



Austevoll Seafood ASA

Financial Report
Q3 2013

Austevoll Seafood ASA

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NORWAY

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Financial Report

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Strong operating profit in the third quarter, good prices achieved for Atlantic salmon and trout

Third quarter is low season for production of pelagic fish but sales figures for fishmeal and oil in the quarter have been good

On the basis of the agreement signed with Kvefi AS, the European business within pelagic production of fish for consumption, fishmeal and oil is reported as a disposal group held for sale from Q3 2013 and is therefore not included in the ordinary profit figures for continuing operations

Key figures for the Group

All figures in NOK 1,000	Q3 13	Q3 12 (restated)	YTD Q3 13	YTD Q3 12 (restated)	2012 (restated)
Operating income	3 283 016	2 857 113	8 786 230	8 439 027	11 170 879
EBITDA	605 046	281 106	1 633 398	965 960	1 170 071
EBITDA %	18 %	10 %	19 %	11 %	10 %
Earnings per share (EPS) from continuing operations	0,25	0,16	2,03	0,98	1,81
EPS from continuing and discontinuing operations	-0,97	0,21	0,85	1,08	2,10
Total assets	20 007 394	18 259 070	20 007 394	18 259 070	18 649 605
Equity	9 698 057	9 122 896	9 698 057	9 122 896	9 399 809
Equity ratio	48 %	50 %	48 %	50 %	50 %
Net interest bearing debt (NIBD)/	4 529 725	3 686 873	4 529 725	3 686 873	3 655 065

Q3 2013

Group income in Q3 2013 totalled NOK 3,283 million, up from NOK 2,857 million in the same period in 2012.

The Group's operating profit before depreciation and value adjustment for biomass (EBITDA) for Q3 2013 was NOK 605 million compared with NOK 281 million in Q3 2012.

EBIT before value adjustment for biomass in Q3 2013 was NOK 473 million compared with NOK 156 million in Q3 2012.

The business segment for Atlantic salmon and trout has generated the increase in sales as a result of significantly higher prices achieved for its main products in the third quarter when compared with the same period last year. This is also reflected in the strong operating profit for the quarter.

In August, Austevoll Seafood (AUSS) signed an agreement with Kvefi AS (Kvefi) (controlled by Kverva AS) to merge AUSS and Kvefi's businesses in Europe which are involved in pelagic fish for consumption, fishmeal and oil. This agreement covers Norway Pelagic ASA (NPEL) and Welcon Invest AS (Welcon) on the part of AUSS and Egersund Fisk AS (Egersund) on the part of Kvefi. The execution date for the transaction will be determined once the competition authorities in the jurisdictions implied have issued the required approvals. As a result, NPEL and Welcon are reported as a disposal group held for sale in AUSS' consolidated financial statements from and including Q3 2013. Comparison figures have been amended accordingly. In the accounts, the profit/loss and balance sheet items for NPEL and Welcon have been deconsolidated and are reported on the consolidated accounts as figures from businesses held for sale. The value of assets is reported on the balance sheet as assets held for sale and are classified as current assets. A more detailed description of the accounting procedure utilised for the transaction in the third quarter is provided in note 6 to the accounts.

The Group is financially strong with an equity ratio of 48%. The Group's net interest-bearing debt at the end of the third quarter totalled NOK 4,530 million. At the end of September 2012, NIBD amounted to NOK 3,687 million. In the third quarter, AUSS acquired shares in NPEL and Welcon totalling NOK 768 million.

Financial information Q3 2013

The Group reported operating income of NOK 3,283 million for the quarter (Q3 2012: NOK 2,857 million).

EBITDA before value adjustment for biomass in Q3 was NOK 605 million (Q3 2012: NOK 281 million).

The increase in sales and EBITDA is attributed to the business segment for Atlantic salmon and trout. The prices achieved for Atlantic salmon and trout have been considerably higher in Q3 2013 when compared with the same quarter last year.

In total, the pelagic business segments reported sales for the third

quarter 2013 which are on par with the figures reported in Q3 2012. The company has recognised a gain on the sale of property of NOK 60 million in the quarter. The Group's Q2 production of fishmeal in Peru has been realised in the third quarter. Approximately 6,000 tons of fish oil from Q2 production remain for sale and are expected to be realised in Q4 2013.

EBIT before value adjustment for biomass in Q3 2013 was NOK 473 million (Q3 2012: NOK 156 million). EBIT after value adjustment for biomass in Q3 2013 was NOK 153 million (Q3 2012: NOK 101 million).

Income from associated companies for Q3 2013 totalled NOK 35 million (Q3 2012: NOK 5 million). NPEL was an associate of AUSS until January 2013. Based on the agreement signed between AUSS and Kvefi (note 6), the accounts have been amended and NPEL is reported as a business held for sale in 2012 and January 2013. Corresponding amendments have been made to the profit figure for associated companies. The largest associated companies are Norskott Havbruk AS (owner of the Scotland-based fish farming company Scottish Sea Farms Ltd.), Villa Organic AS and Brødrene Birkeland AS.

The Group's net interest costs in Q3 2013 totalled NOK 56 million (Q3 2012: NOK 50 million).

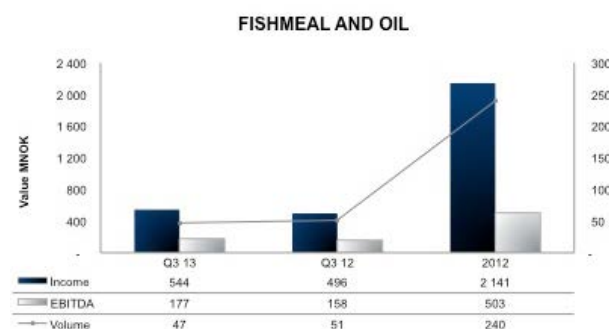
Profit before tax and biomass adjustment for Q3 2013 was NOK 452 million, compared with NOK 133 million in the same quarter of 2012.

The profit before tax for the quarter totalled NOK 133 million (Q3 2012: NOK 79 million).

Business segments

Fishmeal and fish oil

Due to the fact that Welcon Invest AS is reported as a business held for sale, the profit figure from this company is not included in the figures reported for Q3 2013 and the comparison figures for this report have been amended accordingly. The business segment therefore exclusively comprises the Group's businesses in South America.



Operating income in Q3 2013 totalled NOK 544 million (NOK 496 million in Q3 2012) and EBITDA amounted to NOK 177 million (NOK 158 million in Q3 2012).

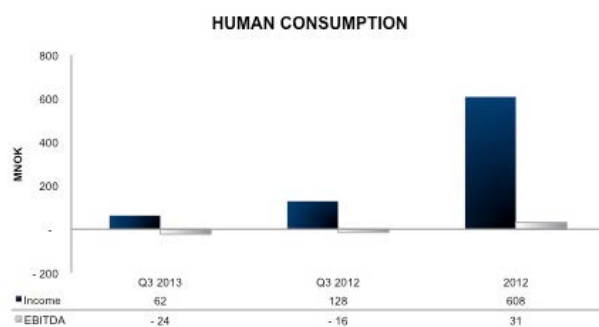
The company has recognised a gain on the sale of real estate of NOK 60 million in the quarter. Prices for fishmeal and oil were higher in Q3 2013 than the same quarter last year, although sales volume was somewhat lower. Fishmeal and oil produced in Peru in Q2 2013 have, as planned, been realised in the third quarter. The remaining volume, approx. 6,000 tons of fish oil, is expected to be realised in the fourth quarter.

A total of 47,000 tons of fishmeal and oil were sold in Q3 2013, compared with approx. 51,000 tons in the same quarter of 2012.

As normal, the third quarter is a low season for production of fishmeal and oil in South America. The second anchoveta fishing season in Peru started on 12 November. The total quota in Peru is provisionally 2.3 million tons, compared with 810,000 tons at the same period last year. The season starts in November and closes on 31 January 2014.

Consumer products

Operating income in Q3 2013 totalled NOK 62 million (NOK 128 million in Q3 2012) and EBITDA amounted to NOK -24 million (NOK -16 million in Q3 2012).



The total volume sold for consumption in Q3 is distributed as follows: approx. 3,000 tons of frozen products (Chile) compared with 3,700 tons in the same period last year; approx. 184,000 boxes of canned products, compared with approx. 644,000 boxes for the same period in 2012 (Chile and Peru).

The product mix for canned products sold is different from Q3 2012. In Q3 2013, sales comprised a higher volume of canned products based on the production of tuna while there was a more predominant volume of anchoveta and horse mackerel in Q3 2012. Prices realised for frozen products have been higher in Q3 2013 when compared with the first half of the year and with the same quarter in 2012. The Group continues to forecast improved market terms for this type of product.

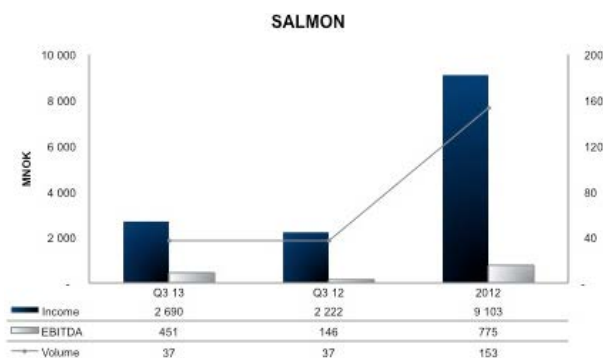
The national 2013 quota for horse mackerel in Chile was stipulated at 250,000 tons, on par with the quota established for 2012. Of the quotas in Chile, approx. 4,000 tons of horse mackerel remain to be fished in December.

The volume of horse mackerel catches in Peru to date in 2013 has been significantly lower than in the same period in 2012. Our fishing fleet has fished 9,005 tons by the end of September compared with 26,405 tons in the same period last year.

As normal, the third quarter is a low season for production.

Production, sale and distribution of Atlantic salmon and trout

This business segment comprises Lerøy Seafood Group ASA. In Q3 2013, the segment reported operating income of NOK 2,690 million (Q3 2012: NOK 2,223 million) and EBITDA before value adjustment of biomass of NOK 451 million (Q3 2012: NOK 146 million).



The most important driving force behind the increase in turnover and operating profit has been the higher prices achieved for the segment's main products, Atlantic salmon and trout. When compared with Q3 2012, the business segment's sales of salmon and trout are down 2%. Slaughter weight for salmon and trout in the quarter was 36.6 thousand tons compared with 37.3 thousand tons in the same quarter of 2012.

The prices achieved by the Group for Atlantic salmon and trout in Q3 2013 are significantly higher than in Q3 2012, although the increase is lower than the increase in spot prices in the same period. The segment reported contractual coverage of 33% in Q3.

Output costs in Q3 2013 are affected by the higher for feed and lower average weight for fish. These two factors will also have an impact on output costs in the fourth quarter. However, the Group currently expects to see production costs drop throughout 2014.

There is a high rate of demand for the business segment's products and the segment enjoys a strong position on the most important fish markets worldwide.

Pelagic Northern Atlantic

This segment comprises the entire NPEL business. This company is now covered by the above-mentioned agreement signed between AUSS and Kvefi, ref. note 6. Since AUSS acquired the majority of the shares in NPEL in February 2013, the company was consolidated from February to July 2013. From the third quarter, NPEL is reported as a business held for sale. The profit figure achieved during the period of ownership by AUSS is presented after the ordinary profit figure from continuing operations, together with Welcon. The investment in NPEL is recognised under current assets as assets held for sale on the balance sheet.

Subsequent to the completion of the transaction with Kvefi, this business segment will comprise NPEL, Welcon and Egersund.

The investment will be reported on the accounts according to the equity method.

Cash flow

Cash flow from operating activities for Q3 2013 was NOK 566 million (NOK 191 million in Q3 2012). Cash flow from investing activities for Q3 2013 was NOK -956 million (NOK -129 million in Q3 2012). In Q3 2013, AUSS purchased the remaining 50% of the shares in Welcon at a price of NOK 740 million. Cash flow from financing activities for Q3 2013 was NOK 489 million (NOK 40 million in Q3 2012). Cash flow from financing activities comprises ordinary instalments and changes in short-term credits, in addition to new debts taken out for the purchase of shares in Welcon. Net change in cash for the Group in Q3 2013 was NOK 99 million (NOK 102 million in Q3 2012). Cash and cash equivalents at the end of September 2013 totalled NOK 1,867 million compared with NOK 2,081 million at the end of September 2012.

Financial factors at the end of September 2013

As NPEL and Welcon are reported as businesses held for sale from the third quarter, the companies have been deconsolidated and are presented on the financial statements as assets held for sale.

The Group reported operating income of NOK 8,786 million as of September 2013 (NOK 8,439 million as of September 2012). EBITDA before value adjustment for biomass totalled NOK 1,633 million (NOK 966 million at end September 2012).

There has been a substantial increase in both sales and profit for the Atlantic salmon and trout business segment in the accounting period when compared with the same period in 2012. The Board of Directors is satisfied with this result.

The pelagic fish business segment has reported a fall in sales and profit when compared with the same period in 2012. This is due to significantly lower sales volume for fishmeal and oil, canned products and frozen pelagic fish when compared with the same period last year. The decline in sales volume for fishmeal and oil at the end of September 2013 was 67,000 tons (in comparison with the same period last year). This is related to low quotas for catches of anchoveta in Peru in Q4 2012 but also a substantial fall in catches of anchoveta in Chile to date in 2013 when compared with the same period last year. As expected, the level for quotas in Peru is considerably higher for the next season when compared with the same period last year.

EBIT before value adjustment for biomass as of September 2013 totalled NOK 1,249 million (NOK 558 million at end September 2012). The Group has recognised a gain on the sale of assets of NOK 114 million in 2013. In 2012, a figure of NOK 50 million was booked as costs and write-downs related to the closure of Lerøy Hydrotech's slaughterhouse in Kristiansund. Value adjustment for biomass, in accordance with IFRS, was negative by NOK

19 million, compared with the IFRS biomass adjustment for the same period in 2012 of minus NOK 49 million. EBIT after value adjustment for biomass as of September 2013 was NOK 1,230 million (NOK 509 million as of September 2012).

As of September 2013, associated companies reported a profit of NOK 97 million (loss of NOK 1 million as of September 2012). NPEL was an associated company until January 2013 and is now reported as a business held for sale based on the agreement between AUSS and Kvefi. The profit figure for associated companies has been amended correspondingly for former accounting periods. Net interest expenses for the Group at the end of September 2013 were NOK 153 million (NOK 145 million as of end September 2012).

The profit before tax and biomass adjustment at the end of September 2013 was NOK 1,149 million, compared with a profit before tax and biomass adjustment at the end of September 2012 of NOK 461 million. The increase in profit figure is NOK 688 million.

The profit before tax at the end of September 2013 was NOK 1,130 million (NOK 413 million at the end of September 2012).

Cash flow

Cash flow from operating activities as of September 2013 was NOK 1,297 million (NOK 670 million at 30.09.2012). Cash flow from investing activities was negative at NOK 1,541 million (negative figure of NOK 546 million at end September 2012). In addition to investments in 2013, the Group acquired shares in Villa Organic, NPEL and Welcon, totalling NOK 1,096 million. Cash flow from financing activities was negative at NOK 76 million (negative figure of NOK 367 million at end September 2012). Cash flow from financing activities in the period comprises payment of ordinary instalments, changes in short-term credits and payment of dividends totalling NOK 409 million. A new loan has been taken out for the purchase of shares in Welcon. Net change in cash for the Group in the period was NOK -320 million (NOK -243 million as of end September 2012). Cash and cash equivalents for the Group at the end of September 2013 totalled NOK 1,867 million compared with NOK 2,081 million at the end of September 2012.

The Group has established strong financing and liquidity which has been adapted to the different segments within the Group and to the Board of Directors' assessment of the requirement for financial latitude.

Balance sheet as of 30 September 2013

At the end of September 2013, the Group had a balance sheet total of NOK 20,007 million compared with NOK 18,259 million at the end of September 2012. The increase in balance sheet total is attributed to the acquisition of the remaining 50% of the shares in Welcon Invest AS and the acquisition of 47.8% of the shares in Villa Organic AS.

Following the deconsolidation of NPEL, the Group's balance sheet total as of 30 September 2013 is lower than at the end of June 2013.

The Group is financially sound with book equity at end of Q3 2013 of NOK 9,698 million, which corresponds to an equity ratio of 48% – up from 47% at the end of June 2013. At end September 2012, the book equity for the Group was NOK 9,123 million, or an equity ratio of 50%.

Net interest-bearing debt at end September 2013 was NOK 4,530 million compared with NOK 3,687 million at end September 2012. The increase in net interest-bearing debt is partly attributed to the acquisition of shares in Welcon Invest AS, Norway Pelagic ASA and Villa Organic AS.

The Group's cash and cash equivalents at the end of September 2013 totalled NOK 1,867 million compared with NOK 2,081 million at the end of September 2012. The Group's cash and cash equivalents do not include unused lines of credit.

Risk and uncertainty factors

The Group's risk exposure is described in the consolidated annual report for 2012. Groups activities are essentially global and will always be more or less impacted by developments in the global economy. Based on the unrest in the financial markets (the global economy) in the past few years, the general consensus is that the uncertainty in the macro-economic picture is still greater than what could be considered as normal. Although this situation may have an impact on the real economy for the majority of markets, we believe that AUSS' core business is founded on long-term sustainable values within interesting seafood industries.

The Group is exposed to risk related to the value of the Group's assets. This mainly applies to changes in prices for raw materials and finished products, to the extent that these changes impact on the company's competitive situation and earnings potential over time. Operating conditions, including marine biomass, fishing conditions and price developments for the Group's input factors are also key parameters which have an impact on Group risk.

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

The Group has a floating interest rate for the main share of its debt, but has signed fixed interest rate contracts for approx. 16% of the Group's interest-bearing debt.

The Group is exposed to fluctuations in foreign exchange rates, particularly for the EURO, GBP, 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 debt are adapted in relation to earnings in the same currency.

Shareholders

As of 30 September 2013, the company had 4,324 shareholders compared with 4,404 shareholders at the end of September 2012. The share price was NOK 33.50 at the end of September 2013 compared with NOK 25.80 at the end of September 2012.

Market and outlook

Fishmeal and fish oil

Fishmeal and oil prices stabilised in the third quarter after a price correction in the second quarter. At the time of writing, fishmeal FOB Peru (super prime) is traded at USD 1,475-1,500 and fish oil to be used for feed (FOB South America) at USD 1,850. In Peru, the quota for anchoveta in the second season 2013 has a total volume of 2.3 million tons and is due to start on 12 November. The total quota established for the same season in 2012 was 810,000 tons.

Consumption

The trend over the past years for a low volume of raw materials supplied to the consumption segment has also been evident in 2013 and is expected to remain throughout 2014. However, the Board of Directors expects to see high demand for the Group's products for consumption and price levels are expected to be stable.

Pelagic Northern Atlantic

The main season for receipt of raw materials and production for this segment are the first and fourth quarters. The basic supply of raw materials, according to Norwegian quotas, was lower in 2013 than in 2012, particularly for Norwegian spring-spawning herring. However, the decline in market volume for this product is not as large as indicated by the lower Norwegian quota, thanks to an increase in catch volumes for mackerel and Norwegian spring-spawning herring on the Faeroe Islands and Iceland.

The recommended quota for 2014 comprises a further decline for Norwegian spring-spawning herring but an increase for mackerel, North Sea herring and blue whiting. The final distribution of the recommended total allowable catch (TAC) between coastal nations has not yet been established.

Production, sale and distribution of salmon and trout

The strong growth in global supply of Atlantic salmon experienced over the last couple of years has declined in 2013. As expected, this has resulted in a substantial growth in the price for Atlantic salmon and trout. At the same time, the prices for the main products, Atlantic salmon and trout, are expected to remain volatile. The high level of volatility substantiates the need for framework conditions which facilitate further growth for the business in Norway and pave the way for a sales profile which is better adapted to the market throughout the year.

High demand in relation to the underlying developments in productivity and the market-oriented company structure give grounds for an optimistic outlook for the segment.

The Group

The development of long-lasting values requires patience and the ability to think in the long term. The Group is financially sound and can report a positive development, with a current strong position on a number of seafood markets worldwide. The Group shall continue to grow and further develop over time within its current business segments.

Bearing in mind the prevailing market conditions for the Group's businesses, the Board of Directors is in principle satisfied with the Group's results for Q3 2013.

The strong position held by the Group within the global seafood business provides grounds for a positive outlook for the Group's future development.

Storebø, 12 November 2013

The Board of Directors for Austevoll Seafood ASA

Income Statement (unaudited)

All figures in NOK 1.000	Q3 13	Q3 12 (Restated)	YTD Q3 13	YTD Q3 12 (Restated)	2012 (Restated)
Operating income	3 283 016	2 857 113	8 786 230	8 439 027	11 170 879
Raw material and consumables used	1 992 196	1 947 672	5 271 797	5 590 541	7 473 524
Salaries and personnel expenses	381 215	358 727	1 001 355	1 038 866	1 384 178
Other operating expenses	304 559	269 608	879 680	843 660	1 143 106
Operating profit before depreciation (EBITDA)	605 046	281 106	1 633 398	965 960	1 170 071
Depreciation and amortisation	134 176	127 519	389 505	380 765	508 186
Impairment	-1 650	-1 930	-5 027	27 094	25 858
EBIT before fair value biomass adjustment	472 520	155 517	1 248 920	558 101	636 027
Fair value adjustment biomass	-319 125	-54 057	-19 081	-48 739	294 735
Operating profit	153 395	101 460	1 229 839	509 362	930 762
Income from associated companies	35 095	4 548	96 840	-945	35 855
Net interest expenses	-55 932	-50 022	-152 671	-144 699	-198 387
Net other financial items (incl. agio/disagio)	80	22 635	-44 434	48 883	47 066
Profit before tax	132 638	78 621	1 129 574	412 601	815 296
Income tax expenses	-46 651	-36 420	-300 372	-135 333	-233 475
Net profit from continuing operations	85 987	42 201	829 202	277 268	581 821
Net profit from discontinued operation	-246 687	10 553	-238 699	20 832	59 085
Net profit	-160 700	52 754	590 503	298 100	640 906
Profit to minority interests	36 219	9 191	417 216	78 514	215 304
Profit to equity holder of parent from continuing operations	49 768	33 010	411 986	198 754	366 517
Profit to equity holder of parent from discontinuing operations	-246 687	10 553	-238 699	20 832	59 085
Net profit to equity holder of parent from cont. and discont. operations	-196 919	43 563	173 287	219 586	425 602
Earnings per share (EPS) from continuing operations	0,25	0,16	2,03	0,98	1,81
Diluted EPS from continuing operations	0,25	0,16	2,03	0,98	1,81
EPS excl.fair value adj biomass from continuing operations	0,95	0,28	2,07	1,09	1,15
EPS from discontinuing operations	-1,22	0,05	-1,18	0,10	0,29
EPS from continuing and discontinuing operations	-0,97	0,21	0,85	1,08	2,10

Condensed Statement of Comprehensive income (unaudited)

All figures in NOK 1.000	Q3 13	Q3 12 (Restated)	YTD Q3 13	YTD Q3 12 (Restated)	2012 (Restated)
Net earnings in the period	-160 700	52 754	590 503	298 100	640 906
Other comprehensive income					
Currency translation differences	28 068	-64 912	113 263	-65 289	-136 455
Other comprehensive income from associated companies		-		-	-1 847
Cash flow hedges	6 403	-13 355	11 239	-23 118	-27 086
Change in value available for sale financial assets			-487	-	-7 200
Others	50		-1 132		
Total other comprehensive income	34 521	-78 267	122 883	-88 407	-172 588
Comprehensive income in the period	-126 179	-25 513	713 386	209 693	468 318
Allocated to;					
Minority interests	68 770	3 058	454 150	73 290	189 614
Majority interests	-194 949	-28 571	259 236	136 403	278 704

Statement of Financial Position (unaudited)

All figures in NOK 1.000	30.09.13	30.09.2012 (Restated)	31.12.2012 (Restated)
Assets			
Intangible assets	5 969 923	5 989 407	5 948 259
Vessels	422 348	448 343	437 637
Property, plant and equipment	3 662 473	3 301 074	3 375 326
Investments in associated companies	904 170	597 551	616 367
Investments in other shares	31 334	49 875	44 053
Other long-term receivables	47 562	41 717	35 341
Total non-current assets	11 037 810	10 427 967	10 456 983
Inventories	3 514 908	2 993 847	3 330 336
Accounts receivable	1 296 672	1 214 955	1 116 004
Other current receivables	525 758	503 899	512 910
Assets classified as held for sale	1 765 654	1 036 945	1 071 111
Cash and cash equivalents	1 866 592	2 081 457	2 162 261
Total current assets	8 969 584	7 831 103	8 192 622
Total assets	20 007 394	18 259 070	18 649 605
Equity and liabilities			
Share capital	101 359	101 359	101 359
Share premium fund	3 713 549	3 713 549	3 713 549
Retained earnings and other reserves	2 951 037	2 779 250	2 935 556
Non-controlling interests	2 932 112	2 528 738	2 649 345
Total equity	9 698 057	9 122 896	9 399 809
Deferred tax liabilities	1 854 330	1 828 712	1 892 840
Pensions and other obligations	47 063	51 405	58 047
Borrowings	4 962 337	4 459 586	4 342 540
Other long-term liabilities	11 485	17 186	17 201
Total non-current liabilities	6 875 215	6 356 889	6 310 628
Short term borrowings	956 542	597 560	929 561
Overdraft facilities	477 438	711 184	545 225
Account payable	1 075 148	894 515	913 681
Other current liabilities	924 994	576 026	550 701
Total current liabilities	3 434 122	2 779 285	2 939 168
Total liabilities	10 309 337	9 136 174	9 249 796
Total equity and liabilities	20 007 394	18 259 070	18 649 605

Condensed Statement of changes in equity (unaudited)

All figures in NOK 1.000	30.09.13	30.09.2012 (restated)	2012 (restated)
Equity period start	9 399 809	9 199 548	9 199 548
Comprehensive income in the period			
Dividends	-406 872	-359 784	-364 519
Business combinations/acquisition		107 158	107 158
Effect option programme	-	-22 737	2 308
Other	-8 266	-10 981	-13 004
Total changes in equity in the period	298 248	-76 651	200 261
Equity at period end	9 698 057	9 122 897	9 399 809

Cash flow statement (unaudited)

All figures in NOK 1.000	Q3 2013	Q3 2012 (restated)	YTD Q3 13	YTD Q3 12 (restated)	2012 (restated)
Cash flow from operating activities					
Profit before income taxes	132 638	78 621	1 129 574	412 601	815 295
Fair value adjustment of biological assets	319 125	54 057	19 081	48 739	-294 735
Taxes paid in the period	-33 431	17 070	-149 773	-456 365	-478 863
Depreciation and amortisation	134 176	127 519	389 505	380 765	508 186
Impairments	-1 650	-1 930	-5 027	27 094	25 858
Associated companies - net	-35 095	-4 548	-96 840	945	-35 855
Interest expense	64 464	38 327	190 136	193 550	267 126
Interest income	-8 533	11 695	-37 465	-48 851	-68 739
Change in inventories	-122 261	-58 856	-203 654	199 679	177 145
Change in receivables	-54 259	-41 197	-193 518	-123 992	-68 820
Change in payables	148 186	-73 369	161 467	91 157	141 184
Other operating cash flow incl currency exchange	22 544	44 036	93 559	-55 488	-90 535
Net cash flow from operating activities	565 904	191 425	1 297 045	669 834	897 247
Cash flow from investing activities					
Purchase of intangible and fixed assets	-282 856	-134 696	-650 243	-526 494	-719 134
Purchase of shares and equity investments	-755 923	-20	-1 088 253	-112 536	-107 555
Proceeds from sale of fixed assets/equity investments	74 765	15 459	135 766	31 460	61 982
Dividend received		-	27 216	16 509	16 509
Interest income	8 533	-11 695	37 465	48 851	68 739
Other investing activities - net	-240	1 818	-2 735	-4 241	-503
Net cash flow from investing activities	-955 721	-129 134	-1 540 784	-546 451	-679 962
Cash flow from financing activities					
Proceeds from new long term debt	811 270	11 829	985 862	685 316	1 263 726
Repayment of long term debt	-113 578	-100 654	-397 618	-683 309	-1 029 971
Change in short term debt	-135 702	166 760	-58 042	186 098	29 071
Interest paid	-69 229	-36 687	-197 581	-194 848	-269 286
Dividends paid	-3 610	-1 492	-408 939	-359 784	-364 869
Other finance cash flow - net	-	-	-	-	-495
Net cash flow from financing activities	489 151	39 756	-76 318	-366 527	-371 824
Net change in cash and cash equivalents	99 334	102 047	-320 057	-243 144	-154 539
Cash, and cash equivalents at start of period	1 753 397	1 981 835	2 162 261	2 327 209	2 327 209
Exchange gains/losses (-)	13 861	-2 425	24 388	-2 608	-10 409
Cash and cash equivalents at period end	1 866 592	2 081 457	1 866 592	2 081 457	2 162 261

The cash flow presented above is not including cash flow from discontinued operations.

Cash flow from discontinued operations is as follows:	Q3 2013	Q3 2012	YTD Q3 13	YTD Q3 12	2012
Net operating cash flow from discontinued operations	243 047	97 736	411 712	66 504	26 019
Net investing cash flow from discontinued operations	-29 632	5 431	-76 238	-57 459	-89 397
Net financing cash flow from discontinued operations	-194 385	-79 386	-285 746	-17 036	26 873
Net change in cash from discontinued operations	19 030	23 781	49 728	-7 991	-36 505

Note 1 Accounting principles

This interim report has been prepared in accordance with the International Financial Reporting Standards (IFRS) and the related standard for interim financial reporting (IAS 34). The interim report, including historical comparative figures, is based on current IFRS standards and interpretations. Changes in the standards and interpretations may result in changes to the result. The quarterly report has been prepared in accordance with the same policies applied to the most recent 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 most recent annual report from the company (2012).

Note 2 Related party transactions

There were related party transactions in Q3 2013. Related party transactions take place on market terms and the prevailing types of transactions are described in detail in the 2012 annual report.

Note 3 Biological assets

LSG recognises and estimates biological assets (fish in sea) at fair value. When calculating fair value, the prices are adjusted according to quality differences (superior, ordinary and production) and logistic costs. The volume is adjusted to account for loss during gutting. The fair value of fish in the sea with an average weight of less than 4 kg is adjusted to the stage reached by the fish in its growth cycle. The value will not be adjusted to lower than historical cost, unless the Group expects to generate a loss from future sales.

	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013
Total fish in sea (LWT)	102 079	103 949	90 173	83 385	102 766
Fish > 4 kg (LWT)	35 224	41 899	31 416	16 347	34 091
Adjustment inventory	3 717	347 190	556 253	651 809	331 019
P&L effect adjustment	-54 057	343 472	209 063	90 981	-319 125

Recognised value adjustment for biomass includes a change in unrealised gain/loss related to financial sales and purchase contracts (derivatives) for fish with Fish Pool. The Fish Pool contracts are reported as financial instruments on the balance sheet, where the unrealised gain is classified as other current receivables and unrealised loss classified as other current debt.

Note 4 Segments

All figures in NOK 1.000

	Q3 2013	Q3 2012 (Restated)	YTD Q3 13	YTD Q3 12 (Restated)	2012 (Restated)
Fishmeal and oil (South America)					
Operating revenue	543 593	495 577	922 903	1 255 118	1 483 325
EBITDA	177 028	158 403	210 508	366 057	369 533
EBITDA %	33 %	32 %	23 %	29 %	25 %
EBIT	151 276	126 208	127 053	270 983	241 130
Volumes sold fishmeal (tons)	44 170	41 857	69 252	114 860	131 088
Volumes sold fishoil (tons)	3 046	9 519	6 584	27 846	31 019
Human Consumption					
Operating revenue	62 118	128 049	290 845	514 226	607 665
EBITDA	-24 339	-15 747	-12 787	42 480	31 328
EBITDA %	-39 %	-12 %	-4 %	8 %	5 %
EBIT	-45 586	-33 383	-69 275	-9 704	-38 199
Canning (cases)	184 163	644 432	949 136	1 938 455	2 423 026
Frozen fish (tons)	2 957	3 688	13 851	18 909	19 680
Production, sales & distribution salmon/trout					
Operating revenue	2 690 237	2 222 633	7 588 835	6 692 389	9 102 941
EBITDA	450 835	145 952	1 432 777	564 876	774 866
EBITDA %	17 %	7 %	19 %	8 %	9 %
EBIT before fair value adj.biomass	369 689	73 630	1 201 193	314 466	450 097
Volumes sold own production (gwt tons)	36 643	37 346	103 582	112 090	153 403
Elimination/not allocated AUSS					
Elimination/not allocated AUSS	-12 932	10 854	-16 353	-22 706	-23 052
EBITDA	1 522	-7 502	2 900	-7 453	-5 656
EBIT before fair value adj.biomass	-2 859	-10 938	-10 051	-17 644	-17 001
Total group					
Operating revenue	3 283 016	2 857 113	8 786 230	8 439 027	11 170 879
EBITDA	605 046	281 106	1 633 398	965 960	1 170 071
EBITDA %	18 %	10 %	19 %	11 %	10 %
EBIT before fair value adj.biomass	472 520	155 517	1 248 920	558 101	636 027
Pelagic North Atlantic (discontinued operation)					
Operating revenue	952 234	976 944	2 860 543	3 318 332	4 907 696
EBITDA	98 026	77 282	312 393	190 318	345 346
EBITDA %	10 %	8 %	11 %	6 %	7 %
EBIT	62 738	48 192	206 139	98 379	209 908
Volumes sold fishmeal (tons)	23 936	24 708	64 753	65 154	83 774
Volumes sold fishoil (tons)	10 097	9 927	26 243	26 016	31 144
Volumes sold FPC and oil	28 410	30 843	66 276	56 393	80 970

(100% of Norway Pelagic ASA and Welcon Invest AS turnover, EBITDA and EBIT-proforma)

Note 5 Associated companies

		Q3 2013	Q3 2012 (Restated)	YTD Q3 13	YTD Q3 12 (Restated)	2012 (Restated)
Norskott Havbruk AS	50,0 %	28 994	2 938	67 725	12 137	17 604
Br. Birkeland AS	49,9 %	956	525	11 889	343	18 836
Villa Organic AS	47,8 %	7 998	-	17 998	-	-
Others*		-2 853	1 085	-772	-13 425	-585
Total income from ass.companies		35 095	4 548	96 840	-945	35 855
Total investment				904 170	597 551	616 367

* Norway Pelagic ASA discontinued operations, see note 6 for further information.

Note 6 Accounting procedure used to report NPEL and Welcon based on the agreement signed between AUSS and Kvefi

Austevoll Seafood ASA (AUSS) and Kvefi AS (Kvefi) have signed an agreement for the merger of the two companies' respective businesses in Europe involved in fishmeal and oil and pelagic fish for consumption, ref. Stock Exchange report from AUSS dated 12 August 2013.

The businesses will be merged into a newly established company (NewCo) as follows:

AUSS contributes the following, and receives settlement in the form of shares in NewCo;

43.3% of the shares in Norway Pelagic ASA, NOK 123 million

50.0% of the shares in Welcon Invest AS, NOK 740 million

Kvefi contributes the following, and receives settlement in the form of shares in NewCo;

100% of the shares in Egersund Fisk AS.

The following transactions are required so that both parties have equal ownership, i.e. 50% of NewCo for each party;

Kvefi acquires shares in NewCo from AUSS at a price of NOK 115 million

NewCo shall then purchase the following shares from AUSS with cash settlement;

56.7% of the shares in Norway Pelagic ASA at NOK 162 million plus expenses

50.0% of the shares in Welcon Invest AS at NOK 740 million plus expenses

The valuation of the company and the terms of trade have been agreed upon. However, the date of execution for the transaction cannot be set until the competition authorities in the respective jurisdictions have issued their approval. The parties to the agreement are confident that the transaction will be approved in the jurisdictions in question.

As a result, Welcon and NPEL (part of the AUSS Group) have been reported in accordance with IFRS 5, Non-Current Assets Held for Sale, ref. items 6 and 7 which read:

Item 6 "An entity shall classify a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use."

Item 7 "For this to be the case, the asset (or disposal group) must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal groups) and its sale must be highly probable."

This implies the following for AUSS' reporting procedure for Q3 2013:

The profit figure for NPEL and Welcon in the period up to the date of the sale is reported on a separate line in the income statement together with projected gain/loss on the sale of the company, reported under the item for "profit from businesses held for sale". Comparison figures from former periods have been amended accordingly, so that the profit figure from NPEL and Welcon is deconsolidated and reported under the item for "profit from businesses held for sale".

Correspondingly, NPEL and Welcon have been deconsolidated from the balance sheet as of Q3 2013 and in the comparison figures, and are reported as net projected sales value under the item for “assets available for sale”.

Once the transaction has been completed, AUSS will report 50% of the profit figure for NewCo on its consolidated financial statements according to the equity method, i.e. under an item in the income statement (the option to report according to the proportionate consolidation method expires on 1 January 2014).

NewCo will be reported as part of the Pelagic Northern Atlantic business segment.

In the interim, from the date the agreement was signed between AUSS and Kvefi and the execution date for the transaction, AUSS will inform the market of sales and profit figures for NPEL and Welcon in its financial reports.

	YTD Q3 13
Revenue	2 091 198
Expenses	-2 071 588
Profit before tax of discontinued operations	19 610
Tax	11 347
Profit after tax of discontinued operations	30 957
Profit after tax to majority	19 448
Pre-tax gain/(loss) recognised on the re-measurement of assets of disposal group	-258 117
Tax	-
After tax gain/(loss) recognised on the re-measurement of assets of disposal group	-258 117
Profit for the year from discontinued operations	-238 669

