equivalents for the period (A+B+C)	-13 894	-33 754	-13 894	-26 358
Cash and cash equivalents at the beginning of the period	95 435	121 793	95 435	121 793
Cash and cash equivalents at the end of the period	81 541	88 039	81 541	95 435

1. Basis for preparation – accounting principles applied in this report

This report has been prepared in accordance with International Financial Reporting standards (IFRS) and the standard for interim reporting (IAS 34).

For a detailed description of the effects of the transition to IFRS please refer to the Groups "Transition to IFRS" document at page 9. The Transition document includes a description of the key accounting principles applied during the period.

2. Employee benefits

Share-based payment transactions

Employees of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

For the calculation of costs regarding options to employees, Imarex has used an estimated intrinsic value in accordance with IFRS 2.24 for options granted before June 30, 2005. This based on an evaluation of the quality of the available data on volatility, quotes of the share price (company value), that concluded that the quality is so low that it can not be used for calculating a fair value of the options. Management has also tried to find similar companies for comparable information about volatility etc. but no such companies exists to management's knowledge. For options granted after June 30, 2005 Imarex has calculated a fair value based on the Black-Scholes-Merton formula. From this date data is available as the company was listed on the Oslo Stock Exchange in April 2005.

As of 31 March 2006 the company has a total of 148 750 share options outstanding as part of the 2004 employee share options programme with expiry in June 2006. The strike price is NOK 50.00 per share less dividends paid in 2005 of NOK 2.17 and NOK 3.50 per share, i.e., NOK 44.33 per share.

The Board of Directors allocated 52,500 options under the 2004 employee options programme on 1 November 2005. On this date the share price was NOK 77. Using a 60 day historic volatility of 31 % and an assumed risk free interest rate of 2.5 % the Black-Scholes-Merton formula gives a value of NOK 33.46 per option. For the 52,500 options the total value is NOK 1,756,650. A 14.1 % employer's tax accrues on top of this, giving a grand total of NOK 2,004,338. The value applies to the period from 1 November 2005 to 30 June 2006, i.e., 8 months. A cost of NOK 751,616 has therefore been charged to the first quarter of 2006.

The accumulated charge for the outstanding options allocated on 26 January 2005 increased from NOK 1 758 227 at the end of 2005 to NOK 2 448 873 at the end of the first quarter 2006. The increase was due to the share price going up from NOK 68.50 to NOK 74.75. A cost of NOK 690.647 has therefore been charged to the first quarter of 2006.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the number of awards that will ultimately vest. This is based on the opinion of the directors of the Group at that date, using the best available estimate of the number of equity instruments that will ultimately vest.

Employee incentive programme

The Board of Directors has decided to allocate 21.6 % of the profit before taxes for 2006 for International Maritime Exchange ASA, Imarex Asia Pte. Ltd. and Imarex, Inc. to a joint bonus pool. This bonus will be allocated based on parameters regarding the performance of the companies, the team in question and each individual involved. The bonus allocation includes social costs and other related allowances. The applicable profit before taxes for each company excludes any direct or indirect effects from group consolidation, the employee options programme, and investments in shares and new business areas.

Pensions

The company has established a defined contribution plan for all their employees in 2005. The plan is given with effect from 1 January 2005 and the cost for 2005 is NOK 895 000 including employer's tax, whereof NOK 199 000 was paid in 2005. The cost for 2006 is NOK 349.000 According to IAS 19, the entity's

obligation for each period is determined by the amounts to be contributed for that period and there are no further obligations for the company.

3. Shares in NOS

Imarex has previously accounted for the shares in NOS (17,25%) as financial assets available for sale with changes in fair value recognised directly to equity. In January and February 2006 Imarex increased its shareholding in NOS and as of 31 March 2006 it owns 20 % of the shares. With the ownership of 20 %, NOS is reclassified as an investment in an associate. Investments in associates shall be accounted for by the equity method according to IAS 28.

The reclassification of shares in NOS reduces booked value with NOK 25 million for the 17.25 % of shares purchased in the financial year 2005. The difference between the equity in NOS and the cost of shares is calculated to NOK 12.2 million, based on a preliminary evaluation of cost distributed to identified intangible assets and goodwill. The distribution result in a depreciation for the first quarter of NOK 0.4 million, and a booked value of the shares of NOK 55.2 million as of 31 March 2006.

4. Events after the balance sheet date (Q1/06)

Acquisition of M3

On 11 May 2006 Imarex agreed to acquire all the outstanding shares of the leading Nordic electricity broker M-Tre Holding AS and its wholly owned subsidiary M-Tre Nordic AS for NOK 25 million in cash. To ensure continuity and growth of M3's market position, an additional consideration will be made based on the acquired company's future sales and profits. The transaction is conditional on the approval from the relevant authorities.

In 2005, M3 had revenues of NOK 13.8 million and a net profit before tax of NOK 6.5 million.

Approval of merger plan with Imarex Oil Services AS

On 19 May 2006 the boards of directors of International Maritime Exchange ASA and its wholly owned subsidiary Imarex Oil Services AS approved the merger plan dated 22 March 2006.

Merger Plan with NOS ASA

A merger plan between NOS ASA and International Maritime Exchange ASA, with the latter as the surviving company, was entered into on 19 May 2006. NOS was established in 1987 and is an independent, multi-market, multi-product clearing house. Prior to the merger, the company has in excess of 130 shareholders. As a clearing house NOS is subject to limitations on shareholding, as no minority shareholder may own more than 20 percent of the shares. Prior to the merger, the major shareholders are Verdipapirsentralen Holding ASA and Imarex, both holding 20 percent of the shares. Other owners include banks, securities firms, institutional and private investors, as well as employees. NOS conducts clearing by entering into transactions between the buyer and seller, and acts as counterparty for both parties. The advantage is that clients thus may relate to a central counterparty which reduces the client's risk and increases efficiency for all parties involved. This is achieved through netting of positions, collection of collateral and centralised clearing. NOS is a central counterparty and guarantor for the derivatives trading at the Imarex marketplace for maritime derivative contracts and at the Oslo Stock Exchange. NOS has a leading position as a clearing-house within maritime derivatives.

The exchange ratio is 50/50 (Imarex/NOS), and both companies are valued at NOK 513 819 592, corresponding to NOK 74 per Imarex share (altogether 6 943 508 shares, after deducting treasury shares) and NOK 21.55 per NOS share (altogether 23 840 495 shares after deducting treasury shares). No consideration will be made for the 4 794 978 NOS shares owned by Imarex. The merger consideration will be made with 80 percent in shares whereby the shareholders of NOS, except Imarex, will receive a total of 4 437 582 Imarex shares, each with a nominal value of NOK 1. One NOS share will therefore give 0.233 new Imarex shares. The NOS shareholders will also receive 20 % of the merger consideration in cash, whereby the NOS shareholders, except Imarex, will receive a total of NOK 82 095 273. Each NOS share will therefore receive NOK 4.31 in cash merger consideration.

In connection with and as a condition for the merger, NOS' equity derivatives clearing operation will be transferred to Verdipapirsentralen Holding ASA. This operation will be de-merged from NOS Clearing ASA as a separate clearing company with a capital of NOK 50 million. The shares of this new subsidiary of NOS ASA, NOS Finans Clearing ASA, will be sold for NOK 227 million, to be paid by NOK 144 million in cash and 1 117 224 Imarex shares valued at NOK 74 each. The Imarex shares received as payment for the NOS Finans Clearing ASA shares will be deleted by a capital reduction in Imarex.

Restructuring

In connection with the proposed merger between Imarex and NOS ASA, the Company will be reorganised so that the market place business is transferred to a wholly owned subsidiary. It is proposed that the reorganisation be carried out by means of a de-merger of the market place activity from the company to its newly established subsidiary Imarex 1 ASA and a subsequent merger of Imarex 1 ASA with Imarex 2 ASA, another wholly owned subsidiary of the Company. The merger between Imarex 1 ASA and Imarex 2 ASA will have Imarex 2 ASA as the surviving entity and will be with consideration in Imarex shares. Imarex 2 ASA will following completion of the reorganisation change its name to International Maritime Exchange ASA. The Company will therefore also need to change its name. The temporary working name is "Imarex NOS ASA". The company aims to propose a different name to the Extraordinary General Meeting on 26 June 2006. The internal reorganisation will take effect immediately prior to the merger of the Company and NOS ASA, subject to approval by the Extraordinary General Meeting and relevant authorities.

5. Employees

The number of employees in the group increased from 33.6 at the end of 2005 to 36.5 at the end of the first quarter of 2006.

6. Acquisition of own shares

During the first quarter the company acquired 58 500 of its own shares at an average cost of NOK 71.56. This was done according to the authorisation given by the company's extraordinary General Meeting on 1 November 2005 to acquire up to 700 200 shares (10 %) at a price between NOK 1 and up to NOK 100 per share. The intention is to use the shares in connection with incentive schemes to employees, acquisitions or to cancel the shares through a capital reduction.

Accounting principles

This report has been prepared in accordance with International Financial Reporting Standards (IFRS) and the standard for interim reporting (IAS34).

Consolidation principles

The consolidated group accounts include, in addition to International Maritime Exchange ASA, the following subsidiaries:

Laycan Solutions AS (Oslo)	(100 %)
Imarex Oil Services AS (Oslo)	(100 %)
Imarex Asia Pte. Ltd. (Singapore)	(100 %)
Imarex, Inc. (Houston, Texas)	(100 %)

The consolidated accounts have been prepared according to homogeneous principles, where subsidiaries follow the same accounting principles as the mother company.

NOS ASA	(20 %)
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NOS ASA has been consolidated into Imarex Group according to the equity method according to IAS 28

Sales revenues and operating expenses

Revenue from commissions is accounted for at the time of a contractual agreement for future freight being entered into between two parties.

Classification and evaluation of balance sheet items

Current assets and short term debts include items which fall due within one year, as well as items related to invoices not yet due. Other items have been classified as fixed assets and long term debts.

Current assets are valued at the lower of acquisition cost or realisable value. Short term debt is reported at par value in the balance as per the time of acquisition.

Financial asset are measured according to IAS 39, at their fair value, without any deduction for transaction costs it may incur on sale or other disposal, except for investments in equity instruments that do not have a quoted market price in and active market and whose fair value cannot be reliably measured.

Fixed assets are valued at acquisition cost, but are depreciated to realisable value, when gradual loss of value is not considered to be temporary. Long term debt is reported at par value in the balance as per the time of acquisition.

Shares in subsidiary companies

Shares in newly established and newly acquired subsidiaries are valued according to the cost method in the company's accounts.

Customer invoices

Commission invoices are accounted for in full, with no provisions for bad debt.

Foreign currency

Foreign currency reserves are converted to NOK at the exchange rate prevailing on the balance sheet date.

Fixed assets

Fixed assets are listed in the balance sheet and are depreciated according to the 'straight line principle' over the expected life of each asset. Direct maintenance costs related to fixed assets are accounted for on a continuous basis, whilst investments and improvements of fixed assets are added to the cost price of the asset, and capitalised in line with the asset.

Research and development

Costs associated with research and development (R&D) are reported in the balance sheet, providing a future commercial value can be derived from the development of an identifiable intangible asset. If this is not the case, R&D costs are accounted for on a continuous basis. R&D costs accounted for in the balance sheet of the Group are in their entirety related to capitalised R&D in subsidiary Laycan Solutions AS, acquired on December 28, 2004. R&D costs accounted for in the balance sheet are depreciated on a straight line basis through the life cycle of the asset.

Pensions

The Company has established a defined contribution plan for all their employees in Q3 2005. The plan is given with effect from January 1, 2005. According to IAS 19, the entity's obligation for each period is determined by the amounts to be contributed for that period and there are no further obligations for the company.

Taxation

Tax costs in the accounts include both taxes falling due within the period, changes in deferred taxation and taxation of inter-company contributions to consolidated accounts. Deferred taxation is calculated at 28 %, based on the temporary differences which exist between accountable and taxable values, as well as taxable losses carried forward at the end of the reporting period. Tax-increasing or tax-reducing temporary differences which are reversed, or can be reversed in the same period, have been netted. Net deferred taxation is not reported in the balance sheet.

Use of estimates

In accordance with prudent accounting practices in preparation of the accounts, the company's management utilises prudent estimates and assumptions which affect the accounts and the valuation of assets and liabilities.

Share option scheme / share based payments

Under IFRS, fair value of share options at the allocation date are charged against profit and loss over the vesting period of the options.

For the calculation of costs regarding options to employees, Imarex has used an estimated intrinsic value for options granted before June 30, 2005. This is based on an evaluation of the quality of the available data on volatility, quotes of the share price (company value), that concluded that the quality is so low that it can not be used for calculating a fair value of the options. Management has also tried to find similar companies for comparable information about volatility etc. but no such companies exists to management's knowledge. For options granted after June 30, 2005 Imarex has calculated a fair value based on the Black-Scholes-Merton formula.