



2013
Q2

Grieg Seafood ASA - Second Quarter 2013 & First Half Report 2013

Highlights – Second Quarter 2013 & First Half Report 2013

- A very strong market and global prices at a good level. The decline in the global supply growth of salmon has continued and good demand has been maintained.
- EBIT before fair value adjustment of biomass was NOK 133.7m in the second quarter (NOK 13.7m in 2012).
- EBIT before fair value adjustment of biomass was NOK 184.8m in the first half-year (NOK 18.6m in 2012).
- A strong result in Norway (NOK 11.85 per kg), in particular in Finnmark.
- The cost level in Canada and Scotland is higher due to biological events in previous periods.
- Implemented measures in Shetland have improved the biological status.
- The harvested volume in the second quarter was 14 397, reflecting a decline of 12.4% for the Group, but an increase of 19% in Norway.
- Strong cash flow from operations in the quarter, NOK 156.8m.

Group operating profits before fair value adjustment of biomass totalled NOK 133.7m in the second quarter, an increase on NOK 13.7m in the same period last year. In the first half of the year the corresponding operating profit of NOK 184.8m reflects an increase on last year's figure of NOK 18.6m. The harvested volume in the second quarter was 14 397 tons, in line with previous guiding. The improvement in profits is entirely due to higher prices. The harvested volume in the first half of 2013 was 28 112 tons lower than last year was with 28 095 tons, 18.9% reduction. During the same period the harvested volume in Norway increased, while it declined in Shetland and BC.

The equity ratio at the end of the second quarter stood at 40.1% (40.8%), while interest-bearing debt amounted to NOK 1 360m (1 313m). The cash flow from operations totalled NOK 156.8m in the second quarter alone, while the figure for the first six months of the year was NOK 264.7m.

During the last few years, Grieg Seafood has made significant investments in smolt production facilities, based on recirculation technology. The effect of improved smolt quality and larger average size of smolt in Norway has started to show positive results in terms of improved biological development and production.

Financial and operational development

Financial key figures – Second Quarter 2013

	Rogaland		Finnmark		BC - Canada		Shetland - UK		Elim. / other		Group	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Sales revenue (MNOK)	220,0	178,0	264,1	122,2	74,3	123,0	67,8	97,1	-2,0	-2,3	624,2	518,0
EBITDA operational (MNOK)	58,6	39,7	100,0	21,6	13,6	10,8	0,5	-14,3	-4,8	-4,7	167,9	53,2
EBIT operational (MNOK) ⁽²⁾	52,4	30,6	88,2	12,2	6,7	3,7	-8,1	-27,4	-5,4	-5,4	133,7	13,7
Harvest in tons, GWT	5 133	5 934	6 730	4 032	1 107	3 389	1 427	3 081			14 397	16 437
EBIT operational NOK/kg	10,21	5,15	13,11	3,02	6,03	1,10	-5,71	-8,89			9,29	0,83
- of which Markets NOK/kg	0,35	1,13	0,11	2,22							0,22	1,57

Information about the table – Amendment of principles

Effective from 2013 the Group's share of the results from the sales company Ocean Quality is incorporated in the results from Rogaland and Finnmark. For purposes of comparison, the figures for 2012 have been re-stated correspondingly. Previously, our share of the results from Ocean Quality was reported in the column for elimination. Only the bonus was allocated to the related companies.

Group sales in the second quarter totalled NOK 624.2m, an increase of 20.5% on the same period in 2012. Volumes were 12.4% lower, while prices were 39.5 % up on the second quarter of 2012.

The operating profit before fair value adjustments of biomass in the second quarter was NOK 133.7m, against NOK 13.7m in the same period last year. The improvement in profits was due to substantially higher prices and an improvement in the market from the end of 2012 and throughout the first half of 2013.

Sales on fixed-price contracts resulted in some reduction in profits realised in Norway in the first half of 2013 (totally NOK 4.2m).

Seawater production was lower than expected, mainly due to lower seawater temperatures, in both the second quarter and the first half-year, with the exception of Finnmark.

Financial key figures – First Half-Year 2013

	Rogaland		Finnmark		BC - Canada		Shetland- UK		Elim. / other		Group	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Sales revenue (MNOK)	384,2	295,4	442,2	270,3	151,6	253,0	165,2	243,7	-2,0	-4,2	1 141,1	1 058,1
EBITDA operational (MNOK)	99,6	55,3	136,2	32,3	25,4	28,5	1,7	-7,8	-9,9	-11,7	253,1	96,6
EBIT operational (MNOK) ⁽²⁾	86,5	37,1	113,1	13,6	11,6	14,4	-15,4	-33,5	-11,0	-13,0	184,8	18,6
Harvest in tons, GWT	9 371	9 754	11 785	9 838	3 046	7 282	3 910	7 771			28 112	34 645
EBIT operational NOK/kg	9,23	3,80	9,60	1,39	3,82	1,98	-3,94	-4,31			6,57	0,54
- of which Markets NOK/kg	0,49	0,81	0,24	1,49							0,36	1,15

Information about the table – Amendment of principles

Effective from 2013 the Group's share of the results from the sales company Ocean Quality is incorporated in the results from Rogaland and Finnmark. For purposes of comparison, the figures for 2012 have been re-stated correspondingly. Previously, our share of the results from Ocean Quality was reported in the column for elimination. Only the bonus was allocated to the related companies.

The Grieg Seafood Group's sales revenues increased by 7.8% to NOK 1 141.1m. The level of realised prices rose sharply by 29.2%, while at the same time the volume of business was 18.9% lower.

EBIT for the first half-year as a whole, before fair value adjustment of biomass, was NOK 184.8m, compared with NOK 18.6m in 2012. The improvement in profits was due to substantially higher prices.

The cost development has been positive in Finnmark, especially for salmon, but in the other regions cost levels reflect a negative development.

Rogaland

EBIT before fair value adjustment of biomass was NOK 10.21 per kilo in the second quarter, compared with NOK 5.15 per kilo in the same period last year. The higher profits are due to the sharp rise in prices.

The biological development in Rogaland in 2013 has been weaker than expected, after several years with solid operational performance. This year, fish have been harvested from two sites which were affected by PD in 2012 and which has resulted in a higher cost for this production. Lower temperatures and higher mortality also resulted in weaker seawater production than expected in the first half-year, which has also negatively affected cost levels. Grieg Seafood Rogaland has one new PD diagnosis in the second quarter of 2013.

Grieg Seafood Rogaland has established a comprehensive contingency plan to respond to and treat potential AGD in Rogaland. The contingency plan and investments have been implemented. There have so far in 2013 been no signs of AGD on any of Grieg Seafood Rogaland's sites.

Finnmark

The operating profit before fair value adjustment of biomass was NOK 13.11 per kilo in the second quarter of 2013, against NOK 3.02 per kilo in the same period last year. Cost levels in the Finnmark in the second quarter were down on the corresponding period last year, with salmon profitability in particular being very good at NOK 14.90 per kilo. Trout profitability was considerably weaker, partly as a consequence of external harvesting and high transportation costs.

Grieg Seafood Finnmark has been excluded from the Russian market since August 2012. In July this year the harvest plant was inspected by Norwegian and Russian authorities for the first time since the ban on exports to Russia. The inspection had a positive outcome and the harvest plant has now been approved for exports of frozen fish. Work is still on-going to have the plant re-opened for exports of fresh salmon to Russia.

The cost development in Finnmark is the result of the positive operational development over time that we have seen in this region. Some trout will be harvested by Grieg Seafood Finnmark in the third quarter of 2013, and thereafter trout production will be ended. So far this year, seawater production in Finnmark has been in line with expectations.

BC – Canada

The operating profit before fair value adjustment of biomass in BC was NOK 6.03 per kilo in the second quarter of 2013, against NOK 1.10 per kilo in the same period last year. BC has also experienced a substantial increase in prices. The cost level in Canada is higher than last year and this is entirely due to the reduction in production as a result of a serious negative event in the smolt production facility in the fourth quarter of 2012.

Comprehensive measures have been taken and improvements made at the smolt facility in BC in accordance with the plan previously reported and which will substantially reduce the biological risk at the plant in the future.

Grieg Seafood BC's premium concept, Skuna Bay Salmon, is developing well with good underlying growth.

Seawater production in BC has also been slightly weaker than expected in 2013. This is due to weaker environmental conditions in both the first and the second quarter which have reduced growth and seawater production.

Shetland – UK

The performance in Shetland was again very weak in the second quarter. The operating result before fair value adjustment of biomass was NOK -5.71 per kilo in the second quarter, compared with NOK -8.89 per kilo in 2012.

Grieg Seafood UK also experienced considerably higher prices in the second quarter, compared with the corresponding period last year. The underlying cost level remains high and is due to low volumes and biological events in previous periods. The underlying cost level is in line with a weak quarter in 2012. There were also losses due to predators in Shetland in the first six months of the year which made a poor performance even weaker.

Regional director Michael Stark has submitted his resignation effective from the end of August. Grieg Seafood wishes to thank Michael Stark for the strong contribution he has made over the last 14 years to build up Grieg Seafood Hjaltdland to become Shetland's largest fish farming company.

Grieg Seafood has engaged Sigurd Pettersen as regional director in Shetland for a transitional period. He will head a reinforced turnaround process in Grieg Seafood Hjaltdland. Grieg Seafood will continue to allocate all required resources and competence both locally and from other parts of Grieg Seafood in order to ensure a successful turnaround in Shetland.

So far this year there has been no indication of AGD on our sites. The focus on stricter practice in relation to salmon lice based on the Norwegian model will be maintained, with close supervision and follow-up from Norway. This has resulted in higher treatment costs in the short term, but it is a major initiative aimed at improving the biological and cost situation in the period ahead. Measures implemented in Shetland over the first six months of the year 2013, have improved the biological status, and the lice situation in Shetland is currently considerably better than it was at the same time last year.

The sales activities in Shetland will be integrated with Ocean Quality as a separate subsidiary which will ensure better focus on both sales and production, and at the same time strengthen our position as a market player in the salmon market through greater volumes and a broader product range.

Seawater production was slightly less than planned in the first half-year. This is related to the increased frequency of treatment for salmon lice greater, but also higher mortality due to predators in one production area that has now been fully harvested. The seawater production has picked up in the last few weeks.

Ocean Quality AS (sales in Norway)

Ocean Quality recorded EBIT of NOK 4m in the second quarter, corresponding to an operating margin of 0.45%. In the same period last year EBIT stood at NOK 24.8m (3.75%). The half-year accounts show EBIT of NOK 12.7m (2.72%), a reduction from NOK 36.5m (3.27%) in the same period last year.

High market prices for salmon and volatile prices put pressure on earnings at the point of sale. Realised prices are still too weak due to the reallocation of volumes from the Russian market to other markets following the closure of the Russian market to deliveries from the harvesting plant in Finnmark.

The activities of Ocean Quality will be extended to include Grieg Seafood's production outside Norway.

Ocean Quality AS	Q2 2013	Q2 2012	YTD 2013	YTD 2012
Sales revenue (MNOK)	885,0	659,8	1 450,8	1 117,5
EBIT (MNOK)	4,0	24,8	12,7	36,5
Operating margin in %	0,45	3,75	0,9	3,27

Cash flow and financial situation

The Grieg Seafood Group had a net cash flow of NOK 156.8m from operations in the second quarter of 2013 and NOK 264.8m in the first six months of the year. Investments in fixed assets in the first half-year amounted to NOK 69.9m and NOK 48.0m in the second quarter alone.

Net interest-bearing debt totalled NOK 1 360m at the end of the second quarter, against NOK 1 313m at the same time last year. The equity ratio stands at 40.1%, down from 40.8% in the same period last year.

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

The half-year accounts show a pre-tax profit of NOK 131.4m, an increase from a loss of NOK -4.8m in 2012. Net financial costs in the second quarter were reduced from NOK 20.9m to NOK 15.4m. The reduction in net financial costs was due to lower net interest costs and a positive effect of derivatives.

The pre-tax profit in the first half of 2013 was NOK 232.8m, which was increase from the loss of NOK -14.1m in 2012.

Outlook

The first half of 2013 was characterised by declining supply-side growth and sharply rising prices in all markets, a trend that gained momentum in the second quarter, with decline in global supply of Atlantic salmon. The supply of Atlantic salmon in the first half of 2013 was relatively stable, with a growth of 2% globally. The market outlook for 2013 and 2014 remains good. A seasonal supply-side increase is expected in the second half of 2013. The harvested volumes in Norway, the world's biggest producer of salmon, in the second half of the year, are likely to be in line with the same period last year, while the figure for the year as a whole will reflect a clear reduction the harvested volume in Norway.

Grieg Seafood's first priority is to increase production in Norway through better utilisation of existing licences. The company is also well positioned to acquire new, green licences during the licensing round later this autumn, especially in Finnmark.

Grieg Seafood BC's harvested volumes in 2013 and 2014 will be low due to the operational problems in the smolt facility in the fourth quarter of 2012. This will result in a temporary higher cost level in BC. Comprehensive measures have been implemented at the smolt plant as planned, and this is expected to provide greater biological safety of production in BC in the period ahead. The harvested volume in BC is expected to revert to 15 000 tons in 2015.

Over time the results from Grieg Seafood Hjaltdland have been too weak, due to an overall weak biological performance. The biological situation in Shetland this year has improved on the same period last year, in relation to both AGD and salmon lice, thanks to the initiatives that have been implemented. There is, however, great scope and a great need for operational improvements at Grieg Seafood Hjaltdland through measures to improve the biological performance and seawater production. The on-going turnaround in Shetland will be further intensified in the period ahead.

Grieg Seafood and Bremnes Seashore have agreed to further development of Ocean Quality by including sales of Grieg Seafood's production outside Norway. Our sales activities in Shetland will be transferred as a subsidiary of Ocean Quality during the second half of 2013. This will strengthen the sales and market work on one side and increase the focus on production on the other, while at the same time improve ability to realise synergies in both the sales area and the production area through the establishment of a functional organisation across regions and countries.

Grieg Seafood's main focus and priority is growth in Norway and increased utilization of existing licenses. Grieg Seafood is also well positioned to acquire new, green licenses as has been announced in Norway through our strong presence in Finnmark. The main focus of Grieg Seafood will continue to

be on improved biological production and operations, and improving the Grieg Seafood group's relative cost position.

Grieg Seafood expects the harvested volume in the current year to be 64 000 tons, compared with 70 000 tons in 2012, while the harvested volume in the third quarter of the year is expected to be 14 900 ton (-3%). The expected harvested volume in 2013 has been reduced by 2 000 tons compared with the previous guiding. The main reason for this is lower production in Rogaland in the first half of the year. The weaker production has also made it possible to optimise production in Rogaland by transferring some of the harvesting from 2013 to the start of 2014. Optimisation of harvesting depending on available capacity and market prospects may lead to a shifting of volumes between quarters and years.

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 2013 have been prepared in accordance with IAS 34, Interim Financial Reporting, and that the information in the accounts gives a correct picture 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, 20 August 2013


The Board of Directors of
Grieg Seafood ASA



Per Grieg jr.
Chair



Terje Ramm
Board Member



Asbjørn Reinkind
Vice Chair



Wenche Kjølås
Board Member



Karin Bing Orgland
Board Member



Morten Vike
CEO

Financial Accounts - Grieg Seafood Group

General information and accounting principles

Grieg Seafood ASA (the Group) comprises Grieg Seafood ASA and its subsidiaries, and includes the Group's share of the accounting results of associated companies. There has been no material change in the composition of the Group since year-end 2012.

The accounts for the first quarter 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 report does not contain all information required for a full annual report, and the report should be read in conjunction with the last annual report for the Group (2012). The quarterly report is unaudited.

The same accounting principles and methods of calculation which were used with respect to the last annual report (2012) have been used in the preparation of the first quarter report. The accounting principles used by the Group are extensively described in the Annual Accounts for 2012.

New standards and amendments implemented in 2013:

Amendments to IAS 1 – Presentation of Financial Statements

The presentation of groups of items under other income and costs included in the comprehensive result, based on whether the items can be reclassified in the income statement at a future date. The amendment affects only the presentation.

Amendments to IAS 19 – Employee Benefits

Amended accounting requirements under IAS 19 Employee Benefits are effective from 1 January 2013. The amendment of accounting principles has had no effect on any figures in the Group's financial reporting as the Group has no benefits based pension schemes.

IFRS 13 – Fair Value Measurement

IFRS 13 provides a single IFRS framework for fair value measurement. The implementation of IFRS 13 has not affected fair value measurement by the Group. The notes to the accounts incorporate more detailed information related to biological assets.

Segment reporting – change from 2013

Effective from 2013 the Group's share of the results from the sales company Ocean Quality is incorporated in the results from Rogaland and Finnmark. For purposes of comparison, the figures for 2012 have been re-stated correspondingly. Previously, our share of the results from Ocean Quality was reported in the column for elimination. Only the bonus was allocated to the related companies.

Grieg Seafood ASA (the Group) comprises Grieg Seafood ASA and its subsidiaries, and includes the Group's share of the accounting results of associated companies. There has been no material change in the composition of the Group since year-end 2012.

Change of depreciation on fixed assets

It has been implemented in 2013 an assessment of lifetime on fixed assets. It has resulted in a change in the estimated amortization period. Overall, this amounts to NOK 14m lower depreciation in the first half year 2013 compared to the same period in 2012. The positive effect of this will appear as biomass harvested.

Income Statement

All figures in NOK 1 000

	2Q 2013	2Q 2012	YTD 2013	YTD 2012
Sales revenues	624 161	518 004	1 141 112	1 058 125
Other operating income	3 369	2 177	3 503	9 603
Operating income	627 530	520 180	1 144 615	1 067 727
Share of profit from ass. companies and joint venture	1 996	5 379	5 240	8 497
Change in inventories	-11 705	-27 580	-71 609	-143 966
Raw materials and consumables used	-234 506	-215 992	-394 930	-397 934
Salaries and personnel expenses	-66 365	-62 130	-135 782	-126 853
Other operating expenses	-149 086	-166 658	-294 471	-310 868
EBITDA	167 863	53 200	253 064	96 603
Depreciation and amortisation of tangible assets	-33 218	-38 862	-66 714	-76 710
Amortisation of intangible assets	-899	-638	-1 523	-1 272
EBIT before fair value adjustment of biological assets	133 747	13 701	184 827	18 621
Fair value adjustment of biological assets	12 995	2 551	89 772	12 057
EBIT (Operating profit)	146 742	16 251	274 598	30 678
Share of profit from ass. companies	85	-131	1 275	-397
Net financial item	-15 390	-20 924	-43 035	-44 367
Profit before tax and fair value adj. of biological assets	118 442	-7 355	143 066	-26 143
Profit before tax	131 436	-4 804	232 838	-14 086
Estimated taxation	-43 661	1 689	-69 209	11 627
Profit after tax	87 775	-3 115	163 629	-2 458
Profit attributable to equity holders of the parent company	87 775	-3 115	163 629	-2 458
Basic earnings per share	0,79	-0,03	1,47	-0,02

Statement of Comprehensive Income

All figures in NOK 1 000

	2Q 2013	2Q 2012	YTD 2013	YTD 2012
Profit for the period	87 775	-3 115	163 629	-2 458
Other comprehensive income:				
<i>Items to be reclassified to profit or loss in subsequent periods:</i>				
Currency translation differences, subsidiaries	3 439	10 542	7 393	-1 110
Currency effect of net investments	14 289	12 628	12 414	1 553
Tax effect of net investments	-4 001	-3 535	-3 476	-435
Changes in tax rates	0	92	0	-2 676
<i>Items not to be reclassified to profit or loss in subsequent periods:</i>				
Other gain or losses	0	0	0	
Total recognised income for the period	13 727	19 727	16 331	-2 668
Total comprehensive income for the period	101 502	16 612	179 960	-5 126
Comprehensive income to owners of the company	101 502	16 612	179 960	-5 126

Balance Sheet

All figures in NOK 1 000

ASSETS	30.06.2013	30.06.2012
Goodwill	105 282	105 401
Licenses	981 833	987 574
Other intangible assets	4 283	4 499
Property, plant and equipment	1 149 792	1 174 438
Investments in associated and joint venture companies	39 814	45 487
Loans to associated companies	1 260	667
Available for sale financial assets	1 364	1 311
Other current receivables	0	234
Total non-current assets	2 283 629	2 319 611
Inventories	69 866	45 555
Biological assets	1 125 987	1 258 036
Fair value biological assets	213 392	29 767
Accounts receivable	172 938	147 718
Other current receivables	58 331	52 880
Derivates and other financial instruments	271	0
Cash and cash equivalents	289 341	272 352
Total current assets	1 930 127	1 806 308
Total assets	4 213 756	4 125 919
EQUITY AND LIABILITIES	30.06.2013	30.06.2012
Share capital	446 648	446 648
Treasury Shares	-5 000	-5 000
Retained earnings and other equity	1 251 822	1 243 375
Total equity	1 693 470	1 685 023
Deferred tax liabilities	500 940	477 029
Pension- and other obligations	7 792	3 884
Subordinated loans	22 011	21 652
Borrowings and leasing	1 059 873	784 409
Total non-current liabilities	1 590 615	1 286 974
Short-term loan facilities	583 419	804 324
Accounts payable	227 380	234 901
Accrued costs and public tax payable	73 999	74 300
Derivates and other financial instruments	14 528	9 027
Other current liabilities	30 344	31 369
Total current liabilities	929 671	1 153 921
Total liabilities	2 520 286	2 440 896
Total equity and liabilities	4 213 756	4 125 919

Cash Flow Statement

All figures in NOK 1 000

	Q2 2013	Q2 2012	YTD 2013	YTD 2012
EBIT after fair value adjustment	146 742	16 251	274 598	30 678
Adjustment for fair value adjustment and contracts	-14 895	-2 551	-92 676	-12 057
Adjustment for depreciation and impairment	34 117	39 500	68 237	77 982
Adjustment for income/loss from associated and joint venture companies	-1 996	-5 379	-5 240	-8 497
Change in inventory, trade payables and trade receivables	2 408	73 464	-7 674	162 911
Refund of taxes	0	0	5 406	3 209
Other adjustments	-9 567	10 396	22 106	46 682
Cash flow from operations	156 809	131 681	264 757	300 908
Capital expenditure (fixed assets)	-47 955	-48 878	-69 948	-124 509
Dividends from equity investments	16 397	0	16 397	0
Change in other non-current receivables	-952	201	-215	91
Cash flow from investments	-32 510	-48 677	-53 766	-124 418
Net changes in interest-bearing debt (non-current and current)	-33 435	519	-116 276	-6 936
Net interest and financial items	-24 099	-24 386	-46 833	-50 093
Cash flow from financing	-57 534	-23 867	-163 109	-57 029
Changes in cash and cash equivalents in the period	66 765	59 137	47 882	119 461
Cash and cash equivalents - opening balance	221 309	212 018	239 885	152 622
Currency effect on cash - opening balance	1 267	1 197	1 574	269
Cash and cash equivalents - closing balance	289 341	272 352	289 341	272 352

Changes in equity: Attributable to owners of the Company

All figures in NOK 1 000

	2Q 2013	2Q 2012	YTD 2013	YTD 2012
Equity period start	1 591 967	1 668 410	1 513 230	1 690 150
Profit for the period	87 775	-3 115	163 629	-2 458
Comprehensive income for the period	13 727	19 728	16 331	-2 668
Total recognised income for the period	101 502	16 613	179 960	-5 126
Equity impact of merger	0		280	
Total equity from shareholders in the period	0	0	280	0
Total change of equity in the period	101 502	16 613	180 240	-5 126
Equity at period end	1 693 470	1 685 023	1 693 470	1 685 023

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 on the 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. Biological items which are considered to be unusual and special in relation to the underlying operations are not a part of the operating result. 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 since this is a part of Grieg Seafood Rogaland's activities.

Effective from 2013 the Group's share of the results from the sales company Ocean Quality is incorporated in the results from Rogaland and Finnmark, based on the harvested volume for each unit. For purposes of comparison, the figures for 2012 have been re-stated correspondingly. Previously, our share of the results from Ocean Quality was reported in the column for elimination/other items. Only the supplier bonus was allocated to the related companies.

2Q 2013	Rogaland		Finnmark		BC - Canada		Shetland - UK		Elim. / other		Group	
	2Q 2013	2Q 2012	2Q 2013	2Q 2012	2Q 2013	2Q 2012	2Q 2013	2Q 2012	2Q 2013	2Q 2012	2Q 2013	2Q 2012
Revenues (TNOK)	220 020	178 020	264 102	122 191	74 289	122 995	67 789	97 123	-2 039	-2 326	624 161	518 003
Other income (TNOK)	0	0	1 668	1 295	346	297	540	961	815	-376	3 369	2 177
EBITDA operational (MNOK) ⁽¹⁾	58 615	39 705	99 973	21 649	13 596	10 835	472	-14 269	-4 792	-4 720	167 863	53 200
EBIT operational (TNOK) ⁽²⁾	52 388	30 556	88 207	12 175	6 673	3 740	-8 144	-27 395	-5 377	-5 375	133 747	13 701
EBITDA operational %	26,6 %	22,3 %	37,6 %	17,5 %	18,3 %	8,8 %	0,7 %	-14,7 %			26,7 %	10,2 %
EBIT before fair value adj. % ⁽¹⁾	23,8 %	17,2 %	33,2 %	9,9 %	9,0 %	3,0 %	-12,0 %	-28,2 %			21,3 %	2,6 %
EBIT operational /KG GWT ⁽²⁾	10,21	5,15	13,11	3,02	6,03	1,10	-5,71	-8,89			9,29	0,83
Harvest in tons, GWT	5 133	5 934	6 730	4 032	1 107	3 389	1 427	3 081			14 397	16 437

1) The calculation is based on EBITDA before fair value adjustment of biological assets and before write-down of special biological events

2) EBIT operational is EBIT before write-down of special biological events and fair value adjustment of biological assets

YTD 2013	Rogaland		Finnmark		BC - Canada		Shetland - UK		Elim. / other		Group	
	YTD 2013	YTD 2012	YTD 2013	YTD 2012	YTD 2013	YTD 2012	YTD 2013	YTD 2012	YTD 2013	YTD 2012	YTD 2013	YTD 2012
Revenues (TNOK)	384 184	295 351	442 222	270 318	151 555	253 008	165 190	243 657	-2 039	-4 210	1 141 112	1 058 124
Other income (TNOK)	49	267	2 884	2 185	-965	332	540	7 352	995	-533	3 503	9 603
EBITDA operational (MNOK) (1)	99 630	55 302	136 199	32 295	25 444	28 490	1 667	-7 769	-9 876	-11 715	253 064	96 603
EBIT operational (TNOK) (2)	86 503	37 081	113 125	13 627	11 649	14 408	-15 414	-33 473	-11 036	-13 022	184 827	18 621
EBITDA operational %	25,9 %	18,7 %	30,6 %	11,9 %	16,8 %	11,3 %	1,0 %	-3,2 %			22,1 %	9,0 %
EBIT operational %	22,5 %	12,5 %	25,4 %	5,0 %	7,7 %	5,7 %	-9,3 %	-13,7 %			16,1 %	1,7 %
EBIT operational /KG GWT (2)	9,23	3,80	9,60	1,39	3,82	1,98	-3,94	-4,31			6,57	0,54
Harvest in tons, GWT	9 371	9 754	11 785	9 838	3 046	7 282	3 910	7 771	0	0	28 112	34 645

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

2) EBIT operational is EBIT before write-down of special biological events and fair value adjustment of biological assets

Adjusted operating EBIT for reportable segments

All figures in NOK 1 000

	2Q 2013	2Q 2012	YTD 2013	YTD 2012
EBIT before fair value adjustment	133 747	13 701	184 827	18 621
Fair value adjustment of biological assets incl. fair value of financial instruments	12 995	2 551	89 772	12 057
EBIT (Operating profit)	146 742	16 251	274 598	30 678
Income from associated companies	85	-131	1 275	-397
Total income from associated companies	85	-131	1 275	-397
Net financial item:				
Changes in fair value from hedging instruments	2 612	-2 499	2 551	-243
Net financial interest	-22 268	-24 212	-48 282	-49 678
Net currency gain (losses)	6 910	7 457	6 539	7 763
Dividends	468	0	468	25
Net other financial expenses /-income	-3 112	-1 671	-4 311	-2 234
Net financial item	-15 390	-20 925	-43 035	-44 367
Profit before tax	131 437	-4 804	232 838	-14 086
Estimated taxation	-43 661	1 689	-69 209	11 627
Net profit in the period	87 775	-3 115	163 630	-2 458

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.

Biological assets	Tons		NOK 1 000	
	2Q 2013	YTD 2013	2Q 2013	YTD 2013
Biological assets - beginning of period	44 416	50 692	1 328 855	1 310 143
Currency translation			11 690	11 275
Increases due to production	12 980	23 282	381 779	670 683
Decreases due to sales/harvesting/mortality	-17 547	-34 125	-399 805	-749 621
Fair value adjustment beginning of period	N/A	N/A	-196 532	-116 494
Fair value adjustment end of period	N/A	N/A	213 392	213 392
Biological assets - end of period	39 848	39 849	1 339 379	1 339 379

Biological assets - status 30.06.2013	Number of fish (1.000)	Biomass (tons)	Cost of production	Fair value adjustment	Carrying amount
Smolt /brood/ small fish 0-1 kg	30 956	4 900	324 988	0	324 988
Biological assets with round weight < 4 kg	11 937	28 072	670 254	115 673	785 927
Biological assets with round weight > 4 kg	1 295	6 876	130 745	97 719	228 464
Total	44 188	39 848	1 125 987	213 392	1 339 379
Biological assets - status 30.06.2012	Number of fish (1.000)	Biomass (tons)	Cost of production	Fair value adjustment	Carrying amount
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	29 289	659 528	11 443	670 972
Biological assets with round weight > 4 kg	2 418	11 681	232 883	18 324	251 207
Total	48 656	46 902	1 258 036	29 767	1 287 803

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 companies and joint ventures have activities in the same area of the value chain as the Group. In the accounts, participation in joint ventures is recognised applying the equity method.

Ocean Quality AS is a joint venture which is recognised applying the equity method.

ASSOCIATED / JOINT VENTURE COMPANIES	Acquisition cost	Book value 01.01.2013	Share of profit YTD 2013	Other changes	Book value 30.06.2013	Share of profit Q2 2013
Ocean Quality AS	6 000	25 693	3 140	-15 929	12 904	1 070
Finnmark Brønnbåtrederi AS	55	7 924	675		8 599	370
Bokn Sjøservice AS	506	6 284	150		6 434	150
Salmobreed AS	5 230	6 011	1 075	0	7 086	206
Isopro AS	520	646	198	0	844	198
Share of profit classified as operations	12 311	46 558	5 240	-15 929	35 869	1 996
Salten Stamfisk AS	1 913	2 671	1 275		3 946	85
Share of profit classified under operating result	1 913	2 671	1 275	0	3 946	85
Total	14 224	49 229	6 514	-15 929	39 814	2 081

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 on an arm's length basis. 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 Kjølås (Jaw endel AS)	7 000	0,006 %
Asbjørn Reinkind (Reinkind AS)	120 000	0,107 %
Karin Bing Orland	0	0,00 %
Terje Ramm	0	0,00 %
Management:		
Morten Vike (CEO)	75 000	0,07 %
Atle Harald Sandtorv (CFO)	45 500	0,04 %
Michael Stark (Regional Director)	46 000	0,04 %
Alexander Knudsen (Regional Director)	32 000	0,03 %
Håkon Volden (Regional Director)	1 126 544	1,01 %
Total shares controlled by board members and management	62 178 605	55,68 %

* 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

Shareholders/share capital

Share capital:

As of June 30, 2013, 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 14.40 NOK 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
30.06.2013			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 30.06.2013 were:

	No. shares	Shareholding
GRIEG HOLDINGS	55 801 409	49,97 %
KONTRARI AS	15 500 000	13,88 %
YSTHOLMEN AS	3 868 197	3,46 %
OM HOLDING AS	2 550 000	2,28 %
KVERVA AS	2 412 793	2,16 %
VERDIPAPIRFONDET DNB SMB	2 032 035	1,82 %
SJØSTJERNA INVEST AS	1 801 267	1,61 %
BERGEN KOMMUNALE PENSJONSKASSE	1 500 000	1,34 %
GRIEG SEAFOOD ASA	1 250 000	1,12 %
DROME AS	1 126 544	1,01 %
SKANDINAVISKA ENSKILDA BANKEN AB	911 742	0,82 %
SKANDINAVISKA ENSKILDA BANKEN A/S	907 000	0,81 %
MP PENSJON FK	859 000	0,77 %
GRIEG SHIPPING AS	824 565	0,74 %
STOREBRAND VEKST	809 874	0,73 %
STATE STREET BANK AND TRUST CO.	756 326	0,68 %
FONDSFINANS ASA	594 000	0,53 %
VERDIPAPIRFONDET PARETO NORDIC VAL	579 374	0,52 %
NHO - P665AK	571 000	0,51 %
BREMNES FRYSERI AS	543 000	0,49 %
Total 20 largest shareholders	95 198 126	85,26 %
Total other	16 463 874	14,74 %
Total numbers of shares	111 662 000	100,00 %

Information about Grieg SeafoodASA

Head Office - Grieg Seafood ASA

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Tel.	+47 55 57 66 00
Internet	www.griegseafood.com
Organisation number	NO 946 598 038 MVA

Board of Directors of Grieg Seafood ASA

Per Grieg jr.	Chair
Asbjørn Reinkind	Vice Chair
Karin Bing Orgland	Board Member
Terje Ramm	Board member
Wenche Kjølås	Board member

Group Management

Morten Vike	CEO
Atle Harald Sandtorv	CFO

Financial Calendar

Preliminary results 2012	22.02.2013
First Quarter 2013	14.05.2013
Annual General Meeting	12.06.2013
Second Quarter 2013	20.08.2013
Third Quarter 2013	01.11.2013
Preliminary results 2013	14.02.2014

The company reserves the right to amend the above dates.