

Report for Fourth Quarter and Full Year 2009

This report includes an operational review and the financial results for the three-month period ending 31 December 2009 as well as key events from the full-year 2009.

Fourth quarter concludes a transformational year for Algeta

2009 was a transformational year for Algeta, during which the Company successfully delivered a number of major milestones in progressing towards its objective of creating a focused oncology company, developing new, targeted cancer therapies based on its alpha-pharmaceutical platform.

Transformational global agreement signed with Bayer for Alpharadin

The most significant achievement of the year was the signing of an USD 800 million¹ agreement with the major pharmaceutical company Bayer Schering Pharma AG ("Bayer") for the development and global commercialization of Alpharadin to treat bone metastases in cancer patients.

The development of bone metastases represents a serious development for many cancer patients as they are associated with a dramatic decline in patient health and quality of life, ultimately leading to death. Bone metastases represent a major unmet medical need, occurring in up to 90% of certain late-stage cancers, e.g. prostate, breast and lung.

Algeta's lead product Alpharadin (based on radium-223) is a first-in-class, highly targeted alpha-pharmaceutical under clinical evaluation to improve survival in patients with bone metastases from advanced cancer. Its localized action helps preserve the surrounding healthy tissue thereby limiting side-effects. Alpharadin is in a global phase III clinical trial (ALSYMPCA²) as a targeted treatment for bone metastases in patients with hormone-refractory (castration-resistant) prostate cancer (HRPC). In phase II studies, Alpharadin demonstrated strong evidence that it can prolong patient survival, improve quality of life and offer a benign safety profile.

The agreement with Bayer, signed in September, provides Algeta with a substantial upfront payment of USD 61 million (EUR 42.5m) plus further cash payments of USD 161 million to first sales based upon the achievement of certain development, production and commercialization milestones.

Algeta will receive tiered double-digit royalties on future worldwide sales and has an option in the US for up to 50% co-promotion. This co-promotion option will allow the Company to establish a commercial organization in the world's largest pharmaceutical market in preparation for launch of Alpharadin, and represents an important opportunity

¹ USD 800 million refers to EUR 560 million in upfront and potential milestone payments of the agreement with Bayer. USD amounts provided in this statement have been translated at 1 Euro: USD 1.43 – the translation rate as at signing of the agreement on 2 September 2009.

² The ALSYMPCA study (for ALpharadin in SYMptomatic Prostate CAncer) is a double-blind, randomized, controlled phase III clinical trial enrolling patients with hormone-refractory (castration-resistant) prostate cancer that has spread to the bones. Patients will be randomized to receive Alpharadin plus best standard of care or placebo plus best standard of care in a ratio of 2:1. The primary efficacy endpoint of the trial is overall survival. Secondary endpoints include time to occurrence of specified disease-related events, and time to progression of certain key biomarkers indicative of disease status. In addition, the trial monitors and evaluates both safety profile of Alpharadin treatment as well as its impact on quality of life.

for Algeta to share directly in Alpharadin's large sales potential in the US.

In addition, Bayer will also pay the substantial majority of the costs of future development of Alpharadin.

The importance of this deal is that it provides validation of the scale of the opportunity and medical need for effective new treatments for bone metastases. It also provides Algeta with sufficient financial resources to bring Alpharadin to market with a world-class partner that has global oncology sales and marketing expertise and infrastructure that will help maximize sales of Alpharadin around the world.

Since the agreement was signed, teams from Algeta and Bayer have begun working closely together on the development, manufacturing and commercialization strategies and on medical congress activity for Alpharadin.

Successful fundraising reinforces financial profile

In February, Algeta raised NOK 250 million (USD 37 million) in a private placement, supported by existing and new investors.

This fundraising, in combination with the cash upfront payment from Bayer, means that at year end, Algeta had NOK 514 million (USD 89 million) in cash and cash equivalents. Furthermore, with Bayer funding the majority of future clinical development work for Alpharadin, Algeta is in a strong financial position from which to advance its corporate strategy.

Clinical development with Alpharadin progresses on track

Throughout 2009, Algeta made good progress advancing the clinical development program for Alpharadin. In particular, there were more than 100 trial centers worldwide enrolling patients into the pivotal phase III ALSYMPCA trial at the year-end. In total, 500 patients had been recruited by the end of January 2010 and recruitment of 750 patients is expected to be reached on schedule in H2 2010.

ALSYMPCA's Independent Data Monitoring Committee (IDMC) meets on a quarterly basis. The last meeting was in January 2010.

Follow-up data from the phase II program continues to be collected and presented at major cancer-focused congresses. New survival, pain and safety data were presented ECCO/ESMO in September. These data reinforce the key clinical benefits of Alpharadin treatment and continue to give the Company confidence in the clinical prospects for and the blockbuster commercial potential of Alpharadin.

A sample size confirmation/re-estimation is on track for the first half of 2010 and will allow the Company to check that the assumptions on event rates are valid. This is an analysis used in major pivotal trials to check there are enough patients to ensure the trial power is maintained.

- First patient enrolled into ALSYMPCA at world-leading US cancer center

During 2009, Algeta worked to identify suitable clinical centers in the USA at which to run the ALSYMPCA study and establish ethics committee approvals and required documentation. In December 2009, the Company was pleased to announce that the first US patient had been randomized into the study on schedule at Tulane Cancer Center in New Orleans, one of the top cancer-focused medical centers in the country.

The Principal Investigator of the ALSYMPCA study in the US is Dr. Oliver Sartor, an internationally recognized prostate cancer expert who is the Piltz Professor of Cancer Research in the Departments of Medicine and Urology at Tulane University School of Medicine at the Tulane Cancer Center in New Orleans.

Tulane is the first of up to 10-15 US centers expected to initiate the trial during 2010.

Expanding clinical trial program for Alpharadin

With Bayer committed to funding the majority of costs of future clinical trials with Alpharadin to treat bone metastases, the companies have been able to advance their preparations for additional clinical trials. These studies are designed to validate both potential label extensions for Alpharadin to treat bone metastases in hormone-refractory prostate cancer patients and its use in treating bone metastases in breast cancer patients who have become refractory to endocrine therapy.

- Bone metastases in breast cancer patients

During the fourth quarter 2009, Algeta began screening patients for a phase II study of Alpharadin to treat bone metastases in endocrine-refractory breast cancer patients. This is the second tumor type under investigation with Alpharadin and a significant market opportunity.

According to the American Cancer Society and Cancer Research UK, breast cancer is by far the most common cancer in females, accounting for around 31% of all female cancers. Nearly 200,000 new cases of invasive breast cancer were diagnosed in the US in 2009 and around 40,000 women were expected to die as a result of breast cancer. As many as 75% of breast cancer patients with metastatic disease will have metastases in the bone³.

This new trial (BC1-09) enrolled and treated its first patient in January 2010. Algeta aims to recruit 20 women with breast cancer that has spread primarily to the bone into the study, which will be conducted at cancer centers in Oslo (Norway), Brussels (Belgium) and Sheffield (UK). The Principal Investigator for the trial is Professor Robert Coleman, a cancer and bone metastasis specialist at the Weston Park Hospital in Sheffield.

The primary objective of the trial is to investigate if multiple intravenous injections of Alpharadin have a clinically relevant effect on bone markers (i.e. an effect indicative of a positive therapeutic response) in breast cancer patients with bone-dominant metastatic disease that no longer responds to endocrine therapy.

The trial will also monitor the safety of Alpharadin treatment in these patients. In an earlier Phase I study, safety data were collected from women with bone metastases from breast cancer as part of the wider Alpharadin clinical program. The results showed that Alpharadin has a benign side-effect profile in these patients and were consistent with safety findings in men with prostate cancer.

- Alpharadin-chemotherapy combination study

In addition, Algeta and Bayer have finalized a clinical trial protocol (BC1-10) to investigate whether Alpharadin in combination with docetaxel chemotherapy can be safely used together for hormone-refractory prostate cancer patients with bone metastases. The combination of Alpharadin with docetaxel will further extend the market opportunity for Alpharadin.

³

Harvey, H.A. and Cream, L.R. (2007) *Clin. Breast Cancer*. Jul;7 Suppl 1:S7-S13

Docetaxel chemotherapy is the current gold standard treatment for metastatic hormone-refractory prostate cancer. ALSYMPCA is recruiting patients with bone metastases from the ~50% of patients who are ineligible for treatment with docetaxel (clinical status, safety concerns) and those patients for whom chemotherapy is ineffective. A combination study therefore extends Alpharadin's market to patients who have bone metastases and can tolerate chemotherapy.

Algeta plans to start enrolling patients into the phase I/II study in mid 2010. The trial will be conducted at leading US cancer centers.

Management team strengthened

Algeta's senior management team was reinforced with two key appointments in 2009.

Andrew Kay joined the company in January as President and Chief Executive Officer bringing more than 25 years' commercial experience in the pharmaceutical sector (Renovo, Novartis, AstraZeneca), where he has managed the successful launch of several major oncology products.

Dr Gillies O'Bryan-Tear was appointed Chief Medical Officer in July bringing more than 20 years' experience in senior roles managing (Genzyme, GSK Biologicals, Bristol Myers Squibb) and advising on the clinical development and registration of new drugs.

At 31 December 2009, Algeta had 38 employees compared to 34 employees at the end of 2008.

Enhanced international profile

External communications have played a key strategic role during 2009 as the management team and its advisers have worked hard to refine its corporate and product communications and deliver these to its primary audiences as effectively as possible.

The management team spent a considerable amount of time in 2009 meeting key members of the medical, business and investor communities in order to ensure that the opportunity that exists in Algeta, initially with Alpharadin, is understood and its potential value is recognized.

The successful delivery of key milestones during 2009, particularly the deal with Bayer, has led to an enhanced international profile for Algeta and increased activities and exposure for the Company and Alpharadin at major clinical congresses and investor meetings worldwide.

At the end of 2009, Algeta's share price had risen more than 700% in 12 months to NOK 68.25, making the Algeta share one of the best performing stocks in all sectors in Europe in 2009.

Outlook for 2010

Algeta has created a solid platform from which to advance its strategy for creating further shareholder value from the development and commercialization of novel targeted cancer therapeutics based on its alpha-pharmaceutical technology.

In 2010, from an operational perspective, the Company will:

- Recruit 750 HRPC patients with bone metastases into the phase III ALSYMPCA study by H2 2010
- Complete enrolment of endocrine-refractory breast cancer patients with bone metastases into a phase II clinical trial
- Initiate a phase I/II clinical trial to study Alpharadin in combination with docetaxel chemotherapy for hormone-refractory prostate cancer patients with bone metastases
- Secure long-term manufacturing capabilities for future clinical and commercial demand for Alpharadin
- Work closely with Bayer to optimize the future market positioning of Alpharadin and the education of relevant cancer specialists
- Initiate technology programs leading to a pipeline of alpha-pharmaceutical candidates based on thorium-227 and tumor-targeting molecules

In addition, the Company will continue with its program of investor activities during 2010 with the aim of broadening and strengthening its shareholder base.

Operating expenses in 2010 are expected to remain on the same level as 2009 or somewhat above. A substantial majority of development costs, however, will be covered by Bayer.

Financial review

- Profit and loss

Recognized signing fee in the fourth quarter amounted to NOK 20 million of a total revenue of NOK 24 million. Revenue in the fourth quarter 2008 was zero. For the full year 2009 revenue amounted to NOK 31 million versus zero for 2008. Although the majority of the Bayer signing fee was received in the third quarter 2009⁴, the revenue recognition is deferred over 54 months, starting September 2009⁵. Bayer cost sharing will only start to have a significant impact in the first quarter 2010.

The Group's operating expenses for the fourth quarter 2009 amounted to NOK 57 million compared with NOK 53 million in the fourth quarter 2008. Operating expenses amounted to NOK 194 million in 2009 compared with NOK 186 million in 2008. At the end of the fourth quarter, ALSYMPCA, the main cost driver, had more than 100 actively recruiting centers in 18 countries.

The Group's income statement shows a net loss of NOK 38 million for the fourth quarter 2009 compared with NOK 49 million for the fourth quarter 2008. The net loss for 2009 was NOK 170 million, compared to NOK 174 million in 2008. The parent company Algeta ASA accrued a net loss of NOK 164 million in 2009.

- Cash flow and balance sheet

Net cash flow from operations totaled NOK -50 million in the fourth quarter 2009 versus NOK -33 million in the fourth quarter 2008. For the full year 2009, cash flow from operations was NOK 142 million compared to NOK -158 million for 2008. As of 31 December 2009, the Group had liquid funds in total of NOK 514 million, which were invested in bank deposits and money market funds. The Company had no debt. Current liabilities totalled NOK 423 million, of which 342 million was deferred up-front payment from the Bayer deal.

⁴ EUR 6.7 million withholding tax was received in January 2010

⁵ Algeta recognize deferred signing fee revenue over the estimated period between signing and first sales of Alpharadin

The Algeta Group consists of Algeta ASA and its wholly owned subsidiaries Algeta Innovations AS and Algeta UK Limited. Accounts for the Algeta Group are presented according to the International Financial Reporting Standards adopted by the EU. Algeta ASA, the parent company, presents its accounts according to generally accepted accounting principles in Norway.

Algeta Group – Fourth quarter report 2009

Preliminary and unaudited

Condensed consolidated income statement

<i>(Amounts in NOK thousands except per share data)</i>	Note	4th quarter 2009	4th quarter 2008	January-December 2009	2008
Income	2	23 639	63	30 671	63
Total operating income		23 639	63	30 671	63
Payroll and related costs		13 144	7 355	46 312	32 809
Ordinary depreciation		630	476	2 161	1 851
Other expenses		43 288	44 678	145 120	150 916
Total operating expenses		57 062	52 509	193 593	185 576
Operating profit/(loss)		(33 423)	(52 446)	(162 923)	(185 513)
Financial income		2 260	3 542	9 478	12 229
Financial expenses		6 835	146	16 654	266
Net financial income/(loss) ¹⁾		(4 576)	3 396	(7 176)	11 963
Loss before income tax		(37 998)	(49 050)	(170 098)	(173 550)
Income tax expense		-	-	-	-
Loss for the period		(37 998)	(49 050)	(170 098)	(173 550)
Earnings per share					
- basic and diluted NOK		(0,97)	(2,97)	(4,92)	(10,51)

1) Of net financial loss 2009 NOK 15,708 thousands was due to currency loss.

Condensed consolidated statement of comprehensive income¹⁾

<i>(Amounts in NOK thousands)</i>	4th quarter 2009	4th quarter 2008	January-December 2009	2008
Loss for the period	(37 998)	(49 050)	(170 098)	(173 550)
Comprehensive loss for the period	(37 998)	(49 050)	(170 098)	(173 550)

1) In accordance with the revised IAS 1 as from 1 January 2009. See note 1 Accounting principles.

Condensed consolidated statement of financial position

<i>(Amounts in NOK thousands)</i>	Note	31 Dec. 2009	31 Dec. 2008
ASSETS			
Property, plant and equipment	4	9 319	6 518
Total non-current assets		9 319	6 518
Other receivables ¹⁾		65 832	7 174
Cash & cash equivalents		514 206	132 932
Total current assets		580 038	140 106
TOTAL ASSETS		589 357	146 624
EQUITY AND LIABILITIES			
Share capital	5	19 689	8 256
Additional paid-in-capital		696 948	467 439
Accumulated losses		(550 651)	(380 553)
Total equity		165 986	95 142
Deferred income - up-front payment ²⁾	2	259 596	-
Total non-current liabilities		259 596	-
Trade and other payables		81 798	51 482
Deferred income - up-front payment ²⁾	2	81 978	-
Total current liabilities		163 776	51 482
TOTAL EQUITY AND LIABILITIES		589 357	146 624

1) NOK 55,924 thousands of other receivables for 2009 is due to Bayer deal, related to withholding tax on up-front payments, received January 2010.

2) Non-current and current deferred income of NOK 341,574 thousands in 2009 is deferred up-front payment from the Bayer agreement, representing 50 months income not yet recognized in P&L. See note 2 – Income.

Condensed consolidated statement of changes in equity

<i>(Amounts in NOK thousands)</i>	Note	Share capital – ordinary shares	Additional paid in capital	Retained losses	Total
At 31 December 2007		8 253	464 620	-207 003	265 870
Comprehensive loss for the period				(173 550)	(173 550)
Share-based compensation			2 735		2 735
Share issuance, employees		3	85		88
At 31 December 2008		8 256	467 439	(380 553)	95 142
At 31 December 2008		8 256	467 439	-380 553	95 142
Comprehensive loss for the period				(170 098)	(170 098)
Share issuance - private placement	5	11 150	234 150		245 300
Share issuance - repair offering	5	212	4 449		4 661
Transaction cost - private placement/repair offering	5		(16 934)		(16 934)
Share issuance, employees	5	71	2 021		2 092
Share-based compensation	3		5 824		5 824
At 31 December 2009		19 689	696 948	(550 651)	165 986

Condensed consolidated statement of cash flow

<i>(Amounts in NOK thousands)</i>	Note	4th quarter 2009	4th quarter 2008	January-December	
				2009	2008
Profit/(loss) before income tax		(37 998)	(49 050)	(170 098)	(173 550)
Depreciation		630	476	2 161	1 851
Share-based compensation		2 391	(549)	5 824	2 734
Interest income		(1 543)	(3 429)	(8 761)	(11 986)
<i>Changes in assets and liabilities:</i>					
Other receivables ¹⁾		(8 615)	4 142	(58 658)	(2 102)
Deferred income - up-front payment ²⁾	2	(20 494)	-	341 574	-
Trade and other payables		15 637	15 701	30 316	24 921
Net cash used in operating activities		(49 993)	(32 708)	142 357	(158 132)
Cash flow from investing activities					
Purchases of property, plant and equipment (PPE)	4	(2 317)	(5)	(4 962)	(2 265)
Interest received		8 617	11 746	8 761	11 986
Net cash received in investing activities		6 300	11 740	3 799	9 721
Cash flow from financing activities					
Proceeds from issuance of shares	5	(251)	-	233 026	-
Proceeds from exercise of options	3	462	-	2 092	88
Net cash generated from financing activities		211	-	235 118	88
Net increase/(decrease) in cash and cash equivalents		(43 482)	(20 967)	381 275	(148 323)
Cash and cash equivalents at beginning of period		557 689	153 899	132 932	281 255
Cash and cash equivalents at end of period		514 206	132 932	514 206	132 932

1) NOK 55,924 thousands of the changes in other receivables during the year 2009 is due to Bayer deal, related to withholding tax on upfront payments, received January 2010.

2) NOK 341,574 thousands of the changes in trade and other payables during the year 2009 is due to deferred up-front payment from the Bayer agreement, representing 50 of 54 months income not yet recognized in P&L. See note 2 – Income.

Note 1 - ACCOUNTING PRINCIPLES

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 31 December 2008 prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU.

New or amended standards which have an impact on the accounts of the Algeta Group as from 1 January 2009 are described below. IAS 1 – Presentation of Financial Statements (revised) The Group has applied the revised IAS 1 with effect from 1 January 2009. According to the revised standard, the statement of changes in equity shall only show details on transactions with shareholders. Other transactions recognized directly in equity should be presented on a separate line in the statement of changes in equity. In the income statement, these transactions should be shown in a statement of comprehensive income according to IAS 1 under the income statement. Algeta Group has no changes in equity beside transactions with shareholders hence no transactions to show in the Comprehensive Income Statement.

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.

Revenue, which excludes value added tax, represents the fair value of consideration receivable in respect of goods and services supplied.

The Group's business strategy includes entering into collaborative license and development agreements with biotechnology and pharmaceutical companies for the development and commercialization of the Group's product candidates. The term of the Group's first license agreement with Bayer Schering Pharma AG includes a non-refundable signing fee, funding of R&D, payments based on the achievement of development, manufacturing and sales milestones, and royalties on product sales. Revenue arising from collaborative agreements consisting of multiple elements is allocated to those elements in accordance with contractual terms, which are indicative of the fair values of the individual elements. Significant management judgment is required in determining whether, in substance, elements of such contracts operate independently of other elements and whether they should therefore be accounted for separately. Revenue in respect of each separable element (or, where no elements are separable, in respect of the contract as a whole) is spread over the period over which the Group is expected to complete its service obligations under an arrangement.

Up-front milestones and fees are recognized on a straight-line basis over the performance period. In particular, if the Group is involved in a steering committee as part of a multiple element arrangement, the Group assesses whether its involvement constitutes an obligation or a right to participate. Steering committee services that are considered significant obligations are combined with other research service obligations required under an arrangement, if any, in determining the level of effort required in an arrangement and the period over which the Group expects to complete its obligations.

Amounts received or receivable under R&D contracts and collaborative research agreements are recognized as revenue in the period in which the related costs are incurred or services are provided. These contributions towards costs incurred are

received where the Group is the principal in the transaction, and as such these amounts have been recorded gross as revenue and not netted against costs incurred. As revenue represents contributions towards costs incurred, no amounts have been allocated to cost of sales; instead all costs relating to these development programs are recorded as R&D expenditure.

Non-refundable license fees and payments on the achievement of milestones are recognized as revenue when the Group has a contractual right to receive such payment, the amount can be measured reliably, it is probable that the economic benefits associated will flow to the Group, and when the specific conditions stipulated in the license agreements have been satisfied.

Royalty revenue is to be recognized upon the sale of the related products, provided that the royalty amounts are reliably measurable; it is probable the benefits will be received, and the Group has no remaining obligations under the relevant royalty arrangement.

Note 2 - INCOME

In September 2009 Algeta Group signed a license and development agreement with Bayer Schering Pharma AG. Algeta Group received a signing fee of EUR 42.5 million and this revenue is spread over the period of 4,5 years which is the time the Group expects to complete its service obligations under this arrangement, i.e. to launch.

Amounts in NOK thousands	2009 Jan-Dec
Up-front payment ¹⁾	27 326
Cost sharing income - CMC	3 050
Other income	294
Total operating income	30 671

1) The total up-front payment of EUR 42.5 million is split into 4.5 years starting from September 2009. Deferred income at 31 December 2009 amounts to NOK 342 million.

Note 3 - SHARE-BASED COMPENSATION

At the Annual General Meeting in May 2009 the board of Algeta was authorized to issue up to 3,000,000 share options to employees, board members, and consultants. The options generally vest over a period from 1 to 4 years and expire 7 years after the grant date. In general, the exercise price for the options is set at the fair value of the shares at grant date.

The following table shows the changes in outstanding options in the twelve-month period ended 31 December 2009:

	2009	
	Number of options	Weighted average exercise price (in NOK)
Outstanding on 1 January	1 353 222	19,33
Granted during the period ¹⁾	695 000	29,15
Terminated during the period	137 510	33,70
Exercised during the period ²⁾	141 841	19,36
Expired during the period	39 712	28,46
Outstanding at 30 December	1 729 159	22,29

1) Granted options for shares to key management of the Group during January-December 2009:

Name	Title	Granted Jan-Dec 2009	Outstanding 31.12.2009
Thomas Ramdahl	CTO	80 000	150 200
Øystein Soug	CFO	50 000	110 000
Roger C. Harrison	CBO	40 000	110 000
Ragnhild M. Løberg	VP Quality & Reg.	50 000	65 000
Kari Dyvik	VP Operations	50 000	65 003
Gillies O'Bryan-Tear	Chief Medical Officer (CMO)	300 000	300 000
Total		570 000	800 203

2) Thomas Ramdahl, EVP & CTO and a primary insider of Algeta ASA, has exercised 89,800 options in the company, corresponding to 89,800 shares at the strike price of NOK 12.50.
Kari Grønås Dyvik, VP Operations and a primary insider of Algeta ASA, has exercised 14,997 options in the company, corresponding to 14,997 shares at the strike price of NOK 20.
Ragnhild M. Løberg, VP quality and Regulatory Affairs and a primary insider of Algeta ASA, has exercised 15,000 options in the company corresponding to 15,000 shares at the strike price of NOK 12.50.

Note 4 – PROPERTY, PLANT AND EQUIPMENT

During the year 2009; the Group invested NOK 4.9 million in property, plant and equipment, primarily equipment for research purposes.

Note 5 – SHARE CAPITAL

The following table shows the changes in number of outstanding shares in the twelve-month period ended 31 December 2009:

	2009
	Ordinary shares
Ordinary shares at 1 January	16 511 608
Share issuance - private placement	22 300 000
Share issuance - repair offering	423 683
Share issuance - employees	141 841
Ordinary shares at 31 December	39 377 132

In February 2009 Algeta had a highly successful Private Placement. The Private Placement took place through a book-building process and was managed by ABG Sundal Collier and DnB NOR Markets. The Private Placement was directed towards existing shareholders as well as selected new institutional and professional investors.

The fundraising raised NOK 245 million for Algeta through the private placement of 22.3 million new shares at a price of NOK 11 per share. The Private Placement was approved by shareholders at EGM on 4 March 2009.

A subsequent repair offering to existing shareholders who did not participate in the private placement was open until 24 March. The fundraising raised NOK 4.7 million for Algeta through the repair offering of 423 683 new shares at a price of NOK 11 per share. The repair offering was approved by shareholders at EGM on 4 March 2009.