

Independent Oil & Resources ASA

Income statement

Unofficial translation from Norwegian
All amounts in NOK thousands

Operating revenue and operating costs	4 quarter 2009	4 quarter 2008	12 months ended 31.12.2009	12 months ended 31.12.2008
Revenues	-	-	-	-
Cost of goods sold	-	-	-	-
Salaries and fees	-	759	-	759
Loss on receivables	-	23 597	-	23 597
Other operating expenses	1 018	863	5 861	5 807
Total operating expenses	1 018	25 219	5 861	30 163
Operating profit/-loss	- 1 018	- 25 219	- 5 861	- 30 163
Gain/-loss on shares	- 84 201	- 1 121	- 89 904	- 99 967
Impairment loss on shares and investments	48 614	-747 933	51 117	-747 933
Other financial income/-expense – net	-605	34 429	- 10 229	30 559
Financial items – net	- 36 192	- 714 625	- 49 017	- 817 341
Income before tax and extraordinary items	- 37 210	- 739 844	- 54 878	- 847 504
Income taxes	- 4 939	- 4 970	-888	- 2 502
Extraordinary items	-	-	-	-
Net income	- 42 149	- 744 814	- 55 766	-850 006
Average number of shares	426 006 146	312 853 972	389 266 420	307 732 187
Number of shares at end of period	426 006 146	336 006 146	426 006 146	336 006 146
Net income per share	- 0,10	- 2,38	- 0,14	- 2,76

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Balance Sheet

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All amounts in NOK thousand

Assets	31.12.2009	31.12.2008
Deferred tax asset	6 537	6 519
Investment in affiliates	79 040	123 094
Long-term investment in shares	113 901	146 159
Total long-term assets	199 478	275 775
Short-term investments	7 038	10 178
Short term receivables	82 062	131 828
Cash and bank deposits	28 207	37 016
Total current assets	117 307	179 022
Total assets	316 785	454 794
Equity and liabilities	31.12.2009	31.12.2008
Paid-in-capital		
Share capital	10 650	8 400
Own shares	-592	- 592
Share premium	223 027	207 277
Other paid-in-equity	79 353	135 119
Total paid-in-equity	312 438	350 204
Retained earnings	0	0
Shareholders equity	312 438	350 204
Long-term liabilities		
Deferred tax	-	-
Total long-term liabilities	-	-
Short term debt		
Income taxes	3 294	6 169
Short-term debt	1 053	98 421
Total short-term liabilities	4 347	104 590
Total liabilities	4 347	104 590
Total equity and liabilities	316 785	454 794

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Cash flow statement

Unofficial translation from Norwegian

All amounts in NOK thousand

Cash flow statement	4 quarter 2009	4 quarter 2008	12 months ended 31.12.2009	12 months ended 31.12.2008
Cash flow from operating activities	-33 870	4 817	12 806	12 401
Cash flow from investing activities	49 286	- 54 793	-14 003	- 165 898
Cash flow from financing activities	0	16 500	18 000	16 500
Cash flow in the period	15 416	- 33 476	- 8 809	- 136 997
Cash / cash equivalents at period beginning	12 791	70 492	37 016	174 013
Cash / cash equivalents at period end	28 207	37 016	28 207	37 016

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Changes in equity

Unofficial translation from Norwegian

All amounts in NOK thousand

	31.12.2009	31.12.2008
Equity at period beginning	350 204	1 195 190
Capital increase in period	18 000	16 500
Purchase of own shares	-	-11 480
Net income for the period	-55 766	-850 006
Equity at period end	312 438	350 204

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Notes to interim financial statements

The financial statements for 4th quarter 2009 and 2008 have been prepared in accordance with Norwegian Generally Accepted Accounting principles consistent with the principles applied in the annual financial statements for 2008.

Long term investments in shares are accounted for using the cost method. Short term investments in shares that are traded on the Oslo Stock Exchange are accounted for using market value at the balance sheet date. Other short term investments in shares are accounted for using the cost method.

Note 1 Investments in shares

Investment in affiliated companies	No of shares	Book Value	Market Value 31 Dec 2009
Petrolia Drilling ASA	208 000 000	79 040	79 040
Total investment in affiliated companies			

Long-term investment	No of shares	Book Value	Market Value 31 Des 2009
Marine Farms ASA	3 692 040	55 276	62 765
Opra Technologies ASA	4 654 000	13 962	
Petrojack ASA	9 000 000	12 420	12 420
Feed Control Norway AS	2 453 000	1 227	
PetroResources Ltd	500	10 382	
Epsis AS	70 484	14 097	
Heavy Minerals Ltd	150	6 537	
Total long-term investment in shares		113 901	

Short-term investments at cost	No of shares	Book Value	Market Value 31 Des 2009
Norsk Helsetelefon 24 AS	5 000	1 000	
Total short-term investment in shares		1 000	

Short-term investments at market value	No of shares	Book Value	Market Value 31 Des 2009
Rec ASA	25 000	1 119	1 119
Telenor ASA	20 000	1 621	1 621
Austevoll Seafood ASA	50 000	1 805	1 805
Seabird Exploration ASA	200 000	1 020	1 020
Lighthouse Caledonia ASA	500 000	140	140
Global Tender Barges ASA	85 666	333	333
Total short-term investment in shares		6 038	6 038

Gain/-loss on sale of shares	4 quarter 2009	4 quarter 2008	12 months ended 31.12.09	12 months ended 31.12.08
Sale of shares	-83 398	-10 047	-97 479	- 5 165
Forward contracts	-	332	-	- 86 087
Change in market value for short-term investments	-803	8 594	7 575	- 8 715
Total gain/-loss on sale of shares	- 84 201	- 1 121	- 89 904	-99 967

Note 2 Short term receivables

Short term receivables includes receivables from Independent Oil Tools AS (and subsidiaries) of NOK 75 million.