

2009



Austevoll Seafood ASA

Financial Report Q1 2009



The consolidated operating result for Q1 2009 indicates a considerable development in comparison with Q1 2008.

Q1 2009

- * Group income in Q1 2009 totalled NOK 2,483.1 million, an increase from NOK 742.0 million for the same period in 2008.
- * The Group operating result before depreciation and value adjustment of biomass (EBITDA) for Q1 2009 was NOK 337.3 million compared with NOK 69.8 million in Q1 2008.
- * Prices for canned products, frozen products and fishmeal have remained at a stable high for the quarter, in addition to good prices for Atlantic salmon and trout. Prices for fish oils saw a reduction in comparison with the last quarter and the last year as a whole.
- * Austevoll Seafood ASA and Origin Enterprises merged their respective activities related to fishmeal and fish oil in Norway, Ireland and Great Britain during the first quarter 2009. AUSS's wholly-owned Norwegian subsidiary, Welcon Invest AS ('Welcon') is Europe's leading manufacturer of fishmeal and fish oil, and has operations in Norway. With its activities related to marine protein ('UFI Group'), Origin is a leading manufacturer of fishmeal and fish oil in Ireland and Great Britain.

Origin has transferred its holding in UFI Group to Welcon along with a cash contribution of EUR 16 million in return for a shareholding of 50% in the merged business. This merger will strengthen the Group's position in the global sector for marine proteins and oils.

- * Austevoll Seafood ASA has increased its shareholding in North Capelin Honningsvåg from 40% to 50%. The transaction was executed via its subsidiary Austevoll Fisk AS. North Capelin Honningsvåg AS is a pelagic plant located in Honningsvåg with a strategic location in relation to catch areas for capelin and NVG herring.

Key figures for the Group

All figures in NOK 1.000	Q1 09	Q1 08	31.12.2008
Operating income	2.483.083	741.976	4.088.394
EBITDA	337.292	69.762	788.617
EBITDA %	14 %	9 %	19 %
Earnings per share	0,46	-0,07	0,66
Total assets	15.546.478	8.905.857	15.984.653
Equity	5.558.128	4.191.318	5.619.768
Equity ratio	36 %	47 %	35 %
Net interest bearing debt (NIBD)	-6.212.190	-2.714.061	-6.554.294



Financial information Q1 2009

Austevoll Seafood ASA reported operating income of NOK 2,483.1 million for the quarter (Q1 2008 NOK 742.0 million). EBITDA before value adjustment for biomass in Q1 was NOK 337.3 million (Q1 2008 NOK 69.8 million). Prices for canned products, frozen products and fishmeal have remained at a stable high for the quarter, in addition to good prices for Atlantic salmon and trout. Sales prices achieved for the above-mentioned products have also been higher than prices in the same quarter 2008. The sales price for fish oil in Q1 2009 was lower than in Q1 2008.

EBIT before value adjustment for biomass in Q1 2009 was NOK 219.9 million (Q1 2008 NOK 15.8 million). EBIT after value adjustment for biomass in Q1 2009 was NOK 194.3 million (Q1 2008 NOK 15.8 million).

Lerøy Seafood Group ASA, formerly an associated company, became a subsidiary from December 2008 and is consequently wholly consolidated in the first quarter 2009.

Income from associated companies for Q1 totalled NOK 33.8 million (Q1 2008 NOK -27.0 million). The largest associated companies are Br. Birkeland AS, Norskott Havbruk (Scottish based Scottish Sea Farms Ltd.), Bodø Sildoljefabrikk AS and Shetland Catch Ltd.

The Group's net interest costs in Q1 2009 totalled NOK 94.0 million (Q1 2008 NOK 48.1 million). The Group's net other financial costs in Q1 2009 totalled NOK 3.7 million (Q1 2008 NOK 53.8 million).

The result after tax for the quarter totalled NOK 107.9 million (Q1 2008 NOK -12.0 million).

Balance sheet as of 31.03.09

At the end of March 2009, the Group had a total balance sheet of NOK 15,546 million compared with NOK 15,985 million at the end of 2008. The group equity at the end of March was NOK 5,558.1 million compared with NOK 5,620 million at the end of 2008. The equity ratio was 36% as of 31 March 2009 compared with 35% as of 31 December 2008.

Net interest-bearing liabilities were NOK 6,212.2 million as of 31 March 2009 compared with NOK 6,554.3 million as of year-end 2008. The group's cash reserves as of 31 March 2009 totalled NOK 669.1 million compared with NOK 643.5 million as of year end 2008. The group's cash reserves do not include unutilised withdrawal rights.

Cash flow

Cash flow from operating activities for Q1 2009 was NOK 397.3 million (NOK -62.7 million in Q1 2008). Cash flow from investment activities for Q1 2009 was NOK -46.0 million (NOK -128.8 million in Q1 2008). Cash flow from financing activities for Q1 2009 was NOK -325.8 million (NOK 15.4 million in Q1 2008). Austevoll Seafood ASA has a bond loan originally totalling NOK 1,000.0 million which has been refinanced in



Q1 2009. Downpayment of NOK 300 million had been made by the end of March 2009 and the remaining NOK 700 million has been divided into three new loans, of which NOK 100 million matures in March 2010, NOK 300 million matures in June 2011 and the remaining NOK 300 million matures in March 2012. Net change in cash for Q1 2009 is NOK 25.5 million (Q1 2008 NOK -176.1 million).

Business segments

Fishmeal and fish oil

Operating income in Q1 2009 totalled NOK 425.7 million (NOK 448.8 million in Q1 2008) and EBITDA amounted to NOK 55.3 million (NOK 62.2 million in Q1 2008).

The merger of AUSS's and Origin's respective fishmeal and oil activities resulted in the disposal of Welcon as a subsidiary, and the merged business is now classified as a jointly controlled venture with appropriate ratio of consolidation in accordance with shareholding which is 50% (proportionate consolidation).

Sales of fishmeal and oil for the quarter totalled approx. 63,000 tons compared with approx. 78,000 tons in the same quarter 2008. The prices for fishmeal have been stable to increasing for the first quarter and approximately the same as the first quarter 2008. The prices for fish oil were considerably lower in the first quarter compared with the same quarter 2008.

In Europe, cuttings from production for consumers, blue whiting and capelin were the most important input factors for the production of fishmeal and oil. In Chile and Peru, cuttings from own production for consumers and the purchase of raw materials from third parties have been the input factors for production of fishmeal and fish oil in the first quarter.

The new quota system which has introduced individual quotas for anchoveta fishing came into effect in Peru in 2009. The new anchoveta season this year opened on 20 April.

Consumer products

Operating income in Q1 2009 totalled NOK 281.4 million (NOK 170.0 million in Q1 2008) and EBITDA amounted to NOK 61.0 million (NOK 10.9 million in Q1 2008).

The total volume sold for consumption is distributed as follows; approx. 7,500 tons frozen products (Chile and Peru), an increase of approx. 6,700 tons compared with the same period in 2008, when sales were approx. 800 tons. Approx. 622,000 boxes of canned products were sold, compared with approx. 639,000 boxes for the same period in 2008 (Chile and Peru). For high and low concentrate Omega 3 oils, Q1 sales were approx. 567 tons compared with approx. 391 tons for the same period in 2008. Annual production capacity for high-concentrate Omega 3 oils at year-end was increased to 2,000 tons.

Realised prices for canned and frozen products have remained at a stable high for the first quarter and are considerably higher compared with the same quarter last year. The fishing season in Chile started as normal in 2009 in relation to the same



period in 2008, when availability was low and the fishing vessels had a long sailing to and from the fishing banks. Once again, this year the fishing fleet has longer distances to travel from our production plants to and from the fishing banks. In Peru, the volume of fish for consumption has been lower than in the same quarter 2008.

Production (Atlantic salmon and trout)

This business area comprises Lerøy Seafood Group ASA's production segment for Atlantic salmon and trout.

In Q1 2009, the business area reported operating income of NOK 719.5 million and an EBITDA before value adjustment for biomass of NOK 166.3 million. The business area reported 22,200 tons gutted weight of salmon and trout in the autumn of 2008. Operations were good in the first quarter and the business area achieved good prices for its products. However, the result reported is somewhat lower than expected as the salmon caught required high production costs due to biological problems in parts of the company during the first half of 2008. Underlying production during Q1 2009 was good, as for the second half of 2008. With a current good underlying production, including fish health, and a fall in feed prices, the company is budgeting for a decline in production costs in the near future.

Sales and distribution (LSG)

This business area comprises Lerøy Seafood Group ASA's sales and distribution segment which covers the following companies: Hallvard Lerøy AS, Lerøy Sverige AS, Nordvik AS, Portnor Lda and Lerøy Sjømatgruppen.

The business area returned operating income of NOK 1,466.8 million in the first quarter and an EBITDA of NOK 32.8 million. The market in Q1 for the business area's main products - Atlantic salmon and trout - has been good and the business area has a strong position on the major global fish markets.

Pelagic Northern Atlantic (ex. Trading)

Operating income in Q1 2009 totalled NOK 307.7 million (NOK 155.0 million in Q1 2008) and EBITDA amounted to NOK 32.5 million (NOK 0.3 million in Q1 2008).

Pelagic Northern Atlantic comprises the sales company Atlantic Pelagic AS, which carries out all sales activities for the production companies Austevoll Fiskeindustri AS, Sir Fish AS, Modolv Sjøset AS and North Capelin Honningsvåg AS. This also comprises the results of the production companies Austevoll Fiskeindustri AS, Sir Fish AS, Modolv Sjøset AS and North Capelin Honningsvåg AS.

AUSS has increased its shareholding in North Capelin Honningsvåg AS to 50%, and the company is now classified as a jointly controlled venture with appropriate ratio of consolidation in accordance with shareholding (proportionate consolidation). This transaction was carried out via the company's subsidiary, Austevoll Fisk AS.

The first quarter is normally a good quarter for Norwegian pelagic fishing due to the season for NVG herring. This year, the capelin fishing season opened once more in



the Barents Sea. Our plants in the north have favourable locations for this fishing area. There was a high level of activity in the plants in the quarter, reflected by the good result for the business area as a whole.

Risk factors and uncertainty factors

The group's risk exposure is described in the consolidated annual report for 2008. Operating conditions within the group have seen no significant change throughout the year. Group activities are mainly global and will always be more or less impacted by developments in world economy. Although the recent turbulence in the financial markets will, in time, have an impact on market economies worldwide, AUSS believes that its core activities are founded on long-term sustainable values within an interesting seafood industry.

The group is exposed to risk related to the value of investments in subsidiaries in the event of price changes in the raw materials and finished goods markets, to the extent that these changes impact on the company's competitive edge and earnings potential over time. Operating conditions and price developments for the group's input factors are also central parameters.

Changes in fishing patterns and quota regulations result in fluctuating catch volumes from quarter to quarter, and subsequently in the utilisation of the company's production facilities. The seasonal fluctuations in catch volumes create similar fluctuations in the quarterly key figures

The majority share of the Group's liabilities has a floating interest rate, and the Group identifies and continuously evaluates risk exposure related to changes in interest rates.

The Group is exposed to fluctuations in exchange rates, particularly for the EURO, USD Chilean Peso and Peruvian Soles. Measures to reduce this risk include forward contracts and multi-currency overdraft facilities. Furthermore, parts of the long-term liabilities are adapted in relation to earnings in the same currency.

Company shareholders

As of 31 March 2009, the company had 3,178 shareholders. The share price was NOK 13.00 at the end of March 2009.

Market and outlook

The Board of Directors is satisfied with the good operating result reported by the group for its business areas in Q1 2009.

Fishmeal and fish oil

Fishmeal prices have displayed an upwards trend recently. The company has recorded a regular demand for fishmeal from the most important markets for the



product, and expects to see demand remain stable in the future. The price trend for fish oil has been on the decline to date in 2009, and the market for this product has been difficult so far this year.

Consumption

The prices for all canned and frozen fish products have remained high in the first quarter, and the Board of Directors expects to see a continued high demand and stable price level in the future. With an increased consumer focus on health, the market for the group's high-concentrate Omega -3 products is expected to continue on a positive trend.

Fish farming

The development in demand for salmon and an expected reduction in the global supply of Atlantic salmon in the near future provide grounds for a sustained positive development in result. The above-mentioned factors, combined with expectations for improved productivity for the Group, including organic growth, gives grounds for a positive attitude toward development for this segment.

The Board of Directors is of the opinion that the recent investments in fishing and production rights, the fleet and industrial sector, will ensure the Group a solid platform for future earnings.

Storebø, 14 May 2009

The Board of Directors in Austevoll Seafood ASA



FINANCIAL REPORT Q1 2009

Condensed Consolidated Income Statement (unaudited)

All figures in NOK 1.000	Q1 09	Q1 08	(audited) 2008
Operating income	2.483.083	741.976	4.088.394
Raw material and consumables used	1.596.170	451.894	2.291.767
Salaries and personnel expenses	288.160	97.452	473.280
Other operating expenses	261.461	122.868	534.730
Operating profit before depreciation (EBITDA)	337.292	69.762	788.617
Depreciation and amortisation	117.438	53.954	250.029
Impairment	-	-	59.997
EBIT before fair value adjustment biomass	219.854	15.808	478.591
Fair value adjustment biomass	-25.561	-	116.953
Operating profit	194.293	15.808	595.544
Income from associated companies	33.775	-26.951	24.988
Net interest expenses	-93.981	-48.050	-227.475
Net other financial items (incl. agio/disagio)	-3.718	53.846	-109.255
Profit before tax	130.369	-5.347	283.802
Income tax expenses	-22.504	-6.647	-120.851
Net profit	107.865	-11.994	162.951
Profit to minority interests	22.996	451	40.460
Profit attribut.to equity holder of parent	84.869	-12.445	122.508
Earnings per share	0,46	-0,07	0,66
Diluted earnings per share	0,46	-0,07	0,66



Condensed Consolidated Balance sheet (unaudited)

All figures in NOK 1.000	(audited)		
	<u>31.03.2009</u>	<u>31.03.2008</u>	<u>31.12.2008</u>
Assets			
Intangible assets	5.868.905	1.582.909	5.842.802
Vessels	761.883	680.820	811.401
Property, plant and equipment	3.380.520	1.897.618	3.573.932
Investments in associated companies	516.177	2.379.249	540.477
Investments in other shares	40.566	37.047	40.967
Other long term receivables	119.017	60.214	124.815
Total non-current assets	10.687.068	6.637.857	10.934.394
Inventories	2.563.838	689.418	2.554.543
Accounts receivables	1.277.388	491.749	1.406.178
Other current receivables	349.110	222.006	446.001
Cash and Cash equivalents	669.075	864.827	643.536
Total current assets	4.859.410	2.268.000	5.050.258
Total assets	15.546.478	8.905.857	15.984.653
Equity and liabilities			
Share capital	92.159	92.159	92.159
Share premium fund	3.083.918	3.083.918	3.083.918
Retained earnings and other reserves	1.374.865	927.608	1.451.974
Minority interests	1.007.186	87.633	991.717
Total equity	5.558.128	4.191.318	5.619.768
Deferred tax liabilities	1.696.293	492.680	1.666.258
Pension obligations	27.846	19.383	34.323
Borrowings	4.866.766	2.599.330	5.432.917
Other long-term liabilities	425.912	19.331	437.960
Total non-current liabilities	7.016.816	3.130.724	7.571.457
Short term borrowings	620.321	646.509	530.940
Overdraft facilities	1.087.283	373.932	920.827
Account payable	725.400	386.613	721.756
Other current liabilities	538.531	176.761	619.904
Total current liabilities	2.971.534	1.583.815	2.793.428
Total liabilities	9.988.350	4.714.539	10.364.885
Total equity and liabilities	15.546.478	8.905.857	15.984.653

Condensed Consolidated Cash flow statement (unaudited)

All figures in NOK 1.000	Q1 2009	Q1 2008	2008 (audited)
Net cash flow from operating activities	397.329	-62.654	413.783
Net cash flow from investing activities	-46.035	-128.840	-1.448.194
Net cash flow from financing activities	-325.754	15.412	637.037
Net change in cash and cash equivalents	25.540	-176.082	-397.374
Cash and cash equivalents at beginning of period	643.536	1.040.910	1.040.910
Cash and cash equivalents at period end	669.076	864.828	643.536



Statement of Comprehensive income (unaudited)

All figures in NOK 1.000	31.03.2009	31.03.2008	31.12.2008
Net earnings in the period	107.865	-11.994	162.951
Other comprehensive income			
Currency translation differences	-163.679	-25.268	472.346
Other gains and losses in comprehensive income	-5.331	-	-36.232
Total other comprehensive income	-169.010	-25.268	436.114
Comprehensive income in the period	-61.145	-37.262	599.065
Allocated to;			
Minority interests	16.486	961	57.293
Majority interests	-77.631	-38.223	541.772

Condensed Consolidated Statement of changes in Equity (unaudited)

All figures in NOK 1.000	31.03.2009	31.03.2008	31.12.2008
Equity period start	5.619.768	4.228.611	4.228.611
Comprehensive income in the period	-61.145	-37.262	599.065
Dividends	-	-	-55.295
Minority interests arising from business combinations/acquisition	-1.080	-	811.021
Effect option programme	585	-	-
New equity from cash contribution and contribution in kind	-	-	36.366
Total changes of equity in the period	-61.640	-37.262	1.391.157
Equity at period end	5.558.128	4.191.349	5.619.768

Selected notes to the accounts

Note 1 Accounting principles applied

This interim report has been prepared in accordance with the International Financial Reporting Standards (IFRS) and the related standard for interim reports (IAS 34). The interim report, including historical comparison figures, is based on current IFRS standards and interpretation. Changes in the standard and interpretations may result in changes to the result. The quarterly report is prepared in accordance with the same principles applied to the previous annual report, but does not contain all the information and notes required for an annual report.

This report must therefore be read in the context of the last annual report from the company (2008). Amendments to standards and interpretations may result in changes to the figures.



Note 2 Segment information

(all figures in NOK 1.000)

	Q1 09	Q1 08	2008
<u>Fishmeal and oil</u>			
Operating revenue	425.717	448.821	2.136.979
EBITDA	55.343	62.224	529.224
EBITDA %	13 %	14 %	25 %
EBIT before fair value adj.biomass	18.153	28.314	343.864
Volumes sold fishmeal (tons)**	54.699	57.619	254.173
Volumes sold fishoil (tons)**	4.666	20.765	56.310
Fishmeal/oil sold for associated company	3.534		7.260
<u>Human Consumption</u>			
Operating revenue	281.354	170.025	939.574
EBITDA	61.021	10.850	162.943
EBITDA %	22 %	6 %	17 %
Minority interests	36.818	-5.715	94.598
Majority interests			
Canning (cases)	622.212	639.437	2.998.708
Frozen fish (tons)	7.525	827	21.726
HC and LC Omega 3 products (tons)	567	391	1.773
<u>Pelagic North Atlantic</u>			
Operating revenue	307.733	155.041	779.848
EBITDA	32.471	320	30.392
EBITDA %	11 %	0 %	4 %
EBIT before fair value adj.biomass	27.146	-2.567	-4.776
<u>Production Lerøy Seafood Group ASA (salmon&trout)</u>			
Operating revenue	719.543		
EBITDA	166.307		
EBITDA %	23 %		
EBIT before fair value adj.biomass	119.111		
Volumes sold (gwt tons)	22.200		
<u>Sales & distribution Lerøy Seafood Group ASA</u>			
Operating revenue	1.466.799		
EBITDA	32.764		
EBITDA %	2 %		
EBIT before fair value adj.biomass	29.872		
<u>Elimination/not allocated AUSS</u>			
Elimination/not allocated AUSS	-53.315	-31.911	-89.580
EBITDA	-3.435	-3.632	-13.977
EBIT before fair value adj.biomass	-4.115	-4.223	-16.576
<u>Elimination/not allocated Lerøy Seafood Group ASA*</u>			
Elimination/not allocated AUSS	-664.748		321.572
EBITDA	-7.179		80.034
EBIT before fair value adj.biomass	-7.131		61.481
<u>Total group</u>			
Operating revenue	2.483.083	741.976	4.088.393
EBITDA	337.292	69.762	788.616
EBITDA %	14 %	9 %	19 %
EBIT before fair value adj.biomass	219.854	15.809	478.591

* In 2008 LSG was 100% consolidated 1 month (December) and reported in total, not splitted between Sales & Distribution and production(www.leroy.no)

** From February 1, 2009 Welcon Group is proportionally consolidatet (50%)



Note 3 Transactions with closely related parties

There have been no transactions with closely related parties as of 31 March 2009.

Note 4 Biological assets

The Group estimates the fair value of biological assets (fish in the sea) based on market prices for slaughtered Atlantic salmon and trout at the balance sheet date. The price is adjusted for quality differences (superior, ordinary, and process), together with cost of logistics. The volume is adjusted for gutting loss. Fish in the sea with an average weight below 4 kg is based on the same principles, but the price is adjusted in proportion to how far one has come in the growth cycle. The price is not adjusted lower than cost unless one expects a loss on future sales.

	Q1 2009
Total fish in sea (LWT)	65.160
Fish > 4 kg (LWT)	20.705
Adjustment inventory	210.391
P&L effect adjustment	-25.561