OCTOPLUS ANNOUNCES 2010 FIRST HALF-YEAR RESULTS

Leiden, the Netherlands, 6 August 2010 – OctoPlus N.V. ("OctoPlus" or the "Company") (Euronext: OCTO), the drug delivery company, announces today its results for the six-month period ended 30 June 2010.

OctoPlus is a drug delivery company driving value through three key areas:

1. Proprietary drug delivery technologies

OctoPlus offers a platform of controlled release drug delivery technologies that enables the development of improved pharmaceutical products that have fewer side effects and improved patient convenience.

- An increase in request for proposals shows the growing adoption of the Company's proprietary technology by the pharmaceutical and biotechnology sector
- Two technology evaluation contracts for PolyActive® have been signed this year
    - One with Novartis, the other with an undisclosed US biotechnology company.

2. Product pipeline

The clinically most advanced product incorporating the Company's PolyActive technology is Locteron®, a controlled release formulation of interferon alpha, which is being manufactured by OctoPlus for its licensee Biolex.

- Positive interim Phase IIb data on Locteron, which were presented in April, further validate the clinical benefit of OctoPlus' PolyActive drug delivery technology
- Revenues from Locteron were in line with expectations but were substantially lower than the same period last year as development and manufacturing for Phase IIb is completed
- Locteron's Phase IIb study is expected to be successfully completed before end of 2010.

3. Contract formulation and manufacturing services

OctoPlus has over 15 years of experience and expertise in the formulation and manufacturing of complex injectable therapeutics.

- OctoPlus signed contracts with seven additional new customers in 2010, of which The Medicines Company was announced in July.

Financial results

Financial results for the first half-year are affected by a lower amount of work for Locteron®, which was not unexpected as a result of its phase of clinical development. An improved order portfolio whilst maintaining a significantly reduced cost base provides a stronger outlook for the second half of the year.

- Following the restructuring in 2009, the total cost base (including interest) was reduced by € 4.1 million to € 7.6 million (2009: € 11.6 million)
- The development and manufacturing of Locteron for Phase IIb was completed at the end of 2009. In the first six months of 2010, OctoPlus performed a limited amount of work for Biolex, resulting in € 0.6 million Locteron revenues (2009: € 6.4 million)
- Non-Locteron revenues decreased by 6% to € 3.4 million (2009: € 3.6 million)
- Total revenues decreased by 60% to € 4.0 million (2009: € 10.0 million)
- Net loss increased to € 3.5 million (2009: net loss of € 1.6 million)
- Negative cash flow of € 2.9 million resulted in a cash position of € 0.4 million on 30 June 2010 (30 June 2009: € 1.5 million)

- OctoPlus has a € 2.0 million credit line facility in place with Fortis Bank Nederland, of which € 1.0 million was available on 30 June 2010.

Outlook
An improved order portfolio and a significantly reduced cost base provide a stronger outlook for the second half of the year.

- The Company expects revenues to increase in the second half of the year compared to the first half of the year following the contracts that were recently signed
- OctoPlus expects to be able to maintain its reduced cost level throughout the year
- Consequently, with the current cash position and available credit facility, the reduced cost base, current order portfolio and acquisition pipeline, the Company expects to be able to continue its development towards profitability.

Simon Sturge, CEO of OctoPlus comments: "*We are delighted with the Locteron Phase IIb results and the growing adoption of our controlled release technology PolyActive. We anticipated reduced revenues compared to the same period last year as a result of the completion of work for Phase IIb for Locteron. The recently signed contracts combined with the reduced cost base provide us with a stronger outlook for the second half of the year*."

Conference call and webcast presentation
OctoPlus will hold a conference call and webcast presentation today at 8:30 AM CET. This event can also be followed live via OctoPlus' website www.octoplus.nl. If you would like to participate in the conference call, please dial in on telephone number +31 (0) 45 631 6901. After the presentation, Simon Sturge, CEO of OctoPlus, and Susan Swarte, CFO, will be available to answer questions. After the event, the webcast will be available for replay on the Company's website.

Contact
For further information, please contact: Rianne Roukema, Corporate Communications: telephone number +31 (71) 524 1071 or send an e-mail to Investor Relations at IR@octoplus.nl.

About OctoPlus
OctoPlus is a drug delivery company committed to the creation of improved pharmaceutical products that are based on OctoPlus' proprietary drug delivery technologies and have fewer side effects, improved patient convenience and a better efficacy/safety balance than existing therapies. OctoPlus focuses on the development of long-acting, controlled release versions of known protein therapeutics, other drugs, and vaccines on behalf of its clients.

The clinically most advanced product incorporating our technology is Biolex Therapeutics' lead product Locteron®, a controlled release formulation of interferon alpha for the treatment of chronic hepatitis C. OctoPlus licensed Locteron exclusively to Biolex in October 2008. Locteron is being manufactured for Biolex by OctoPlus and is currently in Phase IIb clinical studies.

In addition, OctoPlus is a leading European provider of advanced drug formulation and clinical scale manufacturing services to the pharmaceutical and biotechnology industries, with a focus on difficult-to-formulate active pharmaceutical ingredients.

OctoPlus is listed on Euronext Amsterdam by NYSE Euronext under the symbol OCTO. For more information about OctoPlus, please visit our website www.octoplus.nl.

This document may contain certain forward-looking statements relating to the business, financial performance and results of OctoPlus and the industry in which it operates. These statements are based on OctoPlus' current plans, estimates and projections, as well as its expectations of external conditions and events. In particular the words "expect", "anticipate", "predict", "estimate", "project", "plan", "may", "should", "would", "will", "intend", "believe" and similar expressions are intended to identify forward-looking statements. We caution investors that a number of important factors, and the inherent risks and uncertainties that such statements involve, could cause actual results or outcomes to differ materially from those expressed in any forward-looking statements. In the event of any inconsistency between an English version and a Dutch version of this document, the English version will prevail over the Dutch version.

INTERIM MANAGEMENT REPORT FROM THE EXECUTIVE BOARD

Business overview

Drug delivery evaluation contracts
In June, the Company signed a drug delivery technology evaluation contract with Novartis who have engaged OctoPlus to develop a controlled release formulation of one of their products, using OctoPlus' patented drug delivery technology PolyActive.

Locteron
OctoPlus' licensee Biolex Therapeutics presented the interim Phase IIb data on Locteron at the 45th International Liver Congress (EASL) in Austria in April 2010. The main conclusion is that Locteron dosed every other week consistently achieves a reduction in flu-like side effects while maintaining antiviral efficacy comparable to the weekly dosed standard of care, providing compelling proof that Locteron offers a significant improvement in interferon therapy. These positive results further validated the clinical benefit of OctoPlus' PolyActive drug delivery technology.

New clients
During the first six months of 2010 the Company contracted work from seven new customers and signed additional work from a number of current customers for which OctoPlus will perform drug development and manufacturing services.

Financial overview

The table below outlines the key financial figures of the Company for the six-month period ended 30 June 2010 and 2009. These financial figures are unaudited and are in accordance with International Financial Reporting Standards, as adopted by the European Union.

Key figures first six months 2010
(Unaudited, in Euro x 1,000; except per share data)

	1H 2010	1H 2009	% change
Total revenues	**4,022**	**10,003**	**(60%)**
EBITDA	**(1,800)**	**88**	**n.a.**
Net result for the period	**(3,540)**	**(1,627)**	**118%**
Earnings per share (basic and diluted)	**(0.11)**	**(0.06)**	**69%**
Cash flow for the period	**(2,874)**	**2,396**	**n.a.**
Cash, cash equivalents and bank overdrafts per end of period	**439**	**1,514**	**(71%)**

Revenues

Over the first six months of 2010, consolidated revenues showed a decrease of 60% to € 4.0 million (2009: € 10.0 million). During the first six months of 2009, OctoPlus performed development work and manufacturing of Locteron for its customer Biolex, generating € 6.4 million in revenues in the period. At the end of 2009, the development and manufacturing of Locteron for the Phase IIb clinical study was completed. In the first six months of 2010, OctoPlus only performed a limited amount of stability testing of the Locteron material manufactured in prior years resulting in € 0.6 million service revenues. Non-Locteron revenues for the six-month period decreased by 6% to € 3.4 million (2009: € 3.6 million), mainly as a result of longer lead times in completing the acquisition of new and larger projects.

Costs
Total costs (including interest) for the first six months of 2010 decreased by 35% to € 7.6 million (2009: € 11.6 million). This significant reduction of € 4.1 million is a result of:

- Significantly downsizing the organisation from average 134 FTE's in the first six months of 2009 to an average 106 FTE's in the first six months of 2010;
- No costs associated with the manufacture of Locteron in 2010 as well as a more efficient use of materials;
- Tight cost control, resulting in lower expenditures in all areas.

Net result
As a result of the reduction of revenues by € 6.0 million combined with a significant cost reduction of € 4.1 million, the net loss for the period increased to € 3.5 million (2009: net loss of € 1.6 million).

Cash and cash equivalents balance
The total cash and cash equivalents balance (net of bank overdrafts) was € 0.4 million per the end of June 2010 (December 2009: € 3.3 million).

Cash flow
In the first six months of 2010, € 2.1 million cash was used for OctoPlus' operating activities (first six months of 2009: € 2.0 million cash outflow). This cash outflow mainly related to the negative operating result for the six-month period. With the Company's new manufacturing facilities fully operational, the cash outflow from investing activities decreased significantly in the first six months of 2010 to € 0.1 million (2009: € 1.0 million cash outflow). The Company used € 0.7 million cash for its financing activities in the first six months of 2010; consisting of regular finance lease repayments and payment of invoices related to the 2009 financing rounds. In the first six months of 2009, equity was raised by the Company resulting in a cash inflow of € 5.9 million. Combined with regular finance lease repayments of € 0.5 million, this resulted in a cash inflow from financing activities of € 5.4 million for the first six months of 2009.

Outlook second half-year 2010
Although the economic downturn has a significant impact on OctoPlus' clients and may influence OctoPlus' ability to gain new business, the Company expects to sign additional drug delivery technology evaluation contracts and new contracts for its formulation development and manufacturing services during the rest of the year. As a result of the contracts signed recently, OctoPlus expects its revenues to grow in the second half-year of 2010. The Company expects to be able to maintain its current cost level going forward in 2010. With the current cash position, the credit line facility available, the reduced cost base, the current order portfolio and the acquisition pipeline, OctoPlus expects to be able to continue the Company's development towards profitability.

Related party transactions
In March 2010, the Supervisory Board granted options to acquire OctoPlus shares at an exercise price of € 1.41 per share (which is the closing share price on 31 December 2009) to Mr. Sturge (Chief Executive Officer), Mrs. Swarte (Chief Financial Officer) and Mr. Moolhuizen (Chief Business Officer). The number of unconditional options each person will receive depends on certain pre-defined performance criteria for each person in the years 2010, 2011 and 2012, with 1/3 of the conditional options related to each of the three years. All options have a vesting period of three years after the date of (unconditional) grant and a subsequent exercise period of five years.

On 12 May 2010, Mrs. Swarte was appointed as member of the Executive Board for a period of four years. Mrs. Swarte has over 16 years of experience in financial and strategic management and joined OctoPlus on 1 August 2009 as Chief Financial Officer. Mrs. Swarte has a fixed salary of € 155.000, a short-term bonus of maximum 50% of fixed salary and is entitled to conditional stock options as a long-term incentive.

On 12 May 2010, Mrs. De Ruiter was appointed as member of the Supervisory Board for a period of four years. Mrs. De Ruiter has a scientific background and has held several

Supervisory Board positions. Mrs. De Ruiter currently indirectly holds 3.0% of OctoPlus' outstanding shares through ACEE B.V. but is independent within the meaning of the Dutch Corporate Governance Code.

Auditor's involvement
The content of this Interim Financial Report has not been audited or reviewed by an external auditor.

Risks and uncertainties
The Company's risk profile and its internal control system to mitigate these risks are consistent with those disclosed on pages 19 to 21 and pages 53 to 55 of the Annual Report 2009.

Responsibility statement
Each members of the Executive Board hereby confirm that to the best of their knowledge:

- The Condensed Consolidated Interim Financial Statements of the Company for the first six-months of 2010 give a true and fair view of the assets, liabilities, financial position and result of the Company and its consolidated companies;
- The Interim Management Report from the Executive Board for the first six months of 2010 gives a fair review of the information required pursuant to section 5:25d, subsection 8 and, as far as applicable, subsection 9 of the Dutch Act on Financial Supervision.

Leiden, 6 August 2010

Simon Sturge, Chief Executive Officer
Susan Swarte, Chief Financial Officer
Gerben Moolhuizen, Chief Business Officer

Condensed Consolidated Interim Financial Statements 30 June 2010

(unaudited)

Consolidated statement of financial position at 30 June 2010

(unaudited)

(In Euro x 1,000)

	Note	At 30 June 2010	At 31 December 2009
ASSETS			
Non-current assets			
Intangible assets			
Goodwill		243	243
Patents		1,957	2,102
Other intangible assets		16	29
		2,216	**2,374**
Property, plant and equipment			
Buildings		7,118	7,333
Machines and installations		10,063	10,804
Other equipment		249	316
		17,430	**18,453**
Financial assets carried at cost		1,299	1,299
		20,945	**22,126**
Current assets			
Inventories		385	457
Trade receivables		2,411	2,207
Social security and other taxes		57	284
Other receivables, prepayments and accrued income		1,297	1,343
Cash and cash equivalents	6	672	3,324
		4,822	**7,615**
Total assets		**25,767**	**29,741**
EQUITY			
Shareholders' equity	7	7,970	11,343
Total group equity		**7,970**	**11,343**
LIABILITIES			
Non-current liabilities			
Finance lease liabilities		9,815	10,316
		9,815	**10,316**
Current liabilities			
Current portion of non-current liabilities		985	951
Bank overdrafts	6	233	11
Trade payables		2,094	2,136
Social security and other taxes		340	43
Other current liabilities		4,330	4,941
		7,982	**8,082**
Total liabilities		**17,797**	**18,398**
Total equity and liabilities		**25,767**	**29,741**

Condensed consolidated statement of comprehensive income for the period ended 30 June 2010*

(unaudited)

(In Euro x 1,000)

	Note	Six months ended 30 June 2010	2009
Service revenues	8	3,808	9,780
License and other revenues	8	22	223
Income from subsidies	8	192	-
Total revenues		**4,022**	**10,003**
Cost of materials and work contracted out	1,9	641	1,961
Wages and salaries	1,9	3,469	5,608
Depreciation and amortisation	1,9	1,246	1,075
Other costs	1,9	1,712	2,346
Total operating costs		**7,068**	**10,990**
Operating loss		**(3,046)**	**(987)**
Interest (net)	10	(494)	(640)
Result before corporate income taxes		**(3,540)**	**(1,627)**
Corporate income taxes		-	-
Result for the period		**(3,540)**	**(1,627)**
Other comprehensive income		-	-
Total comprehensive result for the period		**(3,540)**	**(1,627)**
Attributable to:			
Equity holders of the Company		**(3,540)**	**(1,627)**
Result per share for result attributable to the equity holders of the Company during the six-month period (expressed in Euro per share)			
Basic		(0.11)	(0.06)
Diluted		(0.11)	(0.06)

* as adjusted, reference is made to Note 2.3.

Condensed consolidated statement of changes in equity for the period ended 30 June 2010

(unaudited)

(In Euro x 1,000)

	Note	Attributable to equity holders of the Company				
		Share capital	Share premium reserve	Other reserves	Accumulated deficit	Total equity
Balance at 1 January 2009		**1,945**	**38,161**	**751**	**(40,282)**	**575**
Comprehensive loss for 6-month period ended 30 June 2009		-	-	-	(1,627)	(1,627)
Total recognised loss for 6-month period ended 30 June 2009		**-**	**-**	**-**	**(1,627)**	**(1,627)**
Employee share option scheme:						
– value of employee services		-	-	65	-	65
– options exercised, lapsed & forfeited		-	-	(63)	63	-
Issue of share capital – conversion		720	3,778	-	-	4,498
Issue of share capital – financing		960	5,040	-	-	6,000
Issue of share capital – costs		-	(700)	-	-	(700)
		1,680	8,118	2	63	9,863
Balance at 30 June 2009		**3,625**	**46,279**	**753**	**(41,846)**	**8,811**
Balance at 1 July 2009		**3,625**	**46,279**	**753**	**(41,846)**	**8,811**
Comprehensive loss for 6-month period ended 31 December 2009		-	-	-	(1,330)	(1,330)
Total recognised loss for 6-month period ended 31 December 2009		**-**	**-**	**-**	**(1,330)**	**(1,330)**
Employee share option scheme:						
– value of employee services		-	-	68	-	68
– options exercised, lapsed & forfeited		-	-	(67)	67	-
Issue of share capital – financing		387	3,652	-	-	4,039
Issue of share capital – costs		-	(245)	-	-	(245)
		387	3,407	1	67	3,862
Balance at 31 December 2009		**4,012**	**49,686**	**754**	**(43,109)**	**11,343**
Balance at 1 January 2010		**4,012**	**49,686**	**754**	**(43,109)**	**11,343**
Comprehensive loss for 6-month period ended 30 June 2010		-	-	-	(3,540)	(3,540)
Total recognised loss for 6-month period ended 30 June 2010		**-**	**-**	**-**	**(3,540)**	**(3,540)**
Employee share option scheme:						
– value of employee services		-	-	167	-	167
– options exercised, lapsed & forfeited		-	-	(9)	9	-
		-	-	158	9	167
Balance at 30 June 2010		**4,012**	**49,686**	**912**	**(46,640)**	**7,970**

Condensed consolidated statement of cash flows for the period ended 30 June 2010

(unaudited)

(In Euro x 1,000)

	Note	Six months ended 30 June 2010	Six months ended 30 June 2009
Cash flows from operating activities			
Result before corporate income taxes		(3,540)	(1,627)
Adjustments for:			
– Depreciation and amortisation		1,246	1,075
– Share-based payments		167	65
– Changes in working capital		(2)	(1,471)
Net cash used in operating activities	11	**(2,129)**	**(1,958)**
Cash flows used in investing activities	11	**(51)**	**(1,039)**
Cash flows used in / from financing activities	11	**(694)**	**5,393**
Cash, cash equivalents and bank overdrafts			
Net increase / decrease during the six-month period		(2,874)	2,396
Balance at 1 January	6	3,313	(882)
Balance at 30 June	6	**439**	**1,514**

Notes to the condensed consolidated interim financial statements for the period ended 30 June 2010 and 2009

1. General information

1.1 Changes in presentation

Historically, OctoPlus provided development services for life sciences companies in the field of drug formulation through its Contract Development business unit and developed products based on the Group's proprietary drug delivery technology through its Products and Drug Delivery business unit; with development of products based on the Group's proprietary drug delivery technology (partly) at the Company's own expense. In October 2008, OctoPlus made the strategic decision to focus exclusively on activities for which it is reimbursed. As a result thereof, the two business units were integrated in September 2009, resulting in a significantly reduced complexity of the organisation. The change in strategy had and has a significant impact on the cost profile of the Company. Management re-evaluated the format of the Company's statement of comprehensive income and concluded that a few changes to the presentation of operating costs would result in more relevant information to users of financial statements.

The comparative figures for the half year 2009 have been adjusted to reflect the change in presentation. The changes to the presentation of operating costs are presented below and consist of:

- An aggregation of the cost categories 'raw materials and auxiliaries' (2009: € 0.2 million) and 'cost of contracted work and other external charges' (2009: € 0.9 million) into a new cost category 'cost of materials and work contracted out';
- A reclassification of all costs for material usage in the Company's manufacturing and laboratory facilities, which were previously recorded under 'other costs', to the new cost category 'cost of materials and work contracted out' (2009: € 0.9 million); and
- A reclassification of some personnel related costs, such as costs for temporary staff, which were previously recorded under 'other costs' to the cost category 'wages and salaries' (which was previously named 'employee benefits') (2009: € 0.7 million).

The expenditures for 'raw materials and auxiliaries' and 'cost of contracted work and other external charges' have significantly decreased as the Company no longer develops products at its own expense. It is management's belief that separate disclosure on the face of the statement of comprehensive income is therefore no longer required. With adding all costs for material usage in the Company's manufacturing and laboratory facilities to the cost category 'cost of materials and work contracted out', all costs directly related to the Company's revenues are now included in this cost category. In the new format, the cost category 'wages and salaries' contains all personnel related costs (both employees and temporary personnel) and the cost category 'other costs' contains all other indirect operating costs, such as housing costs, office expenses, selling & marketing costs and general expenses.

Operating costs - presentation until 31 December 2009 (unaudited)

	Six months ended 30 June	
	2010	2009
Raw materials and auxiliaries	14	173
Cost of contracted work and other external charges	414	862
Employee benefits	3,373	4,905
Depreciation and amortisation	1,246	1,075
Other costs	2,021	3,975

Total operating costs	**7,068**	**10,990**

Operating costs - presentation from 1 January 2010 onwards (unaudited)

	Six months ended 30 June	
	2010	2009
Cost of materials and work contracted out	641	1,961
Wages and salaries	3,469	5,608
Depreciation and amortisation	1,246	1,075
Other costs	1,712	2,346
Total operating costs	**7,068**	**10,990**

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these condensed consolidated interim financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

No standards and interpretations effective from 1 January 2010 did have a material impact on the financial statements of the Group. All other standards and interpretations that were in issue but not yet effective for reporting periods beginning on 1 January 2010 have not yet been adopted. The Group anticipates that adoption of these standards and interpretations will not have a material impact on the financial statements of the Group in future periods.

2.1 Basis of preparation

The condensed consolidated interim financial statements have been prepared in accordance with the requirements of International Accounting Standard (IAS) 34, *Interim Financial Reporting*, as adopted by the European Union.

The condensed consolidated interim financial statements are presented in euros and all values are rounded to the nearest thousand except when otherwise indicated.

The preparation of condensed consolidated interim financial statements in conformity with accounting policies consistent with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the condensed consolidated financial statements are disclosed in the notes to the annual report 2009.

The accounting policies adopted are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2009.

The condensed consolidated interim financial statements for the six-month period ended 30 June 2010 are unaudited.

2.2 Consolidation

The Company is the holding company of a group of companies. The other consolidated group companies ("subsidiaries") are:

- OctoShare B.V., 100%, having its legal seat in Leiden, the Netherlands
- OctoPlus Development B.V., 100%, having its legal seat in Leiden, the Netherlands
- OctoPlus Technologies B.V., 100%, having its legal seat in Leiden, the Netherlands
- OctoPlus Sciences B.V., 100%, having its legal seat in Leiden, the Netherlands
- OctoPlus PolyActive Sciences B.V., 100%, having its legal seat in Leiden, the Netherlands
- Chienna B.V., 100%, having its legal seat in Bilthoven, the Netherlands
- OctoPlus Inc., 100%, having its legal seat in Delaware, United States of America

2.3 Change in accounting policies

With reference to section 1.4.a of the OctoPlus' 2009 Annual report, the Company changed its accounting policies with regard to the treatment of land which formed part of a sale and lease back transaction for buildings in 2004. As a result, interest costs decreased with € 0.1 million and other costs increased with € 0.1 million in the statement of comprehensive income for the first six months of 2009. There is no impact on the condensed consolidated statement of changes in equity and the condensed consolidated statement of financial position presented.

3. Risk management

The Company's risk profile and its internal control system to mitigate these risks are consistent with those disclosed on pages 19 to 21 and pages 53 to 55 of the Annual Report 2009.

4. Cyclicality

Expenditures incurred for research and development activities, as well as their associated cash flows, may fluctuate significantly from time to time. Due to the change of strategy from a product development company to a company that focuses on providing pharmaceutical development services to clients, both expenditures and cash flows have become more stable, with possible significant one-off upsides in case certain development milestones are reached for products that are developed with the Company's proprietary technologies, such as Locteron.

5. Segment information

From September 2009 onwards, OctoPlus operates in one reportable segment and financial statements per segment are no longer prepared and reported (Note 1).

6. Cash, cash equivalents and bank overdrafts

Cash, cash equivalents and bank overdrafts include the following for the purposes of the statement of cash flows:

	At 30 Jun 2010	At 31 Dec 2009	At 30 Jun 2009
Cash and cash equivalents	672	3,324	1,514
Bank overdrafts	(233)	(11)	-
Net cash and cash equivalents	439	3,313	1,514

OctoPlus has a credit line facility in place with Fortis Bank Nederland for a percentage of eligible receivables up to a maximum of € 2.0 million. On 30 June 2010 there was € 1.0 million available on this credit facility. The facility agreement contains a covenant that requires OctoPlus N.V.'s consolidated tangible net worth to equal at least 25% of the balance sheet total, adjusted for certain items. There was no breach of this covenant during the six-month period ended 30 June 2010.

7. Equity

No shares were issued in the first six months of 2010.

In February 2010, the Company granted 1,537,290 options to its personnel at an exercise price of € 1.41 per OctoPlus share, which is equal to the OctoPlus closing share price per 31 December 2009. 1,068,000 options were granted to members of the Executive Board; 534,000 unconditional options and 534,000 conditional options. The number of unconditional options each person will receive from the conditional options granted depends on certain pre-defined performance criteria for each person in the years 2010, 2011 and 2012, with 1/3 of the conditional options related to each of the three years. These options have a vesting period of three years after the date of (unconditional) grant and a subsequent exercise period of five years. The maximum number of conditional and unconditional options to acquire shares can be found below.

	Unconditional 2010	Conditional 2010	Conditional 2011	Conditional 2012	Total Options
Mr. Sturge	200,000	66,666	66,667	66,667	400,000
Mrs. Swarte	167,000	55,666	55,667	55,667	334,000
Mr. Moolhuizen	167,000	55,666	55,667	55,667	334,000
Total	**534,000**	**177,998**	**178,001**	**178,001**	**1,068,000**

The remaining 469,290 unconditional options were granted to other OctoPlus employees. These options have a vesting period of three years after the date of grant and have a subsequent exercise period of five years.

Total option expense recorded in the first six months of 2010 amounted to € 0.2 million, of which € 0.1 million related to options granted to members of the Executive Board.

8. Revenues

Total revenues decreased from € 10.0 million for the six-month period ended 30 June 2009 to € 4.0 million for the six-month period ended 30 June 2010. During the first six months of 2009, OctoPlus performed development work and manufacturing of Locteron for its customer Biolex, generating € 6.4 million in revenues in the period. At the end of 2009, the development and manufacturing of Locteron for the Phase IIb clinical study was completed. In the first six months of 2010, OctoPlus only performed some stability testing of the Locteron manufactured in prior years resulting in € 0.6 million service revenues.

The Company's acquisition pipeline in the first six months of 2010 showed an increased number of requests for proposals for on average significantly larger projects than before, with a good success rate of winning projects and contracts. Due to a longer lead time in closing these larger deals, these projects have not converted into significant revenue in the first six months of 2010. As a result, total non-Locteron revenues for the six-month period decreased with € 0.2 million to € 3.4 million compared to the same period in 2009.

9. Operating costs

Total operating costs decreased from € 11.0 million for the six-month period ended 30 June 2009 to € 7.1 million for the six-month period ended 30 June 2010, which is a reduction of € 3.9 million.

In the first six months of 2009, OctoPlus manufactured a large quantity of Locteron required for the Phase IIb clinical study. No Locteron needed to be manufactured in the first six months of 2010. Combined with a more efficient use of materials in both the Company's manufacturing and laboratory facilities, cost of materials and work contracted out significantly decreased from € 2.0 million for the six-month period ended 30 June 2009 to € 0.6 million for the six-month period ended 30 June 2010.

The Company also significantly downsized its organisation. As a result, the number of employees decreased from 135 FTE's per 30 June 2009 to 100 FTE's per 30 June 2010. In addition, temporary staff was minimised. As a result, wages and salaries decreased from € 5.6 million for the six-month period ended 30 June 2009 to € 3.5 million for the six-month period ended 30 June 2010.

Related to the decrease in staff and through a tight cost control, the Company was also able to decrease its other costs from € 2.3 million for the six-month period ended 30 June 2009 to € 1.7 million for the six-month period ended 30 June 2010.

10. Interest (net)

Substantially all interest costs for the first six months of 2010 related to finance lease arrangements. In the first part of 2009, the Company also incurred interest costs related to the loans that were converted as part of the February 2009 financing round. As a result, interest (net) decreased from € 0.6 million for the six-month period ended 30 June 2009 to € 0.5 million for the six-month period ended 30 June 2010.

11. Consolidated statement of cash flows

The cash used in operating activities increased from € 2.0 million for the six-month period ended 30 June 2009 to € 2.1 million for the six-month period ended 30 June 2010 due to a larger operating loss.

The Company's new manufacturing facilities became fully operational in June 2009. Significant investments were still required in the first six months of 2009 but no longer in 2010. As a result, the cash used in investing activities decreased from € 1.0 million for the six-month period ended 30 June 2009 to € 0.1 million for the six-month period ended 30 June 2010.

The Company used € 0.7 million of cash for its financing activities in the first six months of 2010 related to (i) scheduled repayments of finance lease liabilities and (ii) payment of invoices related to the 2009 financing rounds. In the first six months of 2009, the Company generated € 5.4 million of cash from its financing activities related to (i) funds received in the February 2009 financing round (€ 5.9 million cash inflow) and (ii) scheduled repayments of finance lease liabilities (€ 0.5 million cash outflow).

The ending cash balance per 30 June 2010 amounted to € 0.4 million.

12. Contingencies

For the Company's contingencies, reference is made to Note 28 of the 2009 Annual Report.

13. Capital commitments

The Company does not have any significant capital commitments per 30 June 2010.

14. Events after the balance sheet date

No events have been noted to date that require further disclosure.

Leiden, 6 August 2010

Simon Sturge, Chief Executive Officer
Susan Swarte, Chief Financial Officer
Gerben Moolhuizen, Chief Business Officer