

Q1 2010





Pronova BioPharma ASA ("Pronova BioPharma" or the "company" or the "group") (OSE: PRON.OL) is a global leader in the research, development and manufacture of marine-originated omega-3 derived pharmaceutical products.

The first commercialised product developed from Pronova BioPharma's Active Pharmaceutical Ingredient (API) is the first and only EU- and FDA-approved omega-3 derived prescription drug.

The product is branded as Omacor® in a number of countries throughout Europe and Asia and as Lovaza™ in the USA.





Q1 2010 – HIGHLIGHTS

(Figures in brackets = Q1 2009 unless other specified)

- + **One-year direct-to-consumer advertising programme** launched by GSK in the USA
- + **468 tonnes** (294 tonnes) shipped in the quarter
- + **Continued strong growth in global end-user sales*** for Omacor®/Lovaza™ up 31 per cent to USD 303 million in the quarter
- + **No generic version of Omacor®** has been launched in Europe, nine months post patent expiry

*Source IMS

EVENTS AFTER 31 MARCH

- + **EU granted and US intention to grant patents** on proprietary stripping technology, which removes environmental pollutants and cholesterol
- + **FDA regulatory approval received** for the Kalundborg plant in April, ahead of schedule
- + **Two lawsuits in Europe concluded.** The German Federal High Court of Justice dismissed company's appeal and the District Court of Milan decided to cease nullity action against the Pronova BioPharma's patent in Italy

Q1 2010 – FINANCIAL HIGHLIGHTS

(Figures in brackets = Q1 2009 unless other specified)

- + **Revenues up** 27 per cent to NOK 455.4 million (NOK 358.6 million); underlying revenues (at constant currency) up 30.2 per cent
- + **EBITDA¹ up** 12.9 per cent to NOK 185.2 million (NOK 164.1 million), reflecting the high level of shipments in the quarter
- + **EBITDA margin²** 40.7 per cent (45.7 cent), impacted by increased legal costs
- + **Gross margin** 76.9 per cent (74.4 per cent), positively impacted by finished goods inventory build-up
- + **Strong cash flow** from operating activities, up 87.7 per cent to NOK 150.7 million (NOK 80.3 million)

Key financial figures		Q1 2010	Q1 2009	FY 2009
Revenues	NOK million	455.4	358.6	1789.8
Gross margin	Per cent	76.9	74.4	74.4
EBITDA ¹	NOK million	185.2	164.1	823.4
EBITDA margin ²	Per cent	40.7	45.7	46.0
Profit before tax	NOK million	53.0	9.2	321.6
Net profit	NOK million	32.7	3.3	231.1
EPS basic and diluted	NOK	0.11	0.01	0.77
EPS adjusted ³	NOK	0.27	0.31	1.50

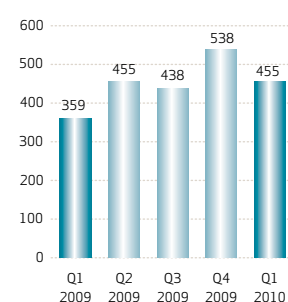
¹⁾ EBITDA is defined as profit for the accounting period before financial income and financial expense, income tax expense and depreciation and amortisation. Pronova BioPharma presents EBITDA because it is considered to be an important supplemental measure of the group's operating performance and believe it is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in the industry.

²⁾ EBITDA margin is defined as EBITDA for a particular period divided by revenues for that period.

³⁾ Earnings per share (EPS) adjusted for amortisation of intangible assets and intercompany borrowings.

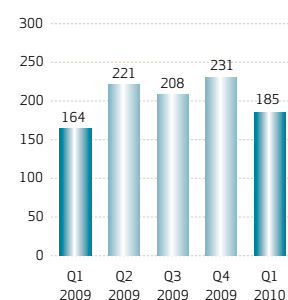
Revenues

NOK million



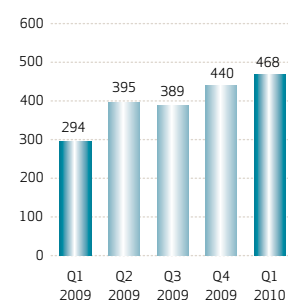
EBITDA

NOK million



Shipments

Tonnes





First quarter 2010:

Strengthened position following intellectual property and regulatory approvals

Pronova BioPharma reports further solid progress in the first quarter of 2010, with revenues of NOK 455.4 million and EBITDA of NOK 185.2 million. Total shipments in the quarter reached 468 tonnes. European patents have been granted for the group's proprietary stripping technology for the removal of environmental pollutants and cholesterol, and an intention to grant patent has been achieved in the USA. Following the increasing regulatory and public focus on the potential harmful effects of environmental pollutants in omega-3 fish-oils, these patents constitute important intellectual property assets for Pronova BioPharma, which will strengthen the market position further. The Kalundborg manufacturing facility was approved by the US Food and Drug Administration (FDA) in April 2010, which is earlier than expected. In the USA, Pronova BioPharma's partner GlaxoSmithKline (GSK) initiated a direct-to-consumer advertising campaign for Omacor[®]/Lovaza[™] in the quarter, including TV advertising launched end of March. The campaign is expected to last for approximately 12 months, significantly increasing the promotional investment in the product.

FINANCIAL REVIEW

Revenues

Total group revenues in the first quarter were NOK 455.4 million (NOK 358.6 million), up 27 per cent from the same quarter last year. The growth in revenues was driven by increased demand without production capacity constraints. Shipments to Pronova BioPharma's partners increased by 59.1 per cent, totalling 468 tonnes shipped in the quarter. Revenues at constant currency were up 30.2 per cent to NOK 467.1 million. Revenues were negatively impacted by a weaker euro. Sales in USD in the first quarter were recorded at an average exchange rate of NOK 5.99, which is in line with last year.

Sales to GlaxoSmithKline (GSK) in the USA represented 45.4 per cent of total revenues (51.4 per cent) impacted by reduced supply prices in 2010. Sales to the partners in Europe accounted for 51.3 per cent of revenues, (44.5 per cent), while sales to partners in the rest of the world (RoW) accounted for 3.3 per cent (4.1 per cent).

Gross margin

Gross margin was 76.9 per cent (74.4 per cent) in the first quarter and was positively impacted by the inventory stocking effect

of finished goods. Gross margin, excluding stocking effects, was in line with gross margin for the full year 2009. Gross margin was negatively impacted by lower price per volume shipped.

Employee benefit

Employee benefits increased by NOK 20.2 million to NOK 72.8 million in the first quarter (NOK 52.6 million). The increase was mainly a result of the start up of production at the Kalundborg plant, as well as general salary increases and a small rise in headcount. Employee benefit expenses in Norway amounted to NOK 52.6 million (NOK 47.1 million) in the quarter.

Other operating expenses

Other operating expenses increased by NOK 42 million to NOK 92.2 million in the quarter (NOK 50.2 million), mainly as a result of higher legal costs, which were up by approximately NOK 24 million to NOK 32 million, as well as a higher activity level related to the operation of two manufacturing facilities. Other operating expenses in Norway amounted to NOK 76.6 million (NOK 48.1 million) in the quarter.

EBITDA

The increase in revenues gave a 12.9 per cent growth in EBITDA compared to the same quarter last year. EBITDA came to NOK 185.2 million (NOK 164.1 million). The EBITDA margin was 40.7 per cent (45.7 per cent).

Depreciation of property, plant, and equipment

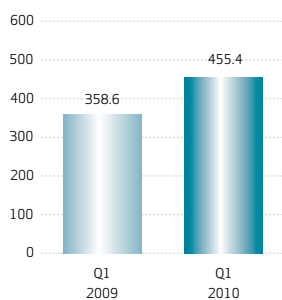
Depreciation of property, plant, and equipment totalled NOK 64.4 million (NOK 20.8 million). The increase was mainly related to the depreciation of investments in new production capacity in Kalundborg. Depreciation in Norway amounted to NOK 21.4 million (NOK 19.5 million) in the quarter.

Amortisation of intangible assets

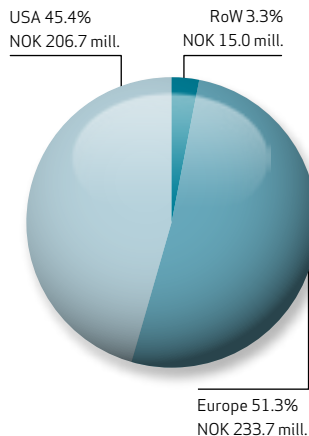
The amortisation charges relate to patents and trademarks, customer contracts and customer relations, all of which have finite lives. The amortisation plans for identifiable intangible assets follow the expected pattern of consumption of future economic benefits from the intangible assets, and have a declining amortisation profile. These amortisations amounted to NOK 21.5 million in the first quarter (NOK 22.5 million).

Revenues

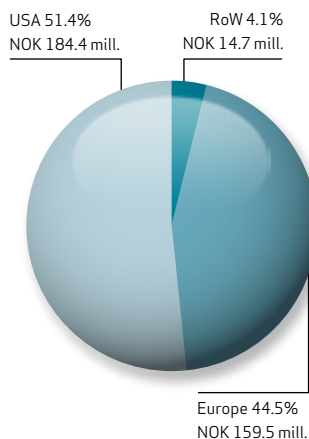
NOK million



Revenues split by market Q1 2010



Revenues split by market Q1 2009



Operating profit

The group's operating profit decreased from the same period in 2009 by NOK 21.5 million to NOK 99.3 million (NOK 120.8 million). The growth in gross profit was offset by increased operating expenses as a result of full operation in Denmark and increased legal costs.

Net financial items

Net financial items were negative at NOK 46.2 million (negative NOK 111.6 million) in the quarter. The group's net interest expenses were NOK 27.5 million (NOK 31.5 million).

Changes in the fair value of items in the statement of financial position denominated in foreign currencies and changes in fair value of other financial instruments are presented under financial items in the income statement. These changes result in unrealised financial gains and losses.

The Norwegian krone (NOK) was strengthened in the quarter, which resulted in currency effects from inter-company borrowings between PronovaBioPharma Norge AS and Pronova BioPharma Danmark A/S. Currency effects of inter-company borrowings adversely impacted the financial items by NOK 47.4 million (NOK 101.9 million).

Profit before tax

The group's profit before tax amounted to NOK 53 million (NOK 9.2 million). Profit before tax in the first quarter of 2009 was negatively impacted by unrealised financial items.

Income tax expense

Calculated income tax expense for the quarter was NOK 20.3 million (NOK 5.9 million), which corresponds to an effective tax rate of 38 per cent (64.4 per cent). The effective tax rate for the quarter was impacted by an adjustment on NOK 5.6 million of previous period's payable tax. Underlying effective tax rate for the group was 27.6 per cent, exclusive of the effect of the prior period adjustment. The tax rates in Norway and Denmark are 28 per cent and 25 per cent respectively.

Net profit

Net profit for the quarter was NOK 32.7 million (NOK 3.3 million). Net profit in the first quarter of 2009 was negatively impacted by unrealised financial items.

Earnings per share

Earnings per share (basic and diluted) were NOK 0.11 (NOK 0.01) for the quarter. Earnings per share adjusted for amortisation and effect of intercompany borrowings were NOK 0.27 (NOK 0.31) for the quarter. The total number of shares outstanding at the end of the quarter was 300.8 million.

Financial position and liquidity

Total assets at 31 March were NOK 4 961.3 million (NOK 4 790.1 million). Property, plant, and equipment amounted to NOK 2 637.4 million (NOK 2 607.1 million). The increase was mainly related to investments in the new plant in Kalundborg. The group's total intangible assets excluding goodwill at 31 March totalled NOK 694.9 million (NOK 769.9 million). Goodwill amounted to NOK 633.5 million. Other current and non-current financial assets amounted to NOK 22.9 million at 31 March 2010, which was the discounted value of the USD hedging programme. Total inventory was NOK 396.3 million (NOK 361.4 million). The increased inventory level was a result of an increase in work in progress and finished goods inventory level. This increase follows the start up of production in Kalundborg and a more robust supply chain. Trade and other receivables amounted to NOK 332.9 million at the end of the quarter (NOK 334.9 million). Trade and other receivables decreased despite the increase in revenues as a consequence of continuous focus on working capital management.

Total shareholders' equity for the group at 31 March increased to NOK 1 415.8 million (NOK 1 052.2 million), which represents an equity ratio of 28.5 per cent (22 per cent). Total equity was positively impacted by net profit and other comprehensive income. Total borrowings at 31 March were NOK 2 523.2 million (NOK 2 478.9 million). This increase was related to the funding

of the Kalundborg project. The group's net debt decreased however by NOK 146 million to NOK 2 295.6 million at quarter end. Other current and non-current financial liabilities amounted to NOK 45.4 million (NOK 275.3 million). Other financial liabilities comprise the discounted value of the USD hedging programme and interest hedging instruments. Total current and non-current liabilities were NOK 3 545.5 million (NOK 3 737.9 million).

Cash flow

The group's cash and cash equivalents at 31 March were NOK 227.6 million (NOK 37.4 million). Net working capital (defined as inventories plus trade and other receivables less trade payables, other liabilities and provisions) was NOK 343.6 million (NOK 307.9 million). The increase in working capital was related to the higher inventory of work in progress, finished goods and offset by a decrease in trade and other payables. Cash flow from operating activities for the first quarter was NOK 150.7 million (NOK 80.3 million).

GEOGRAPHICAL REVIEW

Pronova BioPharma operates in three geographical segments: USA, Europe and Rest of the World (RoW). 45.4 per cent (51.4 per cent) of total revenues in the first quarter were attributed to sales of the group's products in the USA, where revenues grew by 12.1 per cent year-on-year. Europe accounted for 51.3 per cent of sales in the first quarter (44.5 per cent) with growth of 46.5 per cent year-on-year. 3.3 per cent (4.1 per cent) of sales came from Rest of the World in the first quarter.

OPERATIONAL REVIEW

The US Food and Drug Administration (FDA) approved the Kalundborg plant in April 2010 for omega-3 pharmaceutical production, ahead of expectations. This important milestone marks the end of the very successful project to construct a state-of-the-art facility producing omega-3 derived

pharmaceuticals. The manufacturing plant in Kalundborg has a design capacity of 1 200 tonnes, with the possibility for a modular expansion of an additional 1 200 tonnes. The plant's first commercial shipments took place during the first quarter, as planned. With the FDA approval in place, the group has secured operational and logistical flexibility, ensuring timely and sufficient deliveries to meet the increasing partner demand. The group produced a record high volume of 529 tonnes in the first quarter (368 tonnes), an increase of 43.8 per cent from the same quarter last year.

End-user sales in the first quarter came to USD 303 million, an increase of 31 per cent from the same quarter last year, driven by continued support by the group's partners. GSK, the group's partner in the USA, launched a 12 months direct-to-consumer campaign in the quarter, with television advertising launched at the end of March. The increased marketing efforts are expected to further support Lovaza's momentum. The market share of new prescriptions (NRx) grew to 16.4 per cent (as of mid April 2010) and the share of total prescriptions (TRx) grew to 14.8 per cent (as of mid April 2010) compared to 15.7 per cent and 13.6 per cent, respectively at mid April 2009 (source: IMS Health).

Growth in European end-user sales totalled USD 89 million in the first three months of the year compared to USD 70 million for the first three months of 2009. Volume growth also continued, up 19 per cent from the same period last year. Total end-user sales in the group's eight major markets amounted to USD 303 million for the first three months of 2010, with an annual run-rate in March 2010 of USD 1.4 billion. Importantly, no generic entrants have been observed in the European market.

The ongoing litigation process against Teva Pharmaceuticals USA, Inc., Apotex Inc. and Par Pharmaceutical Inc. in the United States District Court for the District of Delaware progressed according to agreed schedule. The case is currently in the discovery phase, and documents have been exchanged. Pronova BioPharma will vigorously defend and enforce its patents.

The preliminary clinical trial on alginate capsules to study the alginate characteristics in humans identified that further optimisation of the product is required. Optimisation of the capsule technology is expected to be finalised by year end, delaying the project by approximately nine months.

Pronova BioPharma has initiated evaluation of the results from the GISSI-HF study and has decided to file for a label extension or for a new indication based on the data from the study. The group expects to file in the third quarter of 2010.

The group's R&D initiatives on several PRB candidates (next generation omega-3 derived pharmaceuticals) are advancing according to plan. Pending final pre-clinical documentation on the products, the group expects to advance into Phase I clinical trials, late in 2010.

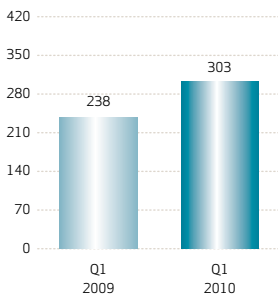
EVENTS AFTER 31 MARCH

On 26 January 2010, the U.S. Patent and Trademark Office issued a Notice of Allowance for U.S. Application No. 10/517,812, entitled "A Pharmaceutical Composition Comprising Low Concentrations of Environmental Pollutants." In a counterpart European application (i.e., EP1523541), entitled "A process decreasing environmental pollutants in an oil or fat", the European Patent Office has issued a Decision to grant. During the first quarter, Pronova BioPharma entered the process of validating this European process patent in most of the European markets. In addition, Pronova BioPharma has paid patent issue fees for U.S. Application No. 12/113,356, entitled "Process for Decreasing Environmental Pollutants in an Oil or a Fat" and U.S. Application No. 10/520,897. The U.S. Application No. 10/520,897 matured into U.S. Patent No. 7,678,930 on 16 March 2010, entitled "Process for Decreasing the Amount of Cholesterol in a Marine Oil Using a Volatile Working Fluid".

Two lawsuits have been concluded after the end of the quarter. In April, the German Federal High Court of Justice dismissed Pronova BioPharma's appeal. The decision

Total end-user sales Q1

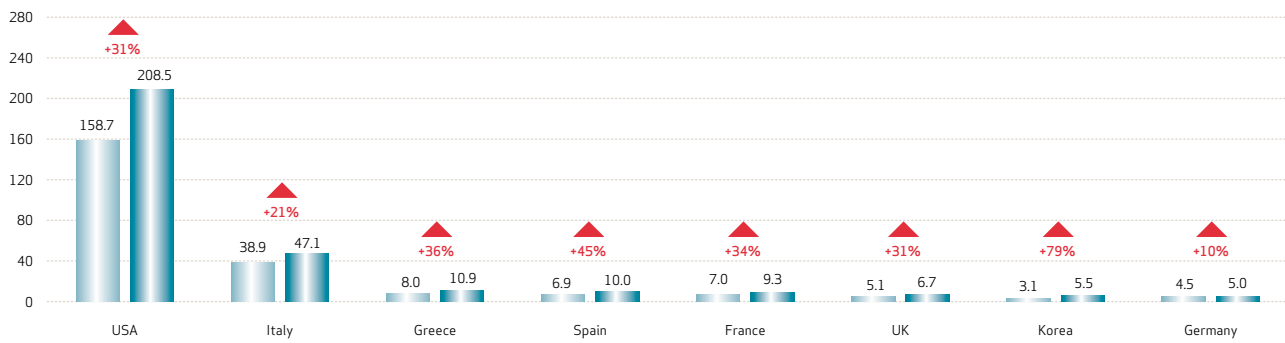
USD million



End-user sales by major markets at 31 March*

Amounts in USD million

+ Q1 2009 + Q1 2010

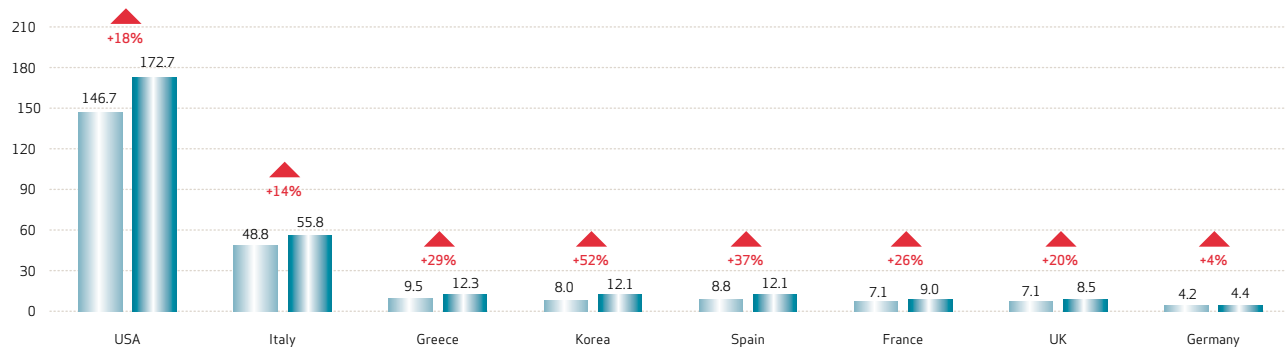


* Source: IMS Health

End-user sales by major markets at 31 March*

Volume sold in tonnes

+ Q1 2009 + Q1 2010



* Source: IMS Health

was the result of an appeal against the Federal Patent Court's ruling from November 2007 which declared the Omacor® patent in Germany invalid. In the nullity action against the patent in Italy, covering the company's API, the District Court of Milan decided in April to cease the legal dispute that was filed in April 2005, because the patent in suit expired in August 2009.

ORGANISATION

At 31 March, 159 (148) full-time employee equivalents were based in Sandefjord, 58 (56) were based at Lysaker, and 112 (104) were based in Denmark. The overall workforce at 31 March 2010 has increased to 329 compared with 308 at the same date last year.

Mr Hamed Brodersen has been appointed VP Investor Relations and Communications and will take up his position on 1 June 2010. Mr Brodersen has exten-

sive investor relations and communication experience from various companies in the process industry and was most recently VP Communications at NorSun AS.

OUTLOOK

The board emphasises that there is significant uncertainty with regards to the information given in the outlook.

Pronova BioPharma's R&D programmes are continuing to mature and the group looks forward to enter Phase I with a second new chemical entity in late 2010. As a result, R&D costs are expected to increase later this year. As previously communicated, the group also anticipates higher legal costs due to the three litigation processes currently underway.

As previously stated, partner demand is expected to be in the range of 1 800 to 2 000 tonnes in 2010 and contractual price adjustments related to crude fish-oil will

have a negative impact in 2010. However, if the crude fish-oil price stays at current level, the group anticipates API price levels to return to previous levels in 2011.

With the Kalundborg site approved by FDA and EU regulatory authorities, Pronova BioPharma has secured operational flexibility to supply increased volumes to the market. The group is therefore initiating a growth strategy with increased focus on driving the market potential in existing markets and launches of Omacor®/Lovaza™ in new territories. In order to secure future profitable growth, Pronova BioPharma is also intensifying life-cycle initiatives and continues to focus on the development of new products.

Earnings from Pronova BioPharma's strong growth have so far been retained in order to finance further growth. The major investment programme related to capacity increases was completed in 2009. Pronova BioPharma is well positioned to realise further growth in revenues and profit. A continued strong cash flow from operations is expected in the foreseeable future. This enables the company to change its long-term dividend policy to distribute 25 to 75 per cent of the company's annual net profit as dividend. The board expects that dividend will be paid for the first time in 2011 based on net profit achieved in 2010. Dividend payments will be dependent on future production capacity requirements, new opportunities and the general financial position.

Geographical distribution of ownership at 31 March 2010

Country	Number of shares	Ownership%
Norway – Herkules I+II	150 450 336	50.01%
Norway – Other	48 894 533	16.25%
Other Nordic	16 426 500	5.46%
Europe (ex. Nordic/Norway)	58 748 051	19.53%
USA	26 308 088	8.75%
RoW	5 000	0.00%
Total	300 832 508	100.0 %

Ownership by number of shares at 31 March 2010

Number of shares	Shareholders	% share capital
> 1 million	29	86.0 %
100 000–1 million	94	11.0 %
10 001–100 000	188	2.2 %
1 001–10 000	539	0.7 %
1–1 000	683	0.2 %
Total	1 533	100.0 %

Lysaker, 6 May 2010

The board of directors
and chief executive officer,
Pronova BioPharma ASA

20 largest shareholders at 31 March 2010

Shareholder	Number of shares	% of total	Account type	Country
1 Herkules private Equity (Jersey-I) L.p	126 378 281	42.0 %	COMP	GBJ
2 Herkules private Equity (Jersey-II) L.p	24 072 055	8.0 %	COMP	GBJ
3 JP Morgan Chase Bank	14 551 900	4.8 %	NOM	GBR
4 Folketrygdfondet	11 219 084	3.7 %	COMP	NOR
5 Skandinaviska Enskilda Banken	10 777 109	3.6 %	NOM	SWE
6 Morgan Stanley & Co. inc. New York	7 449 592	2.5 %	NOM	USA
7 The Northern Trust Co	6 806 037	2.3 %	NOM	GBR
8 JP Morgan Chase Bank	5 910 181	2.0 %	NOM	GBR
9 Odin Norden	5 361 300	1.8 %	COMP	NOR
10 Odin Norge	5 185 331	1.7 %	COMP	NOR
11 State Street Bank and Trust Co.	4 518 266	1.5 %	NOM	USA
12 Svenska Handelsbanken Stockholm, clients account	4 513 500	1.5 %	NOM	SWE
13 Nykredit bank A/S	3 084 785	1.0 %	NOM	DK
14 Brown Brothers Harriman & Co	3 042 703	1.0 %	COMP	USA
15 Odin Europa	2 855 083	0.9 %	COMP	NOR
16 Citibank N.A. New York Branch	2 764 500	0.9 %	NOM	USA
17 JP Morgan Chase Bank	2 745 000	0.9 %	NOM	GBR
18 Brown Brothers Harriman & Co	2 088 800	0.7 %	COMP	USA
19 Holberg Norge	1 957 500	0.7 %	COMP	NOR
20 JP Morgan Chase Bank	1 950 400	0.6 %	NOM	GBR
Top 20	247 231 407	82.2 %		
Total all shareholders	300 832 508	100%		





Pronova BioPharma group Condensed consolidated income statement (unaudited)

(Amounts in NOK 1 000)	Note	Q1 2010	Q1 2009	FY 2009
Total revenues	2	455 440	358 603	1 789 816
Change in inventories		22 821	32 799	66 406
Cost of materials		(128 078)	(124 559)	(523 714)
Employee benefits expense		(72 805)	(52 631)	(255 968)
Depreciation of property, plant and equipment and write downs		(64 414)	(20 829)	(159 010)
Amortisation of intangible assets	3	(21 538)	(22 451)	(89 890)
Other operating expenses		(92 175)	(50 160)	(253 153)
Total operating expenses		(356 190)	(237 831)	(1 215 329)
Operating profit		99 251	120 772	574 487
Net financial items	4	(46 207)	(111 598)	(252 847)
Profit before tax		53 043	9 175	321 640
Income tax expense	5	(20 310)	(5 908)	(90 543)
Net profit for the period		32 733	3 267	231 098
Earnings per share (in NOK) - basic and diluted	6	0.11	0.01	0.77
EBITDA		185 203	164 052	823 387
EBITDA margin		40.7%	45.7%	46.0%

*The notes are an integral part of these consolidated financial statements.
Due to rounding differences certain summations might not add up.*

Pronova BioPharma group

Consolidated statement of financial position (unaudited)

(Amounts in NOK 1 000)	Note	31.03.2010	31.03.2009	31.12.2009
ASSETS				
Non-current assets				
Property, plant and equipment		2 637 351	2 607 058	2 769 075
Goodwill		633 453	633 453	633 453
Other intangible assets	3	694 932	769 868	714 634
Deferred tax assets	5	15 780	46 105	12 436
Other financial assets		20 487	-	39 062
Total non-current assets		4 002 003	4 056 485	4 168 660
Current assets				
Inventories		396 274	361 413	319 309
Trade and other receivables		332 947	334 888	354 417
Other financial assets		2 421	-	13 496
Cash and cash equivalents		227 626	37 353	119 938
Total current assets		959 268	733 654	807 160
Total assets		4 961 271	4 790 139	4 975 821
EQUITY AND LIABILITIES				
Equity				
Share capital		6 017	6 017	6 017
Share premium reserve		579 665	579 665	579 665
Retained earnings		848 938	588 373	816 205
Reserves		(18 846)	(121 823)	40 510
Total equity		1 415 774	1 052 231	1 442 397
Non-current liabilities				
Deferred tax liabilities	5	191 616	218 046	206 042
Borrowings		2 317 895	2 273 453	2 320 473
Deferred revenues		216 568	214 972	201 435
Retirement benefit obligation		21 397	24 882	23 163
Other financial liabilities		8 847	121 951	8 847
Total non-current liabilities		2 756 322	2 853 304	2 759 961
Current liabilities				
Trade and other payables		211 069	272 345	182 141
Borrowings		205 295	205 491	205 486
Other financial liabilities		36 578	153 324	22 145
Current tax liabilities		137 335	115 969	171 563
Deferred revenues		24 322	21 464	23 866
Other liabilities		162 446	109 442	126 052
Provisions		12 130	6 569	42 209
Total current liabilities		789 174	884 603	773 463
Total liabilities		3 545 497	3 737 907	3 533 423
Total equity and liabilities		4 961 271	4 790 139	4 975 821

The notes are an integral part of these condensed consolidated financial statements.
Due to rounding differences certain summations might not add up.

Pronova BioPharma group Consolidated statement of comprehensive income (unaudited)

(Amounts in NOK 1 000)	Q1 2010	Q1 2009	FY 2009
Net profit for the period	32 733	3 267	231 098
Other comprehensive income			
Exchange differences arising on translation of foreign operations	(30 511)	(56 559)	(82 855)
Cash flow hedges	(40 064)	148 833	410 820
Income tax relating to cash flow hedges	11 218	(41 673)	(115 030)
Other comprehensive income for the period (net of tax)	(59 357)	50 601	212 935
Total comprehensive income for the period	(26 624)	53 868	444 033

The notes are an integral part of these condensed consolidated financial statements.
Due to rounding differences certain summations might not add up.

Pronova BioPharma group Consolidated statement of changes in equity (unaudited)

(Amounts in NOK 1 000)	Share capital	Share premium	Retained earnings	Reserves	Total equity
Balance at 1 January 2010	6 017	579 665	816 205	40 512	1 442 398
Total comprehensive income 1.1 - 31.3	-	-	32 733	(59 357)	(26 624)
Balance at 31 March 2010	6 017	579 665	848 938	(18 845)	1 415 774
Balance at 1 January 2009	6 017	579 665	585 107	(172 426)	998 363
Total comprehensive income 1.1 - 31.3	-	-	3 267	50 601	53 868
Balance at 31 March 2009	6 017	579 665	588 374	(121 825)	1 052 231

The notes are an integral part of these condensed consolidated financial statements.
Due to rounding differences certain summations might not add up.

Pronova BioPharma group

Consolidated cash flow statement (unaudited)

(Amounts in NOK 1 000)

	Q1 2010	Q1 2009	FY 2009
Cash flow from operating activities			
Profit before tax	53 043	9 175	321 640
Unrealised group internal currency loss(+)/gains(-)	45 134	101 876	214 272
Taxes paid in the period	(62 449)	(41 273)	(122 547)
Depreciation and amortisation and write downs	85 953	43 280	248 900
Loss on disposal of property plant and equipment	-	-	(3)
Expensed borrowing costs	279	392	1 569
Pension costs, without cash effect	(1 108)	1 768	49
Currency effects	(1 009)	6 348	31 222
Changes in inventories	(76 965)	33 211	75 315
Changes in trade receivables	56 960	15 802	34 322
Changes in trade payables	61 075	(86 057)	(58 120)
Changes in other current assets/liabilities	(10 227)	(4 252)	(86 623)
Net cash from operating activities	150 686	80 270	659 995
Cash flow from investing activities			
Payments for property, plant and equipment	(41 172)	(316 187)	(855 654)
Net cash from investing activities	(41 172)	(316 187)	(855 654)
Cash flow from financing activities			
Proceeds from new long-term borrowings	-	200 000	450 000
Repayment of long term debt	(1 359)	-	(205 620)
Net payment relating to treasury shares	-	-	-
Net cash from financing activities	(1 359)	200 000	244 380
Effect of currency translation of bank deposits, cash and cash equivalents	(468)	(3 506)	(5 560)
Net change in bank deposits, cash and cash equivalents	107 688	(39 423)	43 162
Bank deposits, cash and cash equivalents at beginning of period	119 938	76 776	76 776
Bank deposits, cash and cash equivalents at end of period	227 626	37 353	119 938

The notes are an integral part of these condensed consolidated financial statements.
Due to rounding differences certain summations might not add up.

Pronova BioPharma group

Selected notes to the accounts

Note 1 Basis of preparation

All reported figures in the financial statements are based on International Financial Reporting Standards (IFRS). The accounting policies applied by the group in these condensed consolidated interim financial statements are the same as those applied by the group in its consolidated financial statements as at and for the year ended 31 December 2009.

The interim accounts are presented in accordance with IAS 34 Interim Financial Reporting.

Note 2 Revenues by geography

(Amounts in NOK 1000)	Q1 2010	Q1 2009	FY 2009
Europe	233 740	159 547	699 025
USA	206 664	184 403	1 036 492
RoW	15 036	14 654	54 299
Total	455 440	358 603	1 789 816

Note 3 Amortisation profile of intangible assets

Pronova BioPharma ASA purchased the subsidiary Pronova BioPharma Norge AS (formerly Pronova Biocare AS) for a net excess purchase price of NOK 1 407.9 million on 10 May 2006. Through a purchase price allocation, as required by IFRS 3, identifiable intangible assets have been recognized apart from goodwill. Of the excess purchase price, NOK 1 121.9 million was allocated to identifiable intangible assets at the time of acquisition; whereas remaining carrying amount as at 31 December 2009 was NOK 686.5 million, NOK 435.4 million has thus been amortised since the acquisition of the company, as the acquired intangible assets have finite useful lives. The amortisation charge for intangible assets acquired in this business combination was NOK 88.9 million in 2009 and NOK 94.4 million in 2008.

Amortisation profile of intangible assets

(Amounts in NOK 1000)	Customer relations	Customer contracts	Patents	Total
2010	32 650	27 360	26 897	86 907
2011	30 195	25 101	24 656	79 952
2012	27 309	29 174	22 601	79 084

The residual value, useful life and the amortisation method applied are subject to review on an annual basis and, if expectations differ from the previous estimates or there have been a significant change in the expected pattern of consumption of the future economic benefits embodied in the intangible assets, the estimates or method will be changed to reflect the changed estimates or pattern.

Note 4 Financial items

Net financial items were negative NOK 46.2 million (negative NOK 111.6 million) in the quarter. The group's net interest expenses were NOK 27.5 million (NOK 31.5 million).

Changes in the fair value of items in the statement of financial position denominated in foreign currencies and changes in fair value of other financial instruments are presented under financial items in the income statement. These changes result in unrealised financial gains and losses.

The Norwegian krone (NOK) strengthened in the quarter resulting in currency effects from inter-company borrowings between Pronova BioPharma Norge AS and Pronova BioPharma Danmark A/S. Currency effects of inter-company borrowings adversely impacted the financial items by NOK 47.4 million (NOK 101.9 million).

Note 5 Taxes

Calculated income tax expense for the quarter was NOK 20.3 million (NOK 5.9 million), which corresponds to an effective tax rate of 38 per cent (64.4 per cent). The effective tax rate for the quarter is impacted by an adjustment on NOK 5.6 million of previous period's payable tax. Underlying effective tax rate for the group was 27.6 per cent, exclusive of the effect of the prior period adjustment. The tax rates in Norway and Denmark are 28 per cent and 25 per cent, respectively.

Note 6 Earnings per share

(Amounts in NOK 1 000)	Q1 2010	Q1 2009	FY 2009
Net profit for the period	32 733	3 267	231 098
Average number of ordinary shares outstanding (basic)	300 832 508	300 832 508	300 832 508
Basic and diluted profit per share (NOK)	0.11	0.01	0.77

Lysaker, 6 May 2010

The board of directors and chief executive officer,
Pronova BioPharma ASA

www.pronova.com

Addresses

Pronova BioPharma ASA
Pronova BioPharma Norge AS
P.O. Box 420
NO-1327 Lysaker
Norway

Office address:
Vollsveien 6, Lysaker

Tel: +47 22 53 48 50
Fax: +47 22 53 48 51
E-mail: pronova@pronova.com

Pronova BioPharma Norge AS (plant)
P.O. Box 2109
NO-3202 Sandefjord
Norway

Office address:
Framnesveien 41, Sandefjord

Tel: +47 33 44 68 00
Fax: +47 33 44 68 01

Pronova BioPharma Danmark A/S (plant)
Juelsmindevej 5, Kalundborg
DK-4400 Kalundborg
Denmark

Tel: +45 7211 2711

Advisory services:
First House AS

Design/layout:
Haugvar Communications & Design

Photo:
Hugo Lande