



# Austevoll Seafood ASA

Q1 2014  
Financial presentation

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Britt Kathrine Drivenes – CFO

# Highlights





## Q1 2014

All figures in MNOK	Q1 2014	Q1 2013 (restated)	2013	Q1 2014 (P)*
Revenue	3 616	2 755	12 410	4 288
EBITDA	745	485	2 226	807
Total assets	19 701	19 164	21 224	21 355
Equity	10 704	9 917	10 699	10 756
Equity Ratio	54 %	52 %	50 %	50 %
Net interest bearing debt (NIBD)	3 159	3 414	4 768	4 276

\*AUSS including proportional consolidation of Pelagia AS (50%)

- Best quarter ever.
- The transaction between Austevoll Seafood ASA (AUSS) and Kvefi AS (controlled by Kverva AS) completed – Pelagia AS established.
  - ✓ Pelagia AS is an associated company treated in accordance with the equity method.
- Proposed dividend NOK 1.60 per share, if approved by the General Meeting, the payment date will be June 6<sup>th</sup>.

# Company overview 2014

	PERU	CHILE	NORTH ATLANTIC	AUSTEVOLL SEAFOOD GROUP
Activities				
Harvesting	7% of anchovy quota centre-north 21 fishing vessels	9.1% of pelagic fishing quota 5 fishing vessels	4 fishing vessels*	<b>400,000-500,000 tonnes of pelagic fish annually (28 vessels)</b>
Salmon			130 salmon licenses 15 salmon licenses Norway* salmon operation UK*	<b>180,000 – 190,000 tonnes of salmon</b>
Processing	7 processing plants	4 processing plants	47 processing plants	<b>58 processing plants Intake of 1.5 – 1.8 mill tonnes of pelagic fish annually</b>
Sales & distribution	Own sales organisation	Own sales organisation		<b>Wholesale with global sales &amp; distribution</b>

\* Associated companies

Pelagic

*Austral Group S.A.A*

*FoodCorp S.A.*

*Pelagia AS* (Associated)



# Operation in Peru (Austral Group S.A.A)

	Q1 2014	Q1 2013	2014E	2013
Own catch - anchovies	19	24	354	314
Own catch - mackerel and jack mackerel	7	8	30	9
Purchase - anchovies	5	25	91	143
Purchase - Human Consumption	2	3	6	8
<b>Total ('000 MT)</b>	<b>33</b>	<b>60</b>	<b>481</b>	<b>474</b>

## Centre / North

- 1<sup>st</sup> season 2014 opened from 23<sup>rd</sup> April 2014 (17<sup>th</sup> May 2013) and will end 31<sup>st</sup> July 2014:
  - quota was set at 2.53 mill MT (2.05 mill MT 2013)
  - Challenging start to first season
  - subject to Imarpe's research, changes or early closing is still an option.
- Imarpe projected a biomass of 9.77 mill MT.

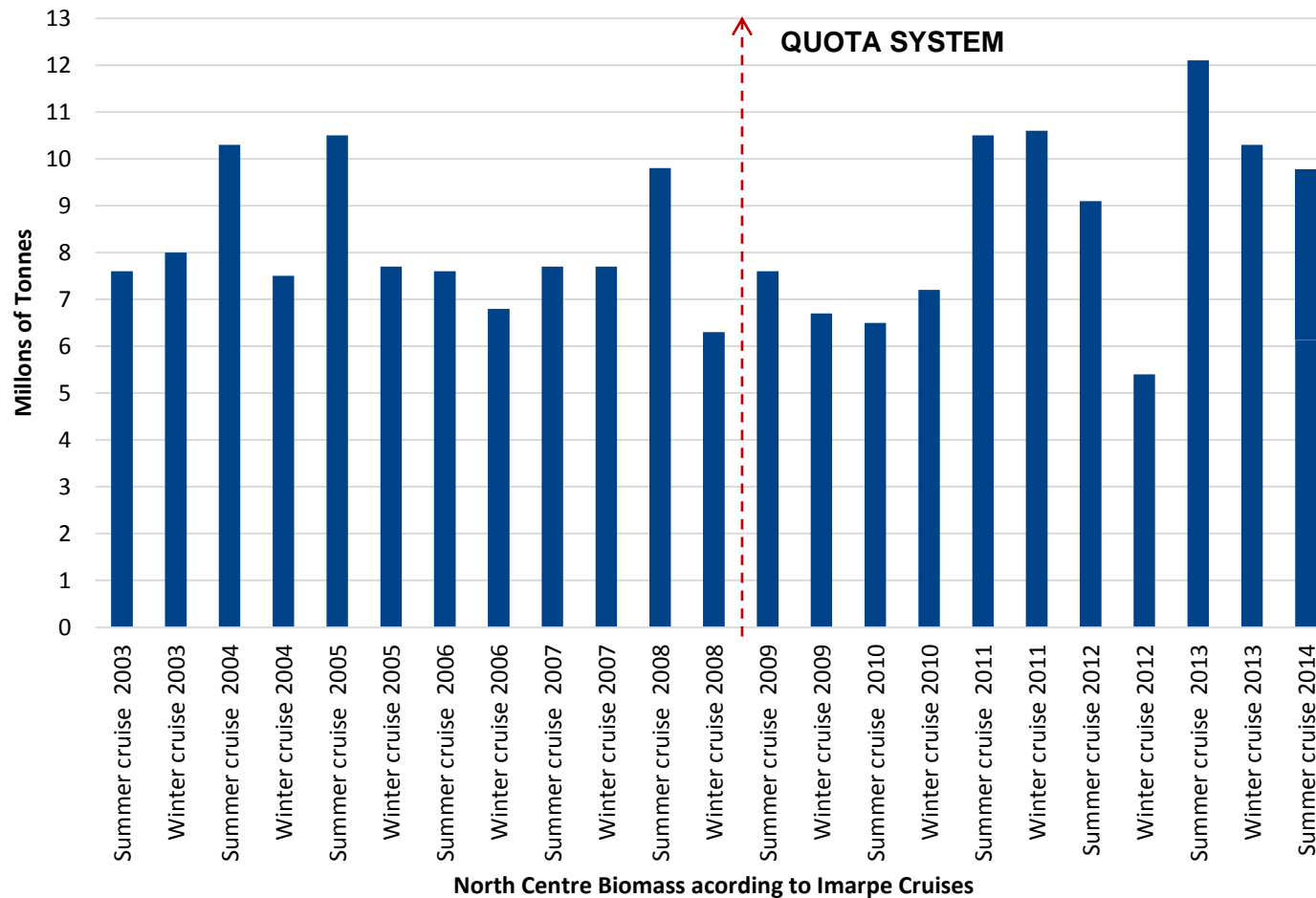
## South

- National Q1 total catch 9,995 MT (5,537 MT 2013).
- Second season defined from 31<sup>st</sup> Oct 2013 to 31<sup>st</sup> May 2014 for a total of 430,000 MT:
  - 34,156 MT was caught nationally until 31<sup>st</sup> March 2014.

## Human consumption

- Annual jack mackerel quota was set at 104,000 MT and mackerel quota at 48,000 MT; effective from 16<sup>th</sup> Jan 2014 until 31<sup>st</sup> Dec 2014.
- Until 31<sup>st</sup> March 7,345 MT of jack mackerel and 22,393 MT of mackerel were caught at national level.

# Anchovy biomass in Peru (IMARPE)



Total catch 2014 estimated at 5~5.5 mill MT

- Subject to Imarpe research
- Possibility of El Niño in H2 might affect second season quota?

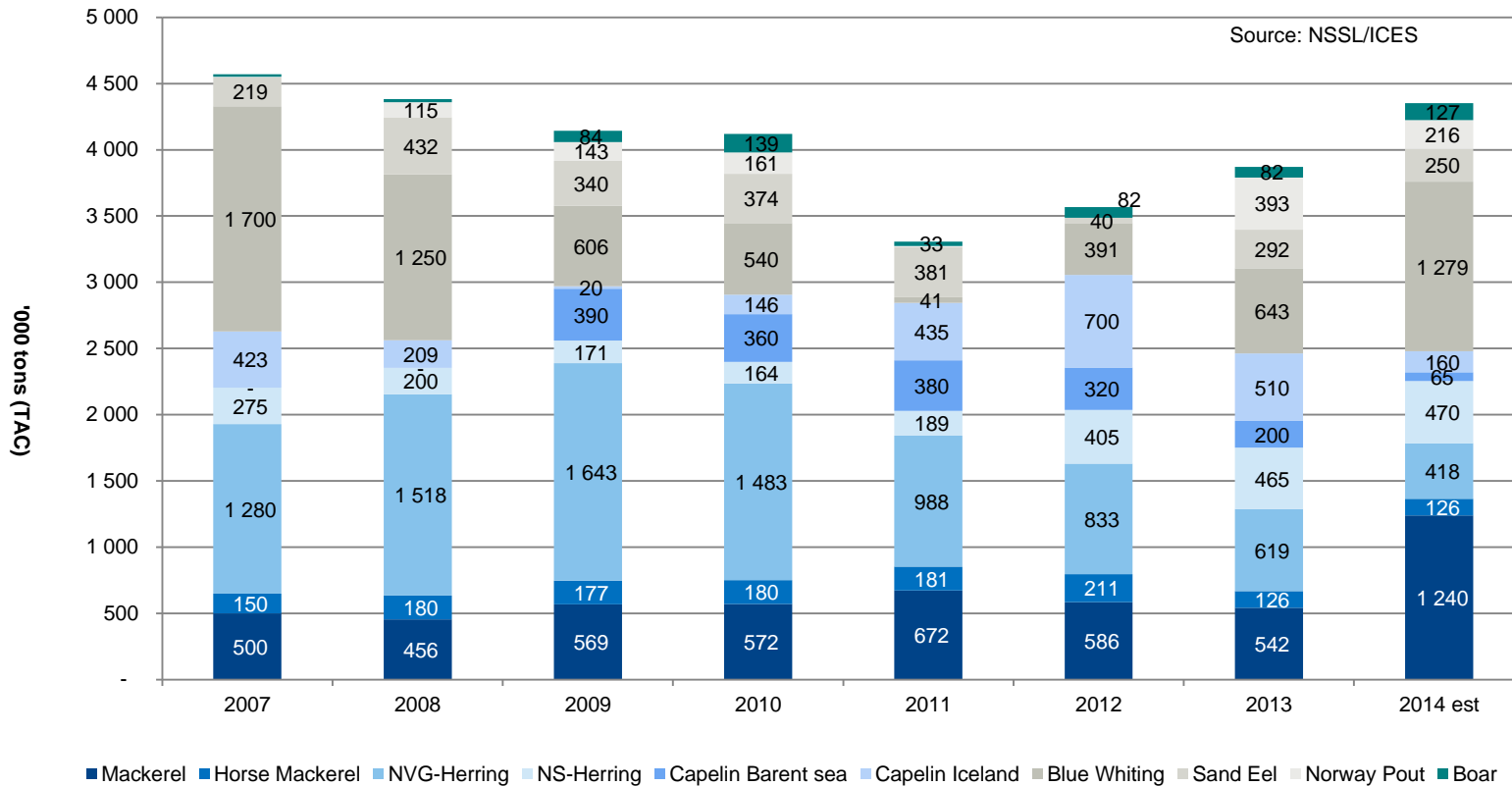
# Operation in Chile *(FoodCorp S.A.)*

Chile (*)	Q1 2014	Q1 2013	2014 E	2013
Own catch - Mackerel and other species	24	24	75	58
Purchase - Sardine/Anchovy	38	16	55	36
Purchase - Giant Squid	4	-	6	4
<b>Total ('000)</b>	<b>66</b>	<b>40</b>	<b>136</b>	<b>98</b>
Mackerel				
Own catch	20	24	49	40
<b>% of quota catch</b>	<b>41 %</b>	<b>57 %</b>	<b>100 %</b>	<b>95 %</b>

(\*) 100% Marfood Volume

- Jack mackerel:
  - Catching area close to coast, with limited activity in international waters.
  - 2014 quota increased to 290,000 MT (252,000 MT in 2013)
- Anchovy/sardine:
  - Fishery recovered substantially from 2013, both in fish size and volume,
  - Global quota for 2014 increased from 411,000 MT to 601,800MT (Centre/South)
- Giant squid production
  - 8,000 MT of raw material processed in Q1.
- New fishing law is now in full effect, focusing in sustainability and a scientific - technical quota allocation system.
  - Same controls for both industrial and coastal fleets (GPS, external off-loading certification)

# North Atlantic pelagic quotas (2007-2014 est)



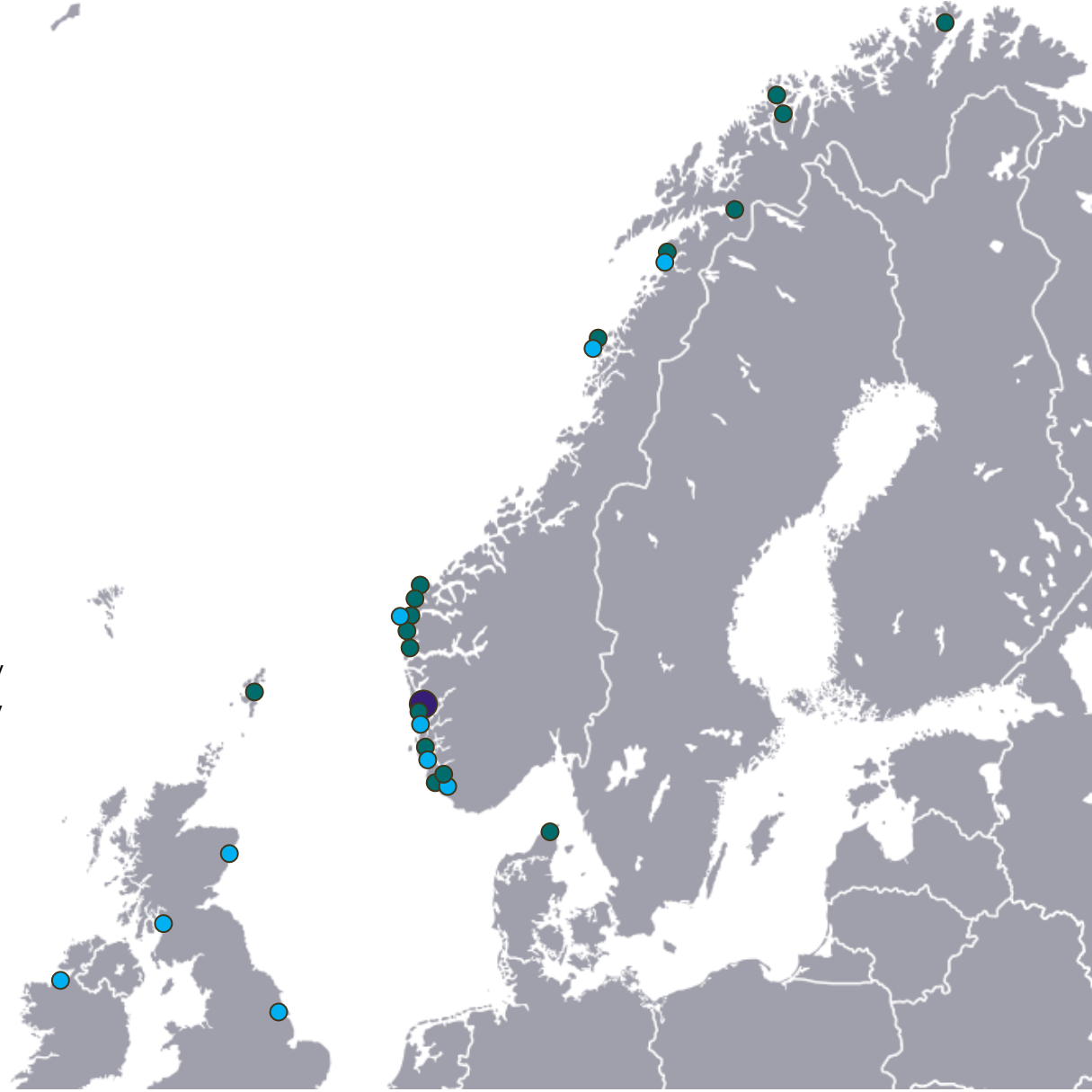
## Notes for 2014 quota estimate

- Coastal agreement of Mackerel between Norway, EU and Faroe Island.
- Sand eel – a Norway/Denmark species- quota to be finalised in May
- Boarfish quota is 67 % Irish
- Ex sprat and other Baltic quotas



# Pelagia locations

- Pelagia - Headquarters
- Pelagia - Human consumption factory
- Pelagia - Fishmeal and fish oil factory



# Operation North Atlantic (Pelagia AS)

## Pelagia AS

- Transaction completed in January 2014.
- Headquarter in Bergen.
- Management structure established.
  - Focusing in:
    - ✓ Increasing productivity
    - ✓ Strategic locations.
    - ✓ Product development.
    - ✓ Improving utilisation of resources with an integrated structure.
- Operates within two segments of the pelagic industry; Human consumption and fishmeal/oil.



# Pelagia - Fishmeal and fish oil

Norway, UK and Ireland	Q1 2014	Q1 2013(P)	2014 E	2013(P)
Raw Material for Fishmeal and fish oil	182	188	510	483
Raw Material for Protein Concentrate/oil	54	50	190	201
<b>Total ('000 MT)</b>	<b>236</b>	<b>238</b>	<b>700</b>	<b>684</b>

*All volume based on 100%*

- Delayed start up of the Blue whiting season. Main fishery in April. YTD good production.
- Increasing prices on both fishmeal and fish oil throughout the Q1.
- Limited unsold stocks in the group

# Pelagia – Human Consumption

Volume ('000MT)	Q1 2014	Q1 2013(P)	2014	2013(P)
Raw material intake	123	186	480	492

- Intake volume for this quarter behind last year due to significantly lower quota of NVG herring and capelin
- Strong demand for mackerel in Q1. Intake volume higher for mackerel for this quarter compared with same quarter last year
- Total sales in Q1 of finished products 89,000 MT vs 107,000 MT same quarter 2013.
- Challenging situation in Russia and Ukraine.



# Pelagia AS (100%)

AUSS's share = 50.00%



<b>NOKm</b>	<b>Q1 2014*</b>	<b>Q1 2013 (P)*</b>	<b>YTD Q1 2014*</b>	<b>2013 (P)*</b>
Revenues	1 292	1 465	1 292	5 944
EBITDA	119	157	119	520
EBIT	80	115	80	348
Pre tax	76	93	76	242
Intake rawmaterial (100% all group companies)	359,0	423,1	359,0	1 176,2
Sales volume FM/Oil/FPC*	37,4	43,6	37,4	201,4
Sales volume HC	90,4	108,2	90,4	368,9

## Balance sheet

	<b>31.03.2014*</b>	<b>31.12.2013 (P)</b>
Licences, goodwill	643	967
Tangible fixed assets/investments	1 767	1 792
Inventories	1 307	1 194
Other current assets	1 089	1 077
<b>Total assets</b>	<b>4 806</b>	<b>5 030</b>
Equity	1 602	1 766
Debt	3 204	3 265
<b>Total equity and debt</b>	<b>4 806</b>	<b>5 030</b>
Net interest bearing debt	2 234	2 405

\* Hordafor AS is booked in accordance with the equity method in 2014, in 2013 proportional consolidated

Norsildmel AS is booked in accordance with the equity method both in 2013 and 2014

# Br. Birkeland AS

AUSS's share = 49.99%



- 2 pelagic purse seiners with maximum quotas in Norway
- 7 salmon licenses in Norway (Hordaland)

NOKm	Q1 2014	Q1 2013	YTD 2014	2013
Revenues	87	79	87	429
EBITDA	25	26	25	154
EBIT before adj.biomass	16	17	16	118
EBIT	-26	37	-26	182
Pre tax	-31	16	-31	154

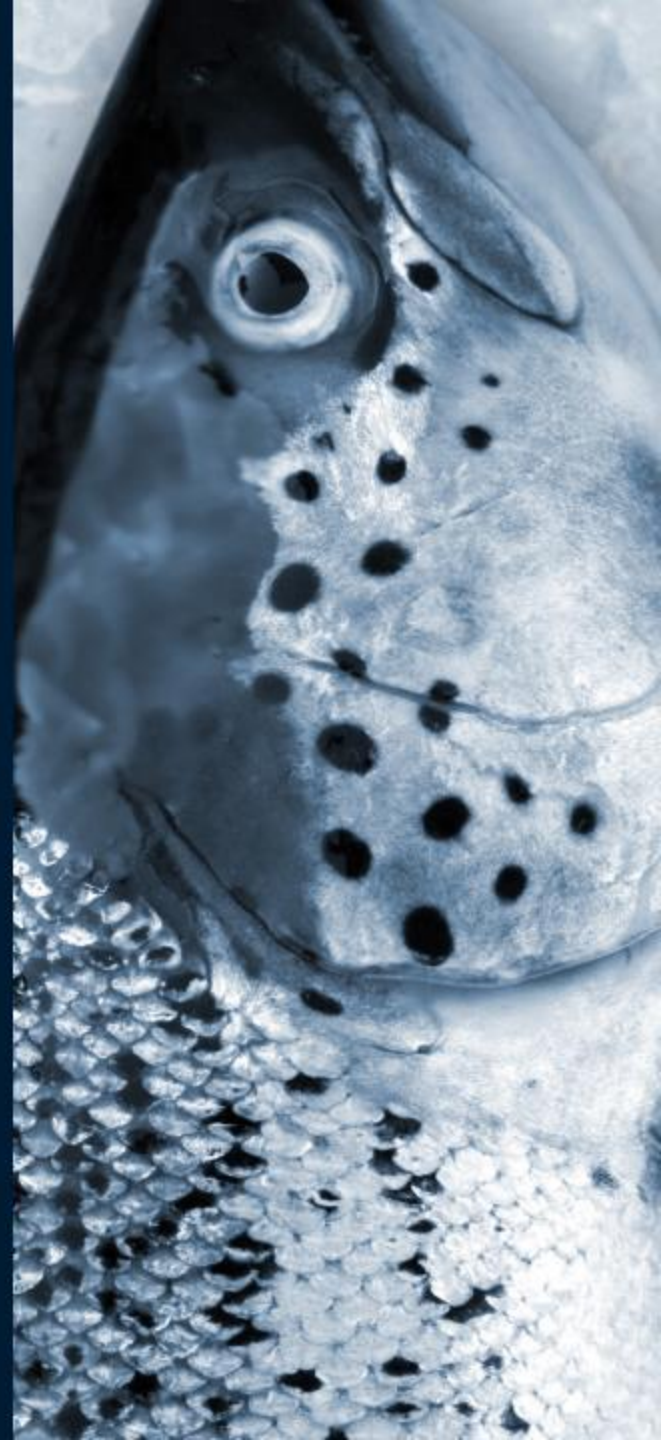
Balance sheet	31.03.2014	31.12.2013
Intangible assets	133	138
Tangible fixed assets	309	314
Inventories	189	240
Other current assets	209	187
<b>Total assets</b>	<b>840</b>	<b>879</b>
Equity	350	368
Debt	490	511
<b>Total equity and debt</b>	<b>840</b>	<b>879</b>
Net interest bearing debt	221	285

- All shares booked at cost price
- IFRS adjusted figures



# Salmon

*Lerøy Seafood Group ASA*



# Lerøy Seafood Group ASA



MNOK	Q1 2014	Q1 2013	2013
Revenue	3 180	2 332	10 764
Other gains	0,6	-	53
EBITDA	639	444	1 938
EBIT	550	369	1 625
EBIT/kg (all inclusive)	16,50	11,10	11,20
Total Volume (GWT)	33 336	33 231	144 800



# Lerøy Seafood Group ASA

Salmon/trout farming



	Licences	Smolt cap.	2011 GWT	2012 GWT	2013 GWT	2014E GWT
Lerøy Aurora AS*	17	7,5	18 100	20 000	24 200	28 000
Lerøy Midt AS	54	22,0	62 300	61 900	58 900	66 000
Lerøy Sjøtroll	59	22,6	56 200	71 600	61 700	69 000
<b>Total Norway</b>	<b>130</b>	<b>52</b>	<b>136 600</b>	<b>153 400</b>	<b>144 800</b>	<b>163 000</b>
Villa Organic AS**	8					6 000
Norskott Havbruk (UK)***			10 900	13 600	13 400	12 500
<b>Total</b>			<b>147 500</b>	<b>167 100</b>	<b>158 200</b>	<b>181 500</b>

\*) Included harvested volume from Villa Organic after split (around 3,000 gwt)

\*\*\*) LSG's share of Villa Organic's volume in H1 2014, not consolidated

\*\*\*) LSG's share, not consolidated

# Financials

Q1 2014



# Volume by products

Q1 2014

## Catch and purchase (100% volumes)

Figures in 1,000 tonnes	Q1 2014	Q1 2013*	2013*	2014E
<b>Group companies:</b>				
Chile own catch	24	25	58	75
Chile purchase	42	16	40	61
Peru own catch	26	32	323	384
Peru purchase	7	29	151	96
<b>Total Group companies</b>	<b>99</b>	<b>102</b>	<b>572</b>	<b>616</b>
<b>Joint ventures (Pelagia AS)</b>				
Europe purchase (HC)	123	185	492	480
Europe purchase (FM/Oil)	236	238	684	700
<b>Total Joint venture:</b>	<b>359</b>	<b>423</b>	<b>1 176</b>	<b>1 180</b>
<b>TOTAL</b>	<b>458</b>	<b>525</b>	<b>1 748</b>	<b>1 796</b>

## Volumes sold (100% volumes)

Figures in 1,000	Q1 2014	Q1 2013*	2013*
<b>Group companies:</b>			
Fishmeal and oil (tonnes)	38	20	238
Frozen products (tonnes)	10	15	25
Canning (cases)	214	415	1 173
Salmon (tonnes)	33,3	33,2	144,8
<b>Joint ventures (Pelagia AS)</b>			
Fishmeal and oil (tonnes)	36	34	153
FPC and oils (tonnes)	18	18	90
HC products (tonnes)	90	108	369

\* Proforma volumes for Pelagia Group in 2013

# Results

Q1 2014

All figures in NOK 1.000	Q1 2014	Q1 2013 Restated	2013	Proforma AUSS incl. Pelagia 50% Q1 14*	Proforma AUSS incl. Pelagia 50% Q1 13*
<b>Operating income</b>	3 616 231	2 754 660	12 409 756	4 288 033	3 487 177
Operating expenses	2 871 497	2 269 188	10 183 648	3 481 410	2 923 140
<b>EBITDA before fair value adj.biomass</b>	<b>744 734</b>	<b>485 472</b>	<b>2 226 108</b>	<b>806 624</b>	<b>564 038</b>
Depreciation and amortisation	138 474	126 965	529 474	159 056	147 925
Impairment	-1 874	-1 702	89 541	-1 874	-1 702
<b>EBIT before fair value adj.biomass</b>	<b>608 134</b>	<b>360 209</b>	<b>1 607 093</b>	<b>649 442</b>	<b>417 815</b>
Fair value adjustment biomass	-477 635	209 063	764 229	-477 635	209 063
<b>Operating profit</b>	<b>130 499</b>	<b>569 272</b>	<b>2 371 322</b>	<b>171 807</b>	<b>626 878</b>
Income from associated companies	59 584	28 391	248 350	32 768	32 368
Net interest expenses	-46 501	-47 789	-195 792	-59 614	-62 828
Net other financial items (incl agio/disagio)	7 189	-6 764	-43 657	11 740	-6 764
<b>Profit before tax</b>	<b>150 771</b>	<b>543 110</b>	<b>2 380 223</b>	<b>156 700</b>	<b>589 654</b>
Income tax expenses	-17 917	-131 605	-580 768	-22 863	-141 312
<b>Net profit from continuing operations</b>	<b>132 854</b>	<b>411 505</b>	<b>1 799 455</b>	<b>133 837</b>	<b>448 342</b>
Net profit from discontinued operations	-	36 420	-238 699	-	-
<b>Net profit from continuing and discontinued operations</b>	<b>132 854</b>	<b>447 925</b>	<b>1 560 756</b>	<b>133 837</b>	<b>448 342</b>
Earnings per share from continuing operations	0,48	0,71	4,66	0,48	0,82
Earnings per share from cont. Operations ex. Biomass adj.	1,56	0,24	2,96	1,56	0,36

\* Figures for Q1 2013 are proforma figures for Pelagia Group as if the transaction had taken place January 1st. 2013. Both proforma Q1 2014 (P) and Q1 2013 (P) shows Pelagia Group proportionally consolidated in the AUSS Group figures

- Condensed Consolidated  
- Income Statement (unaudited)

# Balance

Q1 2014

All figures in NOK 1.000	31.03.2014	31.03.2013 (restated)	31.12.2013
Intangible assets	6 009 650	5 970 233	6 035 665
Fixed assets	3 967 629	3 921 846	4 095 855
Financial assets	1 968 163	706 098	1 145 026
Inventories	3 904 320	3 455 883	4 467 682
Receivables	1 966 402	1 682 830	2 290 511
Assets classified as held for sale	-	1 222 978	1 793 241
Bank balance	1 884 614	2 203 807	1 396 278
<b>Total Assets</b>	<b>19 700 778</b>	<b>19 163 675</b>	<b>21 224 258</b>
Total equity	10 704 186	9 917 246	10 699 318
Provisions for commitments	1 997 132	2 024 316	2 136 205
Other long term liabilities	4 037 740	4 322 558	4 960 799
Current liabilities	2 961 720	2 899 555	3 427 937
<b>Total equity and liabilities</b>	<b>19 700 778</b>	<b>19 163 675</b>	<b>21 224 259</b>
Equity ratio	54 %	52 %	50 %
Net interest bearing debt (NIBD)	3 159 021	3 413 812	4 767 714

- Condensed Consolidated Balance sheet (unaudited)

# Cash flow statement

Q1 2014

All figures in NOK 1.000	Q1 2014	Q1 2013 (restated)	2013
Net cash flow from operating activities	779 333	491 156	1 361 625
Net cash flow from investing activities 1)	945 753	-200 031	-1 812 050
Net cash flow from financing activities 2)	-1 236 751	-249 579	-315 559
Net change in cash and cash equivalents	488 335	41 546	-765 984
Cash and cash equivalents at beginning of period	1 396 279	2 162 261	2 162 262
<b>Cash and cash equivalents at period end</b>	<b>1 884 614</b>	<b>2 203 807</b>	<b>1 396 278</b>

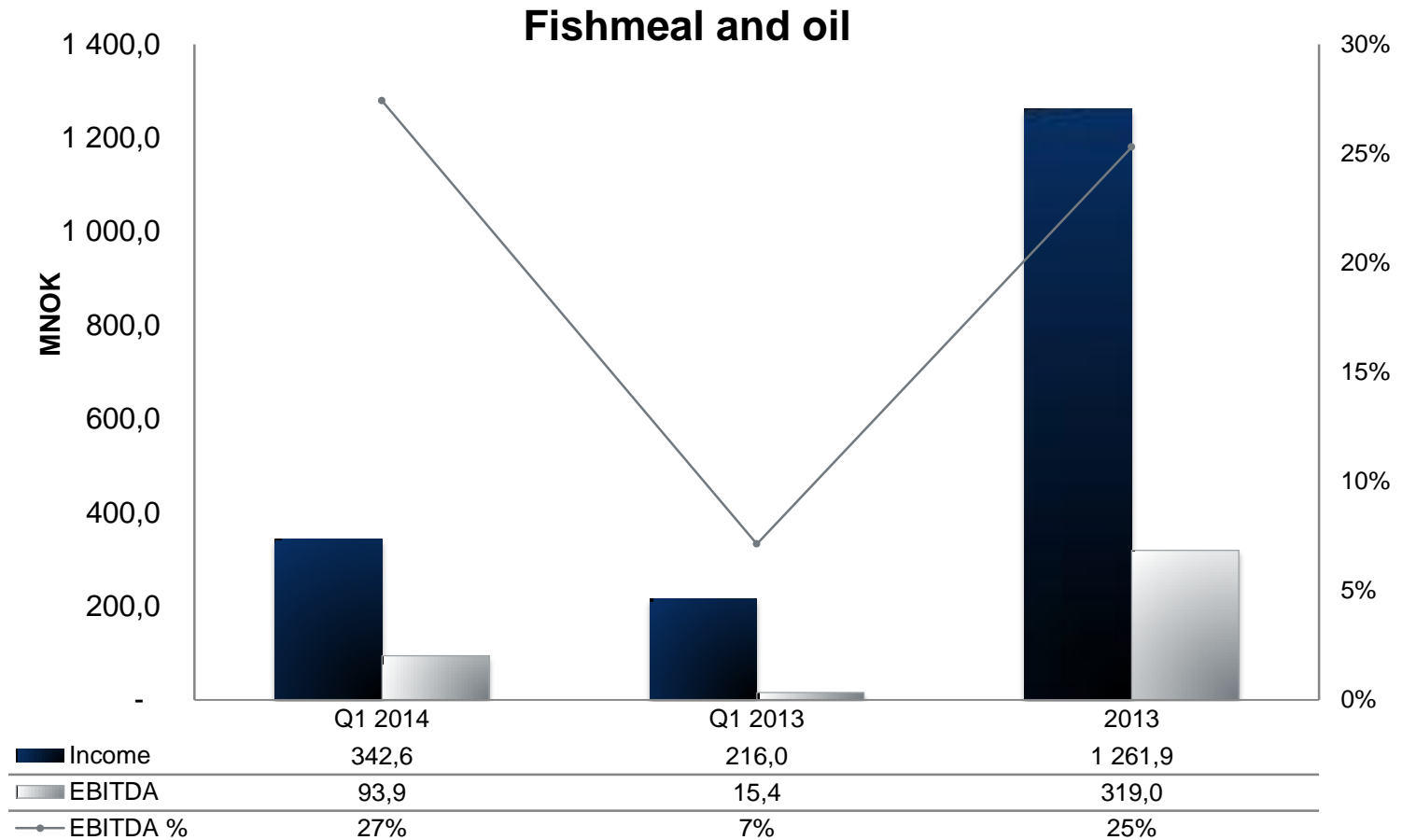
## Comments Q1 2014:

- 1) AUSS sold shares in NPEL, Welcon and Pelagia in January, total settlement in cash MNOK 1,000
- 2) Down payment on long term facility (AUSS), total MNOK 740

- Condensed Consolidated Cash flow statement (unaudited)

# Fishmeal and fish oil

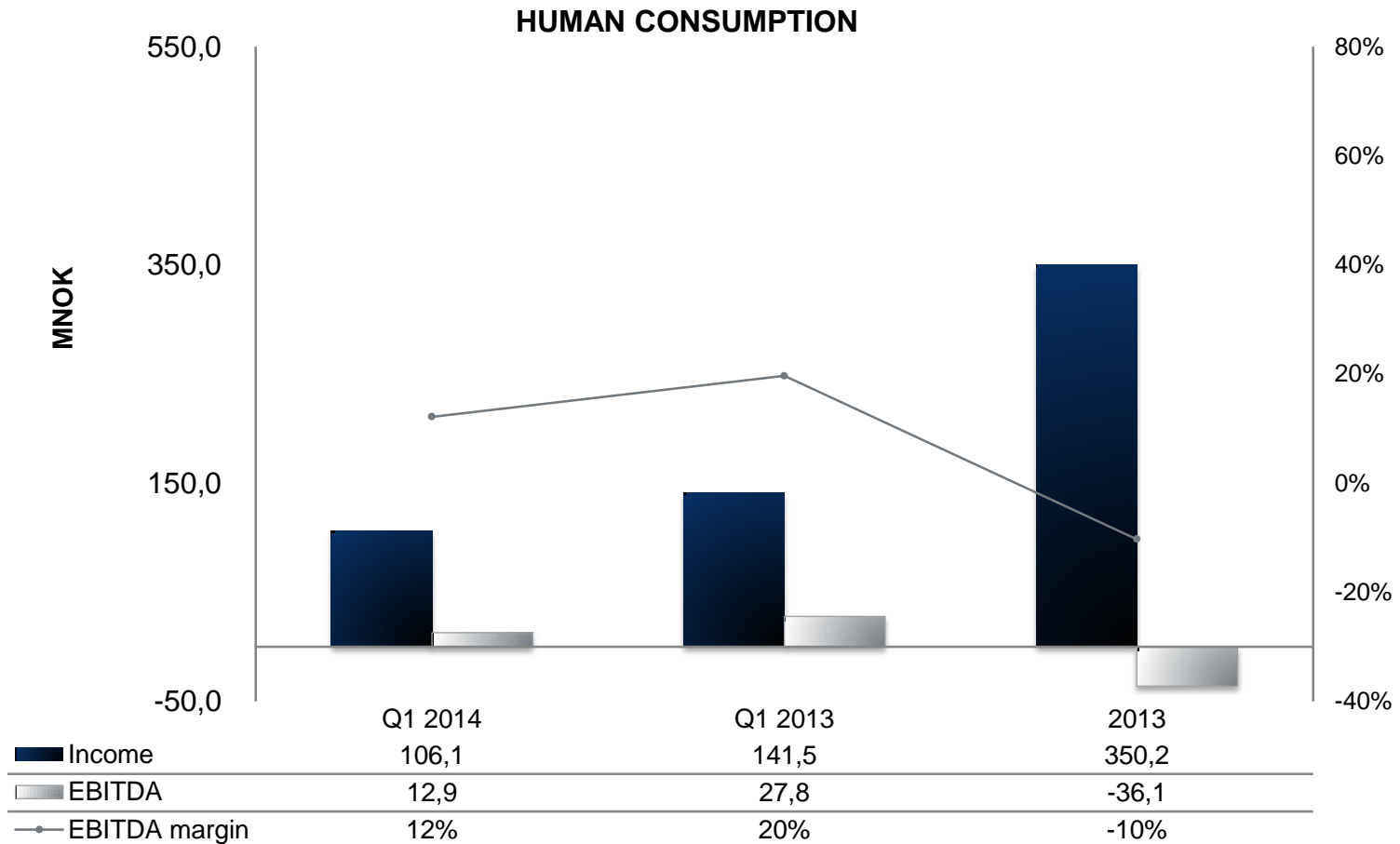
Q1 2014



- Figures are only from our South America operations

# Human consumption

Q1 2014

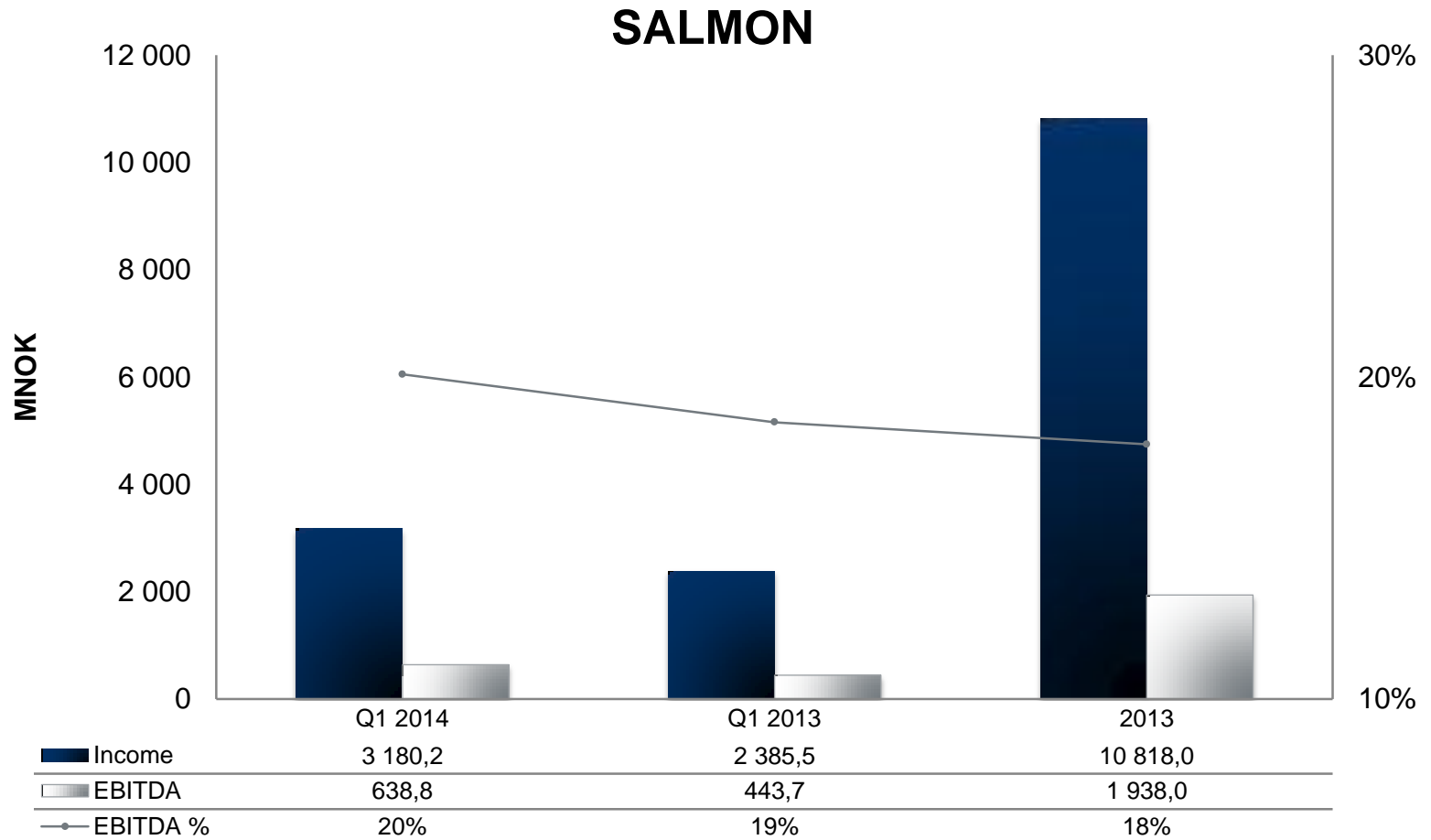


- Figures are only from our South America operations



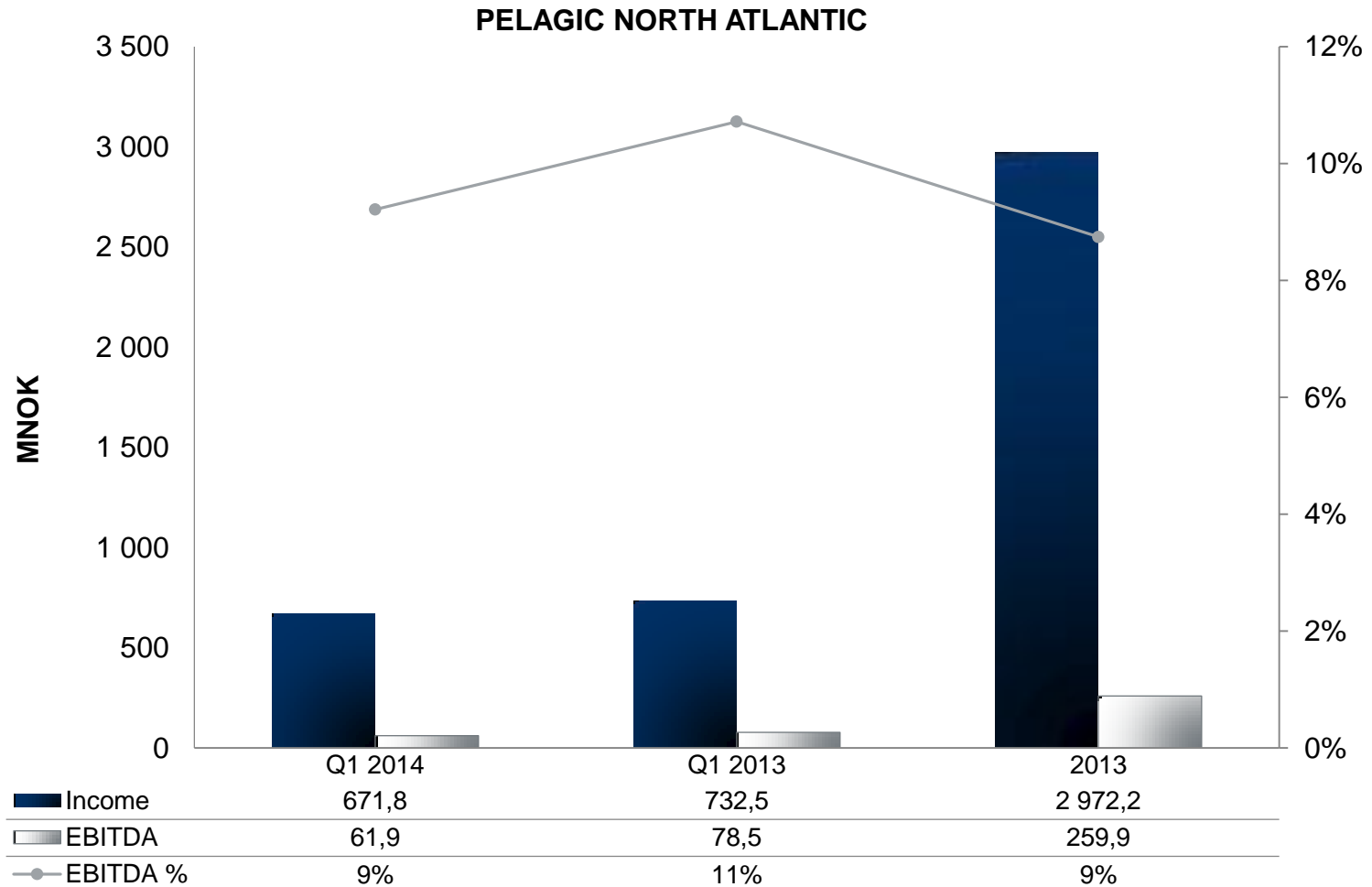
# Salmon

Q1 2014



# Pelagia AS (50%)

Q1 2014



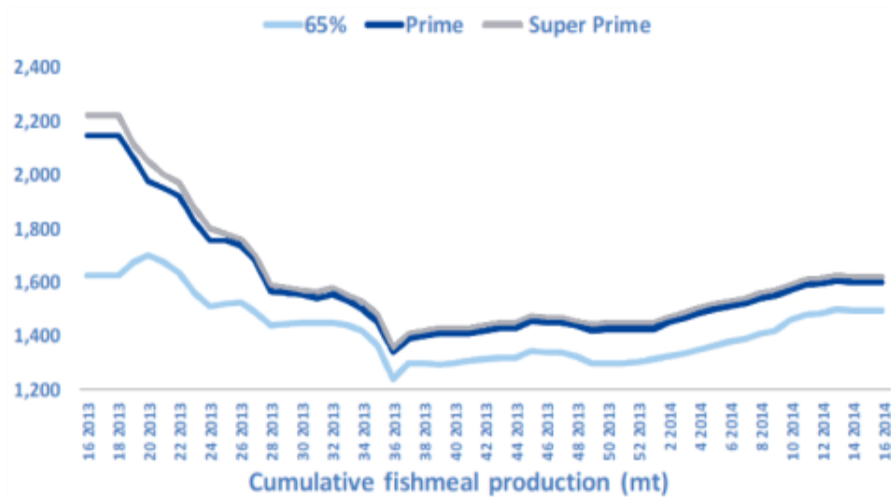
\* Figures and volumes Q1 13 and full year 2013 are proforma figures for Pelagia Group as the transaction had taken place 1<sup>st</sup> of January 2014

# Market outlook



# Fishmeal

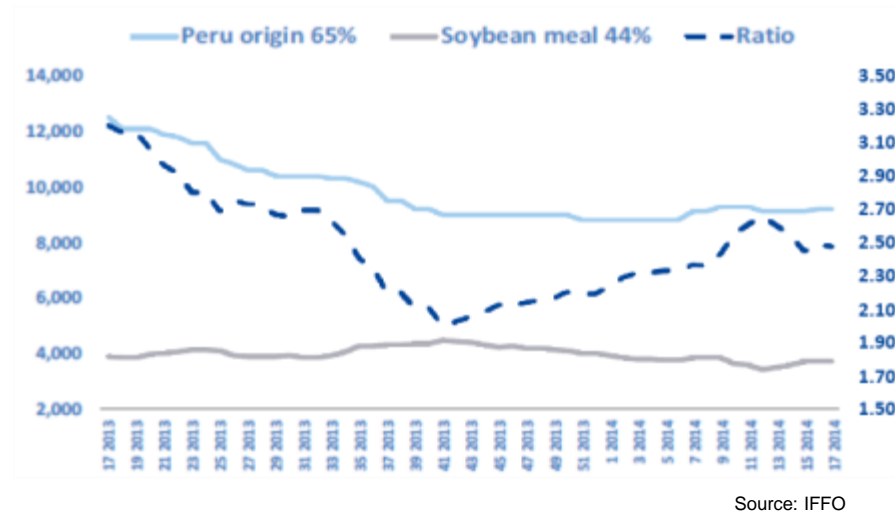
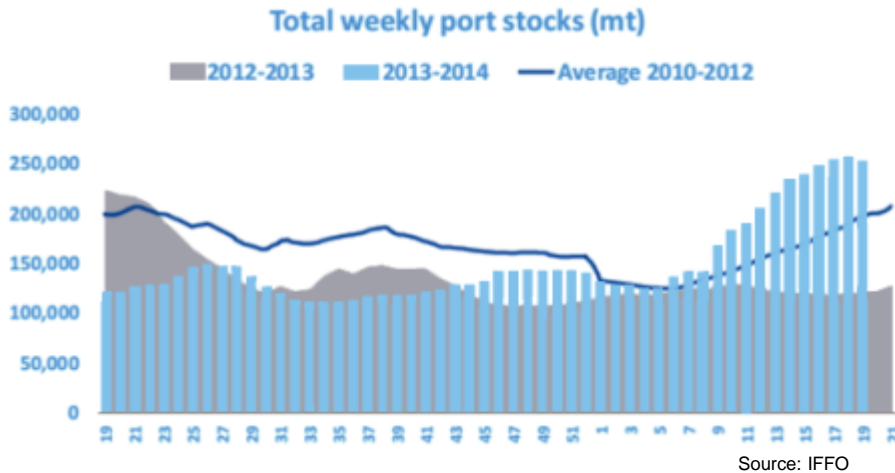
Regions	Week18		Week17		Same Week 2013		Cumulative	Cumulative
	28.4.14	4.5.14	21.4.14	27.4.14	29.4.13	5.5.13	2014	2013
Chile*	11 240		17 188		5 745		168 350	123 158
Peru	32 966		28 911		0		153 502	89 507
Danmark/Norway*	3 731		6 425		4 453		103 708	73 374
Iceland/North Atlantic*	7 260		8 689		4 595		68 590	110 080
<b>Total</b>	<b>55 197</b>		<b>61 213</b>		<b>14 793</b>		<b>494 150</b>	<b>396 119</b>



Source: IFFO

- Fishmeal production by IFFO 6 up 25% ytd vs same period 2013.
- Peru quota 1<sup>st</sup> season at 2.53 mill MT.
  - ✓ Higher than expected
  - ✓ Slow start
  - ✓ Uncertain progress
- Low volume presold fishmeal from the ongoing season in Peru.
- Late start-up in European production. Recovery of raw material intake in March/April.
- Price FOB Peru for super prime.
  - ✓ USD 1,600/MT
- 32 % increase in Norwegian aqua feed sales YTD mid April vs same period 2013.

# Fishmeal



## Main market – China

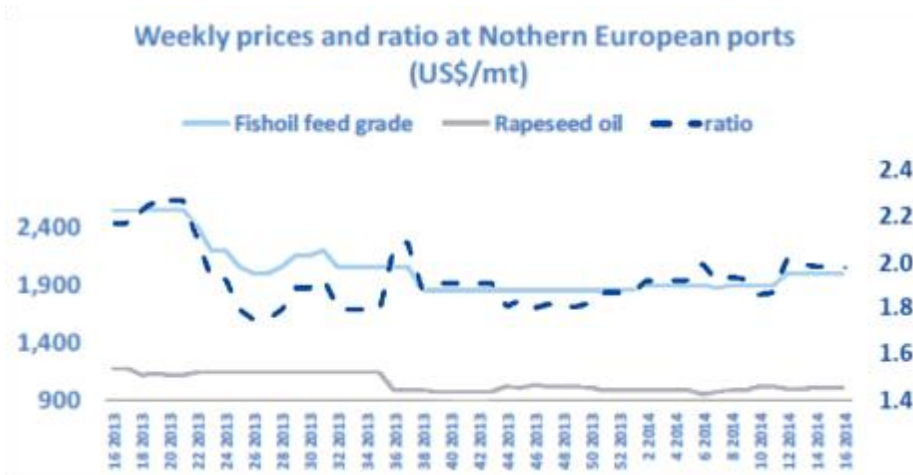
- Stocks at high level: 253,675 tonnes as of May 07<sup>th</sup> vs. 121,210 same period 2013 (+109%), no more arrivals expected until mid June onwards.
  - ✓ Current stocks are to meet the consumption of May-July (aqua season).
  - ✓ Off takes starting to increase: 16-18,000 MT per week
- Fishmeal Super prime/soymeal ratio: 2.4 (vs. same period 2013, level: 3.2) favorable for the FM consumption.
- Fishmeal/soymeal ratio at 2.4, favorable for the FM consumption.
- Aquaculture consumption (Q2-Q3) key point to follow up during May in order to set a price for this season.

# Fish oil

Weekly Fish oil production

Regions	Week18		Week17		Same Week 2013		Cumulative	Cumulative
	28.4.14	4.5.14	21.4.14	27.4.14	28.4.13	5.5.13	2014	2013
Chile*	4 107	6 064	1 448				78 353	41 042
Peru	6 058	5 121	0				22 389	12 063
Danmark/Norway*	966	1 550	1 258				17 028	23 414
Iceland/North Atlantic*	169	549	316				14 074	33 697
<b>Total</b>	<b>11 300</b>	<b>13 284</b>	<b>3 022</b>				<b>131 844</b>	<b>110 216</b>

- Fish oil production by IFFO 6 up 20% ytd vs same period 2013.
- Low pre-sold volumes in front of the Peruvian season
- High yield from the Chilean production
- Prices for feed grade stable.
  - ✓ USD 1,850-1,900/MT FOB PERU
- Price indication for omega market: USD 2,200-2,400/MT depending in EPA/DHA profiles.
- Limited stock on feed grade oil globally
- Ratio European fish oil/rapeoil at 1.98 (2.10 same period 2013)

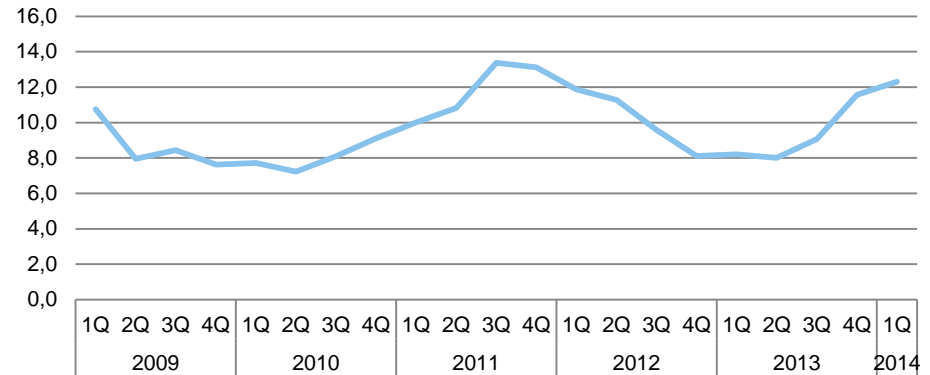


Source: IFFO

## Mackerel

- 33 800 MT of mackerel sold in Q1 2014 (29,600MT in Q1 2013)
- Increase in prices last quarter
- Strong demand from the market in Q1.

3-500 g

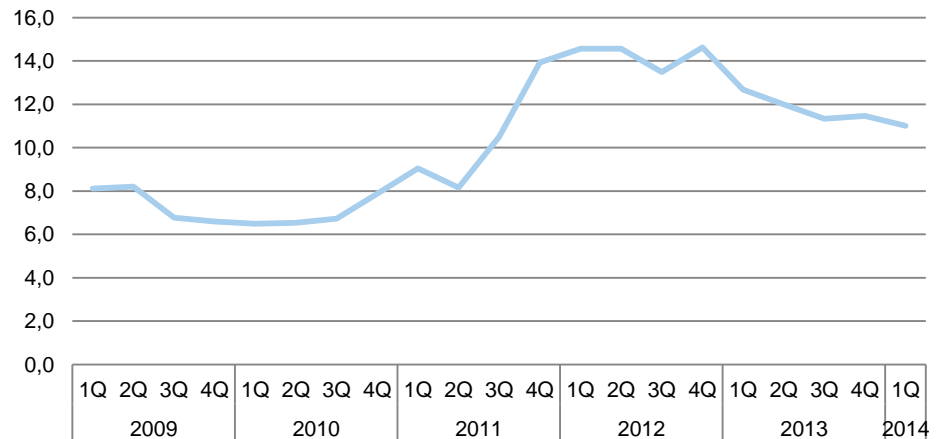


— FOB PRICE

## Herring

- 29,900MT of herring products sold in Q1 2014 (44,200MT in Q1 2013)
- Volume reduced mainly due to reduction in NVG quota
- Political situation in Ukraine puts prices under pressure.

FLAPS 5-8 NVG

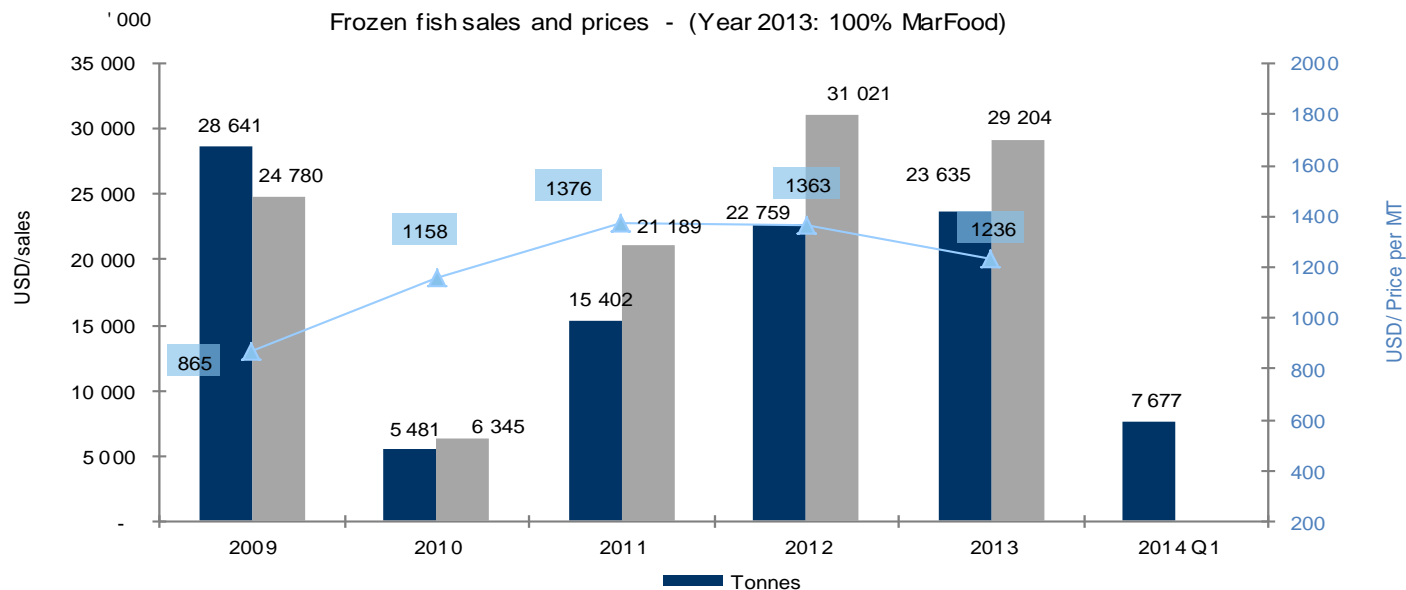


— FOB PRICE

# FoodCorp / MarFood S.A.

## Frozen fish

- MarFood is focusing on frozen.
- Amongst the leaders in the industry (2<sup>nd</sup> largest jack mackerel producer in Chile).
- Average price Q1-2014: USD 1,301/MT (USD 1,236/MT in 2013)
- Implementation of import quotas in Nigeria affecting the frozen fish market.



Source: FoodCorp SA



# Atlantic salmon consumption Q1 2014

Market	Q1 2012	Q1 2013	Q1 2014	Grow th	Change
Russia	40400	37100	31900	-5200	-14,0 %
EU	206600	202600	204000	1400	0,7 %
USA	78400	92700	98600	5900	6,4 %
Other Markets	111800	125300	133700	8400	6,7 %
Japan	14700	11800	14100	2300	19,5 %
<b>Total Consumption</b>	<b>451900</b>	<b>469500</b>	<b>482300</b>	<b>12800</b>	<b>2,7 %</b>

Figures as per 05.05.14 - Source: Kontali

**Avg Q1 2014 NOK 46,83 vs avg Q1 2013  
NOK35,36 (+32.4%)  
- Source: NOS**

## Atlantic salmon - supply (in tonnes WFE )

	2009	2010	Change 09-10	2011	Change 10-11	2012	Change 11-12	2013	Change 12-13	2014	Change 13-14	2015	Change 14-15
Norway	855700	944600	10,4 %	1005600	6,5 %	1183100	17,7 %	1143600	-3,3 %	1224200	7,0 %	1234000	0,8 %
United Kingdom	144300	142900	-1,0 %	154700	8,3 %	159400	3,0 %	157800	-1,0 %	161000	2,0 %	162200	0,7 %
Faroe Islands	47100	41800	-11,3 %	56300	34,7 %	70300	24,9 %	72600	3,3 %	76900	5,9 %	74400	-3,3 %
Ireland	14800	17800	20,3 %	16000	-10,1 %	15600	-2,5 %	10600	-32,1 %	12000	13,2 %	13000	8,3 %
Iceland	500	1000	100,0 %	1000		2900		3100,1	6,9 %	4000	29,0 %	5000	25,0 %
<b>Total Europe</b>	<b>1062400</b>	<b>1148100</b>	<b>8,1 %</b>	<b>1233600</b>	<b>7,4 %</b>	<b>1431300</b>	<b>16,0 %</b>	<b>1387700</b>	<b>-3,0 %</b>	<b>1478100</b>	<b>6,5 %</b>	<b>1488600</b>	<b>0,7 %</b>
Chile	239100	129600	-45,8 %	221000	70,5 %	364000	64,7 %	468100	28,6 %	510000	9,0 %	486600	-4,6 %
Canada	121900	122000	0,1 %	119500	-2,0 %	136500	14,2 %	115100	-15,7 %	117300	1,9 %	128900	9,9 %
Australia	32200	33000	2,5 %	36000	9,1 %	39000	8,3 %	40500	3,8 %	42000	3,7 %	44000	4,8 %
USA	16400	18000	9,8 %	18300	1,7 %	19600	7,1 %	20300	3,6 %	19500	-3,9 %	20500	5,1 %
Others	2800	4500	60,7 %	5000	11,1 %	8500	70,0 %	11100	30,6 %	14100	27,0 %	18500	31,2 %
Total America	412400	307100	-25,5 %	399800	30,2 %	567600	42,0 %	655100	15,4 %	702900	7,3 %	698500	-0,6 %
<b>Total World-wide</b>	<b>1474800</b>	<b>1455200</b>	<b>-1,3 %</b>	<b>1633400</b>	<b>12,2 %</b>	<b>1998900</b>	<b>22,4 %</b>	<b>2042800</b>	<b>2,2 %</b>	<b>2181000</b>	<b>6,8 %</b>	<b>2187100</b>	<b>0,3 %</b>

Figures as per 27.04.14 - Source: Kontali

# Conclusion

## **Salmon**

- Strong performance from the salmon company
- Limited growth in global salmon supply combined with strong demands, gives a strong outlook for the coming years

## **Pelagic - South America**

- 1<sup>st</sup> season 2014 quota for fishery in Peru 2.53 mill MT up from 2.05 mill MT same season 2013
- Recovery of anchoveta fishery in Chile, jack mackerel quota remains low.

## **Pelagic - North Atlantic**

- Strengthening of our upstream position in the supply chain
- Enhances the competitive strength in our pelagic business through productivity improvement activities, hereunder the effect of synergies and economy of scale.
- Challenging political situation in main herring markets.

Thank You



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# Appendix



# Norskott Havbruk AS (100% figures)

LSG's share = 50.0%

	Q1 2014	Q1 2013
Revenue (NOKm)	391	289
EBIT* (NOKm)	87	39
Harvested volume (GWT)	7 261	6 515
EBIT/kg* (NOK)	12,0	5,9

High contract share

Negative cost impact y-o-y:

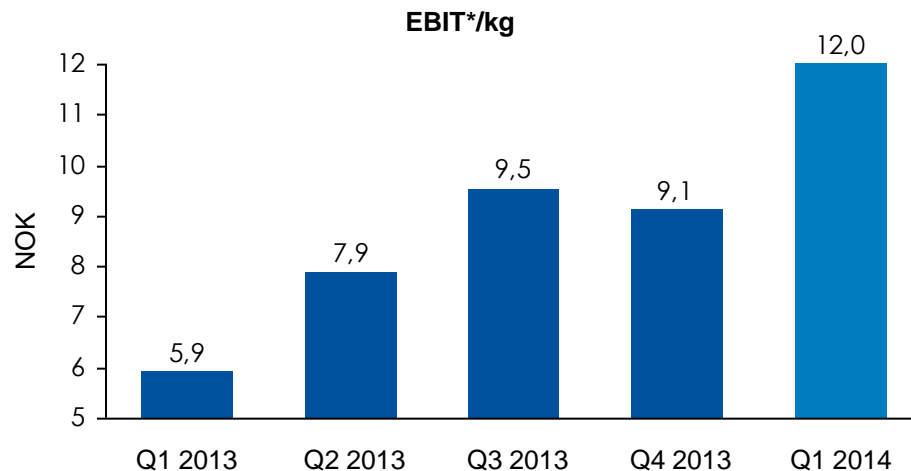
Higher feed costs

Biological health status good

Expected harvest in 2014 25 000 GWT

NIBD end Q1 2014 NOK 237m

\* Before biomass adjustment



# Villa Organic AS (100% figures)

LSG's share = 49.40%

	Q1 2014	Q1 2013
Revenue (NOKm)	312	191
EBIT* (NOKm)	114	28
Harvested volume (GWT)	6 700	4 500
EBIT/kg* (NOK)	17,0	6,2

No contracts, high price realisation

Positive development in biology

Company will be split in June 2014

Lerøy share, 8 licenses will be operated by Aurora

NIBD end Q1 2014 NOK – 2m (net cash)

\* Before biomass adjustment

