



Grieg
Seafood®

Q2
2012

Grieg Seafood ASA - Second Quarter 2012 & First Half 2012 Report

Highlights – Second Quarter 2012 & First Half 2012 Report

- Further strong increase in global supply.
- Sound increase in demand in most markets.
- Good biological and cost-side development in Norway and Canada.
- A weak result and high costs in Shetland due to a weak biological production.
- EBIT before fair value adjustment of biomass was NOK 13.7m in the second quarter (NOK 142.9m in 2011).
- EBIT before fair value adjustment of biomass was NOK 18.6m in the first half-year (NOK 274.5m in 2011).
- The harvested volume in the second quarter increased by 15.1% to 16 437 tons.

The market development in the second quarter was largely similar to the trend in the first three months of the year, with supply-side growth remaining high, driven by Norway and Chile. At the same time, the market remained strong and showed itself capable of absorbing the historically high increase in supply. On the whole, prices in the second quarter were on a par with prices in the first quarter, but substantially lower than in last year's second quarter.

2012 started with high sea temperatures which resulted in high production in the first three months of the year, but normal production conditions normalised again in the second quarter.

A negative EBIT before fair value adjustment of biomass of NOK 27.4m in Shetland (UK) is very weak and unsatisfactory, and is due to the biological challenges which were pointed out in the first quarter report. As well as high production costs, weak biological production has also resulted in an unfavourable size distribution which has led to lower realised prices. The period has been characterised by a good biological and operational development in the two Norwegian regions and in BC, Canada. The development and level of costs in Rogaland has been especially gratifying. With a total EBIT before fair value adjustments of NOK 3.1 per kg, the three other regions record a satisfactory result under the current market conditions and we are seeing effects of measures taken over the past years to reduce the cost of production.

The accounts for the first half-year show that before fair value adjustment of biomass EBIT fell from NOK 274.5m in 2011 to NOK 18.6m this year. The reduced profit was due to a sharp fall in market prices from the second half of 2011.

The Group's total harvested volume in the second quarter increased by slightly more than 15% to 16 437 tons, while the figure for the first half-year increased by as much as 32% to 34 645 tons.

The equity ratio at the end of the second quarter stood at 40.8% (45.3%), while interest-bearing debt amounted to NOK 1 313m (1 135m). The cash flow from operations totalled NOK 131m in the second quarter alone, while the figure for the first six months of the year was NOK 300m.

Financial and operational development

Financial key figures – Second Quarter 2012

	Rogaland	Finnmark	BC - Canada	Shetland- UK	Elim.	Group
Sales revenue (MNOK)	178,0	122,2	123,0	97,1	-2,3	518,0
EBITDA (MNOK)	36,9	18,0	10,8	-14,3	1,7	53,2
EBIT before fair value adj. ⁽¹⁾ (MNOK)	27,8	8,5	3,7	-27,4	1,0	13,7
Harvest in tons, GWT	5 934	4 032	3 389	3 081		16 437
EBIT before fair value adj. ⁽¹⁾ NOK/kg	4,68	2,11	1,10	-8,89		0,83

1) The calculation is based on EBIT before fair value adjustment of biological assets and before reversal previous write-down of intangible assets

Group sales in the second quarter totalled NOK 518m, 8% down on the same period last year. The volume of business was 15% higher, but prices were 24% lower, compared with the second quarter of 2011.

EBIT before fair value adjustment of biomass was NOK 13.7m in the second quarter, against NOK 142.9m in 2011. The reduced profit was due to a sharp decline in prices from the second half of 2011.

The result effect of sales based on fixed price contracts in the second quarter was neutral.

Sea production in the second quarter was as expected in Norway and Canada, but has in Shetland remained weak until towards the end of the second quarter. Since the end of the second quarter, the seawater production in Shetland has shown signs of improvement.

Financial key figures – First Half-Year 2012

	Rogaland	Finnmark	BC - Canada	Shetland - UK	Elim.	Group
Sales revenue (MNOK)	295,4	270,3	253,0	243,7	-4,2	1 058,1
EBITDA (MNOK)	52,1	26,3	28,5	-7,8	-2,4	96,6
EBIT before fair value adj. ⁽¹⁾ (MNOK)	33,8	7,6	14,4	-33,5	-3,8	18,6
Harvest in tons, GWT	9 754	9 838	7 282	7 771		34 645
EBIT before fair value adj. ⁽¹⁾ NOK/kg	3,47	0,77	1,98	-4,31		0,54

1) The calculation is based on EBIT before fair value adjustment of biological assets and before reversal previous write-down of intangible assets

The Grieg Seafood Group's sales revenues fell by 1.3% to NOK 1 058.1m. The level of realised prices has fallen sharply by 27%, while at the same time the harvest volume increased by 32%.

EBIT for the first half-year as a whole, before fair value adjustment of biomass, was NOK 18.6m, compared with NOK 274.5m in 2011. The decline in profits was due to the sharp drop in prices.

Costs developed positively in Norway and Canada in the first half-year, but weak biological production has resulted in an abnormally high cost level in Shetland.

Rogaland

A systematic and focused approach to operational improvements and biological development, has over time led to good results and an overall reduced cost level in Rogaland. In the second quarter, Rogaland again showed a reduced cost level. To some extent, sales of roe had a positive effect on the EBIT margin in the second quarter.

Seawater production in Rogaland was normal in the second quarter when production conditions normalised after a winter characterised by abnormally high seawater temperatures and favourable production conditions. PD (Pancreas Disease) was positively identified at Grieg Seafood Rogaland on two sites, but this has not resulted in any major increase in mortality. The biological situation in Rogaland is good, as is the sea lice situation.

Finnmark

EBIT before fair value adjustment of biomass was NOK 2.11 per kilo in the second quarter, compared with NOK 13.08 in the same period last year. The operations in Finnmark have also shown a positive development over time, and the cost level shows some improvement on the preceding quarters, but it is higher than the level in last year's second quarter which was a quarter with unusually low costs in Grieg Seafood Finnmark

Sea production in Finnmark was in line with expectations in the second quarter, despite the fact that seawater temperatures were below normal throughout the entire period.

BC – Canada

EBIT before fair value adjustment of biomass was NOK 1.10 per kilo in the second quarter, compared with NOK 7.00 per kilo in the same period last year. The reduction in profits is due to the sharp decline in market prices, while the cost of fish harvested has continued to develop well in BC, with a reduction of close to 10% in the second quarter compared with last year.

There has been a clear reduction in realised prices, also in the American market. On average, Grieg Seafood BC's realised price reduction has been in line with the corresponding reduction in the other markets. However, at the end of the second quarter prices in the American market were showing a weaker development than was the case in Europe.

Sea production in the second quarter was as expected.

In August the IHN virus was identified at Grieg Seafood BC in a site at Jervis Inlet. After confirmatory tests, the site has been culled. The biomass at this site had a total book value of around NOK 9m. A one-time effect related to the write-down of this site will be posted in this year's third quarter accounts. The final financial effect cannot be determined at the moment as this will depend on possible compensation under insurance and/or from the Canadian authorities who ordered the culling of the fish at this plant.

Shetland – UK

The second quarter results for Shetland were very poor. EBIT before fair value adjustment of biomass was NOK -8.89 per kilo in the second quarter, compared with NOK 2.14 per kilo in 2011.

As reported in this year's first quarter report, the cost level will remain high until this generation, which has entailed high costs and weak growth, is fully harvested this summer. The high costs of this generation are attributable to previous challenges related to salmon lice which involved high treatment costs, few and weak production. These biological challenges have also led to an unusually high proportion of small fish which in this particular quarter had an especially weak price level. The generation with exceptionally high production costs is fully harvested in mid-August 2012. The cost level for the next generation is considerably lower than the level experienced in this year's second quarter.

So far this year, the results from Grieg Seafood Hjaltsland (UK) have been very weak. Continuous actions are taken to improve the biological situation in Shetland, including revision of stocking plans, sites in operation and area plans, as well as more effective ways of treatments against sea lice. This includes the establishment of a project to use wrasse for biological delousing.

Seawater production has been weaker than expected for the generation that is now in the process of being harvested. Fish growth has improved since the end of the second quarter, in pace with increasing sea temperatures.

Ocean Quality AS (sales in Norway)

Ocean Quality recorded EBIT of NOK 23.4m in the second quarter, corresponding to an operating margin of 3.55%. In the same period last year EBIT stood at NOK 2,9m (0.51%). The half-year accounts show EBIT of NOK 30.2m (2.72%), an improvement on last year's corresponding figure of NOK 5.8m (0.57%).

Ocean Quality is developing very well with increasing profits, in line with implementation of the company's market strategy. The company has been operative since the fourth quarter of 2010.

Ocean Quality AS	Q2 2012	Q2 2011	YTD 2012	YTD 2011
Sales revenue (MNOK)	658,7	564,9	1 111,3	1 024,2
EBIT (MNOK)	23,4	2,9	30,2	5,8
Operating margin in %	3,55	0,51	2,72	0,57

Cash flow and financial situation

The Grieg Seafood Group had a net cash flow of NOK 131.7m from operations in the second quarter of 2012 and NOK 300.9m in the first six months of the year. Investments in fixed assets in the first half-year amounted to NOK 124.5m and NOK 48.9m in the second quarter alone.

Net interest-bearing debt totalled NOK 1 313m at the end of the second quarter, against NOK 1 135m at the same time last year. The equity ratio stands at 40.8%, down from 45.3% in the same period last year. The sharp decline in salmon prices from the second half of 2011 has led to a substantial reduction in fair value adjustment of biomass. This has reduced the equity ratio and the balance sheet, but has no effect on the cash flow. Fair value adjustment of the biomass is an accounting adjustment of the value of biological assets in the balance sheet at any given time and in accordance with the market prices for salmon, and it fluctuates with these prices.

In the first quarter of 2012 Grieg Seafood established an extended financing agreement. This agreement consists of new credit facilities totalling NOK 300m which replace a previous bridging loan of NOK 200m, and with no repayments of principal in 2012, which corresponds to NOK 72m. It also includes a factoring agreement for Ocean Quality which provides increased liquidity of NOK 50-80m, depending on the season. In total, this provides Grieg Seafood with an increased financing framework of NOK 400-450m. The loan of NOK 300m is guaranteed by Grieg Seafood's largest shareholder, Grieg Holdings AS.

Key parts of the company's borrowing terms have also been suspended. The NIBD/EBITDA requirement has been suspended up to and including Q4 2013, and in any quarter the equity ratio can be reduced to 33%, provided that in the following quarter it is again above the required 35%. A considerable proportion of the Group's funding is subject to annual renewal and is therefore classified as short-term debt in the accounts. A compensation condition has been established based on the accumulated EBITDA, with the first measurement at the end of Q2 2012. At the end of the first half-year 2012 Grieg Seafood exceeded the level set by a good margin.

At the end of the second quarter the Group had a satisfactory level of free liquidity and unutilised credit facilities.

The second quarter show a pre-tax loss of NOK 4.8m, compared with a pre-tax loss of NOK 355.3m in the second quarter of 2011. Net financial items increased from a negative amount of NOK 14.2m to a negative amount of NOK 20.9. The net financial costs increased due to higher net interest bearing debt as well as higher borrowing costs, including interest margins, guarantee costs and one-time fees related to the establishment of the new credit facility. The second quarter of this year showed a net (positive) agio of NOK 7.5m.

The half-year accounts show a pre-tax loss of NOK 14.1m compared with a pre-tax loss of NOK 70,1m in 2011.

Key figures

Grieg Seafood Group	2Q 2012	2Q 2011	YTD 2012	YTD 2011
Total operating income (TNOK)	520 180	567 819	1 067 727	1 077 102
EBITDA (TNOK)	53 200	177 059	96 603	342 334
EBIT before fair value adj. and reversal write-down (TNOK)	13 701	142 897	18 621	274 493
EBITDA %	10,2 %	31,2 %	9,0 %	31,8 %
EBIT before fair value adj. and reversal write-down %	2,6 %	25,2 %	1,7 %	25,5 %
Profit before tax and fair value adj. (TNOK)	-7 355	129 141	-26 143	275 244
Profit after tax (TNOK)	-3 115	-258 708	-2 458	-44 335
Net profit margin	-0,6 %	-45,6 %	-0,2 %	-4,1 %
Total assets before fair value adj. (TNOK)	4 096 152	3 792 430	4 096 152	3 792 430
Net interest bearing debt (TNOK)	1 313 326	1 135 221	1 313 326	1 135 221
Equity excl. fair value adj. (TNOK)	1 662 708	1 697 538	1 662 708	1 697 538
Equity ratio excl. fair value adj. %	40,6 %	44,8 %	40,1 %	44,8 %
Equity (TNOK)	1 685 023	1 712 009	1 685 023	1 712 009
Equity %	40,8 %	45,32	40,8 %	45,32
Basic earnings per share excl. fair value adj. (NOK)	-0,04	0,81	-0,14	1,84
Number of shares at the beginning of the period	111 662 000	111 662 000	111 662 000	111 662 000
Number of treasury shares	-1 250 000	-1 250 000	-1 250 000	-1 250 000
Number of shares at period end incl. share issue	110 412 000	110 412 000	110 412 000	110 412 000

Outlook

This year's second quarter was yet another quarter characterised by a strong increase in global supply. The overall increase in supply was close on 30%, following the first quarter when the figure was 33%. The positive trend in demand was maintained in the second quarter and the market continues to absorb the strong increase in supply very well. There is good growth in both the major, established salmon markets and the emerging new markets.

The strong increase in supply that has taken place over the last 12 months is expected to gradually slow down in the second half of 2012, according to current forecasts. Combined with the strong underlying trend in demand, this is likely to result in better market equilibrium towards the end of this year and into 2013.

The third quarter accounts will include a one-time charge related to identification of the IHN virus at Grieg Seafood BC and the subsequent culling of the fish at the plant.

The cost level in Grieg Seafood Hjaltland (UK) has been extraordinarily high in the first half of 2012, but is expected to be reduced from mid-August 2012 as harvesting commences from a new generation with a considerably lower cost level.

Grieg Seafood expects a harvest volume of 70 000 tons in the current year, compared with 60 082 tons in 2011. The harvested volume in the second half of 2012 is therefore expected to be 35 355 tons, against 33 921 tons in the same period last year (+4%). This year's harvest volume has been slightly reduced due to weaker production in Shetland and a market related shift of volumes to 2013 in BC. Adapting to market developments and/or product optimisation can lead to both quarterly and yearly shifts of harvest volumes

Declaration from the Board of Directors and CEO

We confirm that, to the best of our knowledge, the half-year accounts for the period from 1 January to 30 June 2012 have been prepared in accordance with IAS 34, Interim Financial Reporting, and that the information in the accounts gives a true and fair view of the Group's assets, liabilities and financial position and the overall results. To the best of our knowledge, it is also our view that the half-year report provides a correct overview of the main events in the accounting period and their effect on the half-year accounts, as well as of the main areas of risk and uncertainty facing the business in the next accounting period, and of major transactions with related parties.

Bergen, 16 August 2012


The Board of Directors of
Grieg Seafood ASA



Per Grieg jr.
Chair



Terje Ramm
Board Member



Asbjørn Reinkind
Vice Chair



Wenche Kjolås
Board Member



Ingelise Arntsen
Board Member



Morten Vike
CEO

Financial Accounts – the Grieg Seafood Group

Accounting principles

The accounts for the second quarter and the first half-year have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations as approved by the EU, including IAS 34 – Interim Financial Reporting. The quarterly and half-year report does not contain all information required for a full annual report, and the report should therefore be read in conjunction with the last annual report for the Group (2011).

The same accounting principles and methods of calculation which were used with respect to the last annual report (2011) have been used in the preparation of this interim report. The accounting principles used by the Group are extensively described in the Annual Accounts for 2011. The interim report is unaudited.

Income Statement

All figures in NOK 1 000

	2Q 2012	2Q 2011	YTD 2012	YTD 2011
Sales revenues	518 004	568 085	1 058 125	1 072 390
Other operating income	2 177	-266	9 603	4 711
Operating income	520 180	567 819	1 067 727	1 077 102
Share of profit from ass. companies and joint venture	5 379	2 120	8 497	5 453
Change in inventories	-27 580	54 937	-143 966	75 988
Raw materials and consumables used	-215 992	-251 510	-397 934	-426 936
Salaries and personnel expenses	-62 130	-53 113	-126 853	-113 075
Other operating expenses	-166 658	-143 194	-310 868	-276 198
EBITDA	53 200	177 059	96 603	342 334
Depreciation and amortisation of tangible assets	-38 862	-33 553	-76 710	-66 579
Amortisation of intangible assets	-638	-609	-1 272	-1 262
EBIT before fair value adjustment of biological assets	13 701	142 897	18 621	274 493
Fair value adjustment of biological assets	2 551	-484 457	12 057	-345 373
EBIT (Operating profit)	16 251	-341 561	30 678	-70 881
Share of profit from ass. companies	-131	424	-397	25 750
Net financial item	-20 924	-14 180	-44 367	-24 999
Profit before tax and fair value adj. of biological assets	-7 355	129 141	-26 143	275 244
Profit before tax	-4 804	-355 316	-14 086	-70 130
Estimated taxation	1 689	96 609	11 627	25 795
Profit after tax	-3 115	-258 708	-2 458	-44 335
Profit to minority interests	0	0	0	0
Profit attributable to equity holders of the parent company	-3 115	-258 708	-2 458	-44 335
Basic earnings per share	-0,03	-2,32	-0,02	-0,40
Diluted earnings per share	-0,03	-2,32	-0,02	-0,40
Basic earnings per share excl. fair value adjustments	-0,04	0,81	-0,14	1,84
Diluted earnings per share excl. fair value adjustments	-0,04	0,82	-0,14	1,85

Balance Sheet

All figures in NOK 1 000

ASSETS	30.06.2012	30.06.2011
Goodwill	105 401	104 872
Licenses	987 574	974 516
Other intangible assets	4 499	3 773
Property, plant and equipment	1 174 438	996 575
Investments in associated and joint venture companies	45 487	30 607
Loans to associated companies	667	3 121
Available for sale financial assets	1 311	607
Non-current receivables	234	1 500
Total non-current assets	2 319 611	2 115 570
Inventories	45 555	65 978
Biological assets	1 258 036	1 220 969
Fair value biological assets	29 767	51 828
Accounts receivable	147 718	210 753
Other current receivables	52 880	42 054
Derivates and other financial instruments	0	23 203
Cash and cash equivalents	272 352	113 903
Total current assets	1 806 308	1 728 689
Total assets	4 125 919	3 844 259
EQUITY AND LIABILITIES	30.06.2012	31.03.2011
Share capital	446 648	446 648
Treasury Shares	-5 000	-5 000
Retained earnings and other equity	1 243 375	1 300 554
Total equity	1 685 023	1 742 202
Deferred tax liabilities	477 029	517 896
Pension- and other obligations	3 884	5 945
Subordinated loans	21 652	17 654
Borrowings and leasing	784 409	777 349
Total non-current liabilities	1 286 974	1 318 844
Bank overdraft	700 000	360 000
Current portion of long term borrowings and leasing	104 324	118 118
Accounts payable	234 901	215 515
Credit tax / payable	-2 801	7 536
Accrued costs and public tax payable	74 300	48 870
Derivates and other financial instruments	9 027	0
Other current liabilities	34 171	33 174
Total current liabilities	1 153 921	783 213
Total liabilities	2 440 896	2 102 057
Total equity and liabilities	4 125 919	3 844 259

Statement of Comprehensive Income

All figures in NOK 1 000

	2Q 2012	2Q 2011	YTD 2012	YTD 2011
Profit for the period	-3 115	-258 708	-2 458	-44 335
Other comprehensive income:				
Currency translation	10 542	-10 482	-1 110	-27 152
Other items	92	0	-2 676	0
FX effect from net investment in foreign operations	9 093	0	1 118	0
Total recognised income for the period	19 727	-10 482	-2 668	-27 152
Total comprehensive income for the period	16 612	-269 190	-5 126	-71 487
Profit attributable to minority interest	0	0	0	0
Comprehensive income to owners of the company	16 612	-269 190	-5 126	-71 487

Cash Flow Statement

All figures in NOK 1 000

	2Q 2012	2Q 2011	YTD 2012	YTD 2011
EBIT after fair value adjustment	16 251	-341 561	30 678	-70 881
Adjustment for fair value adjustment and contracts	-2 551	484 457	-12 057	345 373
Adjustment for depreciation and impairment	39 500	34 180	77 982	67 842
Adjustment for income/loss from associated and joint venture companies	-5 379	-2 120	-8 497	-5 453
Change in inventory, trade payables and trade receivables	73 464	-4 551	162 911	22 291
Refund of taxes	0	0	3 209	0
Other adjustments	10 396	-52 706	46 682	-27 237
Cash flow from operations	131 681	117 699	300 908	331 935
Capital expenditure (fixed assets)	-48 878	-79 528	-124 509	-146 410
Proceeds from sale of fixed assets	0	0	0	29
Investment in shares in subsidiaries	0	-20 773	0	-65 127
Change in other non-current receivables	201	278	91	812
Cash flow from investments	-48 677	-100 023	-124 418	-210 696
Net changes in interest-bearing debt (non-current and current)	519	108 228	-6 936	49 151
Paid dividends	0	-150 744	0	-150 744
Treasury Shares	0	-18 036	0	-18 036
Net interest and financial items	-24 386	-15 672	-50 093	-30 389
Cash flow from financing	-23 867	-76 224	-57 029	-150 018
Changes in cash and cash equivalents in the period	59 137	-58 548	119 461	-28 779
Cash and cash equivalents - opening balance	212 018	174 047	152 622	143 729
Currency effect on cash - opening balance	1 197	-1 596	269	-1 047
Cash and cash equivalents - closing balance	272 352	113 903	272 352	113 903

Changes in equity: Attributable to owners of the Company

All figures in NOK 1 000

	2Q 2012	2Q 2011	YTD 2012	YTD 2011
Equity period start	1 668 410	2 180 172	1 690 150	1 982 405
Profit for the period	-3 115	-258 708	-2 458	-44 335
Comprehensive income for the period	19 728	-10 482	-2 668	-27 152
Total recognised income for the period	16 613	-269 190	-5 126	-71 487
Dividends	0	-150 744	0	-150 744
Purchase of treasury shares	0	-18 036	0	-18 036
Total equity from shareholders in the period	0	-168 780	0	-168 716
Total change of equity in the period	16 613	-437 969	-5 126	-240 203
Equity at period end	1 685 023	1 742 202	1 685 024	1 742 202

Segment information

The operating segments are identified on the basis of the reporting method used by the Group management (the most senior decision-makers) when they assess performance and profitability at strategic level.

The Group management assessment of business activities relates to geographical segments based on the location of assets. Geographically, the management assesses the results of production in Rogaland - Norway, Finnmark - Norway, BC - Canada and Shetland - UK.

The Group management assesses the results from the segments based the adjusted operating result (EBIT), before fair value adjustment. This method of measurement excludes the effect of one-time costs, such as restructuring costs, legal costs and amortisation of goodwill when amortisation is the result of an isolated event which is not expected to recur. The method of measurement 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 items/eliminations" contains the results of activities carried out by the parent company and other non-production-gearred companies of the Group, as well as eliminations of intra-Group transactions.

The results for Rogaland also include the results from Erfjord Stamfisk AS.

2Q 2012	Rogaland		Finnmark		BC - Canada		Shetland - UK		Other/ eliminations		Total	
	2Q 2012	2Q 2011	2Q 2012	2Q 2011	2Q 2012	2Q 2011	2Q 2012	2Q 2011	2Q 2012	2Q 2011	2Q 2012	2Q 2011
Revenues (TNOK)	178 020	185 471	122 191	153 294	122 995	108 359	97 123	121 741	-2 326	-1 045	518 003	567 819
Other income (TNOK)	0		1 295	0	297	0	961	0	-376	0	2 177	0
			0	0	0	0	0	0	0	0	0	0
EBITDA (TNOK)	36 945	72 177	17 998	64 245	10 835	22 458	-14 269	17 742	1 691	437	53 200	177 059
EBIT before fair value adj. (TNOK) ⁽¹⁾	27 796	64 236	8 524	55 921	3 740	16 368	-27 395	6 390	1 036	-18	13 701	142 897
EBITDA %	20,8 %	38,9 %	14,6 %	41,9 %	8,8 %	20,7 %	-14,7 %	14,6 %			10,2 %	31,2 %
EBIT before fair value adj. % ⁽¹⁾	15,6 %	34,6 %	6,9 %	36,5 %	3,0 %	15,1 %	-28,2 %	5,2 %			2,6 %	25,2 %
EBIT/KG GWT ^(1,2)	4,68	13,74	2,11	13,08	1,10	7,00	-8,89	2,14			0,83	10,01
Harvest in tons, GWT	5 934	4 675	4 032	4 276	3 389	2 339	3 081	2 992	0	0	16 437	14 282
Trading in tons, GWT											0	0

1) The calculation is based on EBIT before fair value adjustment of biological assets and before reversal previous write-down of intangible assets

YTD 2012	Rogaland		Finnmark		BC - Canada		Shetland - UK		Elim. / Other		Group	
	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011
Revenues (TNOK)	295 351	302 900	270 318	301 374	253 008	225 975	243 657	248 769	-4 210	-1 916	1 058 124	1 077 102
Other income (TNOK)	267		2 185		332		7 352		-533	0	9 603	0
EBITDA (TNOK)	52 065	117 788	26 263	115 333	28 490	58 597	-7 769	49 194	-2 446	1 422	96 603	342 334
EBIT before fair value adj. (TNOK)	33 844	102 106	7 595	99 150	14 408	46 248	-33 473	26 455	-3 753	534	18 621	274 493
EBIT (TNOK)	60 416	58 547	42 355	81 370	36 869	86 444	-105 698	43 668	-3 264	910	30 678	270 939
EBITDA %	17,6 %	38,9 %	9,6 %	38,3 %	11,3 %	25,9 %	-3,2 %	19,8 %			9,0 %	31,8 %
EBIT before fair value adj. %	11,5 %	33,7 %	2,8 %	32,9 %	5,7 %	20,5 %	-13,7 %	10,6 %			1,7 %	25,5 %
EBIT/KG GWT ⁽¹⁾	3,47	14,27	0,77	12,02	1,98	9,80	-4,31	4,38			0,54	10,49
Harvest in tons, GWT	9 754	7 153	9 838	8 249	7 282	4 719	7 771	6 040	0	0	34 645	26 161
Trading in tons, GWT			0	0					0	0	0	0

1) The calculation is based on EBIT before fair value adjustment of biological assets and before reversal previous write-down of intangible assets

Adjusted operating EBIT for reportable segments

All figures in NOK 1 000

	2Q 2012	2Q 2011	YTD 2012	YTD 2011
EBIT before fair value adjustment	13 701	142 897	18 621	274 493
Fair value adjustment of biological assets incl. fair value of financial instruments	2 551	-484 457	12 057	-345 373
EBIT (Operating profit)	16 251	-341 561	30 678	-70 881
Income from associated companies	-131	424	-397	841
Exit associated company 1)	0	0	0	24 909
Total income from associated companies	-131	424	-397	25 750
Net financial item :				
Changes in fair value from hedging instruments	-2 499	-3 830	-243	5 165
Net financial interest	-25 275	-10 368	-51 239	-20 652
Net currency gain (losses)	7 457	-111	7 763	-10 442
Dividends	0	20	25	20
Net other financial expenses /-income	-608	109	-673	909
Net financial item	-20 926	-14 180	-44 367	-25 001
Profit before tax	-4 804	-355 316	-14 086	-70 130
Estimated taxation	1 689	96 609	11 627	25 795
Net profit in the period	-3 115	-258 707	-2 458	-44 335

1) Exit associated company relate to Erfjord Stamfisk which is now a subsidiary company from the acquired the remaining 51.3% in Q1 2011. The previous owner share to actual value at the acquire date.

Biological assets

The accounting treatment of living fish by companies which apply IFRS is regulated by IAS 41, Agriculture. The best estimate of the fair value of fish weighing less than 1 kilo is considered to be the accumulated cost, while fish between 1 kilo and 4 kilos include a proportionate share of the expected profit. The fair value of fish in excess of 4 kilos (ready for harvesting) is set at the full, expected value. If the expected sale price is less than the expected cost, this will entail a negative adjustment of the value of biological assets. The sale prices for fish ready for harvesting are based on spot prices, while the prices for fish between 1 kilo and 4 kilos are 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 price is adjusted for quality differences, together with cost of logistics. The volume is adjusted for gutting loss.

	Tons		NOK 1.000	
	2Q 2012	YTD 2012	2Q 2012	YTD 2012
Biological assets - beginning of period	49 652	58 533	1 287 400	1 404 933
Currency translation			16 582	1 523
Increases due to purchases	0	0	0	0
Increases due to production	16 981	30 109	403 120	727 309
Increase due to company acquisitions	0	0	0	0
Decreases due to sales/harvesting/mortality	-19 730	-41 739	-421 602	-855 744
Fair value adjustment beginning of period	N/A	N/A	-27 465	-19 985
Fair value adjustment acquisitions			0	0
Fair value adjustment period end	N/A	N/A	29 767	29 767
Biological assets - end of period	46 902	46 903	1 287 803	1 287 803

	Number of fish (1.000)	Biomass (tons)	Cost of production	Fair value adjustment	Carrying amount
Biological assets - status 30.06.2012					
Smolt /brood/ small fish 0-1 kg	34 231	5 932	365 625	0	365 625
Biological assets with round weight < 4 kg	12 007	29 287	659 528	11 443	670 972
Biological assets with round weight > 4 kg	2 418	11 683	232 883	18 324	251 207
Total	48 656	46 902	1 258 036	29 767	1 287 803
	Number of fish (1.000)	Biomass (tons)	Cost of production	Fair value adjustment	Carrying amount
Biologiske eiendeler status 30.06.2011					
Smolt /brood	13 127	308	44 458	0	44 458
Biological assets with round weight < 4 kg (smolt not included)	26 485	33 528	930 882	33 635	964 517
Biological assets with round weight > 4 kg	2 611	13 247	245 629	18 193	263 821
Total	42 223	47 083	1 220 969	51 828	1 272 796

Associated companies and joint ventures

Investments in companies which are closely related to the Group's operations are classified as a part of the operating result. This relates to cases where the associated and jointly controlled companies have activities in the same area of the value chain as the Group. In the accounts, participation in joint operations is recognised applying the equity method.

Ocean Quality AS is a jointly controlled entity which is recognised applying the equity method.

ASSOCIATED / JOINT VENTURE COMPANIES				
	Acquisition cost	Book value 01.01.2012	Share of profit 30.06.2012	Book value 30.06.2012
Ocean Quality AS	6 000	13 335	8 351	21 686
Finnmark Brønnbåtrederi AS	55	6 131	1 534	7 665
Bokn Sjøservice AS	506	6 088	29	6 117
Salmobreed AS	5 230	7 727	-1 557	6 170
Isopro AS	520	520	142	662
Share of profit classified as operations	12 311	33 801	8 499	42 300
Salten Stamtisk AS	1 913	3 584	-397	3 187
Share of profit classified under operating result	1 913	3 584	-397	3 187
Total	14 224	37 385	8 102	45 487

Related parties

The Group has transactions with companies which are controlled by Grieg Seafood ASA's majority owner, Grieg Holdings AS. Grieg Seafood ASA's offices are rented from Grieg Gaarden KS. All services and the rental relationship are provided on an arm's length basis. On 2011 Grieg Holdings AS has guaranteed for a short-term loan of NOK 300m to Grieg Seafood ASA. Transactions with other related parties in associated companies are the purchase of services related to operations.

Shares controlled by board members and management:		
	No. shares	Shareholding
Board of directors:		
Per Grieg jr. *)	60 726 561	54,38 %
Wenche Kjøllås (Jaw endel AS)	7 000	0,006 %
Asbjørn Reinkind (Reinkind AS)	100 000	0,090 %
Ingelise Arntsen	0	0,00 %
Terje Ramm	0	0,00 %
Management:		
Morten Vike (CEO)	75 000	0,07 %
Atle Harald Sandtorv (CFO)	15 000	0,01 %
Michael Stark (Regional Director)	20 500	0,02 %
Alexander Knudsen (Regional Director)	20 000	0,02 %
Håkon Volden (Regional Director)	1 339 210	1,20 %
Total shares controlled by board members and management	62 303 271	55,80 %

* Shares owned by the following companies are controlled by Per Grieg jr. and closely related (Verdipapirhandelloven § 2-5):

Grieg Holdings AS	55 801 409
Grieg Shipping II AS	824 565
Ystholmen AS	3 868 197
Grieg Ltd AS	217 390
Per Grieg jr. private	15 000
Total no. shares controlled by Per Grieg jr. and closely related	60 726 561

Overview of shareholders and share capital

Share capital:

As of June 30, 2012, the company has 111 662 000 shares at a nominal value of NOK 4 per share. The company purchased in June 2011 1 250 000 own shares at rate NOK 14.40 per share.

Date of registration	Type of change	Change in share capital (TNOK)	Nominal value per share (NOK)	Total share capital (TNOK)	No. of ordinary shares
30.06.2012			4,00	446 648	111 662 000
	Holdings of own shares		4,00	-5 000	-1 250 000
Total ordinary shares				441 648	110 412 000

The largest shareholders in Grieg Seafood ASA as of 30.06.2012 were:

	No. shares	Shareholding
GRIEG HOLDINGS	55 801 409	49,97 %
KONTRARI AS	15 250 000	13,66 %
YSTHOLMEN AS	3 868 197	3,46 %
SJØSTJERNA INVEST AS(Harald Volden AS innfusjonert)	3 450 560	3,09 %
CAPELKA AS	1 572 000	1,41 %
MOHN TROND	1 500 000	1,34 %
OM HOLDING AS	1 407 108	1,26 %
BERGEN KOMMUNALE PENSJONSKASSE	1 355 093	1,21 %
DROME AS	1 339 210	1,20 %
DNB NOR SMB	1 277 510	1,14 %
GRIEG SEAFOOD ASA	1 250 000	1,12 %
KVERVA AS	1 048 508	0,94 %
VERDIPAPIRFONDET ALFRED BERG GAMBA	1 011 757	0,91 %
SEB ENSKILDA ASA	1 010 000	0,90 %
SKANDINAVISKA ENSKILDA BANKEN	889 100	0,80 %
MP PENSJON FK	859 000	0,77 %
GRIEG SHIPPING AS	824 565	0,74 %
METEVA AS	681 203	0,61 %
VERDIPAPIRFONDET PARETO NORDIC VAL	579 374	0,52 %
NHO - P665AK	571 000	0,51 %
Total 20 largest shareholders	95 545 594	85,57 %
Total other	16 116 406	14,43 %
Total numbers of shares	111 662 000	100,00 %

Information about Grieg Seafood ASA

Head Office - Grieg Seafood ASA

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Office address	Grieg-Gaarden, C. Sundtsgate 17/19 NO-5004 BERGEN
Tel.	+47 55 57 66 00
Internet	www.griegseafood.no
Organisation number	NO 946 598 038 MVA

Board of Directors of Grieg Seafood ASA

Per Grieg jr.	Chair
Asbjørn Reinkind	Vice Chair
Ingelise Arntsen	Board Member
Terje Ramm	Board Member
Wenche Kjølås	Board Member

Group Management

Morten Vike	CEO
Atle Harald Sandtorv	CFO

Financial Calendar

Preliminary results 2011	22.02.2012
First Quarter 2012	16.05.2012
Annual General Meeting	18.06.2012
Second Quarter 2012	16.08.2012
Third Quarter 2012	02.11.2012
Preliminary results 2012	15.02.2013

The company reserves the right to amend the above dates.