



2012
Q3

Grieg Seafood ASA - Third Quarter Report 2012

Highlights – Third Quarter 2012

- Improved results in Norway driven by lower costs.
- Good biological development in Norway and Canada is maintained.
- Seasonal drop in prices in Europe.
- Sharply higher Chilean production leads to an extraordinary decline in prices in the USA.
- Lower costs from a new generation in Scotland.
- The result is negatively affected by NOK 14.8m in write-downs in Scotland and Canada.
- EBIT before fair value adjustment of biomass was minus NOK 69.4m in the third quarter (minus NOK 30.7m in 2011).
- The harvested volume in the third quarter was 15 233 tons (15 663 in 2011).

Seasonally, the third quarter is when the supply of salmon is at its highest, while historically it is also the period when the prices are lowest. Salmon prices in Europe in the third quarter of the year were down on the second quarter. As a result of the sharp rise in Chilean production, prices in the American market were unusually low compared with the price level in Europe. The total global supply increased by 18.5% compared with the third quarter of 2011, but despite this strong supply-side increase, the price level in this year's third quarter was higher than it was in the corresponding period last year. The relative increase in supply is falling, and this trend will strengthen towards the end of the current year and in 2013. The positive development in the demand for salmon is continuing.

Low prices and biomass write-downs have in total led to weak third quarter results for Grieg Seafood. The strong Chilean production increase has in particular led to unusually low prices on the American market and a price development in the USA that, unlike the historical pattern, has not been correlated to the corresponding price development in Europe. Over the last four years, realised prices in Canada has been in average 7 NOK per kg higher than corresponding prices in Norway, while this difference in the third quarter was NOK 1.8 per kg. This alone represents a negative effect on the result of NOK 20m in the quarter.

The cost development in Norway remains good with costs clearly down on the same period last year. The cost level in Canada is slightly lower than in the corresponding period in 2011, but has been negatively affected by one-off costs and write-downs, while in Shetland costs in the third quarter were up on the same period last year, but lower than in this year's second quarter.

The Group's total harvested volume in the third quarter was 15 233 tons, in line with the corresponding volume at the same time last year.

The equity ratio at the end of the third quarter stood at 39% (41%), while interest-bearing debt amounted to NOK 1 358m (1 219m). The cash flow from operations totalled NOK 14.5m in the third quarter alone.

Financial and operational development

Financial key figures – Third Quarter 2012

	Rogaland		Finnmark		BC - Canada		Shetland- UK		Elim.		Group	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Sales revenue (MNOK)	107,4	130,6	101,3	61,6	109,1	147,3	106,1	127,9	0,1	-0,2	424,1	467,1
EBITDA (MNOK)	15,9	5,5	-1,0	-5,8	-23,9	3,0	-15,5	-4,7	-4,1	5,1	-28,7	3,0
EBIT before fair value adj. ⁽¹⁾ (MNOK)	6,5	-3,1	-11,2	-11,9	-31,1	-3,2	-28,8	-14,7	-4,8	2,3	-69,4	-30,7
Harvest in tons, GWT	4 158	4 751	4 014	2 166	3 783	4 547	3 278	4 199			15 233	15 663
EBIT before fair value adj. ⁽¹⁾ NOK/kg	1,55	-0,66	-2,79	-5,50	-8,22	-0,71	-8,77	-3,50			-4,55	-1,96

Group sales in the third quarter totalled NOK 424.1m, 9% down on the same period last year. The volume of business was 2.7% lower, while prices were 5.4% down on the third quarter of 2011.

EBIT before fair value adjustment of biomass was minus NOK 69.4m in the third quarter, against minus NOK 30.7m in 2011. The weak overall result was due to low prices. The improved performance in Norway was mainly attributable to lower costs, while prices were marginally higher. The weaker result in BC was due to a clear decline in prices and one-time effects related to biomass write-downs. The weaker performance in Shetland was also due to higher costs and biomass write-downs.

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

Rogaland

EBIT before fair value adjustment of biomass was NOK 1.55 per kilo, against minus NOK 0.66 in 2011. Grieg Seafood Rogaland continued to report a positive operational and biological development in the third quarter, with costs appr. NOK 2 per kg down compared with the corresponding period last year. Seawater production in the third quarter was as expected. Grieg Seafood Rogaland has two locations where PD (Pancreas Disease) has been positively identified, but this has not resulted in any major increase in mortality.

Finnmark

EBIT before fair value adjustment of biomass was minus NOK 2.79 per kilo in the third quarter, compared with minus NOK 5.50 per kilo in the same period last year. The cost level in Finnmark in the third quarter was also down on the corresponding figure last year, with appr. NOK 3 per kg.

Seawater production in Finnmark was slightly lower than expected in the third quarter due to lower seawater temperatures than normal. The harvest plant of Grieg Seafood Finnmark is temporarily closed for deliveries to Russia. There are positive expectations that reopening of deliveries to Russia will be achieved, but no date is yet known.

BC – Canada

EBIT before fair value adjustment of biomass was minus NOK 8.22 per kilo in the third, compared with minus NOK 0.71 per kilo in the same period last year. The reduced performance was due to a 17% drop in prices compared with the corresponding period last year. The price development in the American market has been out of line with the development of prices in Europe due to the sharp rise in Chilean production.

The result for BC includes a net one-time cost of NOK 2.6m related to the culling of a single location where the IHN virus was identified in the third quarter, as well as a write-down of the value of frozen Coho in the sum of NOK 5.7m. Account has been taken of the minimum amount of compensation related to the culling order following the IHN outbreak. The final amount of compensation following the culling order remains to be determined.

The cost level, excluding one-time effects as mentioned above, was appr. NOK 1 per kg down on the corresponding period last year.

In relation to production, the third quarter is the most demanding period in BC due to low oxygen levels and algal blooms. Sea production in the third quarter was as expected and there were negative biological occurrences of significance. The extensive programme that was established to test all locations for the IHN virus has been maintained and no further positive IHN indications have been identified, apart from the one location that has been culled. All fish that are set out are now vaccinated against the IHN virus.

Shetland – UK

The results for Shetland were again very poor in the third quarter. EBIT before fair value adjustment of biomass was minus NOK 8.77 per kilo, compared with minus NOK 3.50 per kilo in the third quarter of 2011.

The last part of the generation (autumn 2010) which has shown weak results throughout 2012 was harvested in the third quarter. The new generation, where harvesting started towards the end of the third quarter, has a substantially lower cost level (down NOK 7.9 per kg).

The result for the third quarter includes a one-time cost of NOK 6.5m related to mortality arising in connection with Amoebic Gill Disease (AGD) in two areas. The write-down amounts to NOK 2.0 per kg. AGD is a salt water amoeba which causes salmon gill disease, but which can be treated by immersion in fresh water or hydrogen peroxide. In the autumn of 2011 this amoeba spread from Ireland to Scotland. It was identified in Shetland for the first time in August 2012. An extensive contingency and action plan has been drawn up in connection with the spread of this amoeba.

A new area agreement has been signed between the operators in St. Magnus Bay on the west coast of Scotland, whereby two production zones will be merged into one large zone. This is the area where the biological challenges have been greatest. The reorganisation will entail some increase in harvesting in 2012 and a slight reduction in 2013 in order to harmonize new smolt entries and fallow periods. As reported previously, a number of other initiatives are in hand aimed at improving the biological situation in Shetland, with particular reference to salmon lice.

Seawater production picked up at the start of the third quarter in pace with higher sea temperatures, but was negatively affected by AGD towards the end of the period.

Ocean Quality AS (sales Norway – associated company 60%)

Ocean Quality recorded EBIT of NOK 9.1m in the third quarter, corresponding to an operating margin of 1.9%. In the same period last year EBIT stood at NOK 11.3m (2.3%). The accounts for the first nine months of the year show EBIT of NOK 39.3m (2.5%), an improvement from NOK 17.1m (1.1%) in the same period last year.

Ocean Quality AS	Q3 2012	Q3 2011	YTD 2012	YTD 2011
Sales revenue (MNOK)	491,4	484,0	1 602,7	1 508,2
EBIT (MNOK)	9,1	11,3	39,3	17,1
Operating margin in %	1,9	2,3	2,5	1,1

Cash flow and financial situation

The Grieg Seafood Group had a net cash flow of NOK 14.5m from operations in the third quarter of 2012 and NOK 318.3m in the first nine months of the year. Investments in fixed assets in the first nine months amounted to NOK 160.9m and NOK 37.3m in the third quarter alone.

Net interest-bearing debt totalled NOK 1 358m at the end of the third quarter, against NOK 1 219m at the same time last year. The equity ratio stands at 39%, down from 41% in the same period last year. A decline in salmon prices in the third quarter led to a substantial negative reduction in the fair value adjustment of biomass.

Key elements of the company's loan covenants have also been suspended until the end of 2013. The NIBD/ EBITDA requirement has been suspended up to and including Q4 2013. A compensation condition has been established based on the accumulated EBITDA. At the end of the third quarter of 2012 Grieg Seafood exceeded the level set by a good margin.

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

The third quarter accounts show a pre-tax loss of NOK 150.4m, compared with a loss of NOK 168.3m at the same time last year. Net financial costs in the third quarter increased from NOK 17.2m to NOK 34.2m. The increase is due to a rise in interest-bearing debt, as well as higher borrowing and guarantee costs. Net currency losses in the third quarter totalled NOK 2.8m.

Key figures

Grieg Seafood Group	3Q 2012	3Q 2011	YTD 2012	YTD 2011
Total operating income (TNOK)	436 891	467 082	1 504 619	1 544 184
EBITDA (TNOK)	-28 656	3 046	67 947	345 381
EBIT before fair value adj. (TNOK)	-69 377	-30 669	-50 757	243 825
EBITDA %	-6,6 %	0,7 %	4,5 %	22,4 %
EBIT before fair value adj. %	-15,9 %	-6,6 %	-3,4 %	15,8 %
Profit before tax and fair value adj. (TNOK)	-103 995	-47 888	-130 138	227 356
Fair value adjustment	-46 426	-120 384	-34 369	-465 758
Profit after tax (TNOK)	-112 797	-121 370	-115 256	-165 705
Net profit margin	-25,8 %	-26,0 %	-7,7 %	-10,7 %
Total assets (TNOK)	4 002 974	3 978 676	4 002 974	3 978 676
Net interest bearing debt (TNOK)	1 358 947	1 219 936	1 358 947	1 219 936
Equity (TNOK)	1 565 077	1 630 638	1 565 077	1 630 638
Equity %	39 %	41 %	39 %	41 %
Basic earnings per share (NOK)	-1,01	-1,09	-1,03	-1,48
Diluted earnings per share	-1,02	-1,10	-1,04	-1,49
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

As expected, the strong increase in global supply continued in the third quarter of 2012. The overall increase in supply stood at 18.5%, down from a figure slightly in excess of 30% in the first half of the year. The strong increase in global supply is clearly slowing down. The increase in supply in the next 12 months will be considerably lower than in the last year, especially in Europe, and this is expected to improve market equilibrium and margins at production level.

The pace of supply-side growth from Chile is also likely to decline, but will remain stronger than the corresponding development in Europe. It is uncertain how long this may cause prices in the American market to develop differently from prices in the European market. The fundamental determinants of demand for salmon remain good, with strong demand in both new and traditional markets, driven by new distribution, new products and changed eating habits.

Fish feed prices have increased in the second half of the current year, driven by higher raw material prices. The raw material prices for fish feed vary in accordance with the production conditions for vegetable materials, as well as quotas and the catch conditions for marine materials. This year, the production of important vegetable materials was negatively affected by drought.

Grieg Seafood expects a harvested volume of 72 500 tons in the current year (up 2 500 tons compared to previous guiding), compared with 60 082 tons in 2011. The harvested volume in the fourth quarter is therefore expected to be appr. 20 000 tons, an increase of 9% on the same period last year. The expected harvested volume has been increased slightly for Shetland (up 2 000 tons) to take account of the new merged production zone on the west coast of Shetland. This is a shift from 2012 to 2013. There is also an increase in Finnmark (up 500 tons). The harvested volume in 2013 is expected to be 70 000 tons, with a volume increase in Norway (up 5 500 tons) and a reduction in both Shetland (down 3 000 tons) and, in particular, Canada (down 5 000 tons). The shift between 2012 and 2013 may be in the form of an adjustment to take account of production and market conditions.

Bergen, 2 November 2012

The Board of Directors of
Grieg Seafood ASA

Financial Accounts - Grieg Seafood Group

Accounting principles

The accounts for the third quarter and the first nine months of the 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 nine-month 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

	3Q 2012	3Q 2011	YTD 2012	YTD 2011
Sales revenues	424 095	459 457	1 482 219	1 531 847
Other operating income	12 797	7 625	22 400	12 337
Operating income	436 891	467 082	1 504 619	1 544 184
Share of profit from ass. companies and joint venture	2 300	2 230	10 797	7 683
Change in inventories	88 031	94 542	-55 935	170 530
Raw materials and consumables used	-333 893	-349 574	-731 827	-776 510
Salaries and personnel expenses	-69 752	-58 234	-196 606	-171 309
Other operating expenses	-152 232	-153 000	-463 100	-429 197
EBITDA	-28 656	3 046	67 947	345 381
Depreciation and amortisation of tangible assets	-40 079	-33 089	-116 789	-99 667
Amortisation of intangible assets	-643	-626	-1 915	-1 888
EBIT before fair value adjustment of biological assets	-69 377	-30 669	-50 757	243 825
Fair value adjustment of biological assets	-46 426	-120 384	-34 369	-465 758
EBIT (Operating profit)	-115 803	-151 054	-85 126	-221 933
Share of profit from ass. companies	-371	20	-768	25 770
Net financial item	-34 247	-17 238	-78 614	-42 239
Profit before tax and fair value adj. of biological assets	-103 995	-47 888	-130 138	227 356
Profit before tax	-150 421	-168 272	-164 507	-238 401
Estimated taxation	37 624	46 902	49 251	72 696
Profit after tax	-112 797	-121 370	-115 256	-165 705
Profit to minority interests	0	0	0	0
Profit attributable to equity holders of the parent company	-112 797	-121 370	-115 256	-165 705
Basic earnings per share	-1,01	-1,09	-1,03	-1,48
Diluted earnings per share	-1,02	-1,10	-1,04	-1,49

Balance Sheet

All figures in NOK 1 000

ASSETS	30.09.2012	30.09.2011
Goodwill	105 323	105 175
Licenses	985 083	981 172
Other intangible assets	4 093	3 989
Property, plant and equipment	1 167 186	1 063 519
Investments in associated and joint venture companies	47 416	32 857
Loans to associated companies	743	2 957
Available for sale financial assets	1 311	605
Non-current receivables	200	1 500
Total non-current assets	2 311 355	2 191 774
Inventories	68 490	60 603
Biological assets	1 336 656	1 341 995
Fair value biological assets	-16 101	-58 823
Accounts receivable	126 612	190 385
Other current receivables	56 405	67 459
Derivates and other financial instruments	0	10 993
Cash and cash equivalents	119 557	174 291
Total current assets	1 691 620	1 786 903
Total assets	4 002 974	3 978 676
EQUITY AND LIABILITIES	30.09.2012	30.09.2011
Share capital	446 648	446 648
Treasury Shares	-5 000	-5 000
Retained earnings and other equity	1 123 429	1 188 989
Total equity	1 565 077	1 630 638
Deferred tax liabilities	438 893	477 225
Pension- and other obligations	5 770	2 358
Subordinated loans	24 065	18 649
Borrowings and leasing	753 353	779 223
Total non-current liabilities	1 222 081	1 277 456
Bank overdraft	600 000	500 000
Current portion of long term borrowings and leasing	128 487	121 409
Accounts payable	374 881	357 784
Accrued costs and public tax payable	59 231	51 693
Derivates and other financial instruments	14 129	7 959
Other current liabilities	39 088	31 739
Total current liabilities	1 215 816	1 070 584
Total liabilities	2 437 897	2 348 039
Total equity and liabilities	4 002 974	3 978 676

Statement of Comprehensive Income

All figures in NOK 1 000

	3Q 2012	3Q 2011	YTD 2012	YTD 2011
Profit for the period	-112 797	-121 370	-115 256	-165 705
Other comprehensive income:				
Currency translation	-2 087	9 805	-3 197	-17 347
Other items	-1 323	0	-3 999	0
FX effect from net investment in foreign operations	-3 739	0	-2 621	0
Total recognised income for the period	-7 149	9 805	-9 817	-17 347
Total comprehensive income for the period	-119 946	-111 565	-125 073	-183 052
Profit attributable to minority interest	0	0	0	0
Comprehensive income to owners of the company	-119 946	-111 565	-125 073	-183 052

Cash Flow Statement

All figures in NOK 1 000

	3Q 2012	3Q 2011	YTD 2012	YTD 2011
EBIT after fair value adjustment	-115 803	-151 054	-85 126	-221 933
Adjustment for fair value adjustment and contracts	46 426	120 385	34 369	465 758
Adjustment for depreciation and impairment	40 722	33 715	118 704	101 556
Adjustment for income/loss from associated and joint venture companies	-2 300	-2 250	-10 797	-8 544
Change in inventory, trade payables and trade receivables	58 518	37 253	221 219	59 543
Refund of taxes	56	-4 354	3 324	-4 354
Other adjustments	-13 117	-10 582	36 630	-38 439
Cash flow from operations	14 502	23 113	318 323	353 587
Capital expenditure (fixed assets)	-37 257	-88 888	-160 901	-235 173
Proceeds from sale of fixed assets	0	154	0	183
Investment in shares in subsidiaries	0	0	0	-65 127
Change in other non-current receivables	229	166	345	978
Cash flow from investments	-37 028	-88 568	-160 556	-299 139
Net changes in interest-bearing debt (non-current and current)	-103 660	138 346	-110 669	180 855
Paid dividends	0	0	0	-150 744
Treasury Shares	0	0	0	-18 036
Net interest and financial items	-26 484	-13 531	-79 792	-35 307
Cash flow from financing	-130 144	124 815	-190 461	-23 232
Changes in cash and cash equivalents in the period	-152 670	59 360	-32 694	31 216
Cash and cash equivalents - opening balance	272 352	113 903	152 622	143 729
Currency effect on cash - opening balance	-125	1 028	-371	-654
Cash and cash equivalents - closing balance	119 557	174 291	119 557	174 291

Changes in equity: Attributable to owners of the Company

All figures in NOK 1 000

	3Q 2012	3Q 2011	YTD 2012	YTD 2011
Equity period start	1 685 023	1 742 202	1 690 150	1 982 405
Profit for the period	-112 797	-121 370	-115 256	-165 705
Comprehensive income for the period	-7 148	9 805	-9 817	-17 347
Total recognised income for the period	-119 945	-111 565	-125 073	-183 052
Dividends	0	0	0	-150 744
Purchase of treasury shares	0	0	0	-18 036
Share option / expenses related to share issues (net of tax)	0	0	64	64
Total equity from shareholders in the period	0	0	0	-168 716
Total change of equity in the period	-119 945	-111 565	-125 073	-351 768
Equity at period end	1 565 077	1 630 637	1 565 077	1 630 637

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.

3Q 2012	Rogaland		Finnmark		BC - Canada		Shetland - UK		Elim. / Other		Group	
	3Q 2012	3Q 2011	3Q 2012	3Q 2011	3Q 2012	3Q 2011	3Q 2012	3Q 2011	3Q 2012	3Q 2011	3Q 2012	3Q 2011
Revenues (TNOK)	107 448	130 577	101 316	61 574	109 131	147 257	106 112	127 867	88	-193	424 095	467 082
Other income (TNOK)	1		1 307	0	6 874	0	5 191	0	-576	0	12 797	0
			0	0	0	0	0	0	0	0	0	0
EBITDA (TNOK)	15 861	5 490	-1 006	-5 792	-23 855	2 996	-15 527	-4 742	-4 129	5 095	-28 656	3 047
EBIT before fair value adj. (TNOK) (1)	6 457	-3 142	-11 199	-11 922	-31 091	-3 220	-28 757	-14 690	-4 788	2 306	-69 377	-30 668
EBITDA %	14,8 %	4,2 %	-1,0 %	-9,4 %	-21,9 %	2,0 %	-14,6 %	-3,7 %			-6,6 %	0,7 %
EBIT before fair value adj. % (1)	6,0 %	-2,4 %	-10,9 %	-19,4 %	-28,5 %	-2,2 %	-27,1 %	-11,5 %			-15,9 %	-6,6 %
EBIT/KG GWT (1,2)	1,55	-0,66	-2,79	-5,50	-8,22	-0,71	-8,77	-3,50			-4,55	-1,96
Harvest in tons, GWT	4 158	4 751	4 014	2 166	3 783	4 547	3 278	4 199	0	0	15 233	15 663

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)	402 799	433 477	371 634	362 948	362 139	373 232	349 769	376 636	-4 122	-2 109	1 482 219	1 544 184
Other income (TNOK)	268		3 492		7 206		12 543		-1 109		22 400	0
EBITDA (TNOK)	67 926	123 278	25 257	109 541	4 635	61 593	-23 296	44 452	-6 575	6 517	67 947	345 381
EBIT before fair value adj. (TNOK)	40 301	98 964	-3 604	87 228	-16 683	43 028	-62 230	11 765	-8 541	2 840	-50 757	243 825
EBITDA %	16,9 %	28,4 %	6,7 %	30,2 %	1,3 %	16,5 %	-6,7 %	11,8 %			4,5 %	22,4 %
EBIT before fair value adj. %	10,0 %	22,8 %	-1,0 %	24,0 %	-4,6 %	11,5 %	-17,8 %	3,1 %			-3,4 %	15,8 %
EBIT/KG GWT (1)	2,90	8,31	-0,26	8,38	-1,51	4,64	-5,63	1,15			-1,02	5,83
Harvest in tons, GWT	13 912	11 904	13 852	10 415	11 065	9 266	11 049	10 239	0	0	49 878	41 824

Adjusted operating EBIT for reportable segments

All figures in NOK 1 000

	3Q 2012	3Q 2011	YTD 2012	YTD 2011
EBIT before fair value adjustment	-69 377	-30 669	-50 757	243 825
Fair value adjustment of biological assets incl. fair value of financial instruments	-46 426	-120 384	-34 369	-465 758
EBIT (Operating profit)	-115 803	-151 054	-85 126	-221 933
Income from associated companies	-371	20	-768	861
Exit associated company 1)	0	0	0	24 909
Total income from associated companies	-371	20	-768	25 770
Net financial item:				
Changes in fair value from hedging instruments	-5 024	-10 034	-5 267	-4 869
Net financial interest	-26 277	-12 134	-77 516	-32 786
Net currency gain (losses)	-2 823	5 029	4 940	-4 172
Dividends	271	0	296	20
Net other financial expenses /-income	-394	-99	-1 067	-431
Net financial item	-34 247	-17 238	-78 614	-42 239
Profit before tax	-150 421	-168 272	-164 507	-238 401
Estimated taxation	37 624	46 902	49 251	72 696
Net profit in the period	-112 796	-121 370	-115 256	-165 704

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	Tonn		NOK 1 000	
	3Q 2012	YTD 2012	3Q 2012	YTD 2012
Biological assets - beginning of period	46 903	58 533	1 287 801	1 404 933
Currency translation			-5 606	-4 086
Increases due to purchases	0	0	0	0
Increases due to production	27 370	57 479	492 636	1 219 944
Increase due to company acquisitions	0	0	0	0
Decreases due to sales/harvesting/mortality	-18 547	-60 286	-408 407	-1 264 151
Fair value adjustment beginning of period	N/A	N/A	-29 767	-19 985
Fair value adjustment acquisitions			0	0
Fair value adjustment period end	N/A	N/A	-16 101	-16 101
Biological assets - end of period	55 729	55 729	1 320 555	1 320 555

Biological assets - status 30.09.2012	Number of fish (1.000)	Biomass (tons)	Cost of production	Fair value adjustment	Carrying amount
Smolt /brood/ small fish 0-1 kg	23 793	5 941	310 974	0	310 974
Biological assets with round weight < 4 kg	11 047	25 899	562 430	28 610	591 040
Biological assets with round weight > 4 kg	4 971	23 889	463 251	-44 712	418 540
Total	39 811	55 729	1 336 656	-16 101	1 320 555

Biologiske eiendeler status 30.09.2011	Number of fish (1.000)	Biomass (tons)	Cost of production	Fair value adjustment	Carrying amount
Smolt /brood	9 188	441	64 615	0	64 615
Biological assets with round weight < 4 kg (smolt not included)	23 145	26 753	730 955	-884	730 071
Biological assets with round weight > 4 kg	5 565	27 854	546 425	-57 938	488 487
Total	37 898	55 048	1 341 995	-58 823	1 283 172

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 30.09.2012	Book value 30.09.2012
Ocean Quality AS	6 000	13 335	11 046	24 381
Finnmark Brønnbåtrederi AS	55	6 131	1 920	8 051
Bokn Sjøservice AS	506	6 088	149	6 237
Salmobreed AS	5 230	7 727	-2 297	5 430
Isopro AS	520	520	-22	498
Share of profit classified as operations	12 311	33 801	10 796	44 597
Salten Stamfisk AS	1 913	3 584	-768	2 816
Share of profit classified under operating result	1 913	3 584	-768	2 816
Total	14 224	37 385	10 028	47 413

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. Grieg Holdings AS stands surety 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 Kjølås (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)**	1 368 239	1,23 %
Total shares controlled by board members and management	62 332 300	55,82 %

* 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 September 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 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
30.09.2012			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 30.09.2012 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	3 450 560	3,09 %
KVERVA AS	2 412 793	2,16 %
OM HOLDING AS	1 911 636	1,71 %
CAPELKA AS	1 572 000	1,41 %
DNB NOR SMB	1 408 627	1,26 %
DROME AS	1 368 239	1,23 %
GRIEG SEAFOOD ASA	1 250 000	1,12 %
VERDIPAPIRFONDET DNB NORGE(IV)	1 042 960	0,93 %
VERDIPAPIRFONDET ALFRED BERG GAMBA	1 011 757	0,91 %
BERGEN KOMMUNALE PENSJONSKASSE	1 000 000	0,90 %
SKANDINAVISKA ENSKILDA BANKEN	888 100	0,80 %
MIPPENSJON PK	859 000	0,77 %
GRIEG SHIPPING AS	824 565	0,74 %
SEB ENSKILDA ASA	774 742	0,69 %
METEVA AS	681 203	0,61 %
VERDIPAPIRFONDET PARETO NORDIC VAL	579 374	0,52 %
NHO - P665AK	571 000	0,51 %
Total 20 largest shareholders	96 526 162	86,44 %
Total other	15 135 838	13,56 %
Total numbers of shares	111 662 000	100,00 %

Information about Grieg SeafoodASA

Head Office - Grieg Seafood ASA

Postal address	P.O. Box 234 Sentrum, NO-5804 BERGEN
Office address	Grieg-Gaarden, C. Sundts gate 17/19 NO-5004 BERGEN
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
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.