Grieg Seafood is a leading fish farming company

2013

ANNUAL REPORT

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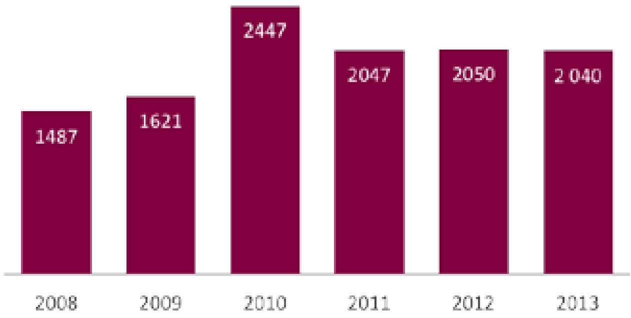
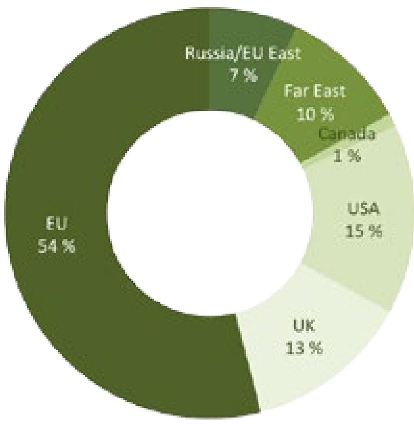
KEY FIGURES

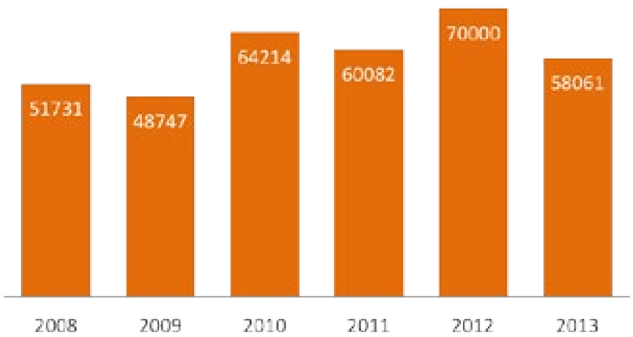
Turnover (MNOK)

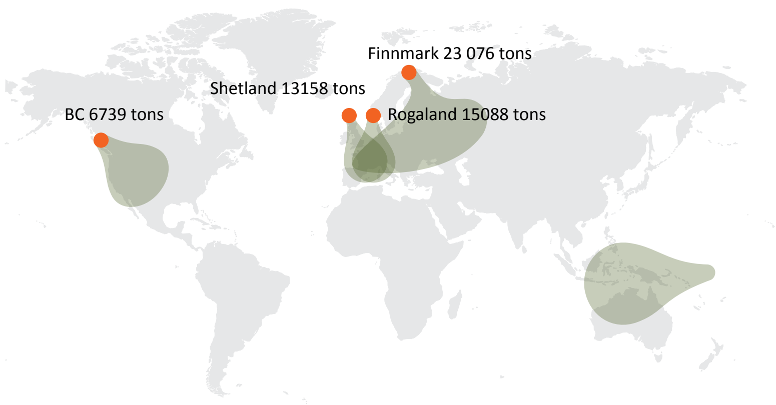


Geographical markets



Harvest volume (GWE)





Financial key figures

	2013	2012	2011	2010
ROCE *	12 %	-6 %	7 %	19,80 %
EK %	43,32	37,18 %	40,50 %	48,90 %
NIBD **	1 445	1 530	1 444	1 047
EPS ***	3,9	-1,33	-1,11	5,65
NIBD / EBITDA	3,0	-51,3	4,2	1,53

* Return on capital employed

** Net interest bearing debt

*** Earnings per share

WORDS FROM CEO MORTEN VIKE

GRIEG SEAFOOD IS WELL POSITIONED FOR FURTHER GROWTH IN A STRONG MARKET

As anticipated, 2013 was the start of new high cycle in salmon farming. While demand in markets all over the world is strong, the supply of salmon has changed from historically high growth in 2012 to low growth in 2013. This development has sharply increased prices, as the price levels in 2013 were at a completely different level than in 2012.

The good times we now observe are not coincidental, but caused by fundamental conditions of demand and supply. The demand for salmon is stronger than ever. Today we see increased demand for salmon both in large and established markets and in new and emerging markets. The strength in the for salmon is not only a question of salmon prices, but rather a consequence of improved availability through improved distribution, new and modern products that make preparation easier, and last but not least; salmon is both tasty and healthy food. The strong demand trend is a result of targeted market efforts made by many players, in order to make our high quality products a preferred choice for an increasing number of consumers in a wider range of markets.

Also on the supply side, fundamental conditions make it increasingly hard to see significant supply growth over a sustainable period of time. The challenge is rather to achieve a production growth that matches the growth of demand. This is in contrast to earlier times, when we experienced considerable unutilised capacity in multiple global production regions. A desired and necessary increase in salmon production will depend on our ability to increase production, and at the same time, as a minimum, not increase negative impact on the environment and fauna.

While 2013 was a year of high salmon prices, it has also been a year of rising production costs for both Grieg Seafood and the industry in general. This is due partly to weaker external production conditions in 2013, but there is also an underlying increase in costs related to health, contingency capacities and medical treatments, related to dealing with lice, AGD and other fish health challenges. This shows that lice and sustainability is not only a question of influencing the external environment, but just as much a key question of good operations and productivity in the farming operations themselves. For Grieg Seafood, environmental sustainability and operational and financial sustainability are two sides of the same coin.

2013 also marks the turnaround for our two regions outside Norway, which have both delivered weaker results than our Norwegian operations and also weaker than peers. We are very pleased to see the results of the turnaround in Shetland. It has been hard work over the last 12 to 18 months to achieve better control of the biological situation, and sea lice in particular. It is very stimulating for everyone to see the reward from the past efforts in the form of a substantially better biological situation, lower costs and improved profitability. There still is room for improvements, requiring continued hard work and strong focus, but it is nonetheless appropriate to thank everyone who has worked hard to make the turnaround happen. Nothing inspires more than seeing the results of hard work. Canada has also undertaken significant initiatives and efforts to ensure the

results of a turnaround after the furunculosis outbreak in late 2012. There will be low harvest volmes and thus high unit costs for yet some time. The foundation has though been established for a return to sustainable production volumes of more than 15,000 tons as from 2015. This will also result in lower costs and significantly improved profitability.

We are changing our organisational model to attain stronger focus and improved ability to realise synergies and exchange of best practise across the units within both farming and sales. We are making good progress with integrating our Scottish sales into Ocean Quality, and we will continue with our sales in North America. All sales will eventually pass through a common global sales organisation, making us even better supplier with a more comprehensive product portfolio. Similarly, we strengthen the organisation within farming through the appointment of COO farming at corporate level. This should improve our ability to transfer best practise and realise synergies across the farming regions, and it is an important part of continued operational improvements and optimisation.

Grieg Seafood is well positioned for further growth. We still have a lower capacity utilisation of than peers, and we are well positioned to take part in the future growth in terms of new capacity. We will increase our focus on utilising our organic growth potential, first in Norway, but later also abroad. Investment plans have been made to take out this organic growth potential. The process of granting new green licenses also shows that Grieg Seafood is well positioned for growth in terms of new capacity. Especially satisfying is that Grieg Seafood were nominated for all its applications for green licenses in Finnmark, in total 40% of the allocated capacity in Finnmark.

With the turnaround of our foreign farming activities well underway, Grieg Seafood will increase its focus on realising organic growth in a strong market.

GRIEG SEAFOOD ROGALAND AS

Grieg Seafood farms salmon on 20 grow out licenses and two smolt licenses in Rogaland. The company also operates a salmon hatchery in addition to harvesting and freezing facilities. Grieg Seafood Rogaland (GSFR) employs 117 people in the region.

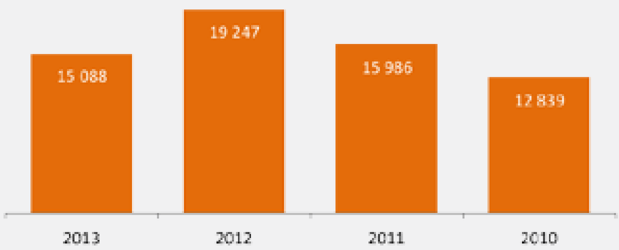
Our business in Rogaland is a result of mergers acquisitions of smaller fish-farming companies in the region.

During the last five years, GSFR has made substantial investments in recycling technology, and efficiency upgrades on the fish farms. In 2013 the GSFR upgraded the harvest plant in order to provide even better products, and meet the increasingly demanding regulations and customer requirements. The GSFR operations are 100% integrated from roe to harvest fish in the same region. We have unique traceability and transparent biological safety throughout the production cycle - essential in order to meet the farming industry's future challenges.

Production capacity is 26 000 tonnes in 2014 (GWE).

117 employees - 20 farm sites

Harvest volume (GWT)



ROGALAND	2013	2012	2011	2010
Harvest in tons GWE	15 088	19 247	15 986	12 839
Sales revenue TNOK	640 600	558 300	547 700	476 100
EBIT Operational TNOK	144 800	50 800	104 200	131 000
EBIT Operational /kg GWE	9,60	2,64	6,52	10,2

GRIEG SEAFOOD FINNMARK AS

Public authorities make strict requirements for farming salmon in one of the world's most scenic places. Grieg Seafood Finnmark AS (GSFF) believes that respect for the environment and the surroundings is the key to succeeding in creating values for the company and the local community.

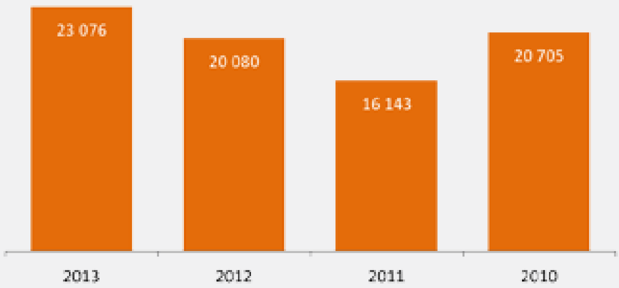
GSFF farms salmon on 24 grow out licenses. The company consists of administration, a maintenance department and a processing plant, in addition to salmon farming. The company employs 210 people, and thus contributes subsatially to creating values and work in Finnmark, both directly and through contractors. GSFF has operations in five counties in Finnmark, and in Nordkapp County the company has the world's northernmost fish farm.

During the last years, GSFF has built a considerable capacity for hatching fish, with a special focus on producing large smolts, which will contribute to optimizing the company's production. The fish is mainly exported to markets in the Far East and the EU.

The production capacity is 28 000 tonnes gutted weight (GWE)

210 employees, 24 farm sites

Harvest volume (GWT)



FINNMARK	2013	2012	2011	2010
Harvest in tons GWE	23 076	20 080	16 143	20 705
Sales revenue TNOK	870 100	519 800	499 900	733 300
EBIT Operational TNOK	216 800	-17 700	55 500	216 200
EBIT Operational /kg GWE	9,39	-0,88	3,44	10,44

GRIEG SEAFOOD HJALTLAND UK LTD.

Grieg Seafood Hjaltland has its business in Shetland, with activities on 39 farm sites divided between five clusters. Grieg Seafood Hjaltland (GSF Hjaltland) is the largest salmon producer in Shetland, employing about 215 people.

Lerwick Fish Traders Ltd. is a fully owned subsidiary of GSF Hjaltland. It is one of the largest salmon packing and processing companies in Shetland, and handles harvesting. About 70% of the salmon production is delivered as whole fish, and 30% as various types of fillet. GSF Hjaltland has one hatchery under construction, which will be completed during 2014. Shetland will then be self-supplied with smolts.

The production capacity is 22.000 tonnes (GWE).

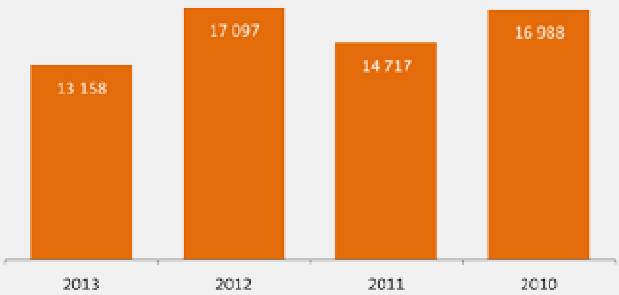
SHETLAND PRODUCTS LTD - OCEAN QUALITY LTD

GSF Hjaltland has developed a large customer network in the UK, Europe, Far East and North America. The sales department sells its own products through Shetland Products in addition to fish from external producers. Salmon is effectively delivered through distributors to some of the larger UK supermarket chains.

A new sales company, Ocean Quality LTD, has been established in 2014. The previous sales activities of Shetland products have been transferred to the new company. Ocean Quality LTD is a subsidiary of Ocean Quality in Norway.

215 employees, 39 farm sites

Harvest volume (GWT)



SHETLAND	2013	2012	2011	2010
Harvest in tons GWE	13 158	17 097	14 717	16 988
Sales revenue TNOK	567 400	538 100	511 900	660 300
EBIT Operational TNOK	27 300	-83 700	5 900	178 600
EBIT Operational /kg GWE	2,07	-4,89	0,4	10,51

GRIEG SEAFOOD BC LTD.

Grieg Seafood, which was established in British Columbia in 2001, has farming operations on the west and east sides of Vancouver Island. Farming operations are located in Esperanza Inlet, Nootka Sound, Clio Channel, Okisollo Channel and on the Sunshine Coast.

There are currently a total of 21 marine farm licenses and a land based hatchery located in Gold River. The production capacity of all licenses is approximately 20.000 MT.

The Canadian farms have developed a premium salmon offering – Skuna Bay Salmon – that is renowned for its attention to detail and quality in fine dining establishments around North America.

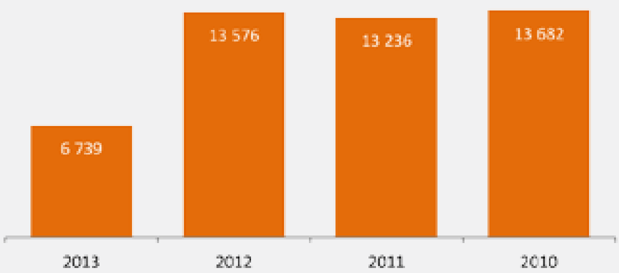
Our proximity to the U.S., Canadian and Asian markets makes it possible for us to offer fresh fish to our customers with lower transportation costs and better quality that our European and Chilean competitors.

Grieg Seafood BC Ltd. is committed to operating responsibly and meeting or exceeding all regulatory requirements. Grieg Seafood was the first salmon farming company in North America to be sourcing salmon from farms that were independently audited by the Best Aquaculture Practices certification programme. Grieg Seafood BC has also been audited and approved by the Aquarium of the Pacific's 'Seafood for the Future' responsible sourcing programme.

Number of employees in 2014: 84

84 employees, 21 farm sites

Harvest volume (GWT)



BC	2013	2012	2011	2010
Harvest in tons GWE	6 739	13 576	13 236	13 682
Sales revenue TNOK	330 700	438 400	491 300	554 300
EBIT Operational TNOK	17 500	-32 200	38 000	69 200
EBIT Operational /kg GWE	-1,15	-2,37	2,87	5,05

OCEAN QUALITY AS

Ocean Quality is the Norwegian sales company of Grieg Seafood ASA (60%) and Bremnes Fryseri AS (40%). The company was established in late 2010 and is based in Bergen. At year-end the company had 20 employees, comprising 14 men and 6 women.

The companies primary goal is to become your preferred and trusted seafood supplier. The Ocean Quality sales team strives to meet high standards, and to carry out distribution services to our dedicated customers across the world.

Our product quality and customer service focus on:

- Fresh and healthy products with the desired nutritional values
- Customer requirements, reliability and continuous year around supply
- Full traceability and focus on food safety of products and raw materials
- Strict quality control and sustainability of raw materials
- Animal welfare and environmental care

See oceanquality.no

OCEAN QUALITY	2013	2012	2011
Sales revenue MNOK	2 990	2 206	1 956
EBIT MNOK	24,1	52,4	31,3
Operating margin	0,8 %	2,4 %	1,60 %

INVESTOR

Grieg Seafood's ambition is to deliver a high and stable return to its shareholders. The financial target of the company is to maintain an equity share of at least 30%. Grieg Seafood aims to provide investors, the capital market and other interested parties with timely and relevant information in order to enable a correct valuation of the company - and a reduced risk for investors. Company information will be provided to the Stock Exchange and by public presentations each quarter. In addition, the company web page: www.griegseafood.com will be kept up to date with public information about the company, mandatory information and general investor presentations.

Dividend policy
Grieg Seafood has an objective to pay an annual dividend to its shareholders. The dividend should normally be in the range of 25- 30% of the profit after tax and adjusted for the effect of biomass adjustments.

Shareholders
As at 31.12.2013, the company had 1 044 shareholders of which 942 were based in Norway and 102 were international investors. See note 23 in the Financial Statement for more information.

Price development 1.1 2011 - 1.1. 2014

Largest shareholders of Grieg Seafood ASA at 31.12.2013

- Grieg Holdings AS
- DNB Nor Bank ASA
- Nordea Bank Norge ASA
- Kontrari AS
- Ystholmen AS
- OM Holding AS
- Grieg Seafood ASA
- State street Bank and Trust Co.
- Skandinaviska Enskilda Banken AB

Analytics following the GSF stock

- Nordea Markets
- DnB NOR Markets
- Handelsbanken
- Enskilda
- RS Pareto Securities
- First Securities
- Carnegie ASA
- ABG Sunndal Collier
- Fondsfinans
- Sparebank 1 Markets

BOARD OF DIRECTORS REPORT 2013

GROUP ACTIVITIES AND LOCATION

Grieg Seafood ASA ("the Company") is the parent company of the Grieg Seafood Group ("the Group"). The Group's business activities relate to production and trading in the sustainable farming of salmon and trout, and in naturally related activities.

The Group is one of the world's largest producers of farmed salmon and trout, with a production capacity of around 95 000 tons gutted weight annually. The Group has 100 licenses for salmon production and five licenses for smolt production. The Group shall be a leader in the area of aquaculture. The Group's commercial development is based on profitable growth and the sustainable utilisation of nature, as well as being a preferred supplier to selected customers.

The Group has operations in Finnmark and Rogaland in Norway, in British Columbia in Canada, and in Shetland (UK). The head office is in Bergen, Norway.

Grieg Seafood ASA has been listed on the Oslo Stock Exchange since June 2007.

MAIN FEATURES OF 2013

- 2013 was characterised by a very strong market and historically high market prices.
- Turnaround in Shetland has caused clear improvement in underlying biology.
- Strong biological development and better results in Finnmark.
- Increasing production costs per kilo due to lower production in 2013, increased treatment and contingency costs, as well as increased feeding costs.
- Low sea temperatures in the beginning of the year has caused lower sea production than expected, especially in Rogaland.

ACCOUNTS

The consolidated financial statements are prepared in accordance with international accounting principles (IFRS).

RESULTS

The Group had a turnover of NOK 2 404 in 2013, an increase of 17% compared with the previous year. The total harvest was 58 061 tons glutted weight, a reduction of 11 939 tons from 2012, equivalent to a reduction of 17%. 2013 was marked by low supply growth and good prices throughout the year. Prices rose sharply in the last quarter of 2013 due to positive demand growth and low supply growth. The high price has persisted so far in 2014. The low harvested volume in BC has affected operating results negatively due to the furunculosis outbreak in 2012.

The operating result before fair value adjustment of biological assets was MNOK 348, against a loss of MNOK 191 in 2012. The operating margin before fair value adjustment of biological assets was 14.5% in 2013, against -9% in 2012. The result improvement compared with 2012 is due to price increase in 2013, while underlying production costs is slightly higher in 2013 compared to 2012.
Feed prices have increased in 2013 due to the development in commodity prices. Feed prices are sensitive to both marine and vegetable commodity prices, which vary with seasonal harvesting and production conditions. Treatment costs against lice and preparedness to manage and treat possible AGD (Amoebic gill disease) have increased production costs for both Norway and the UK.

The operating result after value adjustment of biological assets was MNOK 616 against MNOK -93 in 2012. Net financial items showed a loss of MNOK 73 against a loss of MNOK 108 in 2012. Interest expenses are the same as in 2012. The group has had a waiver from the original loan terms on the mortgage debt until Q3 2013. This has resulted in an increased margin due to suspended covenants. From Q3, the Group returned to original loan terms. This will result in lower interest costs in 2014. Net currency gains in 2013 came to MNOK 26 against MNOK 0.7 in 2012.

Net tax costs for the year amounted to MNOK 114 against a net tax income of MNOK 55 in 2012. The lower effective tax rate was 20.9% in 2013 against 27.3% in 2012. Decreasing effective tax rate is mainly due to a lower nominal rate of tax both in Norway and the UK. The Group as a whole has entered into tax position by year-end 2013 and MNOK 1.5 has been provisioned for tax payable related to Norwegian operations.

After tax, the Group as a whole recorded a profit of MNOK 431 in 2013, against a loss of MNOK 147 in 2012.

GRIEG SEAFOOD ASA

The financial statements for the parent company have been prepared in accordance with generally accepted accounting principles in Norway (NGAAP). The Company recorded an operating result for 2013 of MNOK -32 (MNOK -28). The increase in loss was mainly due to increased commitment on the book value of the synthetic options because of the increased stock price from 2012 to 2013. Increased stock price resulted in high rates of exercising of the options.

The Company has provided loans to subsidiaries in foreign currency which carry a positive unrealised net gain of MNOK 66 in 2013, against a cost of MNOK 22 in 2012. In 2013 a recognised group contribution of MNOK 88 (MNOK 19) contributes to the positive financial result.

The parent company's profit after tax for the year was MNOK 90 against a loss of MNOK 53 in 2012.

SEGMENT REPORT

Rogaland
Operating profit before fair value adjustment of biological assets was MNOK 145 in 2013, corresponding to NOK 9.60/kg. The equivalent in 2012 was MNOK 59 (NOK 3.05/kg). The improvement of the result is due to strong price growth compared with the same period in 2012. The output prices exceed corresponding prices in the previous year. In addition to underlying cost increases, especially regarding feeds and treatment, Rogaland had low production due to a cold winter´s first half. The output price is also influenced by the harvesting of two localities that had PD (Pancreas Disease) in 2012, and a new PD case in 2013. Most of the harvesting in Rogaland was in the first half of the quarter. Along with contracts this has caused a diminished price realisation, which negatively affects the result. The PD situation in Rogaland at the opening of 2014 is better than the same time last year.

Finnmark
Grieg Seafood Finnmark shows good profitability and a continued positive underlying biological development. The operating result before fair value adjustment of biological assets was MNOK 217, corresponding to NOK 9.39/kg. The equivalent in 2012 was MNOK -9 (NOK -0.45/kg) Due to lack of export licenses to Russia, the trout is externally harvested, which increases harvest costs. Trout has a higher production per kilo than salmon. The latest generation of trout in Finnmark is being harvested in the period Q4 2013 to Q1 2014. After this, Finnmark will only produce Atlantic salmon. Grieg Seafood Finnmark decided to adopt a fine of MNOK 2.3 in order to avoid excessive process expenses. For further information see our social responsibility and sustainability report.

BC
The operating result before fair value adjustment showed MNOK -7,8, corresponding to
NOK -1.15/kg, against MNOK -32 (NOK -2.37/kg) in 2012. The operating result includes a write-down on young fish of MNOK 12.7 (NOK 14.5/kg) in 2013. In 2012 there was a one-off cost of MNOK 43 (NOK 3.17/kg) caused by an outbreak of furunculosis in the hatchery, which led to the destruction of a significant part of the smolt stocks in 2012. The outbreak in 2013 hit only one in seven production buildings and has not been considered a one-time fee. Extensive measures have been taken in the BC hatchery, which has considerably improved the management and biosecurity at the facility. The measures were initiated in early 2013 and partly explain why the outbreak in Q4 was limited. Fish of the affected plant has been destroyed and the building is fallowed.

There has been low harvest in 2013. Additionally, throughout 2013 and especially the last six months, underlying production has been low, leading to high unit costs. This is as previously announced a consequence of low smolt release after the furunculosis outbreak in 2012. Grieg Seafood BC has implemented agreements on external smolt supply to ensure adequate backup of smolts in order to avoid negative output consequences of any new cases of disease in the hatchery. This creates larger smolt costs than normal and a consecutive need to destroy and write down the backup smolts. Resulting from the backup system on smolt deliveries, Grieg Seafood has released the projected number of smolts in 2013 and continues to expect a harvesting volume of about 15,000 tons in 2015.

The production of Pacific salmon is being wound up in BC, and as from 2016 only Atlantic salmon will be harvested. The proportion of Pacific salmon will be high (33%) in 2014 but significantly lower (6%) in 2015. Today´s high prices for Atlantic salmon imply a negative all-over profitability effect from Pacific salmon.

Shetland
In Shetland the operating result before fair value adjustment was MNOK 27, corresponding to NOK 2.07/kg, against a loss of MNOK 84 (NOK -4.89/kg) in 2012. A write-down on young fish of MNOK 11.4 (NOK 1.7/kg) has been made in 2013. In 2012 there was a one-off cost of MNOK 49 (NOK 2.87/kg) arising from AGD and associated high mortality. The turnaround in Shetland initiated in early 2013 has provided significant improvement both in terms of results and biological situation. Sea lice levels are significantly reduced after implementation of a similar strategy as in Norway. This has implied a significant reduction in sexually mature lice, but simultaneously treatment costs have increased. The AGD situation has improved in 2013 compared with 2012. The cost level in Shetland has clearly declined throughout 2013, even with higher treatment costs. Further measures have been identified and are currently being implemented to improve production and reduce costs in Shetland in the proceeding.

It was decided to interrupt production in the first roe insertion in Shetland in the summer of 2013 due to delays in construction work at the facility. The accounts are charged with one-off cost related to this (MNOK 11.4). Production in the sea on Shetland has been good in the second half of 2013.

Ocean Quality AS
Ocean Quality AS is the Norwegian sales company that is owned by Grieg Seafood ASA (60%) and Bremnes Fryseri AS (40%). The company was established in 2010 and is based in Bergen. Ocean Quality is a joint venture and its accounts are prepared on the basis of the equity method in the Group.

Before supplier bonuses, Ocean Quality recorded an operating profit of MNOK 24 in 2013 against MNOK 52 in 2012. Turnover in 2013 stood at MNOK 289 against MNOK 2 206 in 2012. Volatile market prices have led to more difficult and variable marketing conditions which were reflected in earnings at year-end. In addition, the temporary closure of the Russian market for exports from the harvesting plant in Finnmark has meant that large volumes have been reallocated to other markets with the imbalance that this causes and a negative impact on price realisation. The company's equity at 31 December 2013 was MNOK 26 (MNOK 43). It was decided to pay out an extraordinary dividend in 2013 of MNOK 28 based on the 2012 account.

At year-end the company had 20 employees, comprising 14 men and 6 women.

RESEARCH AND DEVELOPMENT

Grieg Seafood makes provisions for and utilise substantial funds for research and development each year. This relates to various activities ranging from active participation in steering committees in national research projects to local test and trial projects in the regions. These activities focus on finding solutions to biological and technical challenges both short and long term, which in turn helps us increase the efficiency of daily operation of our plants. The Group is working on many different projects, ranging from improving fish health and welfare, efficient operation of large units, feeding control and optimization of young fish production in large recycling plants. In 2013 a large field experiment of post smolt production of 0.5 kilo fish on land has been conducted. The fish grew well and was released into the sea in November. Simultaneously, a control group has been kept in the sea. All fish will be harvested towards the end of 2014 to assess any gap in production performance.

BALANCE SHEET

The Group had total assets of MNOK 4 591 as at 31 December 2013, against MNOK 4 070 at year-end 2012. Of this, goodwill accounted for MNOK 107 and licenses MNOK 994. Investments in tangible fixed assets relate mainly to young fish plant in Shetland and maintenance investments. Fair value adjustment of biological assets was positive due to expected future sales prices that will exceed the accrued production costs.

Group equity at 31 December 2013 stood at MNOK 1 989, against MNOK 1 513 at year-end 2012. The equity ratio at year-end 2013 was 43% (37%). Positive earnings in 2013 and hence lower interest-bearing debt contribute to the increased solidity.

FUNDING

The Group's interest-bearing debt was reduced from MNOK 1 530 to MNOK 1 445 in 2013, equaling a decline of MNOK 85. The long-term loan is repaid MNOK 100.8 in 2013. In Q4 2012 an unsecured bond issue of MNOK 400 was entered into. The loan is due in full in 2015 along with the syndicated loan. In 2014, a refinancing work has been initiated. The Group mainly uses leasing for investments in new facilities and new equipment. The Group's leasing budget stands at MNOK 250, of which MNOK 216 has been utilised. Of the Group's short-term revolving credit facility MNOK 425 was utilised by year-end. Maximum drawdown is MNOK 500.

For the Group's joint venture sales company Ocean Quality AS a factoring arrangement has been entered into in 2012 which provides increased liquidity by MNOK 50-80, depending on the season.

CASH FLOW

The net cash flow from operations rose by MNOK 115 to MNOK 317 from MNOK 202 i 2012. The increase in working capital relates to biomass accumulation and positive earnings from operations in 2013. Net cash flow from investing activities in 2013 was MNOK -147 against MNOK -189 in 2012. Investment payments related to fixed assets amounted to MNOK 161, against MNOK 188 in 2012. Net cash flow from financing was MNOK -249 compared to MNOK 75 in 2012. Repayment of debt as mentioned in the "Funding" section has caused negative cash flow from financing activities in 2013 compared to 2012, when a net drawdown was made. Net interest payments and other financial payments were MNOK 86 compared to MNOK 94 in 2012. For 2013 there was a net decrease in cash and cash equivalents of MNOK 78. As at 31 December 2013 the disposable cash balance was MNOK 164.

GRIEG SEAFOOD ASA

The parent company's net cash flow from operations was MNOK 141 against MNOK 11 in 2012. The cash flow from investing activities was MNOK 52 against MNOK -58 in 2012. There has been a net positive payment of Group receivables in 2013. Net cash flow from financing activities was MNOK -265 (MNOK 145), relating to repayment of long-term interest-bearing debt in 2013 compared to 2012, when drawdown was made and a grace period was granted. For 2013 there was a net decrease in cash and cash equivalents by MNOK 73.

As at 31 December 2013 the disposable cash balance was MNOK 118.

GOING CONCERN ASSUMPTION

For 2013 the Group achieved a net profit of MNOK 431 after tax. By the end of Q3 all original loan terms were again met and the Group has honored its debt under the financing agreements. Forecasting is carried out for the next three years, which show a positive and good cash flow based on conservative salmon price estimates.

It is the view of the Board that the financial statements give a true and fair presentation of the Group's assets and liabilities, financial position and accounting results. Based on the above account of the Group's results and position, and in accordance with the Norwegian Accounting Act, the Board confirms that the annual financial statements have been prepared on a going concern basis, and that the requirements for so doing are met.

ACCOUNTING RESULTS AND ALLOCATIONS IN GRIEG SEAFOOD ASA

In 2008 the Board of Directors of Grieg Seafood ASA resolved that the annual dividend should correspond to 25-30% of the Group's adjusted profit after tax. Each year, the Board considers whether to propose a dividend, taking account of earnings, cash flows, financial position, market conditions and strategy. In individual years the dividend may therefore diverge from the long-term goal. The Board will ask the General Assembly for a mandate to consider a dividend payment in the cause of 2014.

The parent company, Grieg Seafood ASA, recorded a profit for 2013 of MNOK 90, which the Board proposes to the General Assembly to dispense as follows:

Transfer to retained equity:	MNOK 90

RISK AND RISK MANAGEMENT

The Group is exposed to risks in a number of areas, such as biological production, changes in salmon prices, the risk of political trade barriers, as well as financial risks such as changes in interest and exchange rates and liquidity.

The Group's internal control and risk exposure are subject to continuous observation and improvement, and the work of reducing risk in different areas has a high priority.

The management has set parameters for managing and eliminating most of the risks that could prevent the company from achieving its goals. For further information, we refer to the document of principle relating to corporate governances as practised by Grieg Seafood ASA.

FINANCIAL RISK

The Group operates within an industry characterised by great volatility which entails greater financial risk. 2013 has been a tight financial market due to financial institutions´ increased demands from external authorities to satisfy their own requirements for solvency and liquidity. This has resulted in less excess liquidity available in the market and increased demands towards the borrowers.

Financial and contractual hedging as is a matter of constant consideration, in combination with operational measures. The company draws up rolling liquidity forecasts extending over three years. These forecasts incorporate conservative estimates of salmon prices, and this is used as a basis when calculating the liquidity requirement. It is this forecast that forms the basis of the need for financial parameters. With the financing of the Group at year-end, the level of this risk is considered to be satisfactory.

The following sections provide further information about the individual risk areas.

CURRENCY RISK

In converting the accounts of foreign subsidiaries, the Group's greatest exposure relates to CAD and GBP. Our main strategy is to reduce the currency risk by funding the business in the local currency. All long-term loans from the parent company to subsidiaries are in the local currency and loans of this kind are regarded as a net investment, since the loans are not repayable to the parent company. The subsidiaries will always require long-term funding. The currency effect of the net investment is incorporated in the consolidated statement of comprehensive income (OCI).

In the case of BC, income is denominated in USD. In order to reduce the translation risk between USD and CAD forward currency contracts are entered into in order to hedge against volatility. At year-end contracts stretching to June 2014 have been entered into. The currency situation is continuously assessed against the volatility of the currencies. The remaining net exposure is frequently monitored. For further information, refer to Note 3 to the consolidated financial statements.

INTEREST RATE RISK

The Group is exposed to interest rate risk through its loan activities and to fluctuating interest rate levels in connection with funding of its activities in all regions.

Most of the Group's existing loan's are based on floating rates, but separate fixed rate contracts have been entered into in order to reduce the interest rate risk. It is group policy to have a certain percentage of the Group's interest-bearing debt hedged through interest rate swap agreements. A given proportion shall be at a floating rate, while consideration will be given to the use of hedging contracts for the remainder.

LIQUIDITY RISK

The Company´s equity has improved in 2013 and interest-bearing debt has also been reduced from 2012. The management monitors the Group's liquidity reserve which comprises a loan facility and cash, as well as cash equivalents based on expected cash flows. This is carried out at Group level in collaboration with the operating companies. The management and Board seek to maintain a high equity ratio in order to be well equipped to meet financial and operational challenges. Considering the dynamic nature of the industry, the Group aims to maintain flexibility of funding.

OPERATING RISK

Operating risks were well managed throughout 2013. The turnaround in 2013 in Shetland has yielded positive biological development. Similar procedures for treatment against lice as in Norway, have been implemented in Shetland. With assistance from Norway, focus was placed on training employees to gain knowledge about when and how to treat against sea lice. The same goes for the AGD situation which is much better in 2013 than in 2012. BC had poor results in 2013 due to the low production after a furunculosis outbreak in 2012. Due to the incident in 2012, external agreements for smolt delivery have been implemented to ensure sufficient biomass. BC has released the projected number of smolts in 2013 due to the external supply. Rogaland had challenges with PD in 2013, but at the beginning of 2014 the PD situation is better than at the same time last year.

For further information about financial risks (currency, interest rate, credit and liquidity), refer to Note 3 to the consolidated financial statements.

CORPORATE SOCIAL RESPONSIBILITY AND THE ENVIRONMENT

The Group´s main cost drivers, risks and opportunities are increasingly connected with managing our impact on the environment, our personnel and the local communities where we operate. Systematic efforts to secure a balanced sustainability are therefore fundamental in order to facilitate a long-term profitable growth. These efforts are increasingly material for the industry´s viability. The Group has in 2013 conducted an assessment in order to accentuate priority areas for sustainability. Our priorities will ensure that our efforts respond to our main stakeholders´ expectations of us, as well as being resource efficient in terms of our strategy and long-term value creation. The priorities also take into account our long-term liabilities through Global Salmon Initiative. A comprehensive statement of the Group´s approach, efforts, results and ambitions towards sustainability priorities is available in the sustainability report.

The Group´s sustainability priorities treated in the report:

External environment
- Fish health
- Lice
- Escapes

Working environment
- Employee safety and working environment

Social relations
- Quality and food safety
- The ripple effect in communities

Anti-corruption
- Anti-corruption and integrity

In the domain of human rights and equal treatment we are not exposed to substantial risk. A focused effort is made to ensure equal treatment and to avoid discrimination.

Employees
Of the Group´s 641 employees at year-end 2013, 342 were in Norway, 215 in Shetland and 93 in Canada. The Board wishes to thank the employees for good work in the past year.

The Group has a preponderance of male managers and employees. In total, there are 502 men and 139 women. The employee policy is to take the steps necessary to retain and attract qualified personnel of both sexes.

Grieg Seafood's position as an international concern is also reflected in the fact that 29 different nationalities are represented in the Group's workforce. The Group accepts no kind of discrimination related to gender, religion, cultural or ethnic background, disability, or in any other way. Our aim is to conduct our activities on the basis of equality and respect.

The incidence of short-term sick leave within the Group was 4.8% while the figure for long-term sick leave was 3.02%. For further information, refer to the sustainability report, in the section about employee safety and working environment.

All management of human resources is managed locally according to local rules and instructions, and in accordance with Group guidelines. The working environment in the Group is considered satisfactory, at the same time as we work actively to reduce sick leave and injury.

GRIEG SEAFOOD ASA

The parent company had 14 employees in its main office in Bergen, of which five men and a woman in senior positions. Short-term sick leave in the parent company was 1.6%, while long-term sick leave was 0.3%. None injuries/accidents were registered in the Company in 2013. The Company does not pollute the external environment.

CORPORATE GOVERNANCE

The activities of Grieg Seafood ASA are conducted in accordance with Norwegian law and regulations for good corporate governance (Norwegian Corporate Government Board's Code of Practice). The Company seeks to comply with all relevant laws and regulations and the Norwegian Code of Practice for Corporate Governance. This also to apply to all other companies which are controlled by the Group. The document of principle which is enclosed along with the Annual Report therefore applies to all companies of the Group, in as far as it goes.

STATEMENT FROM THE BOARD OF DIRECTORS AND CEO

We hereby confirm that the financial statements for the period from 1 January to 31 December 2013 to the best of our knowledge have been prepared in accordance with applicable accounting standards and give a true and fair view of the Group and of the Group's assets, liabilities, financial position and overall results. We also confirm that the Directors' Report gives a true and fair view of the development and performance of the business and the position of the Company and the Group, as well as a description the principal risks and uncertainties facing the Company and the Group.

POST-BALANCE SHEET DEVELOPMENT

The market situation for salmon still is strong in Q1 2014. Very high prices and continued strong demand. The total supply growth expected in 2014 is still lower than historical demand growth. With the present projections for 2015, the outlook for the market balance after the current year is good.

Storm damage to a facility in Rogaland in January 2014 led to the decision to carry out a premature harvest of one locality. This will result in higher costs than normal at this locality. Due to destruction of smolt in BC a write-down of MNOK 9 on smolt will be made in Q1.

OUTLOOK

The fish farming industry is very volatile and it will always be considerable uncertainty about future conditions.

The Group expects the current production plans to result in a harvest volume of 69 000 tons in 2014. This is an increase of 10 931 tons (18.8%) from 2013. As a part of this, volumes have been transferred from 2013 to 2014

The harvested volume in BC will still be at a low level in 2014, and the underlying production is expected to pick up first in the second half of the year. This entails continued high fixed costs per kilo. Harvested volume in BC is expected to reach a level of about 15 000 tons in 2015.

The Board is satisfied that the turnaround in Shetland shows results and expects further improvement ahead.

Grieg Seafood has decided to discontinue production of trout in Finnmark and Pacific salmon in BC and focus its activities on producing Atlantic salmon in all regions.

Grieg Seafood has unutilised volume potential under its existing licenses, in addition to potential growth under new licenses, included any allocation of green licenses in Norway. Grieg Seafood's strategic priorities in the following will be to increase production under existing licenses in Norway, in addition to completing the turnaround operations both in Shetland and in BC.

As part of Grieg Seafood´s decision to change the organisation into a functional structure at the group level, it was decided to include UK sales into Ocean Quality. The implementation is proceeding as planned and sales activity is now operationally a part of Ocean Quality. Legally and relating to profit Ocean Quality UK Ltd. is expected to start up in Q2 2014.

As a step in this process Knut Utheim is appointed COO Farming, a position he will take up 1 April 2014. The appointment of COO Knut Utheim will contribute to heightened capacity, focus and the ability to realise synergies and improvements across the farming units in the Group.

Bergen, 1 April 2014

The Board of Directors of
Grieg Seafood ASA

Per Grieg jr. Chair	Asbjørn Reinkind Vice-Chair	Karin Bing Ørgland Board Member
Terje Ramm Board Member	Wenche Kjølås Board Member	Morten Vike CEO

Grieg Seafood

2013

SUSTAINABILITY REPORT

WHY GRIEG SEAFOOD IS DEDICATED TO SUSTAINABILITY

> Systematic efforts to secure balanced sustainability are therefore fundamental in order to facilitate long-term profitable growth. These efforts are increasingly material for the industry's viability.

Seafood and particularly aquaculture is designated to be one of the future´s most important sources of protein for the growing world population. In addition to having a significant positive effect on public health, seafood is substantially more energy efficient than other meats. It can therefore turn out to be an important step in solving the climate challenge. In order to exploit this possibility it is imperative for the industry to develop in a sustainable manner.

The fish farmers´ main cost drivers, risks and opportunities are increasingly connected with managing our impact on the environment, our personnel and the local communities where we operate. Systematic efforts to secure balanced sustainability are therefore fundamental in order to facilitate long-term profitable growth. These efforts are increasingly material for the industry´s viability.

Fish farming is based on management of shared natural resources. Professional management of these resources constitutes a high interest for our stakeholders and is essential for our own profitability. The clearest example is biology, were operational challenges like disease, sea lice and escapes are central to the local ecosystem. This also applies for product quality, treatment cost and loss.

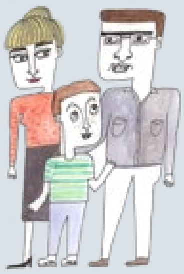
Fish farming requires that the local communities accept salmon farming in their areas. Hence it is important for Grieg Seafood to contribute with positive effects to the local communities were salmon is produced and processed, both with regard to environmental impact and in terms of social consequences.

In 2013 Grieg Seafood together with several other fish farmers globally committed to common sustainability goals for the industry through the Global Salmon Initiative (GSI). This initiative obliges us to seek more ambitious goals:

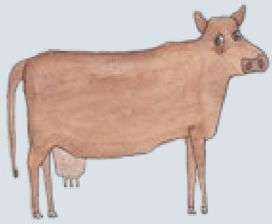
- Minimise environmental impact
- Secure sustainable feeds
- Continue to improve our influence on the community
- Support economical growth and stability
- Produce a healthy and nutritious product in a sustainable way

Global Salmon Initiative (GSI)

GSI is a group currently comprising 14 companies which represent more than 70 % of the global production of salmonids. The companies have committed to cooperation and transparency, in order to reach a shared goal to produce a sustainable and healthy product that meets a growing population´s need for proteins, while any negative environmental impact is reduced and influence on the society is improved.



FAO predict growth in the world's population to 9 billion by 2050



The need for protein expected to grow by 70% world wide.

Farmed fish could provide a daily food supply for more than 500 million people by 2050

OUR PRIORITIES

> All aspects of the matrix are considered to be important, while the aspects in the upper right corner are considered the most important.

Grieg Seafood has in 2013 conducted an assessment in order to accentuate priority areas for sustainability. Our priorities will ensure that our efforts respond to our main stakeholders´ expectations of us, as well as being resource efficient in terms of our strategy and long-term value creation. The priorities also take into account our long-term liabilities through GSI.

Materiality analysis

The prioritisation was carried out according to the guidelines developed by Global Reporting Initiative (GRI) G4. A multidisciplinary group including representatives of the management team was involved in the preparation and anchoring of this work.

- Food safety and quality
- Fish health
- Delousing agents
- Escaping control
- Employee safety and working environment
- Anti-corruption and integrity
- The ripple effect in communities
- Transparency and stakeholder dialogue (this section)

The assessment was based on a survey of our stakeholders´ expectations of us. Identified aspects of sustainability were ranked in terms of importance to each stakeholder group, as well as an assessment of potential risks and opportunities related to Grieg Seafood´s achievement.

The matrix shows the sustainability aspects that emerged through the materiality analysis, and it clarifies our priorities. All aspects of the matrix are considered to be important, while the aspects in the upper right corner are considered the most important. For 2013 we have chosen to focus the reporting of the aspects with the highest priority. Our intention is to expand this reporting. The approach to the highest priority aspects is elaborated with focus on the main principles, performance, results and future goals and ambitions.

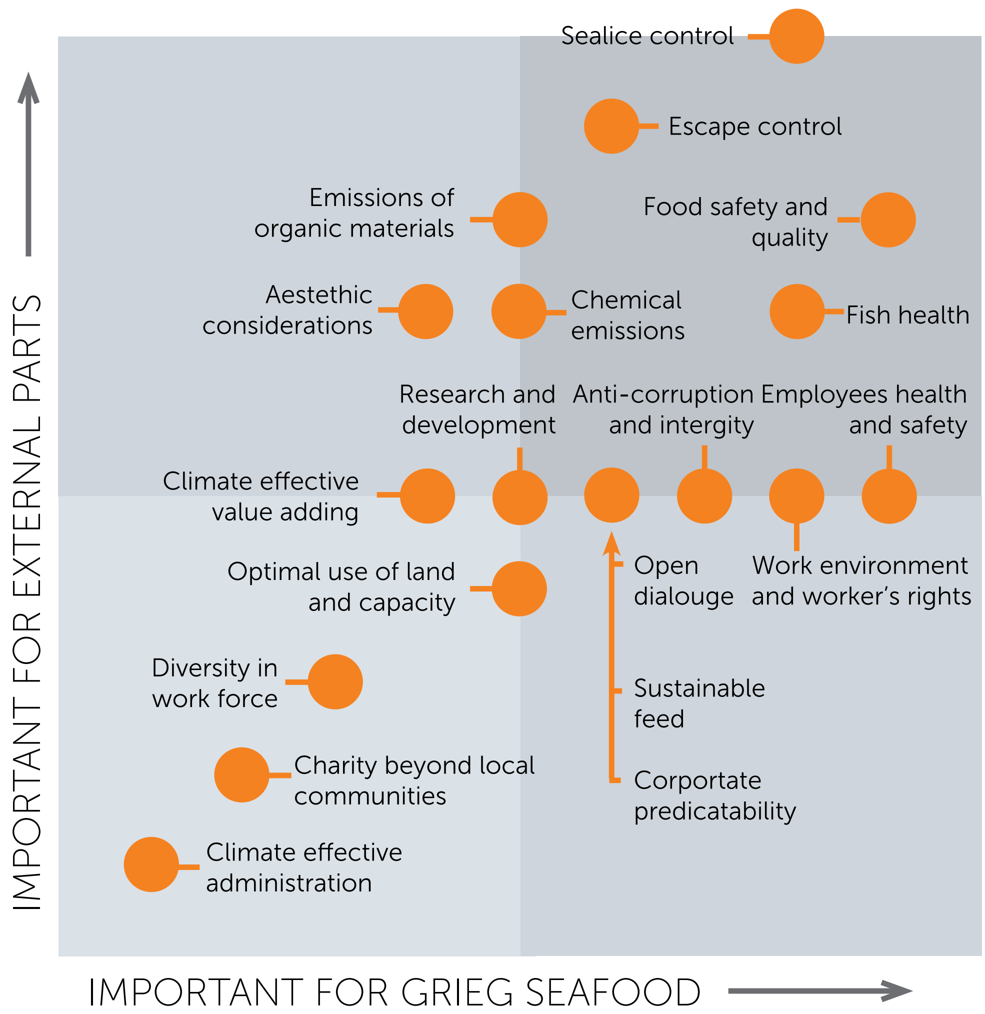


Figure 1. Materiality analysis for sustainability

Transparency and stakeholder dialogue in 2013

Grieg Seafoods values are openness, respect and ambition. In line with these values we have in 2013 worked to systematise our approach to stakeholder dialogue and develop our first integrated sustainability report. The main purpose of this work has been to ensure that our efforts to provide sustainability will meet the expectations of our stakeholders and to enable a more open and fact-based dialogue.

The survey of stakeholder expectations that was conducted in 2013, was based on a review of our ongoing dialogue with stakeholders, including meetings with investors, customer feedback and employee surveys. We additionally considered other sources of information, including media, investor reports and industry reports. Figure 2 provides insight into our dialogue with main stakeholders, as well as their major expectations of us in terms of sustainability.

Figure 2. Stakeholder dialogue in 2013

Shareholders
We keep an ongoing dialogue with owners about strategy and results. This includes frequent meetings with the Board.
Our shareholders are concerned about long-term value creation and returns, and therefore place special emphasis on risk factors such as lice, escapes and fish health.

Investors and asset managers
We also strive to keep an open dialogue with potential investors and asset managers, amongst others through this annual report, quarterly presentations and separate meetings with potential investors.
Similar to our existing owners´ concern with long-term value and returns, we place special focus on risks such as lice, escapes and fish health.

National and international authorities
We believe in open dialogue with the authorities in the countries where we operate, and we contribute our views on areas that are important to us. We also strive to meet all requests for meetings and dialogue.
National authorities have until now emphasised challenges related to biology and long-term value creation.

Local authorities and communities
Our operation depends on acceptance from local authorities and communities. Dialogue with local communities mainly takes place through the local stakeholders. In Canada theres is a particular focus on dialogue with representatives of the local indigenous population.
Local communities are often concerned with local activity and employment, but also the influence of common natural resources and landscape.

Customers
We work to understand and meet our customers' expectations. This is often based on direct feedback or surveys.
Customers are particularly concerned with food safety and quality, often through clear certification and approach in terms of environmental impact.

Employees
We work to understand our employees' needs and expectations, and we place particular focus on training and development, through collaboration with schools, apprenticeships and active stimulation of our employees to further their knowledge within their special fields. We also keep dialogue with trade unions representing our employees. In 2013, we established a notification channel for employees to report events that go against internal and external regulations. Our focus is dialogue.
Employees are especially concerned with safety and working environment.

Stakeholder organisations
There are many different stakeholder organisations and we concentrate our attention on the most important associations constructively seeking improvements in the industry. This includes many environmental organisations and organisations working specifically with key issues.
Interest organisations are particularly concerned about our impact on the ecosystem around our operations, sustainable feeds and food safety.

Suppliers
We constantly work with suppliers to ensure that they operate according to our sustainability requirements. This especially applies to our suppliers of feed and staffing services. This cooperation especially focuses on meeting requirements for equal treatment.
Suppliers are concerned with our integrity and establishing of clear but realistic requirements.

FOOD SAFETY AND QUALITY

> There are no traces of illegal medicines in farmed fish, and no findings of legal drugs, organic pollutants or heavy metals above the limit.

Why this is important to us

Producing high-quality and safe food is our main objective. Food safety and quality holds the highest importance to our customers. Salmon and trout producers must be able to verify the quality of the fish from egg to market. The absence of undesirable microorganisms and traces of chemicals and medicines is essential to provide customer food which is safe and perceived as safe.

Our main principles

We strive to always provide products that meet our customers' high expectations of quality. This requires full traceability and strict quality control at every stage of the production process. To maintain security around our approaches we focus on clear and open communication about our work methods and standards.

Our efforts and achievements in 2013

To produce safe and high quality food, Grieg Seafood has introduced standards that exceed government demands for quality and traceability. Among other measures, we have attained certification of our production management. Grieg Seafood Rogaland and Grieg Seafood Shetland are both certified by the extensive Global GAP standard. The standard covers the entire value chain as a "code of conduct." It is maintained by annual audits and unannounced inspections.

Alongside Global G.A.P. Grieg Seafood operates devices by the standards Natureland, The British Retail Consortium, The Soil Association, Freedom Food, The Organic Food Federation, Protected Geographic Indication, SSPO, BAP and Friend of the Sea.

Our sales company, Ocean Quality, is certified by the standards Global G.A.P., Chain of Custody, and ASC Chain of Custody.

The production management program "Fish Talk" provides evidence of traceability from insertion of roe until the fish are harvested. Fishtalk also provides a complete overview of all feed used and any treatments. We have an ongoing focus on preventive measures in production, also ensuring a high standard of hygiene. Hence we secure good hygiene practices in boats, installations and processing plants, based on knowledge and awareness among our employees. The production is continuously followed up by the FSA, which for instance has inspected and approved the HACCP system of the process plant.

Safe food of high quality must describe optimal nutritional value and absence of foreign substances and pathogenic elements. We are subject to an EU-imposed monitoring program for aquaculture based on EU Directive 96/23 EC. This monitors that we stay below recommended maximum values for hazardous residues of medicines in food. Since the program began in 1998, the level of residues has remained significantly below the recommended maximum limits for all who participated in the surveillance.
Norwegian Institute of Nutrition and Seafood Research (NIFES) carries out the monitoring on behalf of the FSA. In 2013 NIFES concluded in the report "Farmed fish are safe foods" that:
"There are no traces of illegal medicines in farmed fish, and no findings of legal drugs, organic pollutants or heavy metals above the limit."

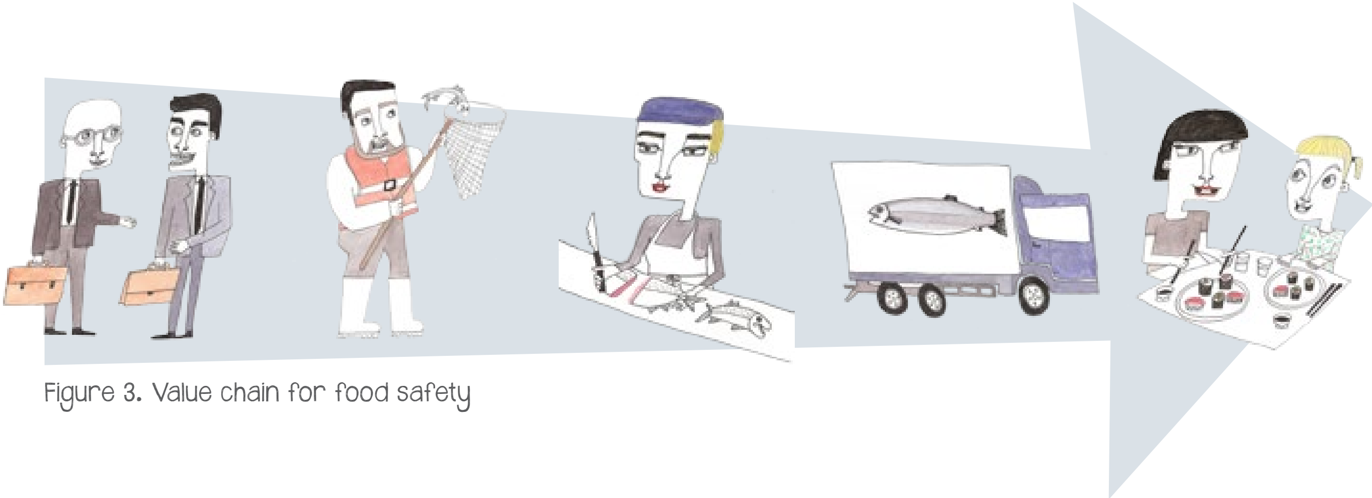


Figure 3. Value chain for food safety

Purchases	Fish farming	Harvesting	Sales & distribution	Customer
• Quality criteria for feeds • Traceability through "Fishtalk"	• Preventive health measures and treatment • Traceability through "Fishtalk" • GLOBAL G. A. P certification	• Preventive hygienic and quality measures • Traceability through "Fishtalk" and Maritec • Approved HACCP system • Norwegian Food Safety Authority monitors residues in fish • GLOBAL G. A. P certification	• Risk assessment and preventive measures • Standards for transport and storage • ASC Chain and Custody • Communication about approach • GLOBAL G. A. P certification	• Systems to register and follow up customer feedback • Approved HACCP system • Food Safety Authoraties monitor residue substances in fish • GLOBAL G. A. P certification

Our ambitions and goals

Our upcoming priority is to develop systems to further enhance customer focus in our operations. As part of this we will develop our approach to receive and follow up feedback from customers. This includes in-depth customer satisfaction surveys, and to translate this into action by the cage, the processing plants and in the administration.

Information about the results and objectives related to production for the Group as a whole is important for managing the business and communicating clearly with our customers and partners. In conjunction with our commitment to GSI, which involves a target to implement the Aquaculture Stewardship Council (ASC) standard for salmon farming by 2020, we strive to develop common goals and performance indicators comparable across the Group as well as the industry in general.

Global G.A.P.

is a voluntary international standard for food production, both in agriculture and aquaculture. The standard comprises food safety, animal welfare, sustainability, employment and traceability.

Fishtalk

is a production management system with many modules. Grieg Seafood deploys Fishtalk to record and report central ongoing production parameters from egg to harvesting. Defined targets are fed into the system throughout the process.

Maritec

is a data acquisition system specially adapted to harvesting and sales processes.

Aquaculture Stewardship Council (ASC)

ASC was founded in 2010 by WWF and IDH in order to establish global standards for sustainable seafood production. ASC standards set requirements for processes and marginal values to minimise negative environmental and social effects from fish farming. GSI members have committed themselves to work towards ASC by 2020.

FISH HEALTH

> It is important and a duty for us as fish farmers to work systematically with fish health through prevention, so that the fish get the best conditions to stay healthy

Why it is important to us

Fish health is vital to ensure sustainable resource utilisation. Good fish health implies that a highest possible share of the fish are doing well, growing normally and survive throughout the lifecycle. It is important and a duty for us as fish farmers to work systematically with fish health through prevention, so that the fish get the best conditions to stay healthy. High mortality also has a major negative impact on profitability.

Our main principles

We aim for a systematic long-term approach to achieve good growth and high harvesting quality, with a focus on ensuring resistance. This includes the preparation of overall fish health plans for each region. The plans cover regionally adapted infection prevention and vaccine strategies. Fish health plans are revised upon need but at least once a year. For an optimal mutual response, we also focus on local cooperation and transparency with other participants.

Our efforts and achievements

We systematically strive to monitor the health situation on all our locations. An important part of this effort is the statutory fish health checks on all locations. This includes monthly reporting on fish health, which includes records of external injuries, eventual diagnoses and mortality. Table 1 shows an overview of the mortality rate of all our regions.

The figures show that Finnmark had a good year with low biomass mortality. By year-end Grieg Seafood Shetland also could note the best survival rate of a generation of fish in 10 years. The Q1 mortality in Shetland is largely due to predator damage (seals).

Table 1. Quarterly overview of mortality in the sea for each region (mortality indicated as dead biomass/ gross production in percent)

2013	GSFF	GSFR	GSFH	GSF BC
Q1	4.6	22.08	23.5	10
Q2	4.8	22.1	10.9	2.5
Q3	4.3	12.4	5.9	10.2
Q4	4.3	6.4	6.1	6.9

The figures also show that we lost a substantial amount of fish in Rogaland in the first half of 2013, mainly due to CMS disease but also due to a PD outbreak in a plant in early summer. Grieg Seafood in Canada had some isolated incidents, respectively algae flourishing and poor water chemistry, especially in the fall. This causes some mortality, but the target number is highly affected by low gross biomass growth due to conditional suspension of feeding.

Based on the fish health monitoring results, means are taken to deal with any challenges at the individual sites. An important preventive measure is our health feed program,

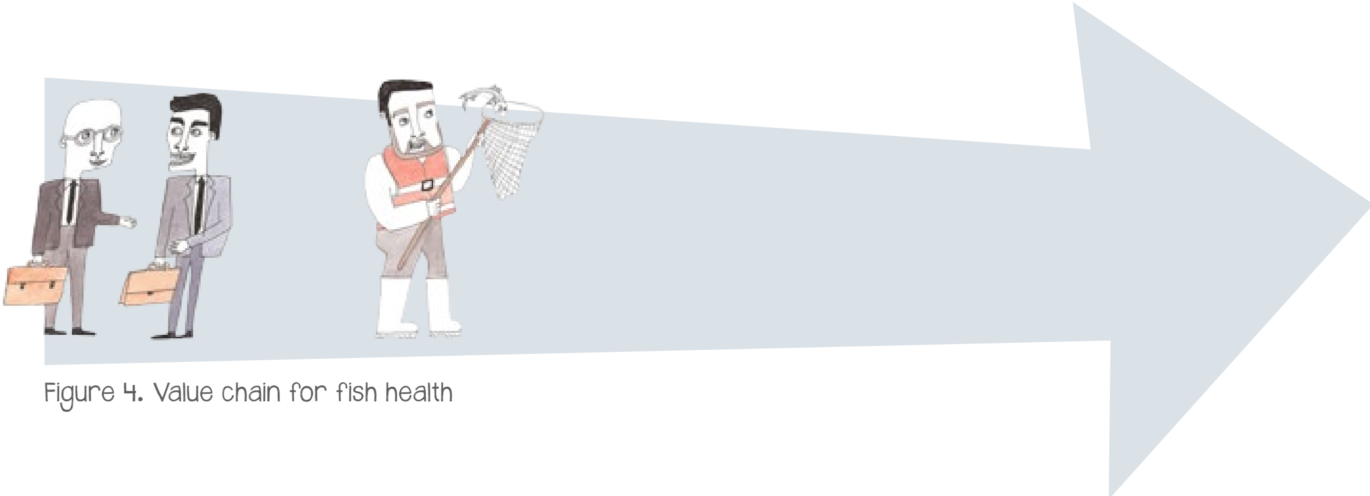


Figure 4. Value chain for fish health

Purchases

- Quality feeds
- Health feeds program
- Medicines and vaccination

Fish farming

- Integrated fish health plans for each region
- Measures to prevent contamination, and vaccination strategies
- Monthly fish health controls
- Local cooperation
- Records in "Fishtalk"

which mainly consists of increasing the fish resistancy and ability to cope with stress and external influences. We also work to implement infection prevention measures, in order to reduce medical treatment if possible. For example, we isolate installations by prohibiting transfers between facilities unless the boat is disinfected. We have also introduced PCR screening for earlier detection of parasites, viruses and bacteria.

Some of the measures to fight disease and promote fish health, involve medical treatment. Table 2 shows an overview of regional use of antibiotics (active substances medicine (g) per tonne of biomass. Figures show a very low consumption of antibiotics in Finnmark, Rogaland and Shetland, which count for 90% of our production. The use of antibiotics in Canada is largely due to treating Pacific Salomon for BKD, and also to treat wounds on the fish. Reduced production levels in Canada also raise figures per tonne of biomass relative to other regions. The high consumption of antibiotics is one of the reasons why we have discontinued the production of Pacific salmon in Canada from 2014.

Table 2. Antiobiotics consumption (active substances medicine (g) per tonne produced biomass)

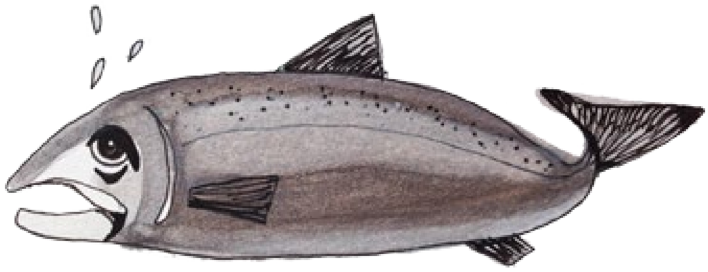
ANTIBIOTICS	GSF BC	GSF F	GSF R	GSF UK
gram/ton	568	0,95	0	0

Our ambitions and goals

Our aim is to keep the average mortality rate for the group to a maximum of 10%. This target has been achieved for 2013 if mortality is measured in (dead) biomass per gross produced biomass as shown in the table. There are still challenges in some regions, and we therefore seek to further decrease these levels. In addition, we will in 2014 consider counting the loss of individuals rather than biomass. Our regions have skilled staff with in-depth knowledge and experience within fish health. We will work to share relevant skills and experiences across our operations.

SEALICE CONTROL

In short: Sea lice management is paramount to secure long-term sustainability of the industry.



Why it is important to us

Dealing with lice is high on our stakeholders´ agenda due to the potential negative impact on wild populations and farmed salmon's health and welfare alike. Treating lice is also cost- and resource intensive and high levels imply lower productivity and quality. Improper handling of lice can lead to resistant lice, which again could lead to natural constraints on future growth of the industry. In short: Sea lice management is paramount to secure long-term sustainability of the industry.

Our main principles

Lice levels should stay below Norwegian authorities´ limits in all our fish farms in Norway. We also strive to comply with the same standard in our operations in other countries. To ensure compliance we strive to always be ahead of the lice development through continuous monitoring and response. Delousing efforts should also be balanced with a focus on fish welfare and avoiding resistance. We therefore prioritise non-chemical delousing methods when possible. For the best possible shared response, we will also focus on local cooperation, coordination and transparency with other participants.

Our efforts and achievements

A key step in our efforts to prevent and treat against lice is the statutory systematic monitoring of sea lice levels in all our fish farms. The salmon is checked for lice every week at water temperatures above 4 °C. At water temperatures below 4 °C lice is counted every other week, out of consideration for fish health and welfare. Based on the results, relevant agents are applied. Examples of such measures include conducting lice counts several times a week at high sea lice levels as well as susceptibility testing of sea lice populations before treatment is engaged. Such measures are coordinated with other fish farming actors in the region.

Table 3. Average monthly level of sexually mature female lice

2013	GSF BC	GSFF	GSFR	GSFH
Jan	0.44	0.01	0.27	0.05
Feb	0.48	0.03	0.13	0.43
Mar	0.06	0.04	0.10	0.11
Apr	0.07	0.06	0.04	0.10
May	0.05	0.06	0.00	0.10
June	0.01	0	0.05	0.10
July	0.04	0	0.09	0.10
Aug	0.16	0.2	0.06	0.55
Sep	1.10	0.22	0.07	0.60
Oct	0.29	0.15	0.05	0.44
Nov	0.31	0.35	0.05	0.60
Dec	0.19	0.05	0.06	0.54

The table shows the average monthly level of mature female lice in each region of Grieg Seafood. Grieg Seafood has defined 0.5 sexually mature females as a threshold for implementation of measures in each region. This is stricter than the national guidelines in the UK and Canada. We have stayed below this threshold on a monthly basis, with the exception of September in Canada and four months in autumn in Shetland. The high levels of lice in Canada in September is particularly due to massive influx of wild fish in the fall months in this region, affecting farmed fish.

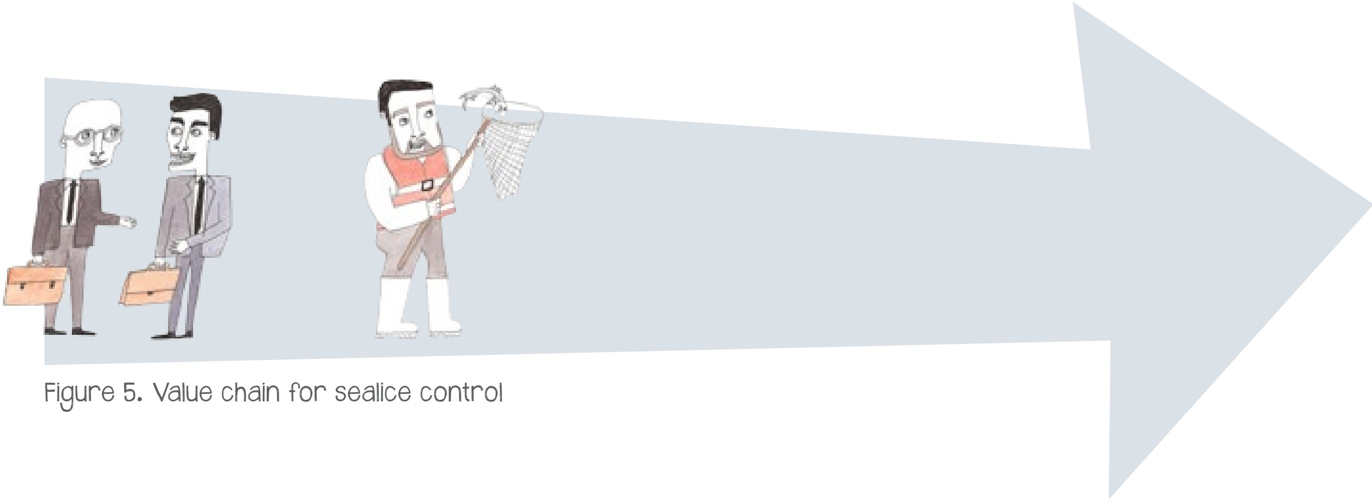


Figure 5. Value chain for sealice control

Purchases

- Delousing agent

Fish farming

- Preventive measures
- Continous monitoring of levels
- Balancing chemical and non-chemical treatment
- Records and follow-up through "Fishtalk"

Treatment during this period has very little effect. In the UK, treatment for lice is demanding due to a severe limitation of the number of effective treatment agents. This limitation has the greatest effect in the fall months, when pressure from lice is most demanding.

Revolving use of the fewest possible chemical agents is extremely important in lice treatment, in order to minimise the development of resistance to current treatment. We have therefore focused on "rolling over" the use of chemical agents and active use of wrasse. Grieg Seafood Rogaland has extensive experience with the use of wrasse. The natural conditions are not right for the traditional use of wrasse in the other regions, but the last two years we have commenced on projects in an attempt to develop lumpfish both in Rogaland, Finnmark and Shetland. The results are promising, but there are still some challenges to be resolved before lumpfish is an effective method to keep lice away from salmon.

An overview of lice remedy consumption as active substance per tonne produced fish shows in which regions the lice challenge is greatest. The use of chemical lice treatments has increased in Rogaland in 2013 due to an unfavorable combination of reduced availability of wrasse early enough after a "warm" winter, and sharpened public requirements for the upper limit of sexually mature lice after January 1, 2013. In addition to the figures in the table, we used 82.3 L / MT gross produced biomass with hydrogen peroxide for lice treatment in Shetland. This is due to low efficacy of other delousing agents for large fish.

Delousing agents (active substance, gram/MT gross production of biomass)

AGENTS	GSF BC	GSFF	GSFR	GSFH
gram/MT	0.19	1.64	3.26	1.32

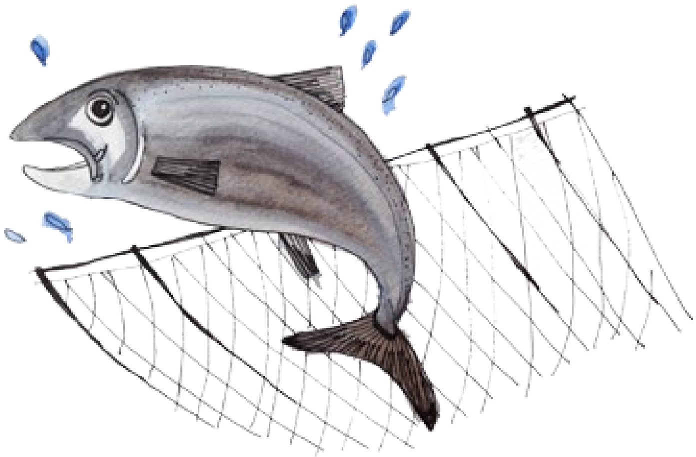
Our ambitions and goals

We have defined a target of not more than the average of 0.5 sexually mature female lice per site. Although this is more stringent than the requirement for localities outside of Norway we want to strive towards the same goal throughout the Group. To ensure that we achieve our goal of combating lice while avoiding resistance, we will continue to make necessary investments to implement the most effective treatment methods. In this work, we have a focus on non-chemical treatments.

Also considering the lice challenge we work to implement common performance indicators and targets comparable across the Group and the industry in general.

ESCAPE CONTROL

> We have zero tolerance for fish escaping our facilities, and we work continiously to prevent escape.



Why it is important to us

Salmon escaping the nets are a big concern to us because of the possibility of negative influences on the wild fish stock, especially wild salmon and trout. Escape may harm the industry's reputation and influence the external conditions for future growth, in addition to financially harming the company.

Our main principles

We have zero tolerance for escapes from our facilities, and we work continuously to prevent escapes. In order to facilitate this work, we will ensure high technical standards on our locations though long-term investments and necessary resources. On the sites, we will continue to work with routines and build the relevant competence and capacity.

Our efforts and achievements

Norwegian authorities have established strict demands for producers in order to prevent escaping. We work continuously in order to meet these demands. Throughout 2013 we have completed a series of projects, aiming to improve our production prerequisites, thus avoiding escaping and fulfilling increasing demands from the authorities. Grieg Seafood Finnmark, for example, has improved the technical standards of the facilities in order to meet these demands. The improvements will help prevent fish escaping by ensuring that the facilities meet appropriate technical standards. We have also established new land-based facilities in Finnmark for smolt production which will produce bigger smolt with increased predictability and control within the cages.

In addition to these improvements we have throughout 2013 focused on systematic facility control and training for our employees working with net bags in order to prevent escapes, and inspections of vessels and facilities are carried out regularly. Visual inspections of moorings are carried out weekly, and technical inspections of the moorings are carried out according to regulations.

Additional inspections are also carried out after periods of harsh weather, and we work to make sure that employees attend courses on escaping once every two years at minimum. New employees also receive risk and procedural training with Operational Managers within their first week, and do not carry out work operations alone until the necessary expertise has been acquired. We have achieved positive results though our continuing work towards preventing escaping, and in 2013 we achieved our goal of zero escapes in Rogaland and Hjaltland. Unfortunately, in Canada we had three occurrences, the first at sea where one fish escaped and two occurrences at our hatchery in Golden River, where we had reports of 9 to 14 escaped fish and one case of 200 to 300 escaped fish. In Finnmark we had one possible escape, «The Kåfjord Case», which is still unresolved. Farmed fish were discovered near our abbatoir in Alta, but the cause is still unknown. Grieg Seafood Finnmark reported the case to the police, and an investigation is ongoing.

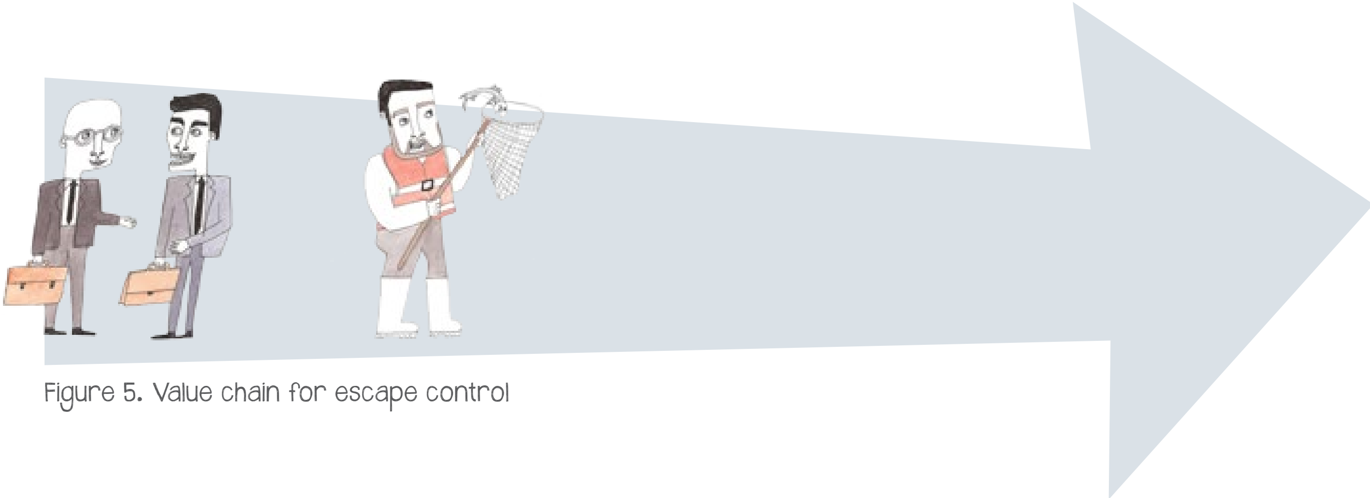


Figure 5. Value chain for escape control

Purchases

- Investments in facilities and technology

Fish farming

- Preventive measures
- Continous monitoring of levels
- Tranining and raising awareness among employees
- Large smolt
- Records and follow-up through "Fishtalk"

Grieg Seafood was in October 2013 fined 2.3 MNOK due to an alleged breach of routines in relation to two escapes in early 2010, both which – in accordance with the company's routines – were reported to the authorities. Grieg Seafood Finnmark made no financial gains from these alleged breaches and neglect, and all of the deviations stated by authorities have been rectified within the appointed deadlines. Grieg Seafood views the case seriously, but disagrees with the notion that the alleged breaches were deemed punishable. For judicial economic reasons the company has accepted the fines nontheless.

Our ambitions and goals

Our goal is zero occurrences of escaping, and zero escaped fish. An important means to achieve this is to continuously ensure the NYTEK standard at our facilities. In the future we will continue to focus on preventative projects, and as part of this we will ensure a systematic approach to reporting near occurrences and actual occurrences.

EMPLOYEES' HEALTH, SAFETY AND WORK ENVIRONMENT

> We shall provide a work place where our employees can thrive and develop.

Why it is important to us

It is our responsibility to ensure that our employees are safe and satisfied at work. Concurrently, our employees' motivation is also a fundamental factor in securing productivity and loyalty, in addition to attracting new employees. In addition to our full time administrative employees, those at the edge of the cages and at the process facilities, we have a responsibility to support our suppliers and part time employees who contribute to production and transport. Among these suppliers there is a risk of unacceptable salary and employment conditions. We therefore work systematically to ensure that our business with our suppliers is conducted in a healthy, safe and enjoyable way.

Our main principles

Ensuring our employees' health and safety demands a positive safety culture including guidelines, procedures and processes as instruments to prevent and manage injuries, sickness, accidents and fatalaties. We want a workplace where our employees thrive and develop. The overall HSE goal is to avoid injuries to human beings, the environment and material goods.

Our zero philosophy can best be described as: accidents don't just happen, they are caused. All accidents can therefore be prevented. We will therefore strive towards an excellent safety culture where the individual employee has a personal understanding of risk and consequence.

Positive working conditions and all workers' rights shall be safeguarded according to international and national conventions, and we will work to ensure that this applies to hired work and suppliers. We will especially work systematically to avoid social dumping in relation to our production. We will work continuously to identify areas of improvement and implement measures and prioritise resources in order to put in place the necessary measures above and beyond statutory tasks.

Our efforts and achievements

Grieg Seafood has throughout 2013 worked continuously to improve our employees' health, safety and work environment. We work in accordance with the authorities' demands for health, environment and safety. This applies to such areas as preventing and following up sick leave and accidents causing personal injury throughout 2013.

This table also provides an overview of sick leave in 2013. There is of course a large discrepancy in sick leave between employees working in offices, the abattoir or at the facilities. In Finnmark the sick leaves have been most frequent at the processing facility, and the focus for 2013 was therefore to reduce these sick leaves. A number of measures were put in place, of which we are seeing results already at the start of 2014.

There are differing cultures for reporting absence in various countries. Norway has excellent conditions for sick leave, and registering sick leave is therefore important for both employee and employer. Other counties such as BC and

Table 5. Number of incidents leading to personnell injury in 2013.

2013	GSF BC	GSFF	GSFR	GSFH
Incidents	14	14	9	12

Table 6. Sick leaves

2013	GSF BC	GSFF	GSFR	GSFH	TOTALT
Total sick leave	1 %	8.65 %	3.21 %	3.64 %	4.80 %
Long tem sick leave	1 %	6.64 %	1.84	1.07 %	3.02 %

Hjaltland have different conditions and rules, which means the focus on registering and following up sick leave has had a different focus in these countries.

Grieg Seafood is dedicated to securing proper training and following up of our new employees. The goal is to ensure that an employee:

- is acquainted with the guidelines, procedures etc. applicable to the position which they are employed.
- are integrated into the business in a satisfactory way.
- are followed up in relation to the tasks he or she is to complete, ensuring that both follow-up work and any deviations from expectations can be documented.

When we hire someone, we have clear expectations to the work our new employee will be doing. We have expectations of goal orientation, effectiveness, quality, professional delivery and that the person is to become a part of our work culture. Our new employee expects to contribute as quickly as possible, and to enjoy meaningful work with great colleagues where relationships can develop. Some are preoccupied with career and knowledge development. Some want varying degrees of responsibility, delegated tasks and opportunities to determine their workday, etc. They all wish for competent leaders who guide and facilitate development.
We also work systematically with following up staffing companies in order to ensure that the company's hired workforce is not exposed to social dumping through employment contracts which don't safeguard relevant workers' rights and demands for an adequate work environment.

Our ambitions and goals

Our ambition is zero injuries and accidents. We will therefore continue to work in order to improve awareness and routines going forward.

Our goal for sick leave in 2014 is to carry out a common policy for registering sick leave based on Norwegian regulations, independent of compensation. There will be various parameters for employees around the cages, processing facilities and in the administration because of the work situation and subsequent risk of sickness and injury. The goal for 2014 is to reduce the company-wide sick leave.

In 2013 we have put down an HR strategy for the period between 2014 and 2017. This strategy has three defined focus areas; competence, recruitment and work environment. When it comes to competence we will prioritise training of new employees and leadership development. Pertaining to recruitment, the focus is to ensure an effective and relevant staffing which ensures both short and long term needs. For the development of our work environment we will establish goal parameters and management systems which ensure that the work environment is followed up in a systematic fashion; employee questionnaires will be one of our tools to accomplish this. Based on these questionnaires we will establish a common approach and priorities across the group. A focal area going forward will also be to ensure that we have clear demands toward our staffing companies in relation to social dumping.

INTEGRITY AND ANTI-CORRUPTION

> We do not accept corruption or bribes in order to further business interests or personal goals.

Why is it important to us?

Integrity in all parts of our business and activities help safeguard us against disruptions, sanctions, loss of reputation, and contributes toward protecting our creation of value in favour of various interest groups. The work toward anti-corruption and integrity is also fundamental in order to live in accordance with our values of openness and respect.

When it comes to regulatory compliance we pay special attention to the regulations pertaining to our industry in addition to anti-corruption regulations, ensuring competition and workers' rights. We feel these areas are of critical importance toward strengthening and protecting our business.

Our main principles

Our business is based on the normal/strict norms of ethics and complying with relevant regulations. We do not accept corruption or bribes in order to further business interests or personal goals. We will have internal routines of control protecting both the business and our employees against fraud and breaches of laws and regulations, and we work to strengthen the defences of our business through goal-oriented training and control. Our external alert body and clear procedures for following up alerts is an important element of these defences.

Our efforts and achievements

In order to promote integrity we work continuously to make sure that our main principles will remain perennial when it comes to our understanding of risk, and that it is realised to a great a degree as possible.

With integrity we do not just mean compliance with laws and regulations, but also a continuous awareness of the effect of our strategies, activities and results on our surroundings and interested parties. We strive toward a continuous internal dialogue between colleagues, managers and interested parties to ensure that our choices and decisions are well-founded and understood.

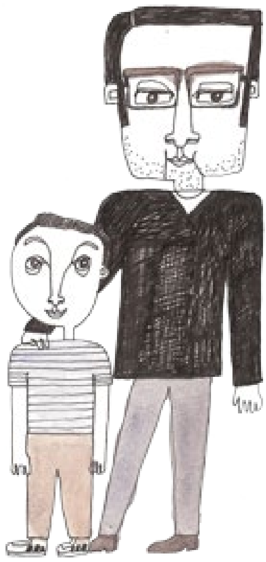
In 2013 we have also established an external body for alerts and procedures for proper follow-up of alerts in cooperation with EY.

Our ambitions and goals

We will continuously work to ensure that our regulations and policy documents focus on our most important areas of risk. Moving forward we will also work toward ensuring that we comply with both internal and external demands through holistic training, management and analysis. An important element to this work includes increasing the stream of information pertaining to conditions worthy of criticism and other opportunities for improvement.

RIPPLE EFFECTS IN LOCAL COMMUNITIES

> We wish to ensure that our activities cause positive ripple effects in our local communities.



Why it is important to us

Grieg Seafood can affect the local communities in which we operate, both positively and negatively. At the same time we depend on these communities thriving, and on good relationships with our neighbours and host municipalities. Positive ripple effects can contribute to a spread in settlement, maintenance and establishment of new jobs, development of income and infrastructure through taxation; Negative ripple effects can potentially surface due to increased activity and reduced traffic safety on local roads, noise and unpleasant smells from fish farming and processing as well as unwanted activity around recreational areas and holiday locations.

Our main principles

We wish to ensure that our activities cause positive ripple effects in our local communities. We will therefore use local suppliers as often as we can. We wish to also contribute economically to local development, especially when it comes to activities with children and youth. We will also work to attract new employees and will raise awareness of fish farming and the work and development opportunities within our industry.

Our efforts and achievements

Throughout 2013 Grieg Seafood has maintained existing initiatives in order to create positive ripple effects in our local communities.

Our economic ripple effect in our local communities has many channels, including local jobs within Grieg Seafood, procurement from local suppliers and sponsoring local initiatives. The figure below gives an insight into our economic influence through these channels.
Throughout 2013 we have also strived to create positive local ripple effects by maintaining our focus towards being a contributor to the local community by supporting local sports teams and other cultural organisations focusing on children and youth. We choose local suppliers whenever possible.

Table 7: Ripple effects in local communities (numbers are in thousand NOK)

	Total	GSF F	GSF R	GSF H	GSF BC	ASA
Grants to Local Communities	2 211	943	455	87	477	248
Local Procurements	556 881	132 986	31 805	97 428	281 547	13 115
Salaries	302 223	96 970	79 195	59 764	36 058	33 236
Number of employees	626	202	106	220	84	14

Grieg Seafood Rogaland has established a training scheme together with high schools in the county. The company was named «Trainee Company of the Year 2012»; Grieg Seafood Rogaland has been a trainee company for many years and the experience has been highly positive. By contributing as a trainee company we can maintain a local opportunity and are able to maintain the competency level within the local area, and the trainee scheme can be an entrance for future employment.

Grants to beneficial initiatives in the local communities in which we operate also serve as an important contribution toward ensuring positive ripple effects. Every region actively supports and provides recreational activities for children and youth in addition to other cultural events. In Rogaland , for example, we are the main sponsor of the Grieg Race during the Tomato Festival at Finnøy every year, and in Canada we are also an important contributor to First Nations, an organisation representing the local indigenous population.
By being part of the Grieg Group we also contribute 25 % of any profit to the Grieg Foundation through our owner Grieg Holdings AS. This profit goes to international and national charities, among them SOS Barnebyer, Haukeland Hospital, art and culture and many other areas.

Grieg Foundation's contributions mainly go toward:
- Sports and education
- Music or other cultural initiatives
- Medical research or health projects in general

In addition we have completed projects to further awareness and visibility surrounding the role aquaculture plays in the local communities. Also, these projects have been aimed toward children and youth; Finnmark is active in schools and has projects in cooperation with the schools. For instance we have organised aquaculture days for 8th graders at schools in Alta and Loppa in order to teach the students about fish farming, and what it is like to work there. We do this so that children and youth can gain insight into what they can expect working with salmon rearing. In Rogaland our production facilities are visited by schools and kindergartens serveral times per year. This is, again, so that children and youth in the area can gain insight into what it is like to work within the salmon rearing industry.

Our ambitions and goals

Moving forward we will continue to support activities for children and youth. We will also work to establish a common approach to how we can secure a positive effect on, and good relations with, our local communities.

CORPORATE GOVERNANCE 2013

INTRODUCTION

1.1 Presentation of Corporate Governance

The Group's Corporate Governance is based on the Norwegian Code of Practice for Corporate Governance as recommended by the Norwegian Corporate Governance Board (NUES) on 23 October 2012, with adjustment on 21 December 2012. There are no changes in NUES for 2013. The Grieg Seafood Group has updated the existing rules and defined values on this basis.

2. OPERATIONS

2.1 Grieg Seafood ASA

The Company is the parent company of a group where companies of this Group are engaged in the production and sale of seafood and naturally related activities.

The object of the Company is to engage in the production and sale of seafood and naturally related activities, including investment in companies engaged in the production and sale of seafood and other naturally related activities.

The Company is established and registered in Norway and is required to comply with Norwegian law, including laws and regulations pertaining to companies and securities.

2.2 Grieg Seafood ASAs vision and and overall objectives

The Group aims to comply with all relevant laws and regulations and with the Norwegian Code of Practice for Corporate Governance. This also to applies to all companies which are controlled by the Group. In as far as it goes, this document of principle therefore applies to all companies of the Group.

The Group's core values are to be open, respectful and ambitious.

The Group shall be managed applying the following principles:

- We shall be open and honest.
- We shall become better day by day.
- We do what we say.
- We are positive and enthusiastic.
- We care.

The Group is committed to the sustainable use of natural resources and the development of the organisation based on high ethical standards. Targets and detailed plans have been adopted for the implementation of initiatives in these areas.

The fish farmer has overall responsibility for the wellbeing of the fish and for ensuring that at all times the fish can be kept in their natural surroundings under optimal conditions. The Group selects locations where the water is as deep as possible and with good currents.

The Group has drawn up a designated health plan which stipulates how all production operations are to be performed. The fish shall be systematically examined by a veterinarian. The Group attaches great importance to preventive measures and a rapid reaction in the event of disease or pollution. This is important not only to protect the environment and fish health, but also to safeguard the quality and profitability of production. The work shall be performed in accordance with the Group's designated health plan. Measures have been implemented to prevent the escape of farmed fish. The objective is to conduct operations that do not cause any permanent damage to the environment.

As a user of natural resources such as clean water and feed from wild fish, the Group has a responsibility which extends beyond its own operations. The Group requires its feed suppliers to ensure that the feed is based on sustainable supplies of raw materials.

2.3 Management of the Company

Control and management of the Company is divided between the shareholders, represented through the General Meeting, the Board of Directors and the managing director, and is exercised in accordance with prevailing company legislation.

Divergences from this Code of Practice: None.

3. GROUP EQUITY AND DIVIDEND POLICY

3.1 Equity

At any given time the Group shall have a level of equity which is appropriate in relation to the Group's cyclical activities.

3.2 Dividend

The Group's objective is to give the shareholders a competitive return on invested capital through dividend payments and value appreciation of the share, which is at least at the same level as other companies with comparable risk. The future dividend will depend on the Group's future earnings, financial situation and cash flow. The Board believes that the dividend paid should develop in pace with the growth of the Group's profits, while at the same time ensuring that equity is at a healthy and optimal level and that there are adequate financial resources to prepare the way for future growth and investment, and taking account of the wish to minimise capital costs. The Board believes it is natural that the average dividend, over a period of several years, should correspond to 25-35% pre-tax profit, adjusted for the accounting effect of fair value adjustment of biological assets.

3.3 Board authorisation

The Board has general authorisation to increase the Company's share capital through share subscription for a total amount not exceeding NOK 44 664 800 divided into not more than 11 162 200 shares of nominal value NOK 4 each.

This authorisation remains in effect until 30 June 2014 and replaces the authorisation approved by the Annual General Meeting (AGM) on 12 June 2013.

The Board has general authorisation to acquire the Company's own shares in accordance with the provisions of chapter 9 of the Norwegian Public Limited Companies Act for an aggregate nominal amount not exceeding NOK 44 664 800. The Company shall pay not less than NOK 4 per share and not more than NOK 40 per share when acquiring its own shares.

This authorisation remains in effect until the next AGM, but not later than 30 June 2014.

The Board will observe the Code of Practice in respect of new proposals to authorise the Board to implement capital increases and acquire the Company's own shares.

Divergences from the Code of Practice: None.

4. EQUAL TREATMENT OF SHAREHOLDERS. TRANSACTIONS WITH RELATED PARTIES

4.1 Share class

The Company has only one class of shares, and all shares carry the same rights. At 31 December 2013 the Company had 111 662 000 outstanding shares.

4.2 Own shares

If the Company trades in its own shares, the Code of Practice shall be observed.

At 31 December 2013 the Company owned 1 250 000 of its own shares.

4.3 Approval of agreements with shareholders and other related parties.

All transactions of no lesser significance between the Company and a shareholder, Board member or a senior employee (or their related parties) shall be subject to a value assessment by an independent third party. If the consideration exceeds one twentieth of the Company's share capital, transactions of this kind shall be approved by the General Meeting, in so far as this is required under Section 3-8 of the Norwegian Public Limited Companies Act.

Board members and senior employees shall inform the Board if they have any significant interest in a transaction to which the Company is a party.

Divergences from the Code of Practice: None.

4.4 Capital increases

In the event of a waiver of the shareholders' preferential subscription right, the Code of Practice shall be observed.

5. NEGOTIABILITY OF THE SHARES

The Company's shares shall be freely negotiable.

Divergences from the Code of Practice: None.

6. GENERAL MEETING

The shareholders represent the Company's highest decision-making body through the General Meeting.

The Company's AGM shall be held each year before the end of June. The AGM shall consider and, if thought fit, adopt the annual financial statements, the annual report and the dividend, as well as deciding on other matters which under current laws and regulations pertain to the AGM.
The Board may convene an Extraordinary General Meeting (EGM) at any time whatsoever when it considers this necessary or when such a meeting is required under current laws or regulations. The Company's auditor and any shareholder or group of shareholders representing more than 5% of the Company's share capital may require the Board to convene an EGM.

The Board convenes General Meetings at least 21 days before the date of the meeting. During the same period, the notice of meeting and the documents pertaining to matters to be considered at the General Meeting shall be accessible on the Company's homepage. The same applies to the nomination committee's recommendation. Shareholders who are unable to attend may vote by proxy. An authorisation form giving the opportunity to show how the vote is to be cast for each matter to be considered will be enclosed along with the notice of meeting, and it will also be possible to give authorisation to the chairman of the Board or the managing director of the Company.

The Company will publish the Minutes of meetings of the General Meeting on its homepage and make them available for inspection at the Company's registered office.

The Board shall have no contact with the Company's shareholders outside the General Meeting in a manner which could be deemed to be differential treatment of shareholders or which could be in conflict with current laws or regulations.

Divergences from the Code of Practice: None.

7. NOMINATION COMMITTEE

On 13 February 2009 the AGM approved a resolution to establish a nomination committee. This is described in article

8 of the Article of Association. At the same time, the AGM adopted instructions for the nomination committee.

The present nomination committee was elected at the AGM on 27 May 2009 and comprises Hanne Refsholt (chair), Helge Nielsen and Frode Teigen.

The Company does not diverge from the Code of Practice.

8. COMPOSITION

8.1 Number of Board members

Under the Articles of Association the Board shall have up to seven members.

8.2 Election period

Board members are elected for a period of two years.

8.3 Independent Board members

The Board members are presented in the Annual Report and on the Company's homepage showing the Board members' competence, relationship to main shareholders, and a description of Board members who are deemed to be independent. No overview of participation at Board meetings is included in the Annual Report. An overview of the Board members' ownership of shares in the Company appears in the relevant note to the accounts in the Annual Report. The Company does not otherwise diverge from the Code of Practice.

There is compliance with the required number of independent Board members contained in the Code of Practice.

9. BOARD OF DIRECTORS

9.1 Duties and work plan

The Company is managed by an effective Board of Directors (the Board) who has shared responsibility for the success of the Company. The Board represents and is accountable to the Company's shareholders.

Each year the Board shall draw up a work plan for its activities.

The Board's duties include drawing up the Group's strategy and ensuring that the adopted strategy is implemented, effective supervision of the managing director, control and supervision of the Group's financial situation, internal control and the Company's responsibility to and communication with the shareholders.

The Board shall initiate any investigations it considers necessary at any given time to perform its duties. The Board shall also initiate such investigation that is requested by one or more Board members.

Divergences from the Code of Practice: None.

9.2 Instructions

The Board has drawn up instructions for its members and the Management which contain a more detailed description of the Board's duties, meetings, the managing director's duties in relation to the Board, the meeting schedule for the Board, participation, separate entries in the Minutes and duty of confidentiality.

The respective roles of the Board and the managing director are separate, and there is a clear division of responsibility between the two. Separate instructions have been drawn up for the group managing director. He/she is responsible for the Company's senior employees. The Board underlines that special care must be exercised in matters relating to financial reporting and remuneration to senior employees.

In matters of importance where the chairman of the Board is or has been actively involved, Board discussions shall be chaired by the vice chairman.

The instructions for the Board and Management were last revised by the Board on 4 April 2011.

9.3 Annual assessment

Each year, in connection with the first Board meeting in the calendar year, the Board shall make an assessment of its work in the previous year.

9.4 Audit committee

The Board has set up a sub-committee (audit committee) comprising a minimum of two and a maximum of three members elected from among the Board's members, and has drawn up a mandate for its work.

The committee assists the Board in the work of exercising its supervisory responsibility by monitoring and controlling the financial reporting process, systems for internal control and financial risk management, external audits and procedures for ensuring that the Company complies with laws and statutory provisions, and with the Company's own guidelines.

9.5 Remuneration committee

The Board has set up a sub-committee (remuneration committee) comprising not less than two members. The committee shall hold discussions with the group managing director concerning his/her financial terms of employment. The committee shall submit a recommendation to the Board concerning all matters relating to the group managing director's financial terms of employment.

The committee shall also keep itself updated on and propose guidelines for the determination of remuneration to senior employees in the Group. The committee is also the advisory body for the group managing director in relation to remuneration schemes which cover all employees to a significant extent, including the Group's bonus system and pension scheme. Matters of an unusual nature relating to personnel policy or matters which it is considered entail an especially great or additional risk, should be put before the committee.

The composition of the committee is subject to assessment each year.

Divergences from the Code of Practice: None.

10. INTERNAL CONTROL AND RISK MANAGEMENT

By internal control is meant what is done by the Group to organise its business activities and procedures in order to safeguard its own values and those of its customers, and to realise adopted goals through appropriate operations. The achievement of these goals also requires systematic strategy work and planning, identification of risk, choice of risk profile, and the establishment and implementation of controls to ensure that the goals are achieved.

Internal control is an on-going process that is initiated, implemented and monitored by the Company's Board of Directors, management and other employees. Internal control is designed to provide reasonable assurance that the Company's goals will be achieved in the following areas:

- Targeted, efficient and appropriate operations.
- Reliable internal and external reporting.
- Compliance with laws and regulations, including internal guidelines.

The Company has established framework procedures to manage and eliminate most of the risk that could prevent a goal from being achieved. This includes a description of the Company's risk management policy as well as all financial control processes. There is on-going risk assessment of the main transaction processes. Descriptions of the transaction processes are currently in preparation for each region, with the aim of clarifying key controls and ensuring that these controls are in place. This means assessing all processes to determine the probability of divergences arising, and how great the economic consequences would be of any such divergence. The establishment of controls in each region is aimed at reducing the likelihood of divergences arising with major economic consequences.

As part of the internal control system, an authorisation matrix has been drawn up which is linked to the Group's organisational structure.

The Group's core values, external guidelines and social corporate responsibility constitute the external outer framework of internal control. The Group is decentralised and considerable responsibility and authority are therefore delegated to the regional operating units. Risk management and internal control are designed to take account of this. The audit committee updates the Board after each meeting.

Each year the auditor carries out a review of internal control which is an element of financial reporting. The auditor's review is submitted to the audit committee.

The Group's activities entail various kinds of financial risk: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management plan focuses on the unpredictability of the capital markets and seeks to minimise the potential negative effects on the Group's financial results. To some extent, the Group uses financial derivatives to hedge against some risks. Risk management is drawn up at Group level and involves identifying, evaluating and hedging financial risk in close cooperation with the Group's operational units. The Board has established written principles for risk management related to foreign exchange and interest rate risk and the use of financial instruments.

The Board has established procedures for reporting within the Group:

- At the start of each year the Board adopts a budget for the year. Divergences from the budget are reported on a monthly basis.
- Forecasts are drawn up for the next three years and they are updated every month.
- Every month, each region submits a report containing given Key Performance Indicators (KPI). The main KPIs are: EBIT/kg, feed factor, production, production cost, harvesting volume, harvesting cost and fish health. Analyses are made and measured against budget figures and KPIs. The information form of the regions is summarised in a report submitted to the Board.

Divergences from the Code of Practice: None.

11. BOARD REMUNERATION

Proposals concerning Board remuneration are submitted by the nomination committee. Remuneration to Board members is not linked to the Company's results. None of the Board members have special duties in relation to the Company which are additional to those they have as Board members. Board remuneration shall be shown in the financial statements of both the Company and the Group.

Divergences from the Code of Practice: None.

12. REMUNERATION TO SENIOR EMPLOYEES

12.1 Senior employees

The group management consists of the group managing director and the financial director. The Group has an extended management group of ten comprising the group managing director, the operations director, the financial director, the group head of accounting, four regional managers (the respective managers of fish farming activities in Rogaland, Finnmark, Shetland and British Columbia), and the two people responsible for feed/nutrition and biology, respectively.

The objective of the guidelines for determination of salary and other remuneration to senior employees within the Group is to attract people with the required competence and at the same time retain key personnel. The guidelines should also motivate the employees to work with a long-term perspective to enable the Group to achieve its goals.

The determination of salary and other remuneration to the Group's senior employees is therefore based on the following guidelines:

- Salary and other remuneration shall be competitive and motivating for each manager and for everyone in the senior management group.
- Salary and other remuneration shall be linked to value creation generated by the Company for the shareholders.
- The principles used to determine salary and other remuneration shall be simple and understandable to employees, the shareholders and the public at large.
- The principles used to determine salary and other remuneration shall also be sufficiently flexible to allow adjustments to be made on an individual basis in the light of the results achieved and the contribution made by the individual to the development of the Group.

The salary paid to the members of the senior management group consists of a fixed and a variable element. Under the bonus scheme in force the variable salary under the scheme cannot exceed five times the monthly salary. Each year, information about the provisions of the bonus scheme is included in the Group declaration on the determination of salary to the senior management group, and appears in the financial statements for the Group, note 8.

The Board approved a share and cash options programme based upon AGM approval of the framework of the options programme. The last approval by the AGM was 12 June 2013. The Board´s allotment have been approved 20 April 2007, 6 May 2009, 27 March 2012, 22 March 2013 and 17 December 2013. The group managing director, the financial director and the four regional managers are included in the share options programme. The options agreements have been entered into within the framework of the resolution adopted by the AGM. Minutes of this AGM can be accessed on the Company's homepage.

This has been followed by the establishment of a synthetic options programme. Options agreements with members of the senior management group have been entered into within the framework of the adopted resolution. Remuneration to the group managing director is determined at a meeting of the Board of Directors.

The salary payable to the other members of the senior management group is determined by the group managing director. The group managing director shall discuss the remuneration which he/she proposes with the chairman of the Board before the amount of remuneration is determined.

General schemes for the allocation of variable benefits, including bonus schemes and options programmes, are determined by the Board. Schemes which entail an allotment of shares, subscription rights, options and other forms of remuneration which are related to shares or the development of the Company's share price, are determined by the AGM.

The Company has no divergences from the Code of Practice.

12.2 Severance pay

The group managing director is entitled to 18 months' severance pay after dismissal or changes in the position of group managing director or in the terms and conditions of employment, and 12 months salary during illness. A severance pay agreement has also been established for the CFO providing for 12 months' severance pay after dismissal.

Divergences from the Code of Practice: None.

13. INFORMATION AND COMMUNIKATION

13.1 Financial information

The Company shall at all times provide its shareholders, the Oslo Stock Exchange and the finance market in general (through the Oslo Stock Exchange information system) with timely and accurate information. The Board shall ensure that the quarterly reports from the Company give a correct and complete picture of the Group's financial and commercial position, and whether the Group's operational and strategic objectives are being reached. Financial reporting shall also contain the Group's realistic expectations of its commercial and performance-related development.

The Company publishes all information on its own homepage and in press releases. Quarterly reports, annual reports and press releases are presented as they arise on the Company's homepage in accordance with the Company's financial calendar.

The Company shall have an open and active policy in relation to investor relations and shall hold regular presentations in connection with the annual and interim results.

13.2 Shareholder information

The Board shall ensure that information is provided on matters of importance for the shareholders and for the stock market's assessment of the Company, its activities and results, and that such information is made publicly available without undue delay. Publication shall take place in a reliable and comprehensive manner and by using information channels which ensure that everyone has equal access to the information.

All information shall be provided in both Norwegian and English. The Company has procedures to ensure that this is done. The chairman of the Board shall ensure that the shareholders' views are communicated to the entire Board.

Divergences from the Code of Practice: None.

14. COMPANY TAKEOVER

14.1 Change of control and takeovers

The Company has no established mechanisms which can prevent or act as a deterrent to takeover bids, unless this has been resolved by the General Meeting by a majority of two thirds (of the votes cast and of the share capital represented). The Board will not use its authorisation to prevent a takeover bid without the approval of the General Meeting after the takeover bid has become known. If a takeover bid is received, the management and the Board will ensure that all shareholders are treated equally. The Board will obtain a value assessment from a competent independent party and advise the shareholders whether to accept or reject the bid. The shareholders will be advised of any difference of views among the Board members in the Board's statement on the takeover bid.

Divergences from the Code of Practice: None.

15. AUDITOR

The Board, represented by the audit committee, seeks to have close and open cooperation with the Company's auditor. Each year the audit committee obtains confirmation that the auditor meets the requirements of the Act on auditing and auditors concerning the independence and objectivity of the auditor.

The auditor's schedule of audit work is submitted to the audit committee once a year. In particular, the Board considers whether, to a satisfactory extent, the auditor is performing a satisfactory control function.

Both the Company management and the auditor comply with guidelines issued by the Ministry of Finance concerning the extent to which the auditor can provide advisory services.

The auditor attends Board meetings which deal with the annual financial statements. The audit committee also has a meeting with the auditor at least one a year to review the auditor's report on the auditor's view of the Group's accounting principles, risk areas and internal control procedures. Moreover, each year the Board has a meeting with auditor when neither the managing director nor anyone else from the management is present.

The auditor also attends meetings of the audit committee to consider relevant matters. The auditor's fee appears in the relevant note in the annual report showing the division of the fee between audit and other services.

Divergences from the Code of Practice: None

Bergen, 1 April 2014

The Board of Directors of
Grieg Seafood ASA

Per Grieg jr.
Chair

Asbjørn Reinkind
Vice-Chair

Karin Bing Ørgland
Board Member

Terje Ramm
Board Member

Wenche Kjølås
Board Member

Morten Vike
CEO

GRIEG SEAFOOD GROUP ACCOUNTS

Consolidated Income Statement

Amounts in NOK 1 000	Note	2013	2012
Sales revenue	7	2 404 215	2 050 065
Other income	7	20 041	28 217
Other gains and losses	7	786	-53
Share of profit from associated companies and joint ventures	13	5 645	12 744
Cost of sales	19	-968 978	-1 202 314
Salaries and personnel expenses	9, 10	-302 223	-276 103
Other operating expenses	9, 27,28	-675 156	-642 374
Operating profit/loss before depreciation and fair value adjustments of biological assets		**484 330**	**-29 818**
Depreciation	17	-133 468	-157 075
Amortisation of licenses and other intangible assets	16	-2 569	-4 270
Operating profit/loss before fair value adjustment of biological asset		**348 293**	**-191 162**
Fair value adjustment of biological assets	19	267 450	98 063
Operating result		**615 743**	**-93 099**
Share of profit/loss from associated companies	13	2 244	-913
Financial income	12	33 381	3 173
Financial expenses	12	-106 437	-111 520
Net financial loss		-73 056	-108 346
Profit before income tax		**544 930**	**-202 358**
Income tax expense	22	-113 945	55 170
Profit for the year		**430 985**	**-147 188**
Profit to shareholders of parent company		430 985	-147 188
Earnings per share (NOK)	14	3,90	-1,33
Diluted earnings per share (NOK)	14	3,90	-1,33

Consolidated Comprehensive Income Statement

Amounts in NOK 1 000	Note	2013	2012
Profit for the year		**430 985**	**-147 188**
Items with no tax effect on realisation:			
Currency translation differences, subsidiaries		12 614	-15 803
Change in value of available-for-sale assets	15	28	5
Total		12 642	-15 798
Items with tax effect on realisation:			
Currency effect of net investments	3	43 424	-19 352
Tax effect		-11 724	5 418
Net effect		31 700	-13 934
Comprehensive income after taxes		**44 342**	**-29 732**
Total comprehensive income for the year		**475 327**	**-176 920**
Profit to shareholders of parent company		**475 327**	-176 920

Consolidated Balance Sheet

Amounts in NOK 1 000

Assets	Note	2013	2012
Goodwill	16	107 310	105 108
Licences	16	994 066	976 740
Other intangible assets	16	4 545	3 800
Property, plant and equipment	17	1 204 207	1 141 317
Investments in associated companies and joint ventures	13	41 190	49 229
Loans to associated companies	30	1 020	1 020
Available-for-sale financial assets	15	1 392	1 337
Other non-current receivables		255	53
Total non-current assets		**2 353 986**	**2 278 604**
Inventories	19	74 015	65 692
Biological assets	19	1 766 332	1 310 142
Accounts receivable	3, 20	177 814	124 657
Other current receivables	21	54 015	51 299
Financial instruments	3, 11	518	0
Cash and cash equivalents	3, 18	163 913	239 885
Total current assets		**2 236 607**	**1 791 675**
Total assets		**4 590 593**	**4 070 279**

Liabilities and equity	Note	2013	2012
Share capital	23	446 648	446 648
Treasury shares	23	-5 000	-5 000
Other equity		-2 181	-46 523
Retained earnings		1 549 090	1 118 105
Total equity		**1 988 557**	**1 513 230**
Deferred tax liabilities	22	557 350	426 781
Pension obligations	25	610	1 110
Cash-settled share options	10	0	9 267
Loan	24	850 646	951 043
Other long-term borrowings	24	24 056	24 801
Financial leasing liabilities	24, 28	170 251	156 150
Total non-current liabilities		**1 602 913**	**1 569 152**
Short-term loan facilities	3, 24	425 000	500 000
Current portion of long-term borrowings	24	111 060	109 542
Current portion of financial leasing liabilities	24, 28	46 149	44 730
Cash-settled share options	10	9 567	0
Accounts payable	3	317 753	246 119
Tax payable	22	1 471	0
Accrued salary expense and public tax payable		21 731	19 720
Financial instruments	3, 11	11 631	13 805
Other current liabilities	26	54 761	53 982
Total current liabilities		**999 123**	**987 898**
Total liabilities		**2 602 036**	**2 557 050**
Total liabilities and equity		**4 590 593**	**4 070 279**

Bergen 1. April 2014
Board of Directors, Grieg Seafood ASA

Translation, No signature required

Consolidated statement of change in equity

Amounts in NOK 1 000	Note	Share capital	Own shares	Other equity	Retained earnings and other reserves	Total equity
Equity at 31.12.2011		**446 648**	**-5 000**	**-16 791**	**1 265 293**	**1 690 150**
Result for 2012					**-147 188**	**-147 188**
Translation effects foreign subsidiaries				-15 803		**-1 059**
Net investment				-13 934		**-13 934**
Change in value of available-for-sale assets	**15**			5		**5**
Total comprehensive income		**0**		**-29 732**	**0**	**-29 732**
Total comprehensive income for 2012		**0**		**-29 732**	**-147 188**	**-176 920**
Total equity from shareholders in 2012		**0**	**0**	**0**	**0**	**0**
Total change in equity in 2012		**0**	**0**	**-29 732**	**-147 188**	**-176 920**
Equity at 31.12.2012		**446 648**	**-5 000**	**-46 523**	**1 118 105**	**1 513 230**
Result for 2013					**430 985**	**430 985**
Translation effects foreign subsidiaries				12 614		**12 614**
Net investment				31 700		**31 700**
Change in value in shares held for sale	**15**			28		**28**
Total comprehensive income		**0**		**44 342**	**0**	**44 342**
Total comprehensive income for 2013		**0**	**0**	**44 342**	**430 985**	**475 327**
Total equity from shareholders in 2013		**0**	**0**	**0**	**0**	**0**
Total change in equity in 2013		**0**	**0**	**44 342**	**430 985**	**475 327**
Equity at 31.12.2013		**446 648**	**-5 000**	**-2 181**	**1 549 090**	**1 988 557**

Booked amount on the line "Own shares" equals nominal value of parent company´s holding of own shares

Specification of Equity Items

Amounts in NOK 1 000

Specification of retained earnings	Effect of share-based compensation	Purchase of own shares *)	Profit for the year - dividend paid	Total
Book value at 31.12.2011	**1 094**	**-13 036**	**1 277 235**	**1 265 293**
Change in 2012	0	0	-147 188	**-147 188**
Change in 2013	0	**0**	**430 985**	**430 985**
Book value at 31.12.2013	**1 094**	**-13 036**	**1 561 032**	**1 549 090**

Specification of other equity, not recognized	Shares held for sale	Net investment	Currency conversion	Total
Book value at 31.12.2011	**678**	**0**	**-17 469**	**-16 791**
Change in 2012	5	-13 934	-15 803	**-29 732**
Change in 2013	28	31 700	12 614	**44 342**
Book value at 31.12.2013	**711**	**17 766**	**-20 658**	**-2 181**

*) Amount classified under "Purchase of own shares" is cost price in excess of nominal value. See also note 23.

Consolidated Cash Flow Statement

Amounts in NOK 1 000	Note	2013	2012
Operating result		615 743	-93 099
Taxes paid for period	**22**	5 361	3 324
Fair value adjustment of biological assets	**19**	-267 450	-98 063
Ordinary depreciation	**16, 17**	136 037	161 345
(Gain/)Loss on sale of property, plant and equipment		1 939	53
Share of results from companies which apply the equity method of accounting	**13**	-5 645	-12 744
Change in inventories and biological assets		-195 575	194 518
Change in customer accounts receivable and other receivables		-53 158	101 611
Change in accounts payable		71 634	-57 077
Change in other accruals items		8 596	-5 761
Change in net pension obligations		-200	8 626
Net cash flow from operations		**317 282**	**202 733**
Receipts from sale of property, plant and equipment		-	147
Dividends received	**12, 13**	16 397	296
Payments on purchase of property, plant and equipment	**17**	-161 453	-188 330
Payments on purchase of intangible assets	**16**	-2 508	-1 209
Change in other non-current receivables		777	-251
Net cash flow from investment activities		**-146 787**	**-189 347**
Change in short-term interest-bearing debt		-75 000	-200 000
Change in long-term interest-bearing debt		-	390 870
Leasing receipts		34 482	26 692
Repayment of long-term interest-bearing debt and leasing		-121 822	-48 543
Interest expense		-93 486	-100 854
Net cash flow from financing activities		**-255 826**	**68 165**
Net change in cash and cash equivalents		**-85 331**	**81 551**
Cash and cash equivalents at 01.01		**232 634**	**152 622**
Currency conversion of cash and cash equivalents		**2 157**	**-1 538**
Cash and cash equivalents at 31.12		**149 459**	**232 634**

Note 1 General information

Grieg Seafood ASA is an integrated Norwegian seafood company operating in the area of salmon farming and processing. The Company has operations in Norway, Canada and the UK. Grieg Seafood ASA is a public limited company registered in Norway. Its head office is located at C. Sundtsgt. 17/19, Bergen, Norway. Grieg Seafood ASA was listed on the Oslo Stock Exchange on 21 June 2007.

The consolidated accounts were approved by the Board of Directors on 1 April 2014.

In the following, "Group" is used to describe information related to the Grieg Seafood Group, whilst "the Company" is used for the parent company itself.

All amounts in the notes are in NOK thousand, unless stated otherwise.

Note 2 Accounting policies

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

BASIS OF PREPARATION

The consolidated financial statements of Grieg Seafood Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. The consolidated financial statements have been prepared under the historical cost convention, as modified by biological assets at fair value, available-for-sale financial assets, and financial assets/liabilities (including derivative instruments) at fair value through profit or loss. The preparation of financial statements in conformity with IFRS requires the use of estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are described in note 4.

a) New and amended standards implemented in 2013
As from 1 January 2013, the following new and amended IFRS and IFRIC interpretations are deemed to have material impact on the Group's consolidated financial statements:

IAS1 Presentation of financial statement has been amended and entails that items in other comprehensive income shall be divided into two groups, those which will later be reclassified through profit and those which will not. This change does not affect which records are included in other comprehensive income.

IFRS 10 Consolidated Financial Statements is based on current policies regarding the concept of control as the determining factor for whether a company should be included in the consolidated financial statements of the parent company. The standard enters into force for accounting periods beginning on or after 1 January 2014.

IFRS 13 Fair Value Measurement implies to consolidate consistency and reduce complexity by defining what is meant by the term "fair value" in IFRS. It provides a uniform definition of how fair value should be determined in IFRS and defines what additional information should be provided for all standards when fair value is used. The standard only provides guidance on the application method where the use is already required or permitted in other IFRS standards.

b) Standards, amendments and interpretations of existing standards that have not taken effect and where the group has not chosen early implementation.
The Group has not chosen early implementation of any new or amended IFRS or IFRIC interpretations.
There are no IFRS or IFRIC interpretations which have not taken effect which are expected to significantly affect the financial statements.

CONSOLIDATION

(a) Subsidiaries
Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating guidelines, generally accompanying a shareholding of more than one half of the voting rights. The effect of potential

voting rights that are currently exercisable or convertible at year-end are also considered in determining whether the Group controls another entity.

The Group also considers whether control is exercised in cases where the group has less than 50% of the voting rights, but where in practice it is able to determine financial and operating guidelines (so-called factual control). Factual control can arise in situations where other voting rights are spread among a large number of owners who are realistically unable to organise the way their votes are cast. In determining whether factual control exists, decisive importance is also attached to the fact that the Group can elect the board of directors that it wishes.

Subsidiaries are consolidated from the point when the group can exercise control and consolidation ends when control of the subsidiary terminates.
The purchase method of accounting is used for acquisitions. The cost of an acquisition is measured as the fair value of the assets and liabilities taken over, and equity instruments issued. The cost also includes the fair value of all assets and liabilities and contingent liabilities taken over by agreement. Identifiable assets, debt and contingent liabilities are booked at fair value on the date of acquisition. Non-controlling owner interests in the acquired entity are measured from time to time either at fair value, or as their proportion of net assets of the entity that has been acquired. Costs related to business mergers are charged as they arise.
In the case of a multi-stage acquisition, the proportion of ownership from an earlier purchase is re-stated at fair value at the date of control and the value change is recognised through profit or loss.

A contingent acquition price is measured at fair value at the date of acquisition. Under IAS 39 subsequent changes in the contingent acquisition price are recognised through profit or loss or are posted as a change in the comprehensive income statement where the contingent price is classified as an asset or a liability. There is no new value measurement of a contingent acquisition price classified as equity, and the subsequent settlement is charged against equity.

If the total of the consideration, the fair value of of previous owner interests and any fair value of non-controlling owner interests exceeds the fair value of identifiable net assets in the acquired entity, the difference is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the entity acquired, the difference is recognised directly in the income statement.

Intra-group transactions, balances, income and costs are eliminated. Gains and losses on transactions between Group companies are also eliminated. The accounts of subsidiaries are re-stated where necessary to ensure consistency with the accounting policies adopted by the Group.

(b) Change in owner interests in susidiaries without loss of control
Transactions with non-controlling owners of subsidiaries which do not entail a loss of control are regarded as equity transactions. On the purchase of further shares from non-controlling owners the difference between the consideration paid and the shares' proportionate share of the net assets in the accounts of the subsidiary is recorded in the equity of the parent company's owners. Similarly, any gain or loss on a sale to non-controlling owners is recorded in equity.

c) Divestment of subsidiaries
When the Group no longer has control, any remaining owner interest is measured at fair value and the difference is recorded through profit or loss. Thereafter, for accounting purposes, fair value is the acquisition cost either as an investment in an associated company, joint venture or a financial asset. Amounts which were previously recorded in a comprehensive income statement related to this company are dealt with as if the Group had disposed of underlying assets and liabilities. This may mean that amounts which were previously recorded in a comprehensive income statement are reclassified as part of the income statement.

(d) Associated companies
Associated companies are entities over which the Group has significant influence, but not control. Significant influence is deemed to exist where the Group has between 20% and 50% of the voting rights. Investments in associates are initially recognised at cost, and thereafter the equity method of accounting is used. In subsequent periods, the Group's share of the results is recognised through profit or loss. The amount recorded in the balance sheet includes implicit goodwill identified at the date of purchase.

In the event of a reduction in the owner interest in an associated company where the Group retains significant influence, only a proportionate part of amounts previously recognised in the comprehensive income statement is reclassified through profit or loss.

The Group's share of profits or losses of associated companies is recognised in the income statement and is added to the value of the investment in the balance sheet. The Group's share of the comprehensive result s for the associated company is entered in the Group's comprehensive income statement and is also added to the amount of the investment in the balance sheet. The Group's share of a loss is not posted in the income statement if this means that the value of the investment in the balance sheet is negative (including the entity's unhedged receivables), unless the group has undertaken obligations or made payments on behalf of the associate. The accounts of associated companies are re-stated where necessary to ensure consistency with the accounting policies adopted by the Group.

At the end of each accounting period the Group determines if there is a need to write down the investment in the associated company. In such case, the amount of the write-down is calculated as the difference between the recoverable amount of the investment and and its book value, and the difference is recorded on a separate line along with "Share of results of associated companies".

If a gain or a loss arises on transactions between the group and its associated companies, only the proportionate amount related to shareholders outside the Group is recorded. Unrealised losses are eliminated uless there is a need to write down the the asset that was the subject of the transaction. Accounting policies of associates are changed where necessary to ensure consistency with the accounting policies adopted by the Group. Gains and losses on dilution of assets of associated companies are posted in the income statement.

(e) Joint ventures
A joint venture is an economic entity regulated by agreement

between one or more participants, and whereby the participants have joint control of the activity in accordance with the definition in IAS 31. For accounting purposes, the Group's participation in joint ventures is based on the equity method, as described for associated companies above.

SEGMENT REPORTING
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group management.

FOREIGN CURRENCY TRANSLATION
Functional and presentation currency.
The financial statements of each of the Group's entities are generally measured using the currency of the economic area in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Norwegian Kroner (NOK), which is the parent company's functional and presentation currency.

TRANSACTIONS AND BALANCE SHEET ITEMS
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

GROUP COMPANIES
The income statements and balance sheets of the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing rate on the date of the balance sheet,

(ii) income and expense items in the income statement are translated at average exchange rates for the period (unless this average is not a reasonable estimate of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated on the dates of the transactions),

(iii) translation differences are recorded in equity and specified separately.

When a foreign operation is sold, the exchange difference, which in previous periods was recorded in consolidated income, is not accrued. The accumulated exchange difference from the sale of the foreign operation is hence reversed in the consolidated income. Gain/loss from the sale is recognised on a basis of zero exchange difference. Gain/loss is recorded in the ordinary net profit.

Goodwill and fair value adjustments of assets and liabilities on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and are translated into the functional currency at the closing rate.

PROPERTY, PLANT AND EQUIPMENT
Property, plant and equipment are stated at historical cost less depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Acquisition cost may also include gains or losses transferred from equity as a result of hedging the cash flow in foreign currency on the purchase of property, plant and equipment.

Improvements are included in the asset's carrying amount or recognised as a separate asset when it is probable that future economic benefits associated with the improvement will flow to the Group and the cost of the item can be reliably measured.
All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.
Land and buildings comprise mainly factories and offices. Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate cost less residual value over estimated useful lives, as follows:
– Buildings 13-33 years
– Machinery 3-10 years
– Vessels and barges 5-20 years

The assets' useful lives and residual values are reviewed at each balance sheet date and adjusted, if necessary.

An asset's carrying amount is written down to its recoverable amount if the carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are posted net in the income statement and correspond to the difference between the sale price and the carrying amount.

INTANGIBLE ASSETS
Intangible assets which arise internally within the Group are not recognised. Goodwill and licenses with an indefinite economic life are subject to annual impairment tests. Impairment tests are performed more frequently if indications of impairment exist. Amortised licenses are tested for impairment only if there are indications that future earnings do not justify the asset's balance sheet value.

GOODWILL
Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired entity at the date of acquisition. Goodwill on acquisitions of subsidiaries is classified as an intangible asset. Goodwill on the purchase of a share in an associated company is included in 'investments in associates'. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.
Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

LICENSES
Fish quotas and fish farming licenses that have an indefinite useful life are not amortised but reviewed for impairment annually, or more frequently if there are indications that the balance sheet value may have decreased.
Licenses with a limited useful life are amortised over the useful

lifetime. These regard water concessions for hatcheries and some specific grow-out licenses.

OTHER INTANGIBLE ASSETS

Acquired customer portfolios and computer software licenses are capitalised at cost and amortised over their estimated useful lives. Customer portfolios are capitalised at historical cost at the date of purchase. Amortisation is calculated using the straight-line method over the estimated useful life, as follows:
- Customer portfolios 6 years
- Computer software 3 years

Impairment of non-financial assets
Assets that have an indefinite useful life are not amortised and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever there are indications that future earnings do not justify the carrying amount. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets, other than goodwill, that suffered an impairment are reviewed for indicators of possible reversal of the impairment at each reporting date.

FINANCIAL ASSETS/LIABILITIES

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, and assets available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets on acquisition and re-evaluates this designation at every reporting date in case of material changes.

a)Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are classified as current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are classified as 'other receivables' in the balance sheet.

At each year-end the Group considers whether there is any objective evidence that the loans and receivables are impaired. Such objective evidence is, for instance:

- breach of contract, such as a default or delinquency in interest or principal payments,
- the probability that the borrower will become insolvent or be subject to financial reorganisation.

Loans and receivables are carried at amortised cost using the effective interest method.

b)Available-for-sale financial assets
Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any other category. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Available for-sale financial assets are stated at fair value. Change of value is recorded in consolidated total financial statement.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement as 'other financial income/losses from investment in securities '. Interest on available-for-sale securities calculated using the effective interest method is recognised in the income statement. Dividends on shares classified as available-for-sale are recognised in the income statement when the Group's right to receive dividends is established. The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include recent transactions on market terms, reference to other instruments which are essentially the same, the use of discounted cash flows and options models.

The techniques used make maximum use of market and avoid company-specific information as much as possible.

Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership.
Regular purchases and sales of investments are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. All financial assets which are not stated at fair value through profit or loss Investments are initially recognised at fair value plus transaction costs.
At each balance sheet date the Group assesses whether there is objective evidence that a financial asset or a Group of financial assets is impaired. In the case of shares classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and fair value, less any impairment loss on that financial asset previously recognised through profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on shares and corresponding equity instruments are not reversed through the income statement. Impairment testing of accounts receivable is described below.

c)Financial assets/liabilities at fair value included in income statement, including derivatives and hedging
Financial equity classified as available-for-sale is recorded at fair value, whereas change of value is included in income statement.

The Group does not apply hedge accounting according to IAS 39. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently stated at fair value on an ongoing basis.

Changes in the fair value of derivatives are posted net in the income statement under 'other financial income/costs'. This includes derivatives intended for hedging purposes.
Assets/liabilities in this category are classified as current assets/short term debt when intended to be disposed of within 12 months, otherwise as non-current assets/liabilities.

INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The net realisable value is the estimated selling price, less processing and selling expenses.

BIOLOGICAL ASSETS

The accounting treatment of living fish by companies applying IFRS is regulated by IAS 41 Agriculture. IAS 41 comprises a hierarchy of methods for accounting measurement of biological assets. The basic principle is that such assets shall be measured at fair value. In the second half of 2011 the largest salmon farming companies in Norway, aided by a firm of accountants, established a trade group, aiming to agree upon a common approach to a model for estimating the fair value of biological assets in accordance with IAS 41. Based on the Group's conclusions, the Company has adjusted its calculation model for estimating fair value with effect for the fourth quarter of 2011. The new model takes the view that the best estimate of the fair value of:

i) fish below 1 kilogram is considered to be the accumulated cost, while
ii) for fish between 1 and 4 kilograms the estimated fair value includes a proportionate part of the estimated profit.
iii) for fish over 4 kilograms (fish ready for harvesting) the fair value is set at the net sale price on the balance sheet date.

If the expected sale price is below the estimated cost, this will entail a negative value adjustment of biological assets, which is 100 % accrued. Upon estimating actual accumulated cost at the respective grow-out facility, direct costs (fish feeds a.o.) are allocated to the locality. Indirect costs is distributed across localities through a norm of distribution. Given unusual mortality rate, the cost is amortised. Financial costs are not allocated to cost.

The sale price for fish ready for harvesting is based on spot prices, while the price of fish between 1 and 4 kilograms is based on forward prices and/or the most relevant price information that is available for the period when the fish is expected to be harvested.

The net sales are adjusted for quality differences (superior, ordinary and prod.), and for freight and sales commissions. Estimated harvesting expenses are also deducted. The volume is adjusted for gutting waste.

Change in fair value of biological assets is recognised. The value adjustment is presented on the line "Fair value adjustment of biological assets."

ACCOUNTS RECEIVABLE

Accounts receivable are generated from trading of goods or services within the ordinary operating cycle. Accounts receivable under normal terms of payment are recognised initially at fair value. Longer terms of payment implies a subsequent measurement of amortised cost using the effective interest method. A provision for impairment of accounts receivable is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of trade. Significant financial difficulties affecting the debtor, the probability that the debtor will become insolvent or be subject to financial reorganisation, and default or delinquency in payments are considered indicators that the account receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the provision is recognised in the income statement under 'other operating expenses'.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, bank deposits, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown under borrowings included in current liabilities.

SHARE CAPITAL

Ordinary shares are classified as equity. Costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

BORROWINGS

Borrowings are recognised initially at fair value when the funds are received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost applying the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings.
Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

DEFERRED TAX

Deferred tax is provided for in full at nominal values, using the liability method, on temporary differences arising between the value of assets and liabilities for tax and accounting purposes. Deferred tax is determined using tax rates and laws that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred income liability is settled.
Deferred tax assets is recognised to the extent that it is probable that future taxable income will be available from which the temporary differences can be deducted.
Deferred tax is calculated on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not be reversed in the foreseeable future.

EMPLOYEE BENEFITS

Pension obligations

Effective from 1 July 2009 the pension obligations of Grieg Seafood ASA have been based on a defined contribution based scheme for all employees, following the termination of a defined benefits based scheme. The Company's pension scheme is in accordance with rules and regulations for mandatory occupational pensions. The premium is charged through operations as it arises in the profit and loss account. Employer's social security contributions are charged on the basis of the pension premium paid.

Grieg Seafood Rogaland AS and Grieg Seafood Finnmark AS have a contractual early retirement pension scheme (AFP). The financial commitments associated with this scheme are included in the Group's pension calculations. The AFP early retirement scheme follows the rules for public sector AFP, and both companies are members of the LO/NHO scheme. The pension payment calculations are based on standard assumtions relating to the development of mortality and disability as well as other factors such as age, years of service and remuneration.

The old AFP scheme has terminated, and the previous balance sheet obligation was therefore written back in 2010. This does not apply to that part of the obligation related to those who have already taken out a pension under the old scheme. On termination of the old AFP scheme LO/NHO required the member companies to cover the underfunding of the old scheme. Companies which have been members of LO/NHO must make a provision to cover the underfunding, with payment due over a 5-year period.

Share-based remuneration
The Group operates a share-based management remuneration plan. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be charged over the vesting period is calculated on the basis of the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each balance sheet date, the company revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision relative to original estimates, if any, in the income statement, with a corresponding adjustment to equity. The Black and Schole's option pricing model is used for valuation.

Transactions under joint control
On the purchase of entities under joint control the Group has chosen to apply IFRS 3 as its accounting standard.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

Cash-based remuneration
The Company has a share-based remuneration plan with settlement in cash. The Company's obligation is posted under other long-term commitments. The cost for the year is charged in the income statement.

Termination benefits
Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without the possibility of withdrawal, or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the balance sheet date are discounted to present value.

Profit-sharing and bonus plans
The Group recognises a provision where it has a contractual obligation or where there is a past practice that has created a constructive obligation.

Provisions
Provisions (e.g. environmental improvements, restructuring costs and legal claims) are recognised when:

- the Group has a present legal or constructive obligation as a result of past events;
- it is more likely than not that an outflow of resources will be required to settle the obligation;
- the amount of the obligation can be reliably estimated.

Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.
Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market situation and the risks specific to the obligation. The increase in the provision due to the change in value because of passage of time is posted as a financial expense.

REVENUE RECOGNITION
Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating intra-group sales. Revenue is recognised when it is reliably measured and it is reasonably assured that the economical assets will be transferred, i.e. when a group entity has delivered products to the customer, the customer has accepted the products and collectability of the related receivables and when the risks and rewards have been transferred to the customer.

INTEREST INCOME
Interest income is recorded proportionately over time using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate. Interest income on impaired loans is recognised on the basis of the amortised cost and the original effective interest rate.

DIVIDEND INCOME
Dividend income from investments under the cost method or available-for-sale is recognised when the right to receive payment is established. Dividend income from entities under the equity method are not being recognised but recorded as a reduction in the carrying value of the investment.

LEASES

Finance leases
Leases, or other arrangements as described in IFRIC 4, relating to property, plant and equipment where the Group has substantially all the risks and control, are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the aggregate minimum lease payments.

Each lease payment is allocated between an instalment element and an interest element so as to achieve a constant interest expense on the outstanding lease obligation in the balance sheet. The lease obligation, less interest costs, is classified as other long-term debt. The interest expense is posted in the income statement as a financial expense over the lease period so as to achieve a constant interest expense on the outstanding obligation in each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset or the lease period.

Operating leases
Leases, or other arrangements as described in IFRIC 4, in which a significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases. Payments made under operating leases (net of any financial incentives from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

DIVIDENDS
Dividends payable to the Company's shareholders are recognised as a liability in the Group's financial statements when the dividends are approved by the Annual General Meeting.

BORROWING COSTS
Borrowing costs incurred during the construction of operating assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are charged in the income statement.

CONTINGENT ASSETS AND LIABILITIES
Contingent liabilities are defined as:
(i) possible obligations resulting from past events whose existence depends on future events;
(ii) obligations that are not recognised because it is not probable that they will lead to an outflow of resources;
(iii) obligations that cannot be measured with sufficient reliability.
Contingent liabilities are not recognised in the annual financial statements apart from contingent liabilities which are acquired through the acquisition of an entity. Significant contingent liabilities are disclosed, with the exception of contingent liabilities where the probability of the liability occurring is remote.

Contingent liabilities acquired through the purchase of operations are recognised at fair value even if the liability is not probable. The assessment of probability and fair value is subject to constant review. Changes in the fair value are recognised in the income statement.

A contingent asset is not recognised in the financial statements, but is disclosed if it is likely that a benefit will accrue to the Group.

CASH FLOW STATEMENT
The Group's cash flow statement shows the overall cash flow broken down into operating, investing and financing activities by using the indirect method. The cash flow statement illustrates the effect of the various activities on cash and cash equivalents. Cash flows resulting from the disposal of operations are presented under investing activities.

EARNINGS PER SHARE
Earnings per share are calculated by dividing the profit for the year allocated to the company's shareholders by a weighted average of the number of issued ordinary shares during the year.

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

Note 3 Financial risk management

FINANCIAL RISK FACTORS

The Group is exposed to a range of financial risks; market risk (including currency risk, cash flow interest rate risk, fair value interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of the financial markets and seeks to minimise potential adverse effects on the Group's financial performance. To some extent, the Group uses financial derivatives to reduce some risks.

Risk management is carried out at Group level. The Group identifies, evaluates and hedges financial risks in close cooperation with the Group's operational units. The board has established written principles for the management of foreign exchange risk, interest rate risk and the use of financial instruments.

MARKET RISK

(i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the CAD, USD, GBP and EUR.

Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities, and net investments in foreign operations. Hedge accounting is not applied to foreign currency forward contracts and other derivatives. Change in value of forward contracts/other derivatives thus affect the result, since these are accounted for at fair value through profit or loss, see description in accounting principles.

	2013			2012		
	Currency	NOK	Proportion %	Currency	NOK	Proportion %
Operating income						
NOK		1 524 833	63 %	-	1 101 397	52 %
CAD	182	1 038	0 %	1 568	9 130	0 %
USD	55 925	328 612	14 %	75 134	429 248	21 %
GBP	60 650	570 559	24 %	59 874	538 454	26 %
Total (incl. sales revenues, other income, gains/losses)		**2 425 042**	**100 %**		**2 078 229**	**100 %**
Accounts receivable						
NOK		38 497	22 %		49 133	39 %
CAD	231	1 320	1 %	4 208	23 551	19 %
USD	1 815	11 031	6 %	346	1 937	2 %
EUR	223	1 871	1 %	-	-	0 %
JPY			0 %	-	-	0 %
GBP	12 442	125 095	70 %	5 562	50 036	40 %
Annen valuta	-	-	0 %	-	-	0 %
Total		**177 814**	**100 %**		**124 657**	**100 %**
Cash and cash equivalents						
NOK		126 309	77 %		203 742	85 %
CAD	675	3 859	2 %	2 899	16 225	7 %
USD	2 870	17 450	11 %	1 748	9 783	4 %
EUR	261	2 627	2 %	88	786	0 %
GBP	1 359	13 659	8 %	1 038	9 342	4 %
JPY	62	4	0 %	-	-	0 %
Other currency	5	5	0 %	1	7	0 %
Total		**163 913**	**100 %**		**239 885**	**100 %**

Accounts payable						
NOK		171 685	54 %		150 134	61 %
CAD	5 867	33 535	11 %	4 852	27 156	11 %
USD	229	1 390	0 %	73	409	0 %
EUR			0 %	-	-	0 %
GBP	11 056	111 143	35 %	7 606	68 421	28 %
Annen valuta	-	-	0 %	-	-	0 %
Total		**317 753**	**100 %**		**246 119**	**100 %**
Borrowings, subordinated loans, finance leasing and overdrafts						
NOK		1 544 707	95 %		1 687 763	94 %
CAD	1 265	7 231	0 %	3 369	18 855	1 %
USD			0 %	-	-	0 %
EUR			0 %		-	0 %
GBP	7 485	75 244	5 %	8 854	79 648	4 %
Annen valuta	-	-	0 %	-	-	0 %
Total		**1 627 182**	**100 %**		**1 786 266**	**100 %**

Sales from the Norwegian business are invoiced in NOK. Sales from the companies in Canada are invoiced in USD, while the functional currency is CAD.
Sales from the UK companies are invoiced in GBP which is also the functional currency.

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency. Forward contracts are used to manage the foreign exchange risk arising from future commercial transactions and recognised assets and liabilities.

The Group has investments in foreign subsidiaries whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies. In 2011 the Group's borrowings in these currencies were significantly reduced and all bank loans were exchanged into NOK. There was a wish to prevent the parameters of the financial framework from being affected by foreign currencies, since all of the syndicated bank loans are measuerd in NOK. The parent company's short and long-term loans to the subsidiaries are denominated in these companies' functional currency. All long-term loans are considered to be equity in these companies, as they will not be repaid. This means that the currency effect of loans from the parent company is eliminated against equity.

The currency effect of the net investments of subsidiaries is as follows:

Currency effect for 2013	43 424
Tax effect	-11 724
Net effect charged against equity	31 700

If the NOK strengthens by 10% against the USD, CAD, GBP and EUR on the balance sheet date, 31.12.2013, we can expect the following effect on profit after tax and equity in TNOK:

10% change against	**USD**	**EUR**	**GBP**	**CAD**
Cash - net effect on profits after tax	-1 943	-227	12 264	-1 125

The opposite effect will be achieved if NOK weakens by 10%.

Forward currency contracts

Forward currency contracts are classified at fair value through profit or loss as current assets or current liabilities, respectively. Changes in fair value are recognised as financial expenses or financial income.

The following table shows the Group's forward currency contracts as at 31.12.2012 and 31.12.2013:

Forward currency contracts as at 31.12.2013:

	Sold	Amount	Bought	Amount	Hedging rate	Market rate	Maturity interval *)	Market value in NOK at 31.12.2013
	USD	3 850	CAD	4 090	1,0621	1,0664	30.01 - 27.06.2014	-96
	CAD	1 158	EUR	860	1,3460	1,4717	25.03 - 25.06.2014	614
Total								**518**

Forward currency contracts as at 31.12.2012:

	Sold	Amount	Bought	Amount	Hedging rate	Market rate	Maturity interval *)	Market value in NOK at 31.12.2011
	CAD	3 456	EUR	2 580	1,3394	1,3285	25.03.13 - 25.06.14	-156
Total								**-156**

*) The maturity is stated in intervals where there are several contracts.

(ii) Price risk

The Group is exposed to fluctuations in the spot prices for salmon, which is mainly determined by the global supply of salmon. The effect of price changes is reduced by geographical diversification, but due to the long production cycle it can be difficult to respond rapidly to global trends in market prices. Salmon is mainly traded at spot prices, and an increase in the global supply of salmon can result in a decline in spot prices. Throughout 2013 the Group had financial salmon price contracts through Fish Pool. Under contracts of this kind, the buyer and the seller agree on a price and a fixed volume for future delivery. By 31.12.2013 contracts were concluded for 960 tons equally distributed throughout 2014. The Group management continously analyses the price market and opportunities to enter into price contracts. The Group had no financial contracts in 2012.

(iii) Cash flow and fair value interest rate risk

As the Group has no significant interest-bearing assets, its income and operating cash flows are largely independent of changes in market rates. The Group's interest rate risk arises from borrowings. Borrowings at variable rates expose the Group to cash flow interest rate risk. Fixed interest contracts are used to reduce this risk. The level of fixed interest loans is insignificant. The Group monitors its interest rate exposure continuously. The Group calculates the imact on profit and loss of a defined interest rate shift. For each simulation, the same change in the interest rate is used for all currencies. The scenarios are run only for liabilities which represent major interest-bearing positions.

Sensitivity calculations show the following expected values: If the interest rate had been 1% higher (lower) throughout the year, other things being equal, the pre-tax profit would have been reduced (increased) by MNOK 14,1 in 2013 and MNOK 14 in 2012 due to the floating rate of interest on loans and deposits. The sensitivity analysis is based on net interest-bearing debt at year-end 2013 and 2012. See note 24.

Amounts in NOK 1 000	**Increase/reduction in interest rate points**	**2013**	**2012**
Profit before income tax	-/+ 1%	-/+ 14 178	-/+ 14 043

Interest rate swap agreements
The purpose of the Group's risk management activities is to establish an overview of the financial risk that exists at any given time and to take protective steps which give more time to adapt to the changes that take place.

With this purpose in mind, the Group has chosen to employ interest rate swap agreements to establish greater stability for the Group's loan interest expenses on variable rate. The Group has decided that at any given time a certain percentage of its interest-bearing debt shall be hedged under interest rate swap agreements. A specific proportion will always be at a floating rate, while the remainder will subject to possible hedging. This is under constant consideration, based on the market situation. The interest rate swap agreements have a horizon of 2-4 years and whether these periods are to be rolled over is a matter of constant evaluation.

The following table shows the Group's interest rate swap agreements in NOK thousand, and the market value as at 31.12.2012 and 31.12.2013:

2013

Agreement	Principal	Fixed rate	Basis of floating rate	Duration	Market value incl. accrued interest
Fixed rate paid - floating rate received	400 000	3.26	Nibor 3 mth	21.07.14	-4 797
Fixed rate paid - floating rate received	200 000	2.34	Nibor 3 mth	16.08.16	-2 560
Fixed rate paid - floating rate received	200 000	2.4	Nibor 3 mth	17.10.16	-2 786
Total					**-10 143**

2012

Agreement	Principal	Fixed rate	Basis of floating rate	Duration	Market value incl. accrued interest
Fixed rate paid - floating rate received	400 000	3.26	Nibor 3 mth	21.07.14	-9 617
Fixed rate paid - floating rate received	200 000	2.34	Nibor 3 mth	16.08.16	-1 941
Fixed rate paid - floating rate received	200 000	2.4	Nibor 3 mth	17.10.16	-2 090
Total					**-13 649**

Similar to the forward currency contracts hedge accounting under IAS 39 is not applied to interest rate swap agreements. Change in value of interest rate swap agreements thus affect the result, since these are accounted for at fair value through profit or loss, see description in accounting principles. Recognised change in value (unrealized) is classified as financial income or expense.

Fair value, financial assets
Carrying value of derivatives and other financial instruments at year-end 2013 is displayed below (TNOK). Carrying value equals fair value.
Positive value is classified as assets, negative value is classified as liabilities in the balance.

	2013		2012	
	Assets	Short-term loans	Assets	Short-term loans
Forward currency contracts	518			-156
Interest rate swap agreem. (3 contracts totalling MNOK 800 due in 2014 and 2016)	0	-10 143	0	-13 649
Price contracts Fish Pool	0	-1 488	0	0
Sum financial instruments at fair value	**518**	**-11 631**	**0**	**-13 805**

CREDIT RISK
Credit risk is managed at Group level. Credit risk arises from transactions with derivatives and bank deposits, as well as from transactions with customers, including accounts receivable and fixed contracts. The Group has procedures to ensure that products are only sold to customers with satisfactory creditworthiness. The company normally sells to new customers only on presentation of a letter of credit or upon advance payment. Credit insurance is used when deemed appropriate. For customers who have a reliable track record with the Group, sales up to certain level agreed in advance are permitted without any security.

Accounts receivable in Canada totalling MNOK 12.4 per 31.12.2013 (MNOK 25.4 per 31.12.2012) relate to customers with a satisfactory payment history. Accounts receivable in the UK amounting to MNOK 125,1 per 31.12.2013 (MNOK 50 per 31.12.2012) relate to customers of whom 80% have credit insurance, while the remainder have a satisfactory payment history. In Norway all production is sold to Ocean Quality AS which in turn sells to external customers. It is the policy of Ocean Quality AS to secure the bulk of its sales through credit insurance and bank guarantees.
The book value of financial assets represents the maximum credit exposure. The maximum credit risk exposure as at 31.12.2013 was as follows:

Amounts in NOK 1 000

	Note	2013	2012
Accounts receivable	20	177 814	124 657
Other receivables	21	54 015	51 299
Cash and cash equivalents	18	163 913	239 885
Total		**395 742**	**415 841**

Other receivables relates mainly to prepayments and VAT receivable.

Amounts in NOK 1 000

Age distribution of accounts receivable	2013	2012
Not due	118 598	90 380
Due	61 738	36 259
- 0-3 months	55 364	28 499
- more than 3 months	3 035	234
- more than 1 year	3 339	7 526
Total	**180 336**	**126 639**

Change in provision for bad debts	2013	2012
At 01.01	1 982	1 224
Change in provision	540	758
At 31.12	2 522	1 982

LIQUIDITY RISK

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through sufficient credit facilities and the ability to close our market positions.
Due to the dynamic nature of the underlying nature of the business, the Group aims to maintain flexibility in funding by keeping committed credit lines available.
The Company's bank funding agreement is based on a mortgage loan of MNOK 656 and a multi-currency credit facility of MNOK 500. As of 31.12.2013 this was utilised with MNOK 425. This credit facility is classified as short-term debt since it has been agreed that the credit will be rolled over once a year subject to the covenants under the loan agreement being met/waived.
The management monitors the Group's liquidity reserve comprising credit facilities (see note 24) and cash and cash equivalents (note 18) based on expected cash flows. This is generally carried out at Group level in cooperation with the operating companies.
The following table shows a specification of the Group's financial liabilites that are not derivatives, classified by structure of maturity. The amounts in the table are undiscounted contractual cash flows. Note 24 shows the payment profile for the Group's non-current liabilities.

31 December 2013	**< 3 mth**	**3-12 mth**	**1-2 years**	**2-5 years**	**Over 5 years**	**Total**
Long-term loan instalments	25 604	85 456	856 015	1 464	24 056	992 595
Loan interest	13 246	38 824	42 496	42	0	94 608
Short-term credit facility	0	425 000	0	0	0	425 000
Short-term loan interest	0	13 855	0	0	0	13 855
Finance leases	9 999	36 150	38 961	80 206	51 084	216 400
Finance lease interest	2 181	6 110	6 884	7 306	3 331	25 812
Accounts payable	299 531	17 438	784	0	0	317 753
Total commitments	**350 561**	**622 833**	**945 140**	**89 018**	**78 471**	**2 086 023**

31 December 2012	**< 3 mth**	**3 -12 mth**	**1-2 years**	**2-5 years**	**Over 5 years**	**Total**
Long-term loan instalments	25 604	85 551	102 414	847 014	22 840	1 083 423
Loan interest	16 547	47 115	58 795	54 439	0	176 896
Short-term loan	0	500 000	0	0	0	500 000
Short-term loan interest	0	24 700	0	0	0	24 700
Finance leases	8 382	36 348	46 932	59 609	49 609	200 880
Finance lease interest	2 043	5 898	9 883	9 146	2 454	29 424
Accounts payable	236 039	8 814	1 222	44		246 119
Total commitments	**288 615**	**708 426**	**219 246**	**970 252**	**74 903**	**2 261 442**

Current liabilities related to accounts payable are met with available liquidity, available drawdown on short-term credit facility, as well as positive cash flows from operations.

FAIR VALUE ESTIMATION

(i) Financial instruments
The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques (see note 12). The Group uses different methods and makes assumptions that are based on market conditions existing at each balance sheet date. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates on the balance sheet date. The fair value of financial salmon contracts is determined using forward prices from Fish Pool.

(ii) Accounts receivable and payables
The nominal value less write-downs for realised losses on trade receivables and payables is assumed to correspond to the fair value of these items. The fair value of financial liabilities is assumed to be close to the book value, as they nearly all carry a floating interest rate.

(iii) Biological inventories
Fish in the sea are stated at estimated fair value. As a result, the value of biological inventories probably varies more than the value of inventories based on cost. The fair value varies for several reasons, including volatility in pricing of Atlantic salmon and factors related to production, unpredictability of biological production and changes in the composition of inventories.

A sensitivity analysis of the prices of Atlantic salmon and trout per 31.12.2012 and 31.12.2013 shows the following impact on the Group's operating result before tax (NOK million). A change of - 5 NOK per kilogram implies an increased negative value change because expected sales price is below expected cost and the negative value is recognized 100 %. This only affects a few of the localities in 2013.

31 December 2013			
Price reduction per kg	NOK 1	NOK 2	NOK 5
Reduced profit for the year	25 434	50 955	127 412
Price increase per kg	NOK 1	NOK 2	NOK 5
Increased profit for the year	25 468	50 936	50 936
31 December 2012			
Price reduction per kg	NOK 1	NOK 2	NOK 5
Reduced profit for the year	25 903	53 403	257 071
Price increase per kg	NOK 1	NOK 2	NOK 5
Increased profit for the year	25 898	51 432	123 391

CAPITAL MANAGEMENT
It is a Group aim to ensure that it has access to capital to enable the Company to develop in accordance with adopted strategies. By so doing, Grieg Seafood should continue to be one of the leading players in its sphere of activity.

Historically, the industry has always been vulnerable to price fluctuations in the market. Because of this, the accounting performance may fluctuate considerably from year to year. It is therefore also a goal to ensure that the business maintains an appropriate level of free liquidity.

The Board believes it is natural that, over a period of several years, the average dividend should correspond to 25-30% of the profit after tax, after allowing for the effects of fair value adjustments of biomass on profits. However, the dividend must always be considered in the light of what is deemed to be a healthy and optimal level of equity.

At 31.12.2013 the Group had net interest-bearing debt of NOK 1.455 bn, including finance leases. Funding is mainly in the form of bank loans, as well as a bond loan which was issued in 2012. The level of debt and alternative forms of funding are subject to constant evaluation.

Note 4 Critical accounting estimates and judgements

Critical accounting estimates and assumptions
The management is requred to make estimates and assumptions concerning the future which affect which accounting policies are to be used and reported amounts for assets, liabilities and contingent liabilities in the balance sheet, as well as income and expenses for the accounting year. Estimates, judgements and underlying assumptions are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the present circumstances. The final results may diverge from these estimates. Changes in accounting estimates are included in the period when the estimates are changed.

Estimated impairment of goodwill, licences and property, plant and equipment
The Group tests annually whether goodwill and licences have suffered any impairment, in accordance with the accounting policy stated in note 2. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates of future cash flows from the cash-generating unit, and the application of a discount rate in order to calculate the present value of future cash flows. Expectations of future cash flows will vary over time. Changes in market conditions and expected cash flows can result in future impairment. The value of long-term growth in demand, the competitive situation, the strength of the production link in the value chain and thereby also the expectations of the long-term profit margin are also of significance. The different parameters could variously affect the value of the licences over time. Any change in these critical assumptions will entail related write-downs, or the reversal of write-downs of the value of licences in accordance with the accounting policies described in note 2. Please also refer to note 16 for further remarks on tests related to value impairment.

Biological assets
In accordance with IAS 41 the Group records live fish at fair value less sales expenses. A joint trade group has been established by the largest salmon farming companies in Norway. The purpose of this group is to agree on a common model for estimating the fair value of biological assets in accordance with IAS 41. The new model takes the view that the best estimate of the fair value of fish over 4 kg (harvestable fish) is to use the full, expected sale price. If the expected sale price is less than the expected cost, this will entail a negative value adjustment of biological assets. The sale prices for harvestable fish is based on spot prices in the respective markets where the Group operates. The fair value of harvestable fish is the market price calculated as an average of the market prices in week 51 in 2013. Week 52 is expempted due to a number of holidays and thus less harvesting. The price for fish between 1 and 4 kg is based on forward prices and/or the most relevant price information that is available for the period when the fish is expected to be harvested. These market prices fluctuate considerably during the fish growth period.

A value adjustment of immature fish is based on estimates of the production cost per kilo, expected harvesting costs, quality and transportation costs. All of these estimates are matters of uncertainty. Estimated income or losses at the reporting date may diverge considerably from the final recorded income or loss at the time of sale. Unrealised value adjustment of biological assets is of no significance for the cash flow and does not affect the operating result before value adjustment of biological assets. See note 3 for sensitivity analysis.

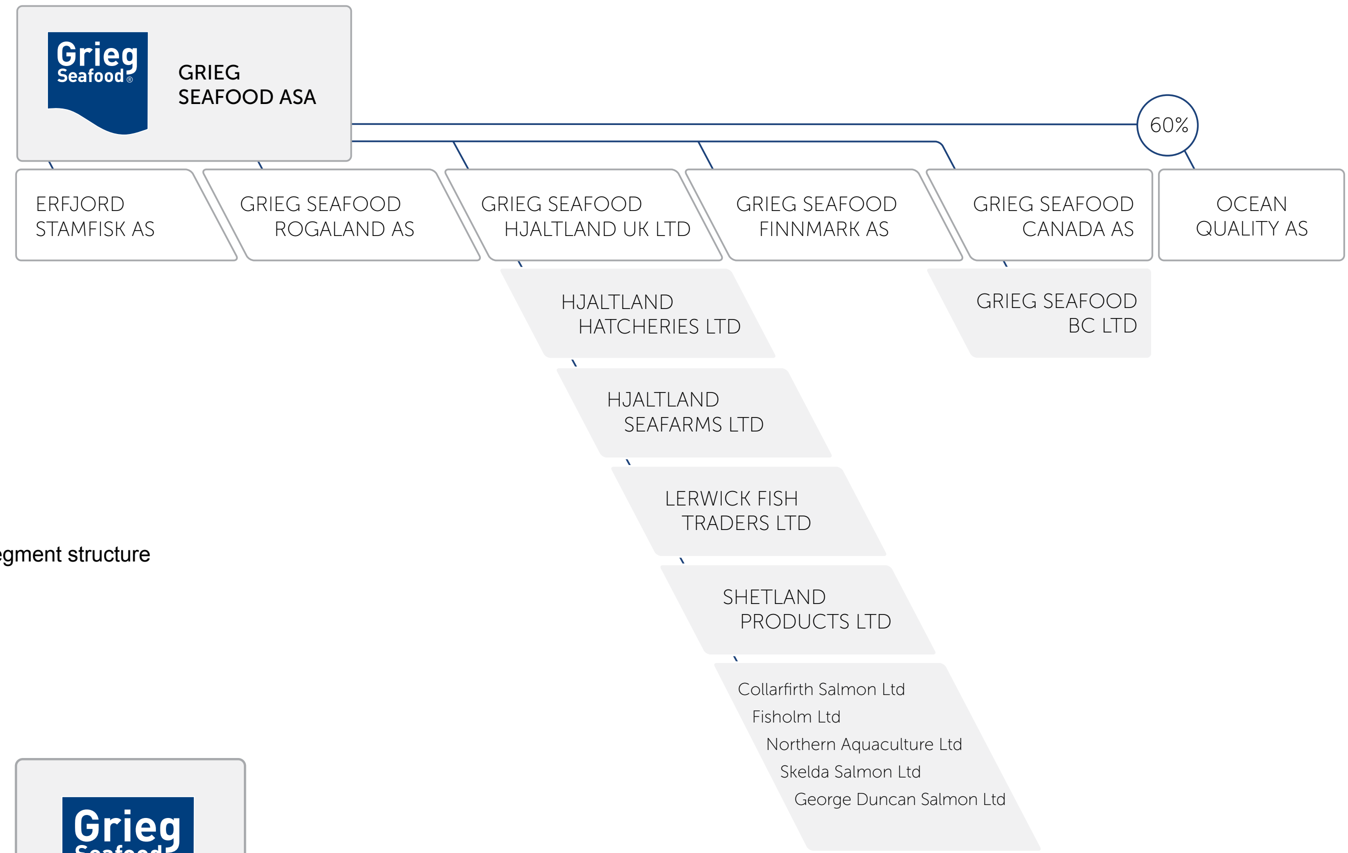
Fair value in acquisition accounting
In order to determine the fair value in the case of acquisitions, alternative methods are used to determine the fair value of assets where there is no active market. Values which exceed the amount that can be attributed to identifiable assets and liabilities are recorded in the balance sheet as goodwill. The allocation of cost price in the case of business mergers is changed if new information comes to hand concerning the fair value at the date of takeover and control, not later than 12 months after the acquisition took place. See note 6 for further information.

Note 5 Companies in the Group

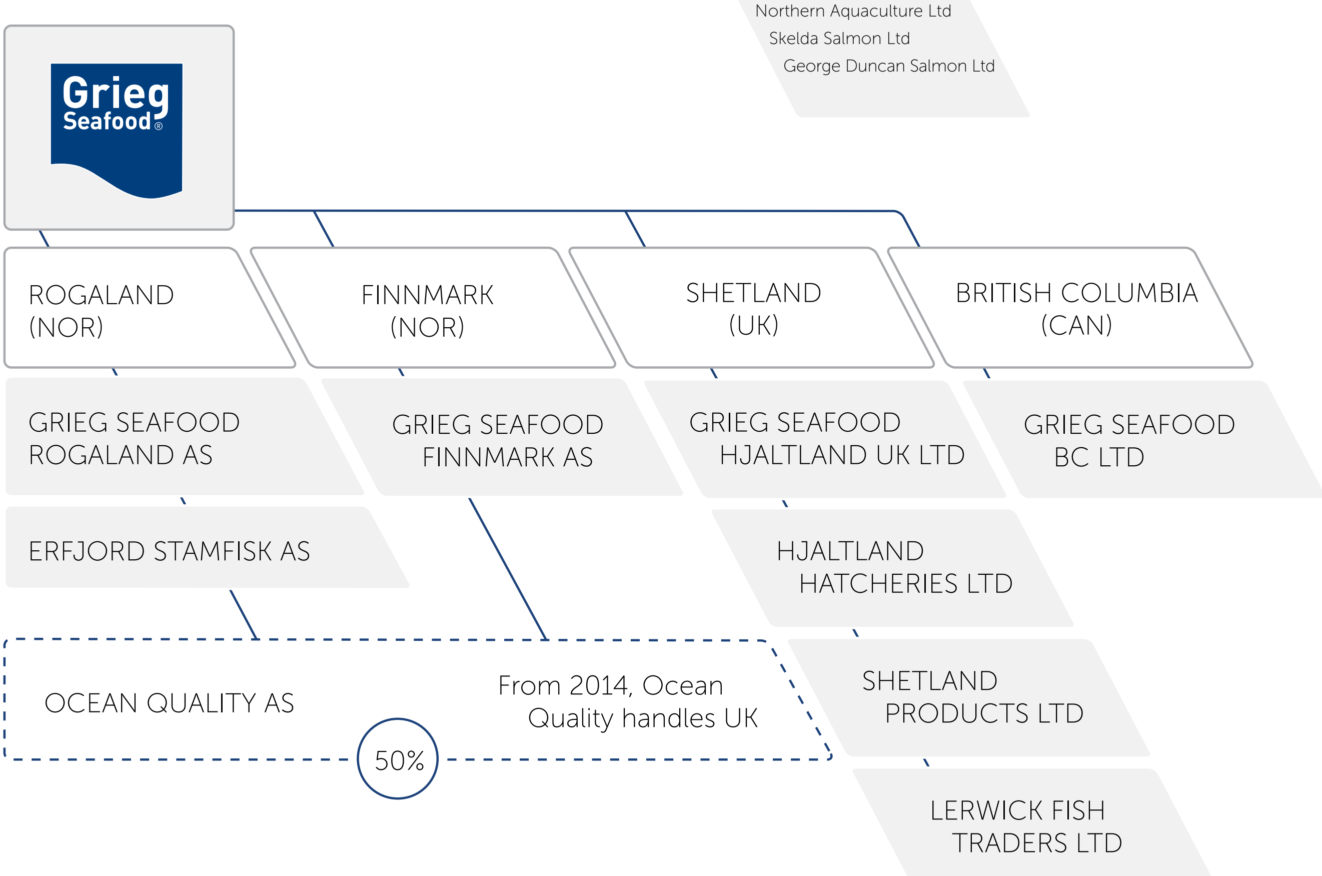
The Grieg Seafood ASA Group consists of the following companies as of 31 Desember 2013:
Grieg Seafood Hjaltland UK Ltd including all subsidiary companies are resident in UK. Grieg Seafood BC Ltd is resident i Canada. The rest of the companies are resident in Norway. All subsidiary companies are owned 100%.

Ocean Quality AS is the sales organisation for Grieg Seafood ASA in Norway. The company is a partnership where Grieg Seafood ASA has 50% control and 60% ownership. Please refer to note 13 for more information about Ocean Quality AS.

Corporate structure



Segment structure



Note 6 Major acquisitions

The Group made no acquisitions in 2012 or 2013.

Book value of equity at 31.12.2013 is related to acquisitions in the Group before 2012.

2012-2013	Acquisition date	Owner share	Excess value goodwill	Excess values tangible assets	Excess values plant, property & equipment	Excess values biological assets	Deferred tax on excess values	Book value of equity at acquisition date	Acquisition cost
Acquisition cost at 31.12.2012			**138 736**	**549 298**	**78 859**	**6 699**	**-183 277**	**571 219**	**1 155 552**
Accumulated depreciation at 01.01.2012			-89 603	-8 044	-54 092	-6 699	18 130		
Depreciation of excess value in 2012				-1 314	-6 426		7 198		
Depreciation of excess value in 2013				-545	-6 190		17 707		
Accumulated depreciation at 31.12.13			**-89 603**	**-9 903**	**-66 708**	**-6 699**	**43 035**		
Book value at 31.12.2013			**49 133**	**539 395**	**12 151**	**0**	**-140 242**		
Ordinary depreciation for the year									
Depreciation period				0 - 6 years	3-15 years				
Depreciation plan				linear	linear				

Note 7 Segment information

The operational segments are identified on the basis of the reports which the Group management (senior decision-maker) uses to assess performance and profitability at strategic level.

The Group management assess our business activities from a geographical standpoint, based on the location of assets. The Group has only one production segment: the production of farmed salmon and trout. Geographically, the management assess the results of production in Rogaland - Norway, Finnmark - Norway, BC - Canada and Shetland - UK.

The Group management assess the results from the segments based on the adjusted operating result (EBIT) before value adjustment. The method of measurement excludes the effect of one-time costs, such as restructuring costs, legal costs on acquisition and amortisation of goodwill and intangible assets when amortisation is a result of an isolated event which is not expected to recur. The measurement method also excludes the effect of share options which are settled in shares, as well as unrealised gains and losses on financial instruments.

The column "Other/eliminations" contains the results of activities carried out by the parent company and other Group companies which are not geared to production, and eliminations of intra-group transactions.

The Group's customers are divided into different geographical markets. All sales in Norway are channelled through the sales company Ocean Quality AS which has been established in collaboration with Bremnes Fryseri AS. Grieg Seafood ASA owns 60% of Ocean Quality AS (see note 13 for further information). All sales in Norway are channelled through Ocean Quality AS. Norway therefore shows the aggregate figures for the Norwegian market. Sales in the UK and BC are carried out by the respective sales departments and distributors in these areas.

Geographical market	**UK**	**Norway**	**BC**	**Total 2013**		**Total 2012**	
EU	236 740	1 060 877	0	1 297 618	54 %	846 815	41 %
UK	289 392	27 538	0	316 930	13 %	302 580	15 %
USA	25 764	10 665	326 918	363 347	15 %	497 374	24 %
Canada	1 970	6 692	3 764	12 426	1 %	5 673	0 %
Russia	0	170 373	0	170 373	7 %	139 764	7 %
Asia	3 519	229 477	0	232 996	10 %	252 967	12 %
Other markets	10 047	478	0	10 525	0 %	4 893	0 %
Total	**567 432**	**1 506 100**	**330 682**	**2 404 215**	**100 %**	**2 050 065**	**100 %**

Segment information sent to the group management for the segments with a reporting requirement:

Geographical segments	**Norway Rogaland**		**Norway Finmark**		**Canada BC**		**UK Shetland**		**Other/eliminations**		**Total**	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Sales revenues	640 584	558 317	870 081	519 822	330 682	438 378	567 432	538 454	-4 564	-4 906	2 404 215	2 050 065
Other income*)	9 519	934	7 972	4 890	-1 032	8 518	3 127	14 532	455	-658	20 041	28 216
Gain and loss on sale of tangible assets	786	-12		0	0	-41	0	0	0	0	786	-53
Share of results from joint ventures/associated companies	4 646	196	3 208	1 914	0	0	0	0	-2 209	10 634	5 645	12 744
Operating costs before depreciation	-483 367	-471 390	-617 875	-504 224	-312 183	-449 634	-508 889	-584 680	-21 743	-19 333	-1 944 057	-2 029 261
Operating result before depreciation	**172 168**	**88 045**	**263 386**	**22 402**	**17 467**	**-2 779**	**61 670**	**-31 694**	**-28 061**	**-14 263**	**486 630**	**61 711**
Depreciation	-27 374	-37 282	-46 593	-40 054	-25 244	-29 424	-34 391	-51 968	-2 435	-2 617	-136 037	-161 345
Operating result before fair value adjustment	**144 794**	**50 763**	**216 793**	**-17 652**	**-7 777**	**-32 203**	**27 279**	**-83 662**	**-30 496**	**-16 880**	**350 593**	**-99 633**
Assets (excl. associated companies)	937 404	829 913	1 491 531	1 284 700	535 055	538 006	1 495 420	1 165 689	89 993	202 742	4 549 403	4 021 050
Associated companies	6 430	6 284	10 480	8 570	0	0		0	24 280	34 375	41 190	49 229
Total assets - Group	**943 834**	**836 197**	**1 502 011**	**1 293 270**	**535 055**	**481 922**	**1 495 420**	**1 165 689**	**114 273**	**237 117**	**4 590 593**	**4 070 279**
Liabilities	385 782	404 834	766 978	819 306	310 906	300 184	1 053 936	796 901	84 725	235 825	2 602 036	2 557 050
Total liabilities - Group	**385 782**	**404 834**	**766 978**	**819 306**	**310 906**	**300 184**	**1 053 936**	**796 901**	**84 725**	**235 825**	**2 602 036**	**2 557 050**

Note 8: Declaration on determination of salary and other remuneration to senior employees

Board guidelines and principles for the determination of salary and other remuneration to key personnel

In line with regulations issued pursuant to the Norwegian Public Limited Companies Act, the Board has drawn up the following declaration on guidelines and principles to used to determine salary and other remuneration for key personnel.

The Group's remuneration policy will continue to be gased on the principle that the Group shall offer its employees a compensation package that is competitive and in accordance with local industry standards. Where appropriate, this may include incentive elements, and the basic salary shall reflect individual performance.

The components of remuneration shall consist of a fixed basic salary and other fixed remuneration elements. The latter may be a company car or car allowance, telephone and electronic communications, newspapers and similar benefits. As well as participating in the Company's ordinary group life insurance and defined contribution based pension scheme up to 12G. The CEO is entitled to 18 months consecutive pay after termination, without vacation pay and pension rights, valid from date of termination. Date of termination is defined as the date the term of notice expires. Pay after termination is reduced equally to the amount of the salary the employee recieves from a new employer in the termination period. CEO has 12 months' salary during illness.

Grieg Seafood has an annual bonus system based on a combination of earnings and personal performance targets. The annual bonus for the management group cannot exceed 5 times the monthly salary.

On 20.04.2007 the Annual General Meeting approved the principles of a share option programme for the management and key personnel and with an overall limit of 1 400 000 options. The sceme has expired and no options have been exercised.

A synthetic option scheme for the company's management group has been established as a continuation of the option scheme in 2007. The synthetic option scheme requires the participants' direct share ownership throughout the entire period of the programme. Those who are entitled to the options are required to use 50% of the net gain under the scheme to purchase shares until the share ownership has a value corresponding to 50% of the fixed annual salary. The gain under the synthetic option scheme cannot exceed 12 times the monthly salary per participant per year. The exercise price is increased by 0,5% each month. An option must be exercised not later than 24 months after the first exercise date.

The synthetic options scheme corresponded to 1 450 000 shares at year-end 2013 after allocating 600 000 options in December 2013. As for the remaining 600 000 options those entitled to the options are required to use 50% of the net gain under the scheme to purchase shares until the share ownership has a value corresponding to 100% of the fixed annual salary. Otherwise subject to the same conditions as earlier. The last date for exercising the options allocated in December 2013 is December 2017. 1 385 884 options have been exercised and 50 000 options have expired in the course of 2013. The CEO has a total of 600 000 options by year-end 2013. The last date for CEO´s exercise of 100 000 options is December 2017.

For information about remuneration of the Group management, see note 9.

For further information about options, see note 10.

Note 9 Payroll, fees, number of employees etc.

	Note	2013	2012
Salaries		254 564	230 713
Social security costs		17 226	16 345
Share options granted to directors and employees	10	10 630	9 809
Pension costs	25	5 175	5 159
Other personnel costs		14 628	14 077
Total		**302 223**	**276 103**

Average number of employees	626	640

The Board's guidelines and principles for determination of salary and other remuneration to key employees are detained in note 8.

As at 31.12.2013 no loans were provided to Group employees.

Accumulated costs related to salaries, pension costs and other remuneration to the CEO, other senior employees and board members in 201 were as follows:

Remuneration to senior officers in 2013 in NOK	Salary	Bonus	Options exercised during year	Other remuneration	Sum
Morten Vike (CEO)	2 667	0	1 858	267	4 792
Atle Harald Sandtorv (CFO)	1 378	0	1 815	127	3 320
Total remuneration including social security costs					**8 112**
Board members					
Per Grieg jr. 1)				397	397
Terje Ramm 2)				241	241
Wenche Kjølås 2)				240	240
Ingelise Arntsen (until 12.06.2013)				83	83
Karin Bing Orgland (from 12.06.2013)				130	130
Asbjørn Reinkind 1)				270	270
Total remuneration including social security costs					**1 361**

Recognision of synthetic options not declared throughout the year, are not included in the above list.

1) Remuneration for work done in the remuneration committee is included in the payment to Per Grieg jr. with NOK 9 516, to Asbjørn Reinkind with NOK 11 410, and to Karin Bing Orgland with NOK 6 661.
2) Remuneration for work done in the audit committee is included in the payment to Terje Ramm and Wenche Kjølås in the sum of NOK 28 525.
These amounts include social security costs.

Accumulated costs related to salaries, pension costs and other remuneration to the CEO, other senior employees and board members in 2012 were as follows:

Remuneration to senior officers in 2012 in NOK	Salary	Bonus	Options exercised during year	Other remuneration	Sum
Morten Vike (CEO)	2 519	0	0	272	2 791
Atle Harald Sandtorv (CFO)	1 327	0	0	128	1 455
Total remuneration including social security costs					**4 246**
Board members					
Per Grieg jr. 1)					388
Terje Ramm 2)					234
Wenche Kjølås 2)					234
Ingelise Arntsen					200
Asbjørn Reinkind 1)					262
Total remuneration including social security costs					1 318

1) Remuneration for work done in the remuneration committee is included in the payments to Per Grieg jr. and Asbjørn Reinkind in the amounts of NOK 11 500.
2) Remuneration for work done in the audit committee is included in the payments to Terje Ramm and Wenche Kjølås in the sum of NOK
22 800.
These amounts include social security costs.

Specification of auditors' fees	2013	2012
Audit fees		
Group auditor	1 730	1 604
Other auditors	1 063	756
Other assurance services		
Group auditor	119	84
Other auditors	0	0
Tax advice		
Group auditor	235	171
Other auditors	166	157
Other services		
Group auditor	598	255
Other auditors	18	0
Total - Group auditor	**2 682**	**2 114**
Total - other auditors	**1 247**	**913**
Total	**3 929**	**3 027**

Note 10 Share and cash-based remuneration

The Company has issued options to the management group and regional directors. The options' strike price is the stock market price on the date of issue increased by 0.5% per month until exercise date. The equity options were granted in the period from 29.06.2007 until 01.06.2008 with expiry dates from 29.06.2010 until 27.02.2012. At 31.12.2012 there were no equity options available for exercise. From 2009 the company has issued options with cash settlement to the management group and regional directors (synthetic options). These options were granted on 06.05.2009 with expiry date on 06.05.2013. A total of 1 400 000 options were allocated in March 2012 with the last exercise date on 24.05.2015. The last allocation was on 17.12.2013 totalling 600 000 options with expiry date on 17.12.2017. The options have 2 years of duration, where 50 % is vested each year. Employees taken on after the first allocation of options have been allocated options on taking up employment.

The Black & Scholes option pricing model is used to calculate the market value. A brokerage firm is used to carry out the calculations.

The table below illustrates the movement in outstanding options throughout 2012 and 2013.

Overview 2013	Option category	Outstanding options 31.12.2012	Granted options	Exercised options	Cancelled options	Expired options	Outstanding options at 31.12.2013	Of which cash-settled
Morten Vike (CEO)	Cash settlem.	700 000	200 000	300 000	-	-	600 000	600 000
Atle Harald Sandtorv (CFO)	Cash settlem.	280 000	100 000	280 000	-	-	100 000	100 000
Others	Cash settlem.	1 305 884	300 000	805 884	-	50 000	750 000	750 000
Total		**2 285 884**	**600 000**	**1 385 884**	**-**	**50 000**	**1 450 000**	**1 450 000**

Overview 2012	Option category	Outstanding options 31.12.2011	Granted options	Exercised options	Cancelled options	Expired options	Outstanding options at 31.12.2012	Of which cash-settled
Morten Vike (CEO)	Equity based option	300 000	-	-	-	300 000	-	
Morten Vike (CEO)	Cash settlem.	300 000	400 000	-	-	-	700 000	700 000
Atle Harald Sandtorv (CFO)	Cash settlem.	80 000	200 000	-	-	-	280 000	280 000
Others	Cash settlem.	505 884	800 000	-	-	-	1 305 884	1 305 884
Total		**1 185 884**	**1 400 000**	**-**	**-**	**300 000**	**2 285 884**	**2 285 884**

Allocation: year - month	Expiry date: Year - month	Strike price NOK per share as at 31.12.2013	Strike price NOK per share as at 31.12.2012	Options 2013	Options 2012
2009 - 05	2013 - 03		**9,55**		255 884
2009 - 05	2013 - 05		**9,55**		430 000
2009 - 12	2013 - 12		**12,75**		100 000
2010 - 09	2013 - 09		**18,73**		50 000
2010 - 09	2014 - 09	**18,39**		50 000	50 000
2012 - 03	2014 - 05	**7,53**		400 000	700 000
2012 - 03	2015 - 05	**7,53**		400 000	700 000
2013 - 12	2015 - 12	**22,22**		300 000	-
2013 - 12	2017 - 12	**22,22**		300 000	-
Total				**1 450 000**	**2 285 884**

	2013	2012
Equity based options available for exercise		-
Weighted average outstanding contract period		-
Cash-based options available for settlement	850 000	1 585 884
Weighted average outstanding contract period	8,17	8,34

2013	Option category	Listed price on allocation	Calculated value per option on allocation	Calculated total value on allocation*)	Total value of all options at 1.1.2013	Change in provision OB - IB *)	Exercised options 2013	Acc. cost charged against equity at 31.12.2013	Book liability cash settlement at 31.12.2012
Morten Vike (CEO)	Equity based option	13,20	3,74	1 123	1 122			1 122	
Former employees where option has expired	Equity based option	23,00	5,86	2 346	2 346			2 346	
Others	Equity based option	23,00	5,72	4 005	3 419			3 419	
Morten Vike (CEO)	Cash settlem.	7,83	3,81	1 143	1 310	-1 310	1 858		
Morten Vike (CEO)	Cash settlem.	6,83	1,78	712	1 718	3 188			4 906
Morten Vike (CEO)	Cash settlem.	22,22	3,94	788		29			29
Atle Harald Sandtorv (CFO)	Cash settlem.	10,76	3,40	680	209	-209	322		
Atle Harald Sandtorv (CFO)	Cash settlem.	6,83	1,78	356	866	-866	1 492		
Atle Harald Sandtorv (CFO)	Cash settlem.	22,22	3,94	394		14			14
Others allocated in 2009	Cash settlem.	7,83	3,81	3 047	1 750	-1 750	2 478		
Other options allocated in 2010	Cash settlem.	16,50	6,66	666	102	199			301
Other options allocated in 2012	Cash settlem.	6,83	1,78	1 424	3 313	963	3 760		4 276
Other options allocated in 2013	Cash settlem.	22,22	3,94	1 181		41			41
Total				**17 865**	**16 155**	**299**	**9 912**	**6 887**	**9 567**

*) Amounts exclusive of social security costs.

2012	Option category	Listed price on allocation	Calculated value per option on allocation	Calculated total value on allocation*)	Total value of all options at 1.1.2012	Change in provision OB - IB *)	Exercised options 2012	Acc. cost charged against equity at 31.12.2012	Book liability cash settlement at 31.12.2012
Morten Vike (CEO)	Equity based option	13,20	3,74	1 123	1 122			1 122	
Former employees where option has expired	Equity based option	23,00	5,86	2 346	2 346			2 346	
Others	Equity based option	23,00	5,72	4 005	3 419			3 419	
Morten Vike (CEO)	Cash settlem.	7,83	3,81	1 143	63	1 248			1 310
Morten Vike (CEO)	Cash settlem.	6,83	1,78	712		1 717			1 717
Atle Harald Sandtorv (CFO)	Cash settlem.	10,76	3,40	680	10	199			209
Atle Harald Sandtorv (CFO)	Cash settlem.	6,83	1,78	356		866			866
Others allocated in 2009	Cash settlem.	7,83	3,81	3 047	111	1 640			1 750
Other options allocated in 2010	Cash settlem.	16,50	6,66	666	10	91			102
Other options allocated in 2012	Cash settlem.	6,83	1,78	1 424		3 313			3 313
Total				**15 502**	**7 081**	**9 074**	**-**	**6 887**	**9 267**

*) Amounts exclusive of social security costs.

Accrued cost is divided as follows:	2013	2012	Classification in accounts
Change in provisions	299	9 074	Cash-settled share of options
Exercised options	9 912		Payroll & social security costs/ bank
Total cost excl. social security costs	**10 211**	**9 074**	
Social security costs	419	735	Public dues payable
Total cost incl. social security costs	**10 630**	**9 809**	Payroll & social security costs

The costs related to cash-based remuneration in 2013 is TNOK 10 630. This is charged in the income statement as a personnel cost. Social security contributions are provided for on an ongoing basis based on the fair value of the options.

At 31 December 2013 outstanding options with the right to cash settlement were stated at TNOK 9 567 as "Other non-current liabilities" as the main share of options expires in 2014. Options issued are cancelled when employment terminates.

Estimates used in calculations on allocation of options	
Anticipated volatility (%)	**48,19**
Risk-free rate of interest (%)	**1,82**
Estimated qualification period (years)	**3,50**

The estimated qualification period for the options is based on historical data, and does not necessarily represent an indication of the future. In order to estimate volatility, the management has applied historical volatility for comparable listed companies

Note 11 Financial instruments by category

	Level	Lendings and receivables	Assets at fair value through profit or loss	Derivatives used for hedging purposes	Available-for-sale financial assets	Total
As at 31 December 2013						
Available-for-sale financial assets	2/3				1 392	1 392
Loan to associated companies		1 020				1 020
Accounts receivable		177 214				177 214
Other receivables		54 014				54 014
Derivatives	2			518		518
Cash and cash equivalents		163 913				163 913
Total		**396 161**	**0**	**518**	**1 392**	**398 071**

	Level	Liabilities at fair value through profit or loss	Derivatives used for hedging purposes	Other financial liabilities	Total
Borrowings				1 410 762	1 410 762
Finance lease liabilities				216 400	216 400
Pension obligations and cash-settled options		10 177			10 177
Derivatives	2		11 631		11 631
Accounts payable		317 753			317 753
Total		**327 930**	**11 631**	**1 627 162**	**1 966 723**

	Level	Lendings and receivables	Assets at fair value through profit or loss	Derivatives used for hedging purposes	Available-for-sale financial assets	Total
As at 31 December 2012						
Available-for-sale financial assets	2/3				1 337	1 337
Loan to associated companies		1 020				1 020
Other long-term receivables		53				53
Accounts receivable		124 657				124 657
Other receivables		51 299				51 299
Cash and cash equivalents		239 885				239 885
Total		**416 914**	**0**	**0**	**1 337**	**418 251**

	Level	Liabilities at fair value through profit or loss	Derivatives used for hedging purposes	Other financial liabilities	Total
Borrowings				1 585 386	1 585 386
Finance lease liabilities				200 880	200 880
Pension obligations and cash-settled options		10 377			10 377
Derivatives	2		13 805		13 805
Accounts payable		246 119			246 119
Total		**256 496**	**13 805**	**1 786 266**	**2 056 567**

As stated in note 3, hedge accounting of derivatives (forward exchange contracts and interest rate swaps) is not applied. The purpose of these derivatives is to reduce the Group´s exposure to changes in floating interest rates and exchange rates. The derivatives are recognised at fair value on 31.12, and the value change is recognised. See note 3 for further details.

See note 15 for further details on available-for-sale financial assets.

Fair value assessment

The following table shows the fair value of financial instrumenter according to the valuation method used. The different levels are defined as follows:

Level 1 - Fair value based on the quoted price in an active market for an identical asset or liability.
Level 2 - Fair value based on other observable factors than the quoted price (used in level 1) and entered directly (price) or indirectly (derived from prices) for the asset/liability.
Level 3 - Fair value based on factors not taken from observable markets (non-observable assumptions).

Creditworthiness of financial assets

The credit risk attached to financial instruments that have not matured or which have not been written down is shown by the internal classification of historical information on breaches of credit conditions. Further information about credit risk is provided in note 3.

	2013	2012
Accounts receivable		
Counterparties with no external credit assessment		
Group 1	3 180	2 846
Group 2	172 310	119 525
Group 3	2 324	2 286
Total accounts receivable that have not been written down	**177 814**	**124 657**
Bank deposits		
AAA	0	0
AA	163 913	239 889
A	0	0
Total bank deposits	**163 913**	**239 889**
*) The remainder of the balance sheet item cash and cash equivalents comprises cash		
Loans to related parties		
Group 1	0	0
Group 2	1 020	1 020
Group 3	0	0
Total loans to related parties	**1 020**	**1 020**

Group 1 - new customers/related parties (less than 6 months).
Group 2 - existing customers/related parties (more than 6 months) with no history of having breached credit conditions.
Group 3 - existing customers/related parties (more than 6 months) with a history of one or more breaches of credit conditions. All amounts due have been paid in full after the breaches.

Note 12 Financial income and financial expenses

Amounts in NOK 1 000	2013	2012
Interest income from associated companies	0	40
Other interest income	2 686	2 169
Dividends	468	296
Change in unrecognised gains/losses on forward exchange contracts and interest rate swaps	4 276	0
Net currency gains	25 885	666
Other financial income	66	2
Total financial income	**33 381**	**3 173**
Interest expense on bank borrowings and leasing *)	89 729	76 047
Other interest expenses **)	8 443	24 869
Change in unrecognised gains/losses on forward exchange contracts and ir	0	5 919
Other financial expenses	8 265	4 685
Total financial expenses	**106 437**	**111 520**

*) Interest expenses bank borrowings and leasing includes recognised gains/losses from interest rate swaps.

**) Other interest expenses in 2012 is composed mainly of underwriting commission to Grieg Holdings AS (the majority shareholder), which guaranteed the share of bank debt to Grieg Seafood ASA (MNOK 200). The warranty relationship ended in 2012 in connection with the refinancing and raising of bonds.

Note 13 Investments in Associated Companies - Joint Ventures

Since November 2010 the Group has had a jointly controlled entity, Ocean Quality AS, along with Bremnes Fryseri AS. Participation in the jointly controlled entity is based on the equity method of accounting. The activity is closely linked to the Group's operations and is part of the Group's value chain. The Group's share of the accounting results is thus shown separately and is included in the Group's operating result. The Group has a 60% shareholding in Ocean Quality AS. The division of profits is not based on the ownership percentage, but in proportion to the turnover generated by each owner, in line with the cooperation agreement. Companies closely linked to the Group's operations are classified on a separate line in the operating results. This applies in cases where the associated and jointly controlled companies are engaged in an activity in the same part of the value chain as the Group.

2013	Equity interest	Book value at 01.01.2013	Share of result for the year	Transfers from the company (dividends)	Changes during the period	Book value at 31.12.2013
Associated companies classified as operations						
Bokn Sjøservice AS	50,0 %	6 284	147			6 431
Finnmark Brønnbåtrederi AS	49,9 %	7 924	1 566			9 490
SalmoBreed AS	27,5 %	6 011	220			6 231
Isopro AS	20,0 %	646	345			991
Total associated companies classified as operations		**20 865**	**2 277**		**-**	**23 143**
Joint ventures classified as operations						
Ocean Quality AS	60,0 %	25 693	3 368	-15 929	-	13 132
Total joint ventures classified as operations		**25 693**	**3 368**	**-15 929**	**-**	**13 132**
Associated companies classified on separate line in operating results						
Salten Stamfisk AS	34,0 %	2 671	2 244			4 915
Total associated companies classified on separate line in operating results		**2 671**	**2 244**	**-**	**-**	**4 915**
Total investments in associated companies and joint ventures		**49 231**	**7 889**	**-15 929**	**-**	**41 190**

2012	Equity interest	Book value at 01.01.2012	Share of result for the year	Transfers from the company (dividends)	Changes during period	Book value at 31.12.2012
Associated companies classified as operations						
Bokn Sjøservice AS	50,0 %	6 088	196	-	-	6 284
Finnmark Brønnbåtrederi AS	49,9 %	6 131	1 793	-	-	7 924
SalmoBreed AS	27,5 %	7 727	-1 724		8	6 011
Isopro AS	20,0 %	520	121	-	5	646
Total associated companies classified as operations		**20 466**	**386**	**-**	**13**	**20 865**
Joint ventures classified as operations						
Ocean Quality AS	60,0 %	13 335	12 358	-	-	25 693
Total joint ventures classified as operations		**13 335**	**12 358**	**-**	**-**	**25 693**
Associated companies classified on separate line in operating results						
Cleanfish AS	25,0 %					-
Salten Stamfisk AS	34,0 %	3 584	-913	-		2 671
Total associated companies classified on separate line in operating results		**3 584**	**-913**	**-**	**-**	**2 671**
Total investments in associated companies and joint ventures		**37 387**	**11 831**	**-**	**13**	**49 229**

Summarised preliminary financial information on individual associated companies, on 100% basis. All companies have the same financial year as the Group. Cleanfish has been discontinued in 2013 and is removed from the list for 2013.

2013	Total assets at 31.12.2013	Total liabilities at 31.12.2013	Total equity at 31.12.2013	Operating income	Pre-tax profit/loss
Bokn Sjøservice AS	14 409	1 521	12 888	9 253	101
Finnmark Brønnbåtrederi AS	48 687	27 100	21 587	15 887	4 303
SalmoBreed AS	31 922	13 261	18 661	28 299	2 438
Isopro AS	27 533	21 938	5 595	49 622	2 390
Salten Stamfisk AS	56 711	39 892	16 819	55 784	9 246
Ocean Quality AS	171 475	145 119	26 355	2 989 984	15 781

2012	Total assets at 31.12.2012	Total liabilities at 31.12.2012	Total equity at 31.12.2012	Operating income	Pre-tax profit/loss
Bokn Sjøservice AS	14 434	1 523	12 911	6 748	545
Finnmark Brønnbåtrederi AS	47 706	30 436	17 270	16 712	4 989
SalmoBreed AS	26 454	8 790	17 664	21 420	2 213
Isopro AS	24 209	21 004	3 205	29 576	1 262
Salten Stamfisk AS	47 786	40 566	7 220	30 782	3 526
Ocean Quality AS	150 418	107 197	43 221	2 205 751	28 606

Note 14 Earnings per share and dividend per share

Basis for calculation of earnings per share	2013	2012
Profit for the year (majority share)	430 985	-147 188
Number of shares at 01.01	111 662 000	111 662 000
Effect of treasury shares (see note 23)	-1 250 000	-1 250 000
Average number of outstanding shares during the year	110 412 000	110 412 000
Adjustment for effect of share options	0	0
Diluted average number of outstanding shares during the year	110 412 000	110 412 000
Earnings per share	**3,90**	**-1,33**
Diluted earnings per share	**3,90**	**-1,33**
Proposed dividend per share	**0**	**0**

Note 15 Available-for-sale financial assets

2013 Company	Business location	No. of shares	Ownership/ voting shares	Acquisition cost	Fair value
DnB NOR Global Allokering	Oslo	3 039	<1%	317	391
Finnøy Næringspark AS	Finnøy	100	7,1 %	103	800
Blue Planet AS	Stavanger	1	2,6 %	50	50
Norsk Villaksforvaltning AS	Førde	5	15,2 %	50	50
Ryfylkelaks AS	Finnøy	250 000	25,0 %	25	25
Other				76	76
				621	**1 392**

2012 Company	Business location	No. of shares	Ownership/ voting shares	Acquisition cost	Fair value
DnB NOR Global Allokering	Oslo	3 039	<1%	317	363
Finnøy Næringspark AS	Finnøy	100	7,1 %	103	800
Blue Planet AS	Stavanger	1	2,6 %	50	50
Aqua Gen AS	Kyrksæterøra	3 200	<1%	23	23
Other				76	76
Ryfylkelaks AS	Finnøy	250 000	25,0 %	25	25
Total property, plant & equipment				**594**	**1 337**

Reconciliation of book value	2013	2012
As at 01.01	1 337	1 307
Change in value of shares to fair value	28	5
Purchase of shares	50	25
Sale of shares	-23	0
As at 31.12	**1 392**	**1 337**
of which classified as property, plant & equipme	1 392	1 337

Investment in other shares by currency	2013	2012
NOK	1 392	1 337
Total	**1 392**	**1 337**

The fair value of the shares in Finnøy Næringspark AS is assessed at NOK 800 000 based on an external offer to purchase a shareholding in the company. Other shareholdings are insignificant and are stated as fair value.

Norsk Villaksforvaltning AS is a foundation established in 2013, and Grieg Seafood ASA owns 15.2% of the foundation at an acquisition cost of TNOK 50.

Note 16 Intangible assets

2012	Goodwill	Fish farming licences indefinite lives	Fish farming licences definite lives	Other intangible assets	Total
Book value at 01.01.	105 373	963 175	24 421	4 618	1 097 587
Currency translation differences at 01.01.	-265	-7 675	-1 121	183	-8 845
Intangible assets purchased	0	0	112	1 130	1 209
Intangible assets sold	0	0	0	0	0
Amortisation	0	0	-2 139	-2 131	-4 270
Currency translation differences on amortisation	0	0	-34	0	-34
Book value at 31.12.	**105 108**	**955 500**	**21 239**	**3 800**	**1 085 647**
As at 31.12.					
Acquisition cost	194 711	955 501	43 438	15 442	1 209 092
Accumulated amortisation		0	-22 199	-11 642	-33 841
Accumulated impairment	-89 603	0	0	0	-89 603
Book value at 31.12.	**105 108**	**955 501**	**21 239**	**3 800**	**1 085 648**

2013	Goodwill	Fish farming licences indefinite lives	Fish farming licences definite lives	Other intangible assets assets	Total
Book value at 01.01.	105 108	955 501	21 239	3 800	1 085 648
Currency translation differences at 01.01.	2 202	17 098	452	550	20 302
Intangible assets purchased	0	0	955	1 553	2 508
Intangible assets sold	0	0	0	0	0
Amortisation	0	0	-1 211	-1 358	-2 569
Currency translation differences on amortisation	0	0	32	0	32
Balanseført verdi 31.12.	**107 310**	**972 599**	**21 467**	**4 545**	**1 105 921**
Book value at 31.12.	**107 310**	**972 599**	**21 467**	**4 545**	**1 105 921**
As at 31.12					
Acquisition cost	196 913	972 599	44 845	17 545	1 231 902
Accumulated amortisation		0	-23 378	-13 000	-36 378
Accumulated impairment	-89 603				-89 603
Book value at 31.12.	**107 310**	**972 599**	**21 467**	**4 545**	**1 105 921**

"Other intangible assets" consist of goodwill related to acquisition of customerportfolio and software.

Impairment test for goodwill and licences

Goodwill and licences were not impaired in 2013 or 2012. Goodwill and licences with an indefinite economic life are subject to an annual impairment test. Impairment tests are performed more frequently if there are indications of a decline in value. Licences with definite useful lives are tested for impairment only if there are indications of a decline in value. Estimated value in use is used as a basis for calculating the recoverable amount. Impairment occurs when the carrying value is higher than the recoverable amount.

Cash generating unit	Location	Book value of related goodwill	Book value of licences	Total
BC - Canada	Canada	9 968	146 619	156 587
Finnmark	Norway	0	259 967	259 967
Shetland - UK	UK	76 879	452 515	529 394
Rogaland (incl. Erfjord Stamfisk)	Norway	20 463	134 965	155 428
Total value		**107 310**	**994 066**	**1 101 376**

Goodwill relates to the acquisition of the subsidiary companies. Goodwill is allocated to the Group's cash-generating units (CGU) identified according to the operating segment. An annual impairment test for goodwill and licenses has been carried out. The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets covering a three-year period. Cash flows beyond the three-year period are extrapolated using the estimated nominal growth rates stated below. The estimated growth rate corresponds with expected inflation.

The assumptions used for value-in-use calculations are as follows:

Unit	BC - Canada	Finnmark	Shetland - UK	Rogaland
Budget period	3 år	3 år	3 år	3 år
Increase in revenues in budget period	91 %	-18 %	35 %	14 %
Ebitda margin 1)	10% - 14%	25% - 32%	17% - 23%	27% - 29%
Ebitda margin in terminal period	14 %	25 %	18 %	23 %
Harvest growth - tons 2)	110 %	-2 %	61 %	38 %
Discount rate 3)	9,7 %	9,7 %	9,7 %	9,7 %
Growth rate 4)	2,5 %	2,5 %	2,5 %	2,5 %

As stated above, the budget period/explicit period is 3 years. Estimated increase in revenue in the budget period indicates revenue increase in 2016 compared to income in 2013. Estimated future price levels are calculated from Fish Pool´s projections and takes into account quality reduction and freight. Other comments/explanations to assumptions in the impairment test is presented below;

Historical price levels and forward markets

1) Budgeted EBITDA margin. The margin varies in the budget period, due to a.o. variations in estimated production.
2) The growth rate of the harvested volume in the budget period (nominal growth rate). Over time a corresponding increase in output is assumed.
3) Weighted return on capital employed before tax. Cash flow forecasts are thus estimated before taxes.
4) Weighted average growth rate used to extrapolate cash flows beyond the budget period. In the years after 2016, the annual reinvestment is assumed to be equal to the annual depreciation.

EBITDA margin budget and terminal period

The budgeted EBITDA margin is based on past performance, expected cost of production and expectations of market development. The increased harvest volume is based on an increase in utilisation of existing production capacity, reflecting the new smolt strategy. In the course of 2013 all of the regions will be able to produce their own smolt. As for UK and BC a significant increase in harvesting volume is assumed in the period. This is due to biological challenges in 2012 and 2013 causing low harvest volume in 2013. UK and BC are expected to reach normal production in 2015. Increased harvest volume will contribute to increased income in terminal period. The harvest volume in the terminal period assumes normal utilisation of present-day licences in the respective regions. As for Finnmark, the assumed upcoming production corresponds with harvesting volume in 2013. To increase the volume harvested in Finnmark based on current licenses, further investment must be carried out. This is not taken into account.

Assumptions in the terminal period is based on the budget for 2016, but corrected to give an EBIT/kg that has been reconciled with the benchmark and GSF's historical results. The discount rates used are pre-tax and reflect specific risks related to relevant operational segments.

Value-in-use is sensitive to changes in the assumptions made. The most important are discount rate and Ebit per kilo. The sensitivity analysis covers the entire period, including the terminal value. The table below shows the need for a write-down in the event of an 1 percentage point in the discount rate or a reduction of NOK 1 in Ebit per kilo.

Sensitivity analysis

Value-in-use is sensitive to changes in the assumptions made. The most important are discount rate and Ebit per kilo. The sensitivity analysis covers the entire period, including the terminal value. Based on an isolated change in the assumptions stating a 1% increase in required discount rate, or a 1 NOK EBIT per kilo reduction, the conclusion from the analysis is that the need for "write down" for any of the segments is unnecessary.

Note 17 Tangible fixed assets

2012	Buildings/ property	Plant, equipment and other fixtures	Vessels/ barges	Total
Book value at 01.01.	391 611	487 870	247 215	**1 126 697**
Currency translation differences at 01.01.	-4 735	-9 765	-1 706	**-16 346**
Tangible fixed assets acquired *)	38 046	133 660	16 483	**188 330**
Tangibe fixed assets sold	-59	0	-498	**-557**
Depreciation	-20 714	-108 405	-27 956	**-157 075**
Currency translation differences depreciation	-42	257	52	**267**
Book value at 31.12.	**404 107**	**503 617**	**233 590**	**1 141 317**
As at 31.12.				
Acquisition cost	543 066	1 156 494	409 197	**2 108 759**
Accumulated depreciation	-138 959	-652 877	-175 606	**-967 442**
Accumulated impairment				
Book value at 31.12.	**404 107**	**503 617**	**233 592**	**1 141 317**
Book value of finance leases included above	**1 922**	**117 040**	**114 373**	**233 335**
Depreciation of finance leases included above	**-408**	**33 069**	**15 024**	**47 685**

2013	Buildings/ property	Plant, equipment and other fixtures	Nets/cages/ moorings	Other equipment	Total
Book value at 01.01.	306 954	553 123	207 119	74 121	**1 141 317**
Currency translation differences at 01.01.	6 746	27 858	5 404	10	**40 018**
Tangible fixed assets acquired*	16 686	79 846	51 961	12 960	**161 453**
Tangibe fixed assets sold	-452	-1 624	-297	-80	**-2 453**
Depreciation **)	-10 033	-65 872	-44 896	-12 665	**-133 466**
Currency translation differences depreciation	-202	-1 649	-811	0	**-2 662**
Book value at 31.12.	**319 699**	**591 682**	**218 480**	**74 346**	**1 204 207**
As at 31.12.					
Acquisition cost	465 654	1 084 005	593 901	164 217	**2 307 777**
Accumulated depreciation	-145 955	-492 323	-375 421	-89 871	**-1 103 570**
Akkumulerte nedskrivninger					
Book value at 31.12.	**319 699**	**591 682**	**218 480**	**74 345**	**1 204 207**
Book value of finance leases included above	**765**	**156 710**	**65 811**	**37 109**	**260 395**
Depreciation of finance leases included above	**-1**	**3 785**	**18 584**	**-1 388**	**20 980**

*) Tangible fixed assets acquired.
There was considerable investment in 2012 and 2013, also in smolt production, in order to reduce future production costs.
Funds were also allocated for investment in general maintenance.

**) Change of depreciation period for tangible fixed assets
During 2013 the usage period of the Group´s tangible fixed assets has been assessed. The adjustment of usage period to best estimates is recognised as a change of estimat through profit and loss. The net effect of the new assessment of economic usage period entails reduced depreciations of about MNOK 40 per year.

Since depreciations are activated on the Group´s portfolio of biomass, the impact on profit (before fair-value adjustment) of changed economic usage period only takes effect as the biomass is harvested

The Group has decided to reclassify tangible fixed assets for better information. Opening balance as at 01.01.2013 is reorganised in the note, but not the comparable numbers for 2012.

Note 18 Cash and cash equivalents

	2013	2012
Restricted deposits related to employees' tax deduction	8 431	6 699
Restricted bank deposits related to clearing account for financial price contracts*)	5 024	6 000
Other cash and bank deposits	150 458	227 186
Total	**163 913**	**239 885**

The restricted deposits are "base" and "portofolio" margin requirements related to financial salmon price contracts in the Norwegian part of the Group.

The Group's currency and interest rate exposure is described in note 3.

Note 19 Biological assets and other inventories

	Tons 2013	Tons 2012	NOK 2013	NOK 2012
Biological assets at 01.01.	50 691	58 533	1 310 142	1 404 933
Currency translation differences	N/A	N/A	32 657	-23 548
Increase due to production	70 190	76 718	1 773 262	1 639 649
Decrease due to sales/harvesting/mortality	-70 312	-84 560	-1 631 241	-1 807 105
Fair value adjustment at 01.01.	N/A	N/A	-116 499	-19 985
Fair value adjustment in connection with business acquisition	N/A	N/A	N/A	N/A
Fair value adjustment at 31.12.	N/A	N/A	398 011	116 499
Book value of biological assets at 31.12.	**50 569**	**50 691**	**1 766 332**	**1 310 442**
Fair value adjustment of biological assets			268 938	98 063
Gain & loss arising from price contracts			-1 488	-
Fair value adjustment of biological assets incl. fair value of price hedging contracts			**267 450**	**98 063**

The accounting treatment of live fish by companies applying IFRS is regulated by IAS 41 Agriculture. The basic principle is that such assets shall be measured at fair value. The fair value of biological assets (fish in the sea) for fish from 1-4 kg is based on forward prices and/or the most relevant information that is available for the period when the fish is expected to be harvested. The price is adjusted proportionately to take account of how far the growth cycle has progressed. The price is adjusted for quality differences (superior, ordinary and process), together with the cost of logistics. The volume is adjusted for gutting loss. Fish in the sea with an average weight over 4 kg (mature fish) are assessed at their full value at the balance sheet day of harvesting. The sale prices for harvestable fish are based on spot prices. The best estimate for fish under 1 kg is considered to be the accumulated cost. In accordance with the adjusted model from 2011, the best estimate of the vair value of fish under 1 kg is considered to be the accumulated cost. From 2011, fish < 1 kg are included in the group which includes smolt and broodstock in the table. For further information about the new model, please refer to the note on accounting policies.

Status of biological assets at 31.12.13	**Number of fish (1 000)**	**Biological assets (tons)**	**Accrued cost of production**	**Fair value adjustment**	**Book value**
Smolt/broodstock/biological assets with round weight < 1 kg	26 549	3 462	245 421	0	245 421
Biological assets with round weight 1 - 4 kg	13 078	29 330	757 026	111 846	868 873
Biological assets with round weight > 4 kg	3 685	17 774	365 873	286 165	652 038
Total	**43 312**	**50 566**	**1 368 320**	**398 011**	**1 766 332**

Status of biological assets at 31.12.12	**Number of fish (1 000)**	**Biological assets (tons)**	**Accrued cost of production**	**Fair value adjustment**	**Book value**
Smolt/broodst/biological assets, round weight < 1 kg	25 089	4 623	220 600	0	220 600
Biological assets with round weight 1-4 kg	12 561	26 964	620 264	29 916	650 180
Biological assets with round weight > 4 kg	3 837	19 105	352 780	86 583	439 363
Total	**41 487**	**50 691**	**1 193 643**	**116 499**	**1 310 142**

Other inventories

	2013	2012
Raw materials (feed) at cost price	59 116	47 601
Roe	11 887	8 108
Other (frozen fisk, supplementary products)	3 012	9 983
Total inventories	**74 015**	**65 692**
Impairment of inventories	**0**	**0**

Cost of sales

	2013	2012
Inventories at 01.01. (inverted number)	-65 692	-67 354
Purchases for the year	-977 301	-1 200 652
Inventories at 31.12.	74 015	65 692
Cost of sales	**-968 978**	**-1 202 314**

Note 20 Accounts receivable

	2013	2012
Accounts receivable at nominal value	180 336	126 639
Provision for bad debts	-2 522	-1 982
Accounts receivable at 31.12.	**177 814**	**124 657**

For information about the age distribution of accounts receivable and the Group's exposure to credit risk related to outstanding receivables, please refer to note 3.

Recorded bad debts are stated as follows:

	2013	2012
Change in provision for bad debts	540	757
Year´s actual losses	4	27
Filed on previous loss provisions	-721	0
Recognised losses on receivables	-177	784

Note 21 Other current receivables

Other current receivables	2013	2012
VAT receivable etc.	24 152	14 569
Pre-paid expenses	24 075	22 013
Insurance claims	3 549	6 793
Tax receivable*)	0	2 358
Other current receivables	2 239	5 566
Other current receivables at 31.12.	**54 015**	**51 299**

*) Tax receivable for 2012 amounts to NOK 2 358 (GSF UK)

Note 22 Tax

Tax specification	2013	2012
Tax payable Norway	1 471	-
Tax payable abroad	-	-2 358
Tax payable not provided for last year	-3 003	-
Change in deferred tax Norway	108 945	16 431
Change in deferred tax abroad	6 532	-69 243
Taxes	**113 945**	**-55 170**
Tax reconciliation		
Profit before tax	544 930	-202 358
Taxes calculated at nominal tax rates	158 434	-45 305
Withholding tax	978	1 496
Change in deferred tax liability	-31 189	-5 361
Tax losses carried forward not recognized	2 040	1 163
Other permanent differences	-16 319	-7 163
Taxes	**113 945**	**-55 170**
Change in book value of deferred tax		
Book value at 01.01.	426 781	486 702
Currency conversion	1 790	-3 487
Effect of equity transactions	11 725	-5 418
Other effects	1 569	1 796
Change in deferred tax taken to income in period	115 486	-52 812
Deferred tax liability at 31.12.	**557 350**	**426 781**
Weighted average tax rate	**20,91 %**	**22,39 %**

The nominal tax rate in Norway is 28%. In Canada it is 26% and in Shetland 23 % in 2013. As some of the companies have a loss, the average tax rate is lower than the nominal tax rate in the respective countries.

The tables below show the composition of deferred tax. The tax effects of taxable and deductible temporary differences are shown separately. Deferred tax and deferred tax assets are offset. Both the Norwegian, Canadian and UK part of the Group, have a net deferred tax position. Deferred tax and deferred tax assets within Norway, Canada and UK can be set off.

Deferred tax	Licences	Fixed assets	Biological assets	Receivables	Inventory	Deferred capital gain	Current liabilities	Total
2012								
Opening balance at 01.01.	202 778	46 380	269 887	11 844	4 993	2 219	-229	537 872
Taken to income in the period	-5 038	-5 747	19 289	261	-1 416	-455	-	6 894
Currency translation differences	-1 506	-397	-3 129	-	-197	-	-	-5 229
Other effects	-1 691	-248	-	-	-	-	229	-1 709
Effect of business combinations	-	-	-	-	-	-	-	-
As at 31.12.	**194 543**	**39 988**	**286 047**	**12 105**	**3 380**	**1 764**	**-**	**537 829**
2013								
Taken to income in the period	-17 709	-7 958	63 799	4 940	-1 346	-437	-	41 289
Currency translation differences	541	386	353	-	58	-	-	1 338
Other effects	-	-111	-	-	-	186	-	75
Effect of business combinations	-	-	-	-	-	-	-	-
As at 31.12.	**177 375**	**32 305**	**350 200**	**17 045**	**2 092**	**1 513**	**-**	**580 531**

Deferred tax assets	Loss carried forward	Fixed assets	Pensions	Receivables	Lease obligations	Tax credits	Other liabilities	Total
Opening balance at 01.01.	-30 695	-2 213			-9 000	-8 391	-870	-51 169
Taken to income in the period	-61 138	1 118	-	-	3 961	1 891	-5 539	-59 707
Currency translation differences	1 072	64	-	-	322	343	-50	1 751
Other effects	-1 931	238	-	-	-	-	-229	-1 922
Effect of business combinations	-	-	-	-	-	-	-	0
As at 31.12.	**-92 691**	**-794**	**-**	**-**	**-4 718**	**-6 156**	**-6 688**	**-111 047**
2013								
Taken to income in the period	68 430	617	-	-	2 885	6	2 258	74 196
Currency translation differences	754	-10	-	-	-70	-131	8	551
Other effects	13 119	-	-	-	-	-	-	13 119
Effect of business combinations	-	-	-	-	-	-	-	-
As at 31.12.	**-10 387**	**-188**	**-**	**-**	**-1 903**	**-6 281**	**-4 422**	**-23 181**

	2013	2012
Net deferred tax	**557 350**	**426 781**
All deferred tax is classified as non-current debt	555 879	426 781
Part of payable tax is classified as current liabilities	1 471	-

Net deferred tax taken into income:

	2013	2012
Changes in deferred tax, Norway	108 945	16 431
Changes in deferred tax, other countries	6 532	-69 243
Net deferred tax taken into income:	**115 477**	**-52 812**
Recognition in the period for positions that incur deferred taxes	41 290	5 861
Recognition in the period for positions that incur deferred tax assets	74 196	-58 673
Net deferred tax taken into income:	**115 486**	**-52 812**

Loss carried forward

Deferred tax assets related to an allowable deficit are recognised in the balance sheet in so far as it is likely that this can be set against future taxable profits.

Deferred tax assets related to a tax loss carried forward are divided among the following jurisdictions:

	2013	2012
Norway	4 144	-67 509
UK	-14 530	-25 184
Canada	-	2
	-10 386	-92 691

There is no time limit on the application of tax losses carried forward in Norway and the UK.
In Canada, the scope for application of tax losses carried forward lapses in the period 2025 - 2032.

Note 23 Share capital and shareholder information

Share capital:

As at 31 December 2013 the Company had 111 662 000 shares with a nominal value of NOK 4 per share.
All shares issued by the Company are fully paid up. There is one class of shares and all shares have the same rights.
In June 2011 the Company purchased 1 250 000 of its own shares for NOK 14.40 per share.

Date of registration	Type of change	Change in share capital (NOK thousand)	Nominal value (NOK)	Total share capital (NOK thousand)	No. of ordinary shares
			4,00	**446 648**	**111 662 000**
	Holdings of treasury shares		4,00	-5 000	-1 250 000
31.12.2013				**441 648**	**110 412 000**

The largest shareholders of Grieg Seafood ASA	**No. of shares 31.12.13**	**Shareholding 31.12.13**	**No. of shares 31.12.12**	**Shareholding 31.12.12**
GRIEG HOLDINGS AS	55 801 409	49,97 %	55 801 409	49,97 %
DNB NOR BANK ASA	22 180 739	19,86 %	-	0,00 %
NORDEA BANK NORGE ASA	6 665 998	5,97 %	-	0,00 %
KONTRARI AS	4 317 592	3,87 %	15 250 000	13,66 %
YSTHOLMEN AS	3 868 197	3,46 %	3 868 197	3,46 %
OM HOLDING AS	2 610 000	2,34 %	1 941 636	1,74 %
GRIEG SEAFOOD ASA	1 250 000	1,12 %	1 250 000	1,12 %
STATE STREET BANK AND T	1 135 441	1,02 %	-	0,00 %
SJØSTJERNA INVEST AS	-	0,00 %	3 150 560	2,82 %
KVERVA AS	-	0,00 %	2 412 793	2,16 %
CAPELKA AS	-	0,00 %	1 572 000	1,41 %
DNB NOR SMB	375 000	0,34 %	1 479 977	1,33 %
DROME AS	60 362	0,05 %	1 368 239	1,23 %
Total - largest shareholders	**98 264 738**	**88,00 %**	**88 094 811**	**78,89 %**
Other shareholders with sharel	13 397 262	12,00 %	23 567 189	21,11 %
Total shares	**111 662 000**	**100,00 %**	**111 662 000**	**100,00 %**

Shares controlled by board members and Group management:

	31.12.2013	**31.12.2013**	**31.12.2012**	**31.12.2012**
Board of Directors:				
Per Grieg jr. *)	60 726 561	54,38 %	60 726 561	54,38 %
Wenche Kjølås (Jawendel AS)	7 000	0,001 %	7 000	0,001 %
Asbjørn Reinkind (Reinkind AS)	120 000	0,11 %	10 000	0,09 %
Group management:				
Morten Vike (CEO)	75 000	0,07 %	75 000	0,07 %
Atle Harald Sandtorv (CFO)	45 500	0,04 %	15 000	0,01 %
Michael Stark (Regional Director)	20 500	0,02 %	20 500	0,02 %
Alexander Knutsen (Regional Director)	20 000	0,02 %	20 000	0,02 %
Håkon Volden (Regional Director) **	1 329 210	1,19 %	1 329 210	1,19 %

***The shares owned by the following companies are controlled by Per Grieg jr. and family.**

Grieg Holdings AS	55 801 409	49,98 %	55 801 409	49,98 %
Grieg Shipping II AS	824 565	0,74 %	824 565	0,74 %
Ystholmen AS	3 868 197	3,46 %	3 868 197	3,46 %
Grieg Ltd AS	217 390	0,19 %	217 390	0,19 %
Per Grieg jr. private	15 000	0,02 %	15 000	0,02 %
Total	**60 726 561**	**54,39 %**	**60 726 561**	**54,39 %**

Note 24 Borrowings and finance leases

As at 31 December 2013 the Company´s interest-bearing debt comprised a bank loan, a bond loan and finance lease liabilities. The Group´s corporate financing facility is based on 1) a mortgage loan of MNOK 656, which at 31.12.2013 was repaid to MNOK 522,4, and 2) a multi-currency revolving credit of MNOK 500. The credit facility is classified as a current liability, as it is rolled over by appointment once a year given that covenants in the loan agreement are complied/waiver is granted. See note 3 for further information. In 2012 the Company issued an unsecured bond loan of MNOK 400 with full redemption in 2015.

As at 31 December 2013 the Group was in compliance with all covenants. The corporate finance agreement includes covenants related to the consolidated accounts, specifically related to the equity ratio, cash flow and working capital.

Non-current liabilities, interest-bearing (long-term loans and financial lease obligatior	**2013**	**2012**
Liabilites to credit institutions and mortgage debt before amortisation effect	857 479	960 500
Finance lease liabilities	170 251	156 150
Total	**1 027 730**	**1 116 650**
Non-current liabilities, non-interest bearing		
Subordinated loans	22 598	22 840
Other long-term non-interest bearing borrowings	1 458	1 961
Total	**24 056**	**24 801**
Amortisation effect of loans	-6 833	-9 457
Total non-current loans and finance lease liabilities	**1 044 953**	**1 131 994**

Current interest-bearing liabilities	**2013**	**2012**
Current revolving credit facility *)	425 000	500 000
Current portion of long-term borrowings	111 060	109 542
Current portion of finance lease liabilities	46 149	44 730
Total current interest-bearing liabilities	**582 209**	**654 272**

*) The Company has a current revolving credit faciltiy of MNOK 500. As at 31.12.2013 this was utilised with MNOK 425.

Net interest-bearing debt	**2013**	**2012**
Total non-current interest-bearing liabilities (see above)	1 027 730	1 116 650
Total current interest-bearing liabilities (see above)	582 209	654 272
Gross interest-bearing debt	**1 609 939**	**1 770 922**
Cash and cash equivalents	163 913	239 885
Loans to associated companies	1 020	1 020
Other interest-bearing assets	0	41
Net interest-bearing debt	**1 445 005**	**1 529 976**

Payment profile non-current liabilities	**2014**	**2015**	**2016**	**2017**	**2018**	**Subsequen tly**	**Total**
Subordinated loans	0	0	0	0	0	22 598	22 598
Borrowings	111 060	856 014	1 465	0	0	1 458	969 997
Finance lease liabilties	46 149	38 960	26 735	26 735	26 735	51 086	216 400
Total	**157 209**	**894 974**	**28 200**	**26 735**	**26 735**	**75 142**	**1 208 995**

Liabilities secured by mortgage/charge on assets:	**2013**	**2012**
Liabilities to credit institutions incl. finance leases	**1 609 939**	**1 373 542**

Assets pledged as security	**2012**	**2011**
Licences	994 066	976 740
Fixed assets	1 204 207	1 141 317
Accounts receivable	177 814	124 657
Inventories and biological assets	1 840 347	1 375 835
Investments in joint ventures	13 132	25 693
Total assets pledged as security	**4 229 566**	**3 644 242**

Pledges include shares in subsidiaries. The book value of these shares is 0 in the consolidated accounts.

Description of debt		Fixed or floating interest rate	Effective interest rate	Final maturity (mth/year)	2013 Current portion	2013 Non-current portion	2012 Current portion	2012 Non-current portion
Grieg Seafood ASA								
Syndicate loan non-current	NOK	Floating	Price grid	04/2015	100 800	454 400	101 805	554 193
Syndicate loan - credit facility*)	NOK	Floating	Price grid	04/2014	425 000	0	500 000	0
Bond loan	NOK	Floating	Price grid	12/2015	0	393 168	0	390 543
Other loans	NOK	Floating	Price grid	10/2016	1 614	3 079	0	6 307
Grieg Seafood Hjaltland								
SLAP	GBP	Floating	0,0 %	12/2018		1 458	0	1 961
Export loan	GBP	Fixed	3.2%	04/2014	8 645	0	7 736	0
Finance leases liabilities					46 149	170 251	44 730	156 150
Subordinated loan					0	22 598	0	22 840
Total					**582 209**	**1 044 954**	**654 272**	**1 131 994**

*) Credit facility right that is rolled over once a year, see note 3.

Book value of Group loans by currency:

	31.12.13	NOK	GBP	CAD
Syndicate loan non-current	555 200	555 200		
Syndicate loan - credit facility*)	425 000	425 000		
Bond loan	393 168	393 168		
Other loans	14 796	4 693	10 103	
Finance leases	216 400	166 646	42 523	7 231
Subordinated loan	22 598	-	22 598	-
Total borrowings and finance leases	**1 627 162**	**1 544 707**	**75 224**	**7 231**

	2013	2012
Averate interest rate on syndicate loans and credit facility	**5,50 %**	**4,94 %**

Book value and fair value of borrowings:	Book value 2013	Book value 2012	Fair value 2013	Fair value 2012
Loan (non-current and credit facility)	980 200	1 155 998	974 551	1 138 643
Bond loan	400 000	400 000	422 000	400 000
Total	**1 380 200**	**1 555 998**	**1 396 551**	**1 538 643**

The book value of other loans is virtually the same as the fair value.

The company’s assest fair value of borrowings as at 31 December 2013 is based on an estimated added interest margin of 0,5% given refinancing. The fair value of bond loans as at 31 December 2013 is based on the last traded price in the company’s bond loans in 2013.

Note 25 Pension commitments

The companies in Norway have a pension scheme for all employees in accordance with the rules for mandatory occupational pensions from 01.07.2009. At 31.12.2013 the pension scheme covered 327 persons, and 327 persons in 2012. The pension scheme is funded and managed through an insurance company. The Group's foreign companies have no pension schemes.

Grieg Seafood Rogaland AS and Grieg Seafood Finnmark AS have a contractual early retirement scheme (AFP) for 269 of their employees. The Group's financial liability in connection with this scheme is included in the pension calculations below. Effective from 2010 the old AFP scheme has been discontinued and all of the members are covered by a new AFP scheme. No pensions have been taken out under the old scheme. Companies which have been members of the scheme run by the Norwegian Confederation of Trade Unions (LO) and the Confederation of Norwegian Enterprise (NHO) have been required to make a provision for underfunding in the annual accounts from and including financial year 2010.

The annual premium per member is estimated on the basis of information from LO/NHO. The premium is payable over a 5-year period. The estimated amount, exclusive of employer's national insurance contributions, is NOK 1 180 for 2013 and NOK 2 900 per member per year for 2012. A discount rate of 3.8% has been used. Underfunding is provided for as part of the pension commitment in the balance sheet.

The Group had one pension scheme in 2013 and 2012. The costs are funded through operations with a maturity of 6 years. The pension scheme is for former employees. The pension commitments are stated in the balance sheet at fair value. The cost for 2013, TNOK 89, and for 2012, TNOK 88, is booked as a personnel expense. The pension commitments will be met by the Company on maturity. The financial liability related to this scheme is included in the pension calculation for the Group.

	2013	2012
Other pension to former employees	287	373
Provision to cover underfunding of wound-up AFP scheme	323	737
Net pension commitment at 31.12	**610**	**1 110**
The breakdown of net pension costs is as follows:		
Payment of pension funded through operations during year	89	88
Change in provision to cover pension funded through operations	-86	-81
Provision to cover underfunding of AFP scheme LO/NHO scheme	-414	-366
Premium under AFP scheme LO/NHO scheme	391	376
Premium under new AFP scheme	1 835	1 537
Premium under defined contribution based pension scheme	3 360	3 605
Net pension cost for the year	**5 175**	**5 159**
Change in pension commitment		
Book value at 01.01.	1 110	1 557
Provision to cover underfunding of old AFP scheme	-414	-366
Payment of pension funded through operations during year	-86	-81
Book value at 31.12.	**610**	**1 110**

Note 26 Other current liabilities

Specification of other current liabilities	2013	2012
Accrued expenses*	54 008	52 214
Other non-current liabilities	849	1 768
Other current liabilities	**54 857**	**53 982**

*) Accrued expenses relates to the accrual of operating expenses and accrued insurance.

Note 27 Other operating expenses

	2013	2012
Maintenance costs	110 192	93655
Electricity and fuel	37 071	30 353
Lease expenses	30 704	15 419
Insurance	25 842	21928
Outsourced services	86 245	83 543
IT expenses	13 520	9 916
Travel costs	6 920	5 402
Marketing costs	3 161	4 540
Remaining operating expenses	361 501	377 618
Total other operating expenses	**675 156**	**642 374**

Included in "remaining operating expenses" are packaging, oxygen, chemicals, vaccines, transportation costs, and fuel.

Note 28 Lease contracts

Operating lease commitments - Group company as lessee:
The Group leases offices, docks, berths, etc. with duration tenancies of between 5 and 10 years.
The Group also leases plant and machinery under cancellable financial lease agreements.
The Group must give written notification in case of termination of these agreements.
The future aggregate minimum lease payments under cancellable operating leases are as follows:

Overview of future minimum operating leases	Within 1 year	1-5 years	Subsequently	Total
Minimum lease amount	11 301	27 082	35 555	73 938
Present value of future minimum lease amount (5% discount rate)	10 763	23 972	25 268	60 003

	2013	2012
Lease amount charged in the year.	13 237	11 270
Total lease amount charged	**13 237**	**11 270**

Financial lease commitments - Group company as lessee:
The Group has signed finance leases for equipment such as barges, well boats, cage installations and other equipment.
The lease period for equipment of this kind is mainly 7 - 8 years.
The future agregate minimum lease payments related to financial leases are as follows:

Overview of future minimum lease amount (finance leases)	Within 1 year	1-5 years	Subsequently	Total
Future minimum lease amount	54 442	128 692	59 079	242 213
Future financial expenses related to finance leases	8 293	14 191	3 329	25 813
Present value of finance leases	**46 149**	**114 501**	**55 750**	**216 400**

Leased assets booked as finance lease	2013	2012
Book value of leased assets (equipment, vessels)	260 395	233 335
Book value of financial leasing liabilities	216 400	200 880

Note 29 Public grants/Contingent liabilities

Public grants:
In 2012 and 2013 no public grants have been approved or disbursed.

Contingent liabilities:
At year-end 2013 the Group had no contingent liabilities.

Note 30 Related parties

Amounts in NOK 1 000

2013	Operating income	Operating expenses	Financial income	Financial expenses	Long-term balances	Short-term balances
Total - related parties as shareholders	0	3 943	0	22	0	-177
Total - related parties as associated companies	0	77 169	0	0	1 020	-10 142
Total - related parties as joint ventures	1 451 124	0	0	0	0	-21 712
Total	**1 451 124**	**81 112**	**0**	**22**	**1 020**	**-32 031**

2012	Operating income	Operating expenses	Financial income	Financial expenses	Long-term balances	Short-term balances
Total - related parties as shareholders	0	5 025	0	15 552	0	-1 197
Total - related parties as associated companies	70	64 279	40	0	1 020	-2 831
Total - related parties as joint ventures	1 195 795	0	0	0	0	-29 779
Total	**1 195 865**	**69 304**	**40**	**15 552**	**1 020**	**-33 807**

The group purchases service from companies in the same group as its majority shareholder, Grieg Holdings AS.
These services includes:

- Services related to ICT and other functions such as canteen, reception etc. are provided by Grieg Group Resources AS. The services are provided on an arm's length basis.
- Grieg Seafood ASA rents its offices from Grieg Gaarden KS. The rent is on an arm's length basis.
- Financial expenses of TNOK 15552 in 2012 arise from a gurantee provided by Grieg Holdings AS related to a short-term loan of MNOK 200. This loan was settled on 31.12.2012 and the guarantee was terminated. The costs are calculated using the arm´s length principle.

Ocean Quality AS is a sales company owned jointly with Bremnes Fryseri AS. All sales of fish from Grieg Seafood Rogaland AS and Grieg Seafood Finnmark AS are channelled through Ocean Quality AS. For further information place refer to notes 7 and 13.

Transactions with other related parties in associated companies are the purchase of services related to operations. The board and management are related parties. See note 10 on share based options and note 23 on shares controlled by the board members and management.

Note 31 Post-balance sheet events

In Q4 2013 furunculosis was detected in one of seven manufacturing buildings at the hatchery in Canada. The fish of this plant was destructed and the building fallowed. Due to the destruction of smolt in January 2014, Grieg Seafood will take an impairment charge of MNOK 9 on smolt in Q1 2014.

Storm damage to a facility in Rogaland in January 2014 resulted in damages of equipment. To reduce the damages the decition to carry out a premature harvest of one locality was decided.

GRIEG SEAFOOD PARENT COMPANY

Income Statement

Amounts in NOK 1 000	Note	2013	2012
Other operating income	**2, 17**	31 604	29 851
Total operating income		**31 604**	**29 851**
Salaries and personnel expenses	**3, 4**	-33 236	-28 760
Depreciation	**12, 13**	-2 434	-2 617
Other operating expenses	**6, 16, 17**	-27 737	-26 384
Total operating expenses		-63 407	-57 761
Operating loss		**-31 803**	**-27 910**
Financial income	**5, 17**	235 504	45 673
Financial expenses	**5, 17**	-82 284	-88 499
Net financial profit/loss(-)		**153 220**	**-42 827**
Profit/loss(-) before tax		**121 417**	**-70 738**
Income tax expense (-)/income	**15**	-31 338	17 739
Profit/loss (-) for the year		**90 079**	**-52 998**

Balance Sheet

Amounts in NOK 1 000

Assets	Note	31.12.2013	31.12.2012
Software	12	4 374	3 636
Deferred tax assets	15	0	25 068
Property, plant and equipment	13, 18	7 871	7 459
Investments in subsidiaries	10, 18	1 220 980	1 220 980
Receivables from group companies	7,17,18	942 413	898 989
Investments in associated companies and joint ventures	10, 18	6 000	6 000
Investments in shares or units	11	568	490
Langsiktige fordringer	5	0	0
Total non-current assets		**2 182 206**	**2 162 622**
Accounts receivable	6, 18	4 529	4 733
Receivables from group companies	17, 18	433 762	452 039
Other current receivables	7	1 289	1 871
Cash and cash equivalents	8	117 991	190 611
Total current assets		**557 571**	**649 254**
Total assets		**2 739 777**	**2 811 876**

Liabilities and equity	Note	31.12.2013	31.12.2012
Share capital	14	446 648	446 648
Treasury shares	14	-5 000	-5 000
Other reserves		13 652	13 652
Retained earnings		855 773	765 666
Total equity		**1 311 073**	**1 220 966**
Deferred tax	15	3 821	0
Cash-settled share options	4	0	9 267
Total provisions		**3 821**	**9 267**
Mortgage loan	18	447 567	545 742
Bond loan	18	400 000	400 000
Total non-current liabilities		**847 567**	**945 742**
Short-term borrowings	18	525 800	600 800
Loans from group companies	17	12 643	254
Cash-settled share options	4	9 567	0
Accounts payable	17	2 051	2 530
Public tax payable	15	1 471	0
Accrued public expense		1 954	2 189
Other current liabilities	7	23 830	30 127
Total current liabilities		**577 316**	**635 900**
Total liabilities		**1 428 704**	**1 590 909**
Total liabilities and equity		**2 739 777**	**2 811 876**

Bergen 1. April 2014
Board of Directors, Grieg Seafood ASA

Translation, No signature required

Cash Flow Statement

Amounts in NOK 1 000	2013	2012
Profit before income taxes	121 416	-70 737
Depreciation and amortisation	2 434	2 617
Interest paid	91 835	90 833
Change in accounts receivable	204	1 270
Change in accounts payable	-479	489
Change in other accruals	-74 849	-13 394
Net cash flow from operations	**140 561**	**11 078**
Dividend income	0	25
Purchase of tangible assets	-2 032	-3 646
Purchase of intangible assets	-1 553	-1 093
Purchase of shares and equity instruments in other companies	-50	0
Proceeds/payment on loans to/from group companies	-43 424	-203 131
Payment of group accounts receivable	99 045	150 221
Net cash flow from investment activities	**51 986**	**-57 624**
Change in short-term credit facilities	-75 000	-200 000
Proceeds/payment on loans to/from group companies	-157	36 140
Change in non-current interest bearing debt	-98 175	399 668
Interest paid	-91 835	-90 833
Net cash flow from financing activities	**-265 167**	**144 975**
Net change in cash and cash equivalents	**-72 620**	**98 429**
Cash and cash equivalents at 01.01.	**190 611**	**92 182**
Cash and cash equivalents at 31.12	**117 991**	**190 611**

Change in Equity

Amounts in NOK 1000

	Share capital	Other paid in equity	Other equity	Total equity
Equity at 01.01.2012	**441 648**	**13 654**	**818 660**	**1 273 962**
Profit for the year 2012			-52 997	-52 997
Other gains/losses recorded in equity			1	1
Avsatt til utbytte			0	0
Equity at 31.12.2012	**441 648**	**13 654**	**765 664**	**1 220 966**
Profit for the year 2013			90 079	90 079
Other gains/losses recorded in equity			28	28
Equity at 31.12.2013	**441 648**	**13 654**	**855 771**	**1 311 073**

Note 1 Accounting policies

The annual financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.
All amounts are in TNOK, unless stated otherwise.

REVENUE RECOGNITION

Revenue from sales of goods is recognised at the time of delivery. Revenue from the sales of services is recognised when the services are executed. The share of sales revenue associated with future service is recorded in the balance sheet as deferred sales revenue and is recognised as revenue at the time of execution.

Classification and valuation of balance sheet items
Assets intended for long -term ownership or use are classified as fixed assets. Assets related to the normal operating cycle, are classified as current assets. Receivables are classified as current assets if they are expected to be repaid within 12 months after the transaction date. Similar criteria apply to liabilities.
Current assets are valued at the lower of cost and fair value.
Short-term liabilities are recognised in the balance sheet at nominal value.

Fixed assets are carried at historical cost. Fixed assets whose value will deteriorate are depreciated on a straight line basis over the asset's estimated useful life. Fixed assets are written down to fair value where this is required by accounting rules.
Nominal amounts are discounted if the interest rate element is significant.

INTANGIBLE ASSETS

Expenditure on intangible assets is recognised to the extent that future economic benefits from the development of identifiable intangible assets and costs can be measured reliably. Otherwise, the costs are expensed as they arise. Capitalised development is amortised over the useful life.

FIXED ASSETS

Fixed assets are recognised in the balance sheet and depreciated on a straight line basis over the estimated useful life, providing the asset has an expected useful life of more than 3 years and a cost price which exceeds TNOK 15. Maintenance costs are charged as they arise as operating expenses, while improvements and additions are added to the acquisition cost and depreciated at the same pace as the asset. The distinction between maintenance and improvements is made with regard to the asset's relative condition at the original purchase date. Leased assets are recognised as fixed assets if the lease contract is considered to be a finance lease.

SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES

Investments in subsidiaries, associated companies and joint ventures are valued at cost in the company accounts. The investment is valued at the cost of acquiring the shares, providing a write-down has not been necessary. Group contributions to subsidiaries, with tax deducted, are recognised as increases in the purchase cost of the shares. Dividends and group contributions are recognised in the same year as they are recognised in the subsidiary/ associated company accounts. If dividends/group contributions exceed retained earnings after acquisition, the exceeding amount is regarded as reimbursement of invested capital and the distribution will reduce the recorded value of the acquisition in the balance sheet. Group contributions received are recognised as other financial income.

IMPAIRMENT OF FIXED ASSETS

Impairment tests are performed if it is indicated that the carrying amount of a non-current asset exceeds the estimated fair value. The test is performed on the lowest level of fixed assets at which independent cash flows can be indentified. If the carrying amount is higher than both the fair value less selling costs and the recoverable amount (net present value of future use/ownership), the asset is written down to the higher of fair value less selling costs and the recoverable amount.
Previous impairment charges are reversed at a later period if the conditions causing the write-down are no longer present (with the exception of impairment of goodwill).

TRADE AND OTHER RECEIVABLES

Trade and other receivables are recognised in the balance sheet at nominal value after deduction of provision for bad debts. The provision for bad debts is estimated on the basis of an individual assessment of each major receivable. An additional general provision is made for the remainder of the receivables based on estimated expected losses.

SHORT-TERM INVESTMENTS

Short-term investments (shares and investments which are considered current assets) are carried at the lower of average purchase cost and net realisable value on the balance sheet date. Dividends and other distributions received are recognised as other financial income.

PENSIONS

The company's pension schemes meet the requirements of the mandatory Occupatonal Pension Act. The premium is paid through operations and is charged as it arises. Social security costs are charged on the basis of the pension premium paid.

Group bank accounts system - deposit and loan
Grieg Seafood ASA entered into a financing agreement for the entire Grieg Seafood Group in 2008, and operates as such as an internal bank. Grieg Seafood borrows funds under the agreement from the financial institutions and lends these funds onwards to the group companies. When entering into this financing agreement, the company also set up a group account system (multi-accounts) in which Grieg Seafood ASA is the legal account holder and where deposits and loans are recognised as intercompany transactions. All group companies are jointly and severally responsible to the financial institutions for the whole amount of the commitment under the scheme.

FOREIGN CURRENCY

All foreign currency transaction are translated into NOK at the date of the transaction. All monetary items in foreign currency are translated at the balance sheet date. Derivatives are stated at fair value and value changes are recognised in the income statement.

CASH-BASED REMUNERATION

The company has a share-based remuneration scheme with settlement in cash. The company's obligation is posted under other long-term commitments. The cost for the year is charged in the income statement.

DERIVATIVES

Forward currency contracts
Realised gains are recorded in the income statement as financial income. The fair value of the contracts is stated on the basis of the exchange rate at balance sheet date for 2013.
Interest rate swaps
Interest rate swap contracts are stated at fair value at year-end, but unrealised gains are not recognised. Unrealised losses are charged against income in accordance with Ngaap.

TAXES

The tax expense in the income statement consists of both taxes payable for the accounting period and changes in deferred tax during the period.
Deferred tax is calculated as relevant rate of the temporary differences between the value of assets and liabilities for tax purposes and and any allowable loss to be carried forward at year-end in the financial statements. Temporary differences, both positive and negative, are offset within the same period. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilised. Deferred tax assets and deferred tax liabilities are presented net in the balance sheet.
Tax on group contributions given, booked as an increase in the purchase price of shares in other companies, and tax on group contribution received booked directly against equity, have been booked directly against tax items in the balance sheet (offset against tax payable if the group contribution has affected tax payable, and offset against deferred taxes if the group contribution has affected deferred taxes).

CASH FLOW STATEMENT

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits and other short-term highly liquid investments which entail no appreciable exchange rate risk and with maturities of 3 months or less from the purchase date.

Note 2 Operating income

Amounts in NOK 1000

Operating income consists of:	**2013**	**2012**
Administrative services - Grieg Seafood Group	29 244	27 427
Other operating income	2 360	2 424
Total other operating income, see note 17	**31 604**	**29 851**

Note 3 Payroll, fees, no. of employees etc.

Amounts in NOK 1 000	Note	2013	2012
Wages and salaries		18 763	15 181
Social security costs		2 787	2 116
Shares options for directors and key personnel	**4**	10 211	9 809
Pension costs - defined contribution plans	**16**	811	714
Other personnel costs		664	940
Total		**33 236**	**28 760**
Average number of employees		14	13

Pension costs are described in note 16.
The board's guidelines and principles for the determination of salary and other remuneration to the management group are included in the financial statements for the group.

The accumulated cost of salaries, pensions and other benefits to the CEO, CFO and board members in 2013 were as follows:

Remuneration to senior employees in 2013 (TNOK)	Salary	Bonus	Options exercised during year	Other benefits	Total
Morten Vike (CEO)	2 667	0	1 858	267	4 792
Atle Harald Sandtorv (CFO)	1 378	0	1 815	127	3 320
Total remuneration incl. social security costs					**8 112**
Board members					
Per Grieg jr. 1)				397	397
Terje Ramm 2)				241	241
Wenche Kjølås 2)				240	240
Ingelise Arntsen				83	83
Asbjørn Reinkind 1)				270	270
Karin Bing-Orgland				130	130
Total remuneration incl. social security costs					**1 361**

1)The payment for work done in the remuneration committee is included in the remuneration to Per Grieg jr. with NOK 9 516, to Asbjørn Reinkind with NOK 11 410 and to Karin Bing-Orgland with NOK 6 661.
2) The payment to Terje Ramm and Wenche Kjølås includes NOK 28 525 paid as remuneration for work done in the audit committee.
The payments include social security costs.

The accumulated cost of salaries, pensions and other benefits to the CEO, CFO and board members in 2012 were as follows:

Remuneration to senior employees in 2012 (TNOK)	Salary	Bonus	Options exercised during year	Other benefits	Total
Morten Vike (CEO)	2 519	0	0	272	2 791
Atle Harald Sandtorv (CFO)	1 327	0	0	128	1 455
Total remuneration incl. social security costs					**4 246**
Board members					
Per Grieg jr. 1)				388	388
Terje Ramm 2)				234	234
Wenche Kjølås 2)				234	234
Ingelise Arntsen				200	200
Asbjørn Reinkind 1)				262	262
Total remuneration incl. social security costs					**1 318**

1) Remuneration for work done in the remuneration committee is included in the payment to Per Grieg jr. and Asbjørn Reinkind in the sum of NOK 11 500.
2) Remuneration to Terje Ramm and Wenche Kjølås includes payment for for work done in the audit committee in the sum of NOK 22 800.
The payments include social security costs.

Specification of auditor's fee	2013	2012
Statutory audit	879	869
Tax advisory fee	64	20
Other services	116	5
Total	**1 059**	**894**

Note 4 Share and cash-based remuneration

The company has issued options to the management group and regional directors. The options' strike price is the stock market price on the date of issue increased by 0.5% per month until exercise date. The equity options were granted in the period from 29.06.2007 until 01.06.2008 with expiry dates from 29.06.2010 until 27.02.2012. At 31.12.2013 there were no equity options available for exercise. From 2009 the company has issued options with cash settlement to the management group and regional directors (synthetic options). These options were granted on 06.05.2009 with expiry date on 06.05.2013. A total of 1 400 000 options were allocated in March 2012 with the last exercise date on 24.05.2015. The last allocation was on 17.12.2013 totalling 600 000 options with expiry date on 17.12.2017. The options have 2 years' duration, where 50% is vested each year. Employees taken on after the first allocation of options have been allocated options on taking up employment.

The Black & Scholes option pricing model is used to calculate the market value. A brokerage firm is used to carry out the calculations. The table below illustrates the movement in outstanding options throughout 2012 and 2013.

Overview 2013	Option category	Outstanding options 31.12.2012	Granted options	Exercised options	Cancelled options	Expired options	Outstanding options at 31.12.2013	Of which cash-settled
Morten Vike (CEO)	Cash settlem.	700 000	200 000	300 000	-	-	600 000	600 000
Atle Harald Sandtorv (CFO)	Cash settlem.	280 000	100 000	280 000		-	100 000	100 000
Others	Cash settlem.	1 305 884	300 000	805 884		50 000	750 000	750 000
Total		**2 285 884**	**600 000**	**1 385 884**	**-**	**50 000**	**1 450 000**	**1 450 000**

Overview 2012	Option category	Outstanding options 31.12.2011	Granted options	Exercised options	Cancelled options	Expired options	Outstanding options 31.12.2012	Of which cash-settled
Morten Vike (CEO)	Equity-based option	300 000	-	-	-	300 000	-	
Morten Vike (CEO)	Cash settlem.	300 000	400 000	-	-	-	700 000	700 000
Atle Harald Sandtorv (CFO)	Cash settlem.	80 000	200 000	-	-	-	280 000	280 000
Others	Cash settlem.	505 884	800 000	-	-	-	1 305 884	1 305 884
Total		**1 185 884**	**1 400 000**	**-**	**-**	**300 000**	**2 285 884**	**2 285 884**

Allocation: Year - month	Expiry date: Year - month	Strike price NOK per share as at 31.12.2013	Strike price NOK per share as at 31.12.2012	Options 2013	Options 2012
2009 - 05	2013 - 03		**9,55**		255 884
2009 - 05	2013 - 05		**9,55**		430 000
2009 - 12	2013 - 12		**12,75**		100 000
2010 - 09	2013 - 09		**18,73**		50 000
2010 - 09	2014 - 09	**18,39**		50 000	50 000
2012 - 03	2014 - 05	**7,53**		400 000	700 000
2012 - 03	2015 - 05	**7,53**		400 000	700 000
2013 - 12	2015 - 12	**22,22**		300 000	-
2013 - 12	2017 - 12	**22,22**		300 000	-
Total				**1 450 000**	**2 285 884**

	2013	2012
Equity based options available for exercise		
Weighted average outstanding contract period	-	-
Cash-based options available for settlement	-	-
Weighted average outstanding contract period	850 000	1 585 884
	8,17	8,34

2013	Option category	Listed price on allocation	Calculated value per option on allocation	Calculated total value on allocation*)	Acc. cost opening bal. Options and Cash	Accrued cost/ reversal 2013 *)	Options exercised 2013	Acc. cost charged against equity at 31.12.2013	Book liability cash settlement at 31.12.2013
Morten Vike (CEO)	Equity-based option	13,20	3,74	1 123	1 122			1 122	
Former employees where option has expired	Equity-based option	23,00	5,86	2 346	2 346			2 346	
Others	Equity-based option	23,00	5,72	4 005	3 419			3 419	
Morten Vike (CEO)	Cash settlem.	7,83	3,81	1 143	1 310	-1 310	1 858		-
Morten Vike (CEO)	Cash settlem.	6,83	1,78	712	1 718	3 188	-		4 906
Morten Vike (CEO)	Cash settlem.	22,22	3,94	788		29	-		29
Atle Harald Sandtorv (CFO)	Cash settlem.	10,76	3,40	680	209	-209	322		-
Atle Harald Sandtorv (CFO)	Cash settlem.	6,83	1,78	356	866	-866	1 492		-
Atle Harald Sandtorv (CFO)	Cash settlem.	22,22	3,94	394		14	-		14
Other options allocated in 2009	Cash settlem.	7,83	3,81	3 047	1 750	-1 750	2 478		-
Other options allocated in 2010	Cash settlem.	16,50	6,66	666	102	199	-		301
Other options allocated in 2012	Cash settlem.	6,83	1,78	1 424	3 313	963	3 760		4 276
Other options allocated in 2013	Cash settlem.	22,22	3,94	1 181		41			41
Total				**17 865**	**16 155**	**299**	**9 912**	**6 887**	**9 567**

*) Amounts exclusive of social security costs.

2012	Option category	Listed price on allocation	Calculated value per option on allocation	Calculated total value on allocation*)	Acc. cost opening bal. Options and Cash	Accrued cost/ reversal 2012 *)	Excercised options 2012	Acc. cost charged against equity at 31.12.2012	Book liability cash settlement at 31.12.2012
Morten Vike (CEO)	Equity-based option	13,20	3,74	1 123	1 122	-		1 122	
Former employees where option has expire	Equity-based option	23,00	5,86	2 346	2 346	-		2 346	
Others	Equity-based option	23,00	5,72	4 005	3 419	-		3 419	
Morten Vike (CEO)	Cash settlem.	7,83	3,81	1 143	63	1 248			1 310
Morten Vike (CEO)	Cash settlem.	6,83	1,78	712	-	1 717			1 717
Atle Harald Sandtorv (CFO)	Cash settlem.	10,76	3,40	680	10	199			209
Atle Harald Sandtorv (CFO)	Cash settlem.	6,83	1,78	356	-	866			866
Other options allocated in 2009	Cash settlem.	7,83	3,81	3 047	111	1 640			1 750
Other options allocated in 2010	Cash settlem.	16,50	6,66	666	10	91			102
Other options allocated in 2012	Cash settlem.	6,83	1,78	1 424	-	3 313			3 313
Total				**15 502**	**7 081**	**9 074**		**6 887**	**9 267**

*) Amounts exclusive of social security costs.

	2013	2012	Classification in accounts
Accrued cost is divided as follows:			
Accrued cost cash settlement	299	9 074	Other provisions for commitments
Exercised options during year	9 912	-	Payroll & social sec.costs/bank
Total cost excl. employer's national insurance contributions	**10 211**	**9 074**	
Employer's national insurance contributions	419	735	Public dues payable
Total cost incl. employer's national insurance contributions	**10 630**	**9 809**	Payroll & social security costs

The costs related to share and cash-based remuneration, TNOK 10 211, is charged in the income statement as a personnel cost. The accumulated cost from the date of allocation amounts to TNOK 10 630, including social security contributions. Social security contributions are provided for on an ongoing basis based on the fair value of the options.

At 31 December 2013 outstanding options with the right to cash settlement were stated at TNOK 9 567 as "Other non-current liabilities". Options issued are cancelled when employment terminates.

Estimates used in calculations on allocation of options	
Anticipated volatility (%)	**48,19**
Risk-free rate of interest (%)	**1,82**
Estimated qualification period (years)	**3,50**

The estimated qualification period for the options is based on historical data, and does not necessarily represent an indication of the future.
In order to estimate volatility, the management have applied historical volatility for comparable listed companies.

Note 5 Financial income and financial expenses

Amounts in NOK 1000	2013	2012
Interest income from group companies	66 986	55 633
Other interest income	2 861	2 123
Group contribution from subsidiaries	87 933	18 569
Dividend	15 956	25
Net gains/losses	65 532	-22 323
Derivatives, see note 9	-3 764	-8 355
Total financial income	**235 504**	**45 673**
Loan interest expenses	81 688	72 560
Other interest expenses	45	15 566
Other financial expenses	551	374
Total financial expenses	**82 284**	**88 499**
Net financial items	**153 220**	**-42 827**

Note 6 Accounts receivable

Amounts in NOK 1 000	2013	2012
Accounts receivable at nominal value	5 434	4 733
Provisions for bad debt	-905	0
Book value of accounts receivable at 31.12	**4 529**	**4 733**
Change in bad debts provision	905	905
Bad debt realised	0	0
Sum loss on accounts receivable charged in the accounts	**905**	**905**

On behalf of its subsidiaries Grieg Seafood Finnmark AS and Grieg Seafood Rogaland AS, Grieg Seafood ASA has arranged salmon price contracts. In view of the fact that the contractual counterparty is in compulsory liquidation, the accounts for 2012 include a loss of TNOK 905 related to these price contracts.

Note 7 Other receivables/other current liabilities

Amounts in NOK 1 000

Receivables - group companies	2013	2012
Receivables - group companies, see note 17	942 413	898 989
Receivables - group companies 31.12	**942 413**	**898 989**

Other short-term receivables	2013	2012
Prepaid expenses	738	833
Unrealised loss on foreign foreign currency contracts	518	0
Other current receivables	33	1 038
Other current receivables at 31.12	**1 289**	**1 871**

Other current liabilities	2013	2012
Accrued interest	7 395	12 084
Other accrued expenses	6 292	3 232
Unrealised loss on interest rate swap contracts	10 143	13 649
Unrealised loss on foreign foreign currency contracts	0	156
Other current liabilities	0	1 006
Other current liabilities at 31.12	**23 830**	**30 127**

Note 8 Restricted bank deposits

Amounts in NOK 1000	2013	2012
Restricted deposits related to employees' tax deductions	898	868
Restricted account NOS Clearing	5 024	0
Total	**5 922**	868

*) Restricted amounts to financial salmon price contracts. Grieg Seafood ASA enters into hedging contracts on behalf of Grieg Seafood Rogaland AS and Grieg Seafood Finnmark AS.

Note 9 Financial instruments to fair value

Amounts in 1000 NOK	2013		2012	
	Assets	Current liabilities	Assets	Current liabilities
Forward foreign currency contracts	518	0		-156
Interest rate swap contracts (3 contracts for a total of MNOK 800 maturing in 2014 and 2016)	0	-10 143	0	-13 649
Total financial instruments at fair value	**518**	**-10 143**	**0**	**-13 805**

Change in fair value posted as financial items	2013	2012
Unrealised gain/loss on foreign currency contracts/interest rate swaps	4 276	-4 868
Realised gain/loss on foreign currency contracts/interest rate swaps	-8 040	-3 487
Net realised/unrealised gain/loss on financial instruments	**-3 764**	**-8 355**

Note 10 Investments in subsidiaries, associated companies and joint ventures

Amounts in NOK 1 000

Subsidiaries	Registered office - country	Registered office - location	Ownership/ voting share	Equity at 31.12.2013	Profit/loss 2013	Book value
Grieg Seafood Rogaland AS	Norway	Bergen	100 %	300 332	67 433	174 658
Grieg Seafood Canada AS	Norway	Bergen	100 %	68 496	-87	138 252
Grieg Seafood Finnmark AS	Norway	Alta	100 %	427 327	140 422	400 481
Grieg Seafood Hjaltland UK Ltd	UK	Shetland	100 %	139 529	54 139	458 750
Erfjord Stamfisk AS	Norway	Suldal	100 %	64 952	30 852	48 839
Book value of subsidiaries at 31.12						**1 220 980**

Joint venture	Registered office - country	Registered office - location	Ownership/ voting share	Equity at 31.12.2013	Profit/loss 2013	Book value
Ocean Quality AS (joint venture)	Norway	Bergen	60,00 %	26 355	11 314	6 000
Book value at 31.12						**6 000**

Note 11 Investments in shares

Amounts in NOK 1 000

Investments in shares	Registered office - country	Registered office - location	Ownership/ voting share	No. of shares	Acquisition cost	Book value
Finnøy Næringspark AS	Norway	Finnøy	7,14 %	100	103	103
DN Global Allokering	Norway	Oslo		3 038	630	391
Codfarmers ASA	Norway	Oslo	0,00 %	500	156	4
CO2 AS	Norway	Lindås	10,00 %	2	20	20
Norsk Villaksforvaltning AS	Norway	Førde	15,15 %	5	50	50
Book value of shares at 31.12						**568**

Note 12 Intangible assets

2012	Software
Book value at 01.01.	3 294
Intangible assets acquired	1 093
Amortisation	-751
Book value at 31.12.	**3 636**
As at 31.12.	
Acquisition cost	7 889
Accumulated amortisation	-4 254
Book value at 31.12.	**3 636**
Economic lifetime/amortisation plan	**3 år**

2013	Software
Book value at 01.01.	3 636
Intangible assets acquired	1 553
Amortisation	-815
Book value at 31.12.	**4 374**
As at 31.12.	
Acquisition cost	9 442
Accumulated amortisation	-5 069
Book value at 31.12.	**4 373**
Economic lifetime/amortisation plan	**3 years**

Note 13 Tangible fixed assets

2012	Plant, equipment and other fixtures etc.
Book value at 01.01	5 679
Tangible fixed assets acquired	3 646
Depreciation	-1 866
Book value at 31.12.	**7 459**
As at 31.12.	
Acquisition cost	12 375
Accumulated depreciation	-4 916
Book value at 31.12	**7 459**
Economic lifetime/amortisation plan	**3-5 years**

2013	Plant, equipment and other fixtures etc.
Book value at 01.01	7 459
Tangible fixed assets acquired	2 032
Depreciation	-1 620
Book value at 31.12.	**7 871**
As at 31.12.	
Acquisition cost	14 407
Accumulated depreciation	-6 536
Book value at 31.12	**7 871**
Economic lifetime/amortisation plan	**3-5 år**

Note 14 Share capital and shareholder information

Share capital:
As at 31 December 2013 the company had 111 662 000 shares with a nominal value of NOK 4 per share.
All shares issued by the company are fully paid up. There is one class of shares and all shares have the same rights.
In June 2011 the company purchased 1 250 000 of its own shares for NOK 14.40 per share.

Date of registration	Type of change	Change in share capital (TNOK)	Nominal value (NOK)	Total share capital (TNOK)	No. of ordinary shares
			4,00	**446 648**	**111 662 000**
	Holdings of treasury shares		4,00	-5 000	-1 250 000
31.12.2013				**441 648**	**110 412 000**

The largest shareholders of Grieg Seafood ASA	No. of shares	Shareholding	No. of shares	Shareholding
	31.12.13	**31.12.13**	**31.12.12**	**31.12.12**
GRIEG HOLDINGS	55 801 409	49,97 %	55 801 409	49,97 %
DNB NOR BANK ASA	22 180 739	19,86 %	-	0,00 %
NORDEA BANK NORGE ASA	6 665 998	5,97 %	-	0,00 %
KONTRARI AS	4 317 592	3,87 %	15 250 000	13,66 %
YSTHOLMEN AS	3 868 197	3,46 %	3 868 197	3,46 %
OM HOLDING AS	2 610 000	2,34 %	1 941 636	1,74 %
GRIEG SEAFOOD ASA	1 250 000	1,12 %	1 250 000	1,12 %
STATE STREET BANK AND TRUST CO.	1 135 441	1,02 %	-	0,00 %
SJØSTJERNA INVEST AS	-	0,00 %	3 150 560	2,82 %
KVERVA AS	-	0,00 %	2 412 793	2,16 %
CAPELKA AS	-	0,00 %	1 572 000	1,41 %
DNB NOR SMB	375 000	0,34 %	1 479 977	1,33 %
DROME AS	60 362	0,05 %	1 368 239	1,23 %
Total - largest shareholders	**98 264 738**	**88,00 %**	**88 094 811**	**78,89 %**
Other shareholders with shareholding le	13 397 262	12,00 %	23 567 189	21,11 %
Total shares	**111 662 000**	**100,00 %**	**111 662 000**	**100,00 %**

Shares controlled by board members and group management:

	31.12.2013	**31.12.2013**	**31.12.2012**	**31.12.2012**
Board of Directors:				
Per Grieg jr. *)	60 726 561	54,38 %	60 726 561	54,38 %
Wenche Kjølås (Jawendel AS)	7 000	0,00 %	7 000	0,00 %
Asbjørn Reinkind (Reinkind AS)	120 000	0,11 %	100 000	0,09 %
Group management:				
Morten Vike (CEO)	75 000	0,07 %	75 000	0,07 %
Atle Harald Sandtorv (CFO)	45 500	0,04 %	15 000	0,01 %
Michael Stark (Regional Director)	20 500	0,02 %	20 500	0,02 %
Alexander Knutsen (Regional Director)	20 000	0,02 %	20 000	0,02 %
Håkon Volden (Regional Director) **	1 329 210	1,19 %	1 329 210	1,19 %
***Shares owned by the following companies are controlled by Per Grieg jr. and family.**				
Grieg Holdings AS	55 801 409	49,98 %	55 801 409	49,98 %
Grieg Shipping AS	824 565	0,74 %	824 565	0,74 %
Ystholmen AS	3 868 197	3,46 %	3 868 197	3,46 %
Grieg Ltd AS	217 390	0,19 %	217 390	0,19 %
Per Grieg jr. private	15 000	0,02 %	15 000	0,02 %
Total	**60 726 561**	**54,39 %**	**60 726 561**	**54,39 %**

Note 15 Taxes

Temporary differences	Change	2013	2 012
Fixed assets	-882	1 066	184
Profit and loss account	757	3 030	3 787
Amortised cost	2 624	6 833	9 457
Accounts receivable	905	-905	0
Financial instruments	-4 276	-9 529	-13 805
Revaluation account non-current liabilities	-24 072	24 072	0
Cash-based options	387	-10 416	-10 029
Net temporary differences	**-24 557**	**14 151**	**-10 405**
Tax loss carried forward	-73 722	0	-73 722
Change in unutilised tax allowance from withholding tax	-5 341	0	-5 341
Unutilised allowance and income correction	-61	0	-61
Basis of deferred tax/deferred tax assets	**-103 681**	**14 151**	**-89 530**
Deferred tax assets based on previous rate	-29 031	3 962	-25 068
Changes in tax assessment due to change in tax rate	142	-142	0
Deferred tax/deferred tax assets in balance sheet	**-28 889**	**3 821**	**-25 068**
Change in deferred tax in balance sheet		28 889	-19 240
Change in deferred tax in income statement		28 889	**-19 240**

The tax charge for the year arises as follows:

Basis for tax payable	2013	2012
Profit before taxes	121 417	-70 737
Increased group contribution previous years, recognised in 2013 and 2012	-1 537	-395
Group contribution entered as income	-86 396	-18 174
Recognised share dividends	-15 477	-25
Other permanent differences	-873	628
Basis for tax expense for the year	17 134	-88 703
Change in temporary differences	-24 557	6 204
Basis for tax payable in the income statement	**-7 423**	**-82 499**
Group contribution received	86 396	18 174
Taxable profit before application of tax loss carried forward	78 974	-64 324
To be carried forward (application of tax loss carried forward)	-73 722	73 722
Taxable profit	5 252	0
Basis for tax payable	**5 252**	**0**
28% of the basis for tax payable (tax expense in the income statement)	1 471	0
Repayment of withholding tax	0	5
Tax effect of foreign tax not credited Norwegian tax	978	1 496
Change in deferred tax, previous rate	29 031	-19 240
Change in deferred tax due to change of rate	-142	0
Total tax charge	**31 338**	**-17 739**

Reconciliation of tax expense	**Basis**	**Basis**
Profit before taxes	121 417	-70 737
Estimated tax 28 %	33 997	-19 806
Tax expense in income statement	31 338	-17 739
Difference	2 660	-2 067
The difference consists of the following:		
28% of permanent differences	-5 008	58
Change in unutilised credit allowance/dividend payments	1 513	315
Tax effect of foreign tax not credited Norwegian tax	978	1 501
Change in tax assessment from previous years	0	193
Change in tax/deferred tax due to change of rate	-142	0
Total explained difference	**-2 660**	**2 067**

Tax payable in the balance sheet	2013	2012
Tax payable (28% of the basis for tax payable)	1 471	0
Tax payable in balance sheet	**1 471**	**0**
Tax loss carried forward	**0**	**73 722**

Note 16 Pension obligations

At 31 December 2013 the pension scheme covered 14 employees. The pension scheme is funded and managed through an insurance company.

	2013	2012
Premium for defined contribution based pension scheme	811	714
Net pension cost for the year	**811**	**714**

Note 17 Related parties

Amounts in NOK 1000

2013	Operating income	Operating expenses	Financial income	Financial expenses	Current receivables, group companies	Non-current receivables, group companies	Current receivables	Current liabilities to group companies
Grieg Seafood Rogaland AS	9 638		59 836			109 200		-12 546
Grieg Seafood Finnmark AS	9 601	2 012	21 396		14 703	275 000		-192
Grieg Seafood Canada AS	27		87		1 533	0		
Grieg Seafood BC Ltd	2 539		10 260		22 970	186 032		96
Grieg Seafood Hjaltland UK Ltd	5 664		29 664		389 654	348 109		
Erfjord Stamfisk AS	1 775		32 139		4 902			
Unrealised gains - non-current loans						24 072		
Total related parties - group companies	**29 244**	**2 012**	**66 986**	**0**	**433 762**	**942 413**	**0**	**-12 643**
Ocean Quality AS (joint venture)	2 360						21 712	0
Total related parties - joint venture	**2 360**	**0**	**0**	**0**			**21 712**	**0**
Grieg Gaarden KS		1 891		22				
Grieg Group Resources AS		2 052						177
Total related parties - shareholders	**0**	**3 942**	**0**	**22**	**0**	**0**	**0**	**177**
Total	**31 604**	**5 955**	**66 986**	**22**	**433 762**	**942 413**	**21 712**	**-12 466**

2012	Operating income	Operating expenses	Financial income	Financial expenses	Current receivables, group companies	Non-current receivables, group companies	Current receivables	Current liabilities to group companies
Grieg Seafood Rogaland AS	8 565		6 812		40 206	109 200	56	
Grieg Seafood Finnmark AS	7 312	2 403	20 959		184 626	275 000	24	254
Grieg Seafood Canada AS	40		70		1 405	0		
Grieg Seafood BC Ltd	5 401		8 428		10 002	186 032		
Grieg Seafood Hjaltland UK Ltd	5 268		19 411		209 062	348 109		
Erfjord Stamfisk AS	841		-50		6 738			
Unrealised gains - non-current loans						-19 352		
Total related parties - group companies	**27 427**	**2 403**	**55 630**	**0**	**452 039**	**898 989**	**80**	**254**
Ocean Quality AS (joint venture)	2 425						859	0
Total related parties - joint venture	**2 425**	**0**	**0**	**0**	**0**	**0**	**859**	**0**
Grieg Gaarden KS		1 818		51				
Grieg Group Resources AS		3 208					2	0
Grieg Holdings AS				15 501				
Total related parties - shareholders	**0**	**5 026**	**0**	**15 552**	**0**	**0**	**2**	**0**
Total	**29 851**	**7 429**	**55 630**	**15 552**	**452 039**	**898 989**	**941**	**254**

The company purchases services from companies controlled by Grieg Seafood ASA´s majority shareholder, Grieg Holdings AS. These services include:
- Services related to ICT and other functions such as canteen, reception etc., provided by Grieg Group Resources AS on an arm's length basis.
- Grieg Seafood ASA rents its offices from Grieg Gaarden KS, based on an arm's length.

The parent company provides a range of services to the subsidiaries. The services include administrative services and services related to the parent provision of non-current loans and short-term credit facilities to the subsidiaries. The interest is on an arm´s length basis. Sales of services to joint ventures (Ocean Quality AS) include administrative services, on an arm´s length basis.
Grieg Seafood ASA enters into hedging contracts on behalf of Grieg Seafood Rogaland AS and Grieg Seafood Finnmark AS. The arrangement is intended to reduce these companies´ exposure to salmon prices. The agreements with the subsidiaries are priced on the basis of a "back to back" arrangement.

Note 18 Net interest-bearing debt and mortgages

Amounts in NOK 1 000

The company's interest-bearing debt at 31 December 2013 comprised bank loans and an unhedged financial loan obligation.
The company's financing facility is based on a mortgage loan of MNOK 555, a multi-currency credit facility of MNOK 500 and a bond loan of MNOK 400.
As at 31 December 2013 the company was in compliance with all covenants.

Non-current liabilities	2013	2012
Mortgage loan	454 400	555 200
Bond loan	400 000	400 000
Amortised cost	-6 833	-9 458
Total interest-bearing non-current liabilities	**847 567**	**945 742**

Current liabilities		
Revolving credit facility *)	425 000	500 000
Share of current part of mortgage loan	100 800	100 800
Total interest-bearing current liabilities	**525 800**	**600 800**

Gross interest-bearing liabilities	1 380 200	1 556 000
Bank deposits	117 991	190 611
Loans to group companies	1 277 824	1 332 854
Net interest-bearing liabilities	**-15 615**	**32 535**

*) The company has a total revolving credit facility of MNOK 500 which was utilised with MNOK 425 at year-end 2013.

Maturity profile - non-current liabilities	2014	2015	Subsequently	Total
Mortgage loan	100 800	454 400	0	555 200
Bond loan		400 000		400 000
Total	**100 800**	**854 400**	**0**	**955 200**

Liabilities secured by mortgage	2013	2012
Liabilities to credit institutions	980 200	1 156 000
Total liabilities	**980 200**	**1 156 000**

Book value of assets pledged as security		
Shares in subsidiaries	1 220 980	1 220 980
Shares in joint ventures	6 000	6 000
Fixed assets	7 871	7 459
Accounts receivable	4 529	4 733
Loans to group companies	1 277 824	1 332 854
Total assets pledged as security	**2 517 204**	**2 572 026**

				2013		2012	
Type of debt	**Currency**	**Interest rate**	**Maturity**	**Current portion**	**Non-current portion**	**Current portion**	**Non-current portion**
Syndicated long-term loan	NOK	Floating	04/2015	100 800	454 400	100 800	555 200
Syndicated loan revolving credit	Multi	Floating	04/2015	425 000	0	500 000	0
Bond loan	NOK	Floating	12/2015	0	393 167		390 542
Total				**525 800**	**847 567**	**600 800**	**945 742**

Average interest rate on syndicated loans in 2013

	31.12.13	NOK	CAD	GBP	USD
Syndicated long-term loan	555 200	555 200			
Syndicated loan revolving credit	425 000	425 000			
Bond loan	393 167	393 167			
Total loans	**1 373 367**	**1 373 367**	**0**	**0**	**0**

	2013	2012
Aveage rate of interest	**5,50 %**	**4,94 %**

Note 19 Guarantees, guarantor

Guarantees
As at 31.12.2013 GSF ASA had a guaranty commitment for MNOK 190 on behalf of subsidiaries, in connection with leasing contracts with SG Finans AS.

Guarantor
Grieg Seafood ASA serves as guarantor on behalf of Grieg Seafood Finnmark AS and Grieg Seafood Rogaland AS in connection with an extension of credit extension granted by Skretting for the purchase of fish feed. The total amount is TNOK 96 000, which falls due on 28 February 2014.
Grieg Seafood ASA also serves as guarantor for an extension of credit given to Hjaltland Seafarm Ltd. by Skretting for the purchase of fish feed. The total amount is TEUR 6 000, with maturity on 31 March 2014.

Note 20 Post-balance sheet events

Since the closing of accounts at year-end 2013 there have been no events which could materially affect the accounts for 2013.

To the Annual Shareholders' Meeting of Grieg Seafood ASA

Independent auditor's report

Report on the Financial Statements

We have audited the accompanying financial statements of Grieg Seafood ASA, which comprise the financial statements of the parent company and the financial statements of the group. The financial statements of the parent company comprise the balance sheet as at 31 December 2013, and the income statement, statement of changes in equity and cash flow statement, for the year then ended, and a summary of significant accounting policies and other explanatory information. The financial statements of the group comprise the balance sheet at 31 December 2013, income statement, statement of comprehensive income, changes in equity and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

The Board of Directors and the Managing Director's Responsibility for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of the financial statements of the parent company in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and fair presentation of the financial statements of the group in accordance with International Financial Reporting Standards as adopted by EU and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap

Opinion on the financial statements of the parent company

In our opinion, the financial statements of the parent company are prepared in accordance with the law and regulations and present fairly, in all material respects, the financial position for Grieg Seafood ASA as at 31 December 2013, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Opinion on the financial statements of the group

In our opinion, the financial statements of the group present fairly, in all material respects, the financial position of the group Grieg Seafood ASA as at 31 December 2013, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by EU.

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report and the statement on Corporate Governance

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors report and in the statement on Corporate Governance concerning the financial statements, the going concern assumption and the proposal for the allocation of the profit is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements ISAE 3000 “Assurance Engagements Other than Audits or Reviews of Historical Financial Information”, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the company’s accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Bergen, 1 April 2014
PricewaterhouseCoopers AS

Jon Haugervåg
State Authorised Public Accountant (Norway)

Note: This translation from Norwegian has been prepared for information purposes only.

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