Quarterly Report
Fourth quarter 2013



SALMAR

SHARP RISE IN PROFITS DESPITE BIOLOGICAL CHALLENGES

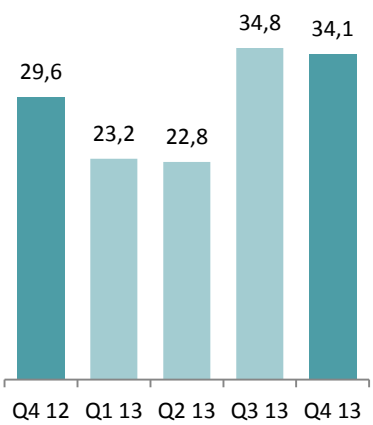
HIGHLIGHTS IN THE FOURTH QUARTER 2013

- High salmon prices resulted in record sales revenues and profit growth in the quarter. Profit for 2013 as a whole is the highest in the company's history.
- Operational EBIT came to NOK 348 million in the quarter, up from NOK 126 million in the fourth quarter 2012.
- Continued operational challenges linked to outbreaks of PD and efforts to control salmon lice infestations had a negative impact on costs during the period.
- The results from Sales & Processing were negatively affected by a 25 percent fixed-price contract rate.
- Profit before tax totalled NOK 838 million in the period. This figure is boosted by the sale of shares and a change in fair value of the biomass.
- The board is recommending a dividend of NOK 8 per share.

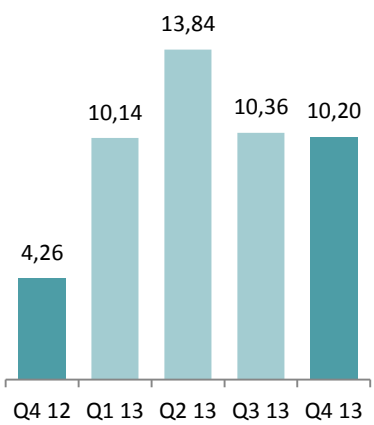
KEY FIGURES – GROUP

NOK million	Q4 2013	Q4 2012	2013	2012
Operating income	1 841.1	1 329.1	6 245.9	4 204.8
Operational EBIT	348.1	126.1	1 259.5	340.7
Operational EBIT %	18.9%	9.5%	20.2%	8.1%
Fair value adjustments	470.4	205.8	528.2	290.4
Profit before tax	838.3	341.1	2 322.1	608.5
EPS	5.42	2.31	15.80	4.13
NIBD	1 772.4	2 764.4	1 772.4	2 764.4
Equity ratio %	50.9%	38.9%	50.9 %	38.9%
Harvested volume (1000 tgw)	34.1	29.6	114.9	102.6
EBIT/kg gw (NOK)	10.20	4.26	10.96	3.32

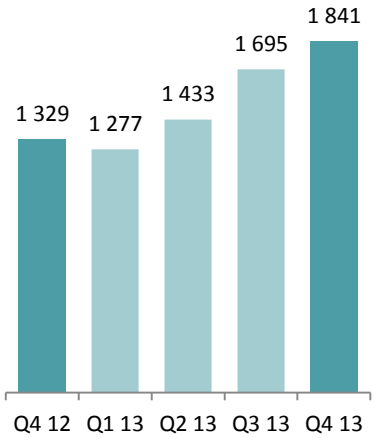
Harvest volume (1 000 tgw)



EBIT/kg gw (NOK)



Operating income (NOKm)



FINANCIAL PERFORMANCE IN THE FOURTH QUARTER

Revenues and results in the fourth quarter 2013

SalMar generated operating revenues of NOK 1,841.1 million in the fourth quarter 2013, up from NOK 1,695.4 million in the previous quarter and NOK 1,329.1 million in the fourth quarter 2012.

The Group harvested some 34,100 tonnes in the quarter, 665 tonnes less than in the previous quarter, but 4,500 tonnes more than in the fourth quarter 2012.

In addition, a total of 6,700 tonnes was harvested by Norskott Havbruk (Scottish Sea Farms). This is 1,800 tonnes less than in the third quarter 2013, and unchanged from the same quarter in 2012. SalMar owns 50 per cent of Norskott Havbruk.

With effect from the third quarter 2013 the subsidiary Villa Organic, and underlying companies, has been consolidated into the Group's accounts. The sub-group is reported as a separate segment. A total of 5,000 tonnes was harvested during the period, up from 1,120 tonnes in the previous quarter.

The Group made an Operational EBIT of NOK 348.1 million in the fourth quarter 2013, down from NOK 360.4 million in the previous quarter, but sharply up from the NOK 126.1 million in the fourth quarter last year.

This gives the Group an Operational EBIT of NOK 10.20 per kg, down from NOK 10.36 in the previous quarter and up from NOK 4.26 in the fourth quarter 2012.

Please see the individual segment reports for a more detailed account of Operational EBIT.

SalMar's most important key figure for measuring its performance under IFRS is Operational EBIT. This shows the result of the Group's underlying operations during the period. Specific items not associated with underlying operations are presented on separate lines.

Fair value adjustments boosted operating profits by NOK 470.4 million in the quarter. The bulk of this is attributable to the value of fish stocks, which increased by NOK 426.4 million as a result of the rise in prices through the quarter. The remaining fair value adjustments comprise NOK 14.4 million in provisions for loss-making contracts, NOK 16.0 million to reflect changes in value of unrealised Fish Pool contracts, and NOK 13.5 million from changes in the value of forward currency contracts.

Fair value adjustments in the fourth quarter 2012 boosted profits by NOK 205.8 million. See Note 4 for further details.

Profits were negatively affected by changes totalling NOK 35.8 million in non-recurring gains deriving from acquisitions. The changes are due to updated excess value analyses of Atlantic Cod Farms AS and Villa Organic AS. The effect has been recognised in the fourth quarter. See Note 5 for further details. Profit in the corresponding period the year before was reduced by a total of NOK 15 million as a result of provisions for contingent consideration linked to the acquisition of Villa Arctic AS.

Operating profit in the fourth quarter 2013 totalled NOK 782.7 million, compared with NOK 316.9 million in the fourth quarter 2012.

The Group's share of the profit/loss from associates totalled NOK 33.4 million in the period. The contribution derives in its entirety from SalMar's share of the profit from Norskott Havbruk. During the same period in 2012, associates contributed NOK 42.8 million. See Note 7 for further details.

Other financial items boosted profits in the quarter by NOK 22.2 million. This comprises primarily a gain of NOK 59.5 million on the realisation of shares in Bakkafrost and Nordskag Næringspark, and net interest costs of NOK 38.1 million. See Note 9 for further details. Other financial items in the fourth quarter 2012 totalled NOK -18.6 million.

The tax cost for the period is estimated at NOK 185.6 million, compared with NOK 72.3 million in the corresponding period the year before.

The Group's net profit for the period totalled NOK 652.7 million, compared with NOK 268.8 million in the fourth quarter 2012.

Revenues and results for 2013 as a whole

The Group generated operating revenues of NOK 6,245.9 million in 2013 as a whole, up from NOK 4,204.8 million in 2012.

Excluding Norskott Havbruk, the Group harvested a total of 114,900 tonnes, up from 102,600 tonnes in 2012, an increase of 12 per cent. SalMar Central Norway accounted for 4,900 tonnes of this increase, SalMar Northern Norway accounted for 1,400 tonnes, while Villa organic accounted for 6,100 tonnes. Villa Organic has been consolidated with effect from the third quarter 2013.

Operational EBIT for the year as a whole came to NOK 1,259.5 million, compared with NOK 340.7 million the year before. The improvement is attributable largely to significantly higher salmon prices during the period, as well as an increase in the volume of fish harvested.

Fair value adjustments boosted profits by NOK 528.2 million, compared with NOK 290.4 million in 2012.

A total of NOK 161.8 million in non-recurring gains deriving from the acquisition of companies was recognised in 2013, compared with NOK 62.4 million the year before. Operating profit ended the year at NOK 1,949.4 million, compared with NOK 638.9 million in 2012.

No particular biological incidents occurred in 2013, while the results for 2012 included charges totalling NOK 54.6 million, largely related to an outbreak of PD in SalMar Northern Norway.

SalMar's share of the profit/loss from associates totalled NOK 158.0 million in 2013, compared with NOK 93.9 million in 2012. Other financial assets totalled NOK 214.7 million net, largely as a result of the sale of shares in Bakkafrost and Nordskag Næringspark, such that the Group's profit

before tax for 2013 totalled NOK 2,322.1 million, compared with NOK 608.5 million in 2012.

The tax estimate for 2013 as a whole comes to NOK 426.9 million, compared with NOK 127.1 million in 2012.

Net profit for the year totalled NOK 1,895.2 million, compared with NOK 481.4 million in 2012.

Cash flow

The SalMar Group generated a positive cash flow from operating activities of NOK 446.0 million during the fourth quarter 2013. The NOK 838.3 million decrease compared with profit before tax is largely attributable to fair value adjustments totalling NOK 470.4 million, in addition to realised gains on financial assets of NOK 59.5 million.

The Group generated a positive cash flow from investing activities in the amount of NOK 242.3 million during the period. The Group has received NOK 680.6 million from the sale of its remaining shares in Bakkafrost and Nordskag Næringspark. In addition, the Group has received NOK 16.2 million in dividends from Norskott Havbruk and Nordskag Næringspark. NOK 146.0 million was invested in operating assets during the period. Furthermore, the leasing agreement for InnovaMar has been amended such that it is now deemed to be a financial leasing agreement. The buildings are recognised in the balance sheet at a book value of NOK 312.2 million. The leasing agreement is recognised in the financial statements as an investment. See Note 8 for further details.

The Group's net cash flow from financing activities was positive in the amount of NOK 35.7 million. During the period, NOK 37.3 million was paid in instalments on interest-bearing debt. Furthermore, a bond loan in Villa Organic has been refinanced. For the SalMar Group, this has resulted in a disbursement of NOK 48.5 million. Revolving credit lines have been adjusted downwards by NOK 183.1 million during the quarter. The Group has incurred new leasing liabilities totalling NOK 359.6 million, NOK 312.2 million of which is associated with the renegotiated leasing agreement for InnovaMar.

A total of NOK 38.1 million has been paid out in interest expenses, while NOK 14.4 million has been paid as cash settlement for options.

Overall, this gave SalMar a positive cash flow for the period of NOK 724.0 million, which increased the Group's holdings of cash and cash equivalents to NOK 1,071.0 million at the close of the period.

Financial position

As at 31 December 2013, SalMar's total balance sheet stood at NOK 9,931.6 million, up from NOK 8,997.7 million at the close of the previous quarter, and NOK 7,626.8 million at the close of 2012.

At the close of the fourth quarter 2013 the value of the Group's property, plant and equipment had risen by NOK 346.5 million to NOK 1,859.3 million. The increase is largely attributable to the capitalisation of the InnovaMar leasing agreement in the amount of NOK 312.2 million. See Note 8 for further details. In addition, investments in operating equipment were higher than depreciation during the period. Furthermore, the excess value analyses associated with acquired companies have been revised, which has resulted in a reduction in the recognised value of fixed assets. See Note 5 for further details.

The book value of financial assets at the close of the period was recognised at NOK 408.8 million. This is NOK 607.5 million less than at the close of the previous quarter, and can largely be explained by the sale of SalMar's 14.9 per cent shareholding in the Faeroes aquaculture company Bakkafrost, as well as the sale of shares in Nordskag Næringspark AS.

At the close of the fourth quarter, current assets totalled NOK 5,199.4 million, up from NOK 4,020.2 million at the close of the previous quarter. The increase is due to the previously mentioned sale of shares in Bakkafrost, as well as a substantial rise in the value of the Group's marine-phase fish stocks, which boosted the value of inventory by NOK 473.9 million during the period.

At the close of the period, the Group's equity totalled NOK 5,052.6 million, which corresponds to an equity ratio of 50.9 per cent. See separate presentation of movements in equity for further details of changes during the quarter.

At the close of 2013, total interest-bearing debt came to NOK 2,843.4 million, NOK 217.3 of which was made up of ordinary leasing liabilities. Added to this is NOK 312.2 million associated with the leasing agreement for InnovaMar. NOK 268.0 million of this liability comprises instalments due to be paid in 2014 and therefore classified as short-term interest-bearing debt. Other short-term interest-bearing debt, amounting to NOK 129.2 million, comprises revolving credit facilities that are not associated with the Group's main sources of finance.

Adjusted for cash and cash equivalents, this gave the Group a net interest-bearing debt of NOK 1,772.4 million as at 31 December 2013, NOK 637.2 million less than in the previous quarter.

OPERATIONAL PERFORMANCE IN THE FOURTH QUARTER 2013

Fish farming – SalMar Central Norway

NOK million	Q413	Q412	2013	2012
Operating revenues	547	464	2 702	1 728
Operational EBIT	148	62	924	203
Operational EBIT%	27 %	13 %	34 %	12 %
Harvested volume (1 000 tgw)	14.0	16.9	70.2	65.3
EBIT/kg gw (NOK)	10.58	3.64	13.17	3.10

SalMar Central Norway generated operating revenues of NOK 546.7 million in the fourth quarter 2013, up from NOK 463.5 million in the corresponding period the year before. The increase is largely attributable to higher salmon prices.

The segment harvested around 14,000 tonnes of salmon during the quarter, which is in line with the company's previous forecasts. SalMar Central Norway harvested some 16,900 tonnes in the fourth quarter 2012.

Operating profit per kg gutted weight in the quarter came to NOK 10.58, an increase of NOK 6.94 per kg compared with the fourth quarter 2012. The improvement is somewhat lower than the increase in market prices would indicate.

The volume harvested breaks down thus: 6,000 tonnes in October, 5,000 tonnes in November and 3,000 tonnes in December. As a result SalMar derived only limited benefit from the higher prices seen towards the end of the period. Furthermore, this segment manages nine jointly operated licences, whose profits are shared with the licence holder. Just under NOK 20 million was paid to these partners during the quarter.

As previously announced, the biomass has had a high production cost this quarter. The primary cost driver has been PD. Lower growth rates have resulted in a higher production cost per kg. Logistics costs have also increased as a result of sanitary harvesting, which takes up well-boat capacity. It has therefore been necessary to hire additional capacity to undertake planned operations.

The number of salmon lice treatments was slightly higher during the period, causing direct salmon lice treatment costs to rise. The increase in treatments has reduced the number of feeding days during the period, and had a negative impact on fish growth.

SalMar Central Norway expects to harvest some 73 000 tonnes in 2014, an increase of approx. 4.0 per cent from 2013.

Fish farming – SalMar Northern Norway

NOK million	Q413	Q412	2013	2012
Operating revenues	429	320	913	692
Operational EBIT	164	50	320	83
Operational EBIT%	38 %	15 %	35 %	12 %
Harvested volume (1 000 tgw)	10.7	9.2	23.8	22.4
EBIT/kg gw (NOK)	15.32	5.36	13.45	3.73

SalMar Northern Norway generated operating revenues of NOK 429.0 million in the fourth quarter 2013, up from NOK 320.3 million in the corresponding period the year before.

The segment harvested around 10,700 tonnes during the fourth quarter, compared with 9,200 tonnes in the same period in 2012. The volume harvested was relatively evenly distributed throughout the quarter.

Operating profit per kg gutted weight in the quarter came to NOK 15.32, up almost NOK 10 per kg from the fourth quarter 2012. The strong performance is attributable to high salmon prices and a reduction in the level of costs for underlying operations.

The segment had a positive biological development, and reduced underlying costs for its marine-phase fish stocks.

SalMar Northern Norway expects to harvest some 38 000 tonnes in 2014 as a whole.

Fish farming - Rauma

NOK million	Q413	Q412	2013	2012
Operating revenues	187	97	595	419
Operational EBIT	44	-7	162	1
Operational EBIT%	24%	-8%	27%	0%
Harvested volume (1 000 tgw)	4.4	3.5	14.9	14.9
EBIT/kg gw (NOK)	10.02	-2.16	10.88	0.06

The Rauma segment generated operating revenues of NOK 187.0 million in the fourth quarter 2013, compared with NOK 97.0 million in the same period the year before. The improvement is largely attributable to higher salmon prices and a larger harvested volume.

Rauma harvested around 4,400 tonnes of fish in the quarter, compared with some 3,500 tonnes in the fourth quarter 2012.

Organic salmon accounted for 45 per cent of the volume harvested during the quarter. Organic salmon has a higher production cost than conventional salmon, with

correspondingly higher prices. The majority of the volume is sold under contract at fixed prices, which is not advantageous in periods of rising spot prices.

Operating profit per kg gutted weight came to NOK 10.02 during the quarter, up from NOK 5.05 in the previous quarter. In the fourth quarter 2012 the segment made an operating loss per kg gutted weight of NOK 2.16. The results for 2012 were affected by the harvesting of PD-infected fish as well as the mass culling of broodfish.

During the fourth quarter 2013 the Rauma segment continued to experience production challenges relating to outbreaks of PD, with resultant reduced growth and higher production costs. The situation with respect to salmon lice in the Rauma segment was normal during the quarter, despite reports of a general increase in lice numbers elsewhere in the region. SalMar has reinforced its emergency preparedness to handle any changes in the situation that may arise.

SalMar's Rauma segment expects to harvest some 17 000 tonnes in 2014.

Villa Organic

SalMar controls 50.4 per cent of the shares in Villa Organic. The company was consolidated into the Group's accounts with effect from 30 June 2013. The figures presented below for 2013 as a whole therefore reflect the figures that are relevant for SalMar's financial statements.

NOK million	Q413	2013
Operating revenues	232	315
EBIT	60	54
EBIT%	26%	17%
Harvested volume (1 000 tgw)	5.0	6.1
EBIT/kg gw (NOK)	12.18	8.95

Villa Organic generated operating revenues of NOK 232.1 million in the fourth quarter 2013, up from NOK 82.4 million in the previous quarter.

The segment harvested 5,000 tonnes in the quarter, up from 1,100 tonnes the quarter before. The volume was equally distributed in October and November, but was slightly lower in December.

Operating profit per kg gutted weight came to NOK 12.18 in the quarter. The company reduced its production costs compared with the previous quarter. Efforts are continuously being made to improve operating performance.

The process of splitting up the company is proceeding as planned.

SalMars share of the harvest volume in Villa Organic 1H 2014 will amount to approx. 5 000 tonnes.

Sales and Processing

NOK million	Q413	Q412	2013	2012
Operating revenues	1 623	1 297	6 047	4 231
Operational EBIT	-38	16	-161	55
Operational EBIT%	-2 %	1 %	-3 %	1%

The Sales and Processing segment generated operating revenues of NOK 1,622.8 million in the fourth quarter 2013, up from NOK 1,296.8 million in the corresponding quarter the year before. The segment sells the entire Group's harvested volume, with the exception of Villa Organic.

The segment made an operating loss of NOK 37.6 million, compared with an operating loss of NOK 28.9 million in the previous quarter and an operating profit of NOK 16 million in the same period the year before. The segment's results were weakened by the fact that around 25 per cent of the overall volume was sold under fixed-price contracts at prices lower than the average sport price in the quarter.

Harvesting efficiency remained good during the fourth quarter, even though the facility experienced logistics challenges associated with the harvesting of PD-infected fish. A total of 30,262 tonnes was harvested during the period, 14,757 tonnes of which were external volumes. This is a slight decrease from the 32,498 tonnes harvested in the previous quarter.

The secondary processing business remained negatively affected by the relatively high salmon prices, in addition to PD-related challenges. PD affects productivity and costs as a result of an inconsistent supply of fish through the plant, combined with quality issues relating to the fish being processed.

Regulations requiring the transport of harvestable fish in closed containers means that industrial activities must, to a larger extent, be undertaken beyond normal working hours, at higher variable costs than previously. In December, SalMar was granted approval for the holding of PD-infected fish in waiting pens, which will reduce logistics problems in the time ahead.

SalMar continues to experience a healthy demand in all its key markets.

Associates

Norskott Havbruk

NOK million	Q413	Q412	2013	2012
Operating revenues	316	236	1189	937
Operational EBIT	61	15	221	55
Operational EBIT%	19%	6%	19%	6%
Fair value adjustment of the biomass	29	4	57	0
Profit before tax	88	15	267	48
SalMar's share after tax	33	6	101	18
Harvested volume (1 000 tgw)	6.7	6.7	26.9	27.1
EBIT/kg gw (NOK)	9.15	2.18	8.23	2.04

Norskott Havbruk generated operating revenues of NOK 316.2 million in the fourth quarter 2013, compared with NOK 235.7 million in the same quarter in 2012.

Norskott harvested a total of 6,700 tonnes of fish in the quarter, the same as in the corresponding period the year before. SalMar's share of the harvested volume came to 3,350 tonnes.

Some 51 per cent of output was sold under contract in the quarter.

Operating profit per kg gutted weight totalled NOK 9.15 during the period, down from NOK 9.47 per kg in the previous quarter, and up from NOK 2.18 per kg in the fourth quarter the year before.

The operation's biological status is satisfactory. Disease and lice are being dealt with effectively.

The company expects to harvest some 25 000 tonnes in 2014.

Norskott Havbruk is recognised as an associate, with SalMar's share (50 per cent) of the company's net profit/loss after tax (and fair value adjustment of the biomass) being posted under financial revenue.

Nordskag Næringspark

SalMar sold its investment in Nordskag Næringspark in October 2013. See Note 8 for further details.

Other events

On 19 December 2013 the Norwegian Ministry of Fisheries and Coastal Affairs announced that it had reversed the Technical Group's previous decision to reject consideration of 28 applications for so-called 'green' licences in Group B – relating to prequalification as a condition for participation in the bidding. This means that SalMar Farming AS will be able to participate in the competition for all 15 licences in this group, with the highest bid determining the outcome. SalMar has recently been informed that the Group's applications in Group A and Group C have now also been approved. This means that all SalMar's applications for 'green' licences will go forward to the next stage of the process.

Events after the balance sheet date

Leif Inge Nordhammer took over as SalMar's CEO with effect from 20 January 2014. Nordhammer held the post of CEO at SalMar for a period of 15 years until he stepped down in June 2011.

SalMar has been awarded two new broodstock licenses in the Rauma segment and one new R&D license in segment Northern Norway.

Dividend

The board of directors will recommend that the AGM approves a dividend payout of NOK 8 per share.

Market

Volume

The global supply of Atlantic salmon in the fourth quarter 2013 totalled some 586,100 tonnes, up 4 per cent on the fourth quarter 2012.

In Norway, output increased by 2 per cent to 343,100 tonnes during the period. Output in the UK rose by 16 per cent to 45,700 tonnes, while output in North America fell by 25 per cent to 31,400 tonnes.

Output of Atlantic salmon continues to grow in Chile, and was 20 per cent higher in the fourth quarter than in the corresponding period the year before. Total output during the period came to 128,600 tonnes. Fish farmers in the Faeroes produced 19,300 tonnes during the quarter, 5 per cent less than in the fourth quarter 2012.

Norwegian exports of Atlantic salmon totalled approx. 332,000 tonnes round weight during the quarter, an increase of around 6,000 tonnes, or 2 per cent, from the fourth quarter 2012. However, the substantial rise in salmon prices resulted in the value of Norwegian exports increasing by almost 50 per cent. Salmon worth just over NOK 12.5 billion was exported during the quarter.

A total of 221,000 tonnes of salmon was exported from Norway to the EU during the fourth quarter 2013, up 1 per cent on the same period in 2012. Developments in the main markets were, however, mixed. Exports to France fell by 8 per cent to 43,900 tonnes during the quarter, while exports to Russia fell by 11 per cent to 38,300 tonnes. Exports to Poland from Norway rose by 6 per cent to 45,100 tonnes, while exports to Denmark rose by 2 per cent to 21,300 tonnes. The UK imported 15,800 tonnes, a rise of 10 per cent, while Spain imported 14,300 tonnes, down 12 per cent on the same period the year before.

Prices and exchange rates

Following a downturn at the close of the previous quarter, salmon prices rose through the fourth quarter. In the last week of the year, the price of salmon averaged NOK 53.92/kg. The strongest growth came in December. The average price of salmon (NASDAQ Salmon Index) for the period totalled NOK 42.02/kg, up from NOK 38.88/kg in the previous quarter and NOK 27.16/kg in the fourth quarter 2012.

The NOK continued to weaken against key currencies in the fourth quarter. Compared with the previous quarter, the average exchange rate between the NOK and the EUR, USD and GBP fell by 3.93 per cent, 1.14 per cent and 5.63 per cent respectively.

Compared with the fourth quarter 2012, the NOK has weakened against the same currencies by 11.94 per cent, 6.67 per cent and 7.56 per cent respectively.

Any weakening of the NOK against the major trading currencies can lead to a slight increase in salmon prices measured in NOK and vice versa.

Biomass

At the close of the fourth quarter 2013, Norway had a standing biomass of 694,400 tonnes round weight, marginally more (1 per cent) than the 689,400 tonnes held at the same point the year before. At the close of the previous quarter, the total biomass in Norway stood at 700,500 tonnes round weight.

The biomass in both the UK and Chile rose by 4 per cent from the fourth quarter 2012 to the fourth quarter 2013, ending at 82,800 tonnes and 276,800 tonnes respectively. The total biomass in the Faeroes was estimated to be 43,400 tonnes at the close of the quarter, an increase of 11 per cent compared with a year before.

Shares and shareholders

At the end of December 2013, SalMar had a total of 113,299,999 shares outstanding, divided between 2 838 shareholders.

The company has a dominant shareholder, Kverva AS, which owns 53.4 per cent of the company's shares. The company's 20 largest shareholders own a total of 76.93 per cent of the shares. SalMar ASA is the company's seventh largest shareholder, with 1.3 million shares or 1.15 per cent as at 31 December 2013.

SalMar's share price during the period fluctuated between NOK 68.50 and NOK 77.50. The final price at the close of the quarter was NOK 74.00. The share price at the close of the previous quarter was NOK 68.25. The share has therefore been traded above this level during the whole of the fourth quarter.

Outlook

The global supply of Atlantic salmon rose by around 4 per cent in the fourth quarter 2013, bringing the total output for the year as a whole to more than 2 million tonnes for the first time. This corresponds to an increase of 2 per cent on 2012.

Output in Norway fell by 3 per cent to 1,143,600 tonnes in 2013. However, this trend is expected to reverse in 2014, when output of Atlantic salmon in Norway is forecast to increase by around 7 per cent to just over 1.2 million tonnes.

Growth in Chile is expected to flatten out, with total output in 2014 expected to reach 477,400 tonnes, up 2 per cent on 2013.

Only minor changes in volume are expected in the other regions, such that the overall output of Atlantic salmon is expected to rise by some 5 per cent in 2014.

Despite the significant rise in prices seen in recent months, SalMar continues to experience healthy demand in all its key markets. With the outlook for only limited increases in supply in coming quarters, demand in the most important salmon markets is expected to remain strong.

Fish Pool forward prices in mid-February indicate an average salmon price for March of NOK 47.00/kg. Forward prices for Q2, Q3 and Q4 indicate prices of NOK 44.30/kg, NOK 36.80/kg and NOK 37.00/kg respectively. Fish Pool's forward price for 2015 as a whole is NOK 36.42.

The biological situation in Norway is challenging. The Group has several cases of PD in central Norway, and there are fears that amoebic gill disease (AGD) could establish itself in certain regions in the future. The new regime for dealing with salmon lice also results in higher costs than in previous years. SalMar is working ceaselessly to properly equip itself to deal with biological challenges, eg by investments in important equipment such as well-boats, harvesting and processing capacity, as well as focusing on the most sustainable operating areas and the best sites. In all, SalMar believes that these measures are helping to reduce the Group's operational risk.

Despite these challenges, SalMar is seeing that the 2012 generation has a far better survival rate than previous generations of fish. A good rate of survival has also been recorded for salmon released into the sea in 2013.

At the start of 2014 the standing biomass had a lower average weight than one year previously. As a result, SalMar expects to harvest a relatively low volume in the first quarter 2014. SalMar expects to harvest around 40 per cent of the total volume in the first half of 2014. Overall, SalMar expects to harvest 133,000 tonnes, including its relative share of the volume from Villa Organic. SalMar's share of the volume from Norskott, which is expected to total 12,500 tonnes, comes in addition to this.

At the time of writing contracts account for approx. 17 per cent of the expected volume of fish harvested in 2014. The contract volume is reasonably evenly distributed throughout the year.

SalMar will continue to invest in up-to-date technology. In 2014 SalMar will start investing in increased smolt capacity in northern Norway. Furthermore, SalMar has commenced investment in facilities for the farming of our own 'cleaner fish'. SalMar expects to invest a total of NOK 574 million.

SalMar posted extremely good results in 2013. High salmon prices and major non-recurring gains led to record earnings for the Group. The board considers SalMar's financial position to be very strong, and is therefore recommending a dividend of NOK 8 per share. In the opinion of the board, SalMar has ample financial capacity for further growth.

INCOME STATEMENT

NOK million	4Q 13	4Q 12	FY 2013	FY 2012
Operating income	**1 841,1**	**1 329,1**	**6 245,9**	**4 204,8**
Cost of goods sold	939,0	746,5	3 051,2	2 324,8
Payroll expenses	186,5	144,4	623,1	483,2
Other operating expenses	294,9	264,6	1 086,3	886,0
EBITDA	420,7	173,6	1 485,3	510,8
Depreciations	72,6	47,6	225,8	170,2
Operational EBIT	**348,1**	**126,1**	**1 259,5**	**340,7**
Fair value adjustment	470,4	205,8	528,2	290,4
Particular biological events				-54,6
Non-recurring gains on aquisition	-35,8	-15,0	161,8	62,4
Operational profit	**782,7**	**316,9**	**1 949,4**	**638,9**
Income from investments in associates	33,4	42,8	158,0	93,9
Other financial items	22,2	-18,6	214,7	-124,3
Profit before tax	**838,3**	**341,1**	**2 322,1**	**608,5**
Tax	185,6	72,3	426,9	127,1
Net profit for the period	**652,7**	**268,8**	**1 895,2**	**481,4**
Items to be reclassified to profit and loss in subsequent periods:				
Change in translation diff. associates, net tax	12,0	-7,1	73,4	-39,9
Change in translation diff. Subsidaries, net tax	-0,0	-0,2	-0,2	-0,3
Change in fair value of currency instruments	1,2	0,1	1,2	-0,4
Items not to be reclassified to profit and loss in subsequent periods:				
Share of other comprehensive income of associates		-1,9	-	-2,1
Recalculation pension obligations	0,2	-	0,2	-
Total comprehensive income	**666,1**	**259,8**	**1 969,8**	**438,7**
Non-controlling interests share of result	38,5	7,6	105,0	14,1
Controlling interests share of result	614,1	261,3	1 790,2	467,4
Earnings per share (NOK)	5,42	2,31	15,80	4,13
Earnings per share - diluted	5,42	2,31	15,80	4,13

BALANCE SHEET – GROUP

NOK million	31.12.2013	30.09.2013	31.12.2012
ASSETS			
Intangible fixed assets	2 464,1	2 448,3	2 135,5
Tangible fixed assets	1 859,3	1 512,8	1 268,8
Financial fixed assets	408,8	1 016,4	970,9
Total fixed assets	**4 732,2**	**4 977,5**	**4 375,1**
Inventory	3 248,7	2 774,8	2 289,9
Accounts receivables	662,1	738,7	660,9
Other short-term receivables	217,6	160,8	245,5
Cash and cash equivalents	1 071,0	345,8	55,3
Total current assets	**5 199,4**	**4 020,2**	**3 251,7**
TOTAL ASSETS	**9 931,6**	**8 997,7**	**7 626,8**
EQUITY AND LIABILITIES			
Paid-in equity	476,6	493,8	493,2
Reserves	4 246,5	3 601,2	635,1
Minority interests	329,5	291,5	1 839,4
Total equity	**5 052,6**	**4 386,5**	**2 967,7**
Provisions for liabilities	1 207,1	1 058,0	872,9
Int. bearing long-term liabilities	2 446,2	2 128,0	2 223,4
Total long-term liabilities	**3 653,4**	**3 186,1**	**3 096,4**
Int. bearing short-term liabilities	397,2	627,4	596,3
Other short-term liabilities	828,4	797,7	966,5
Total short-term liabilities	**1 225,6**	**1 425,1**	**1 562,8**
TOTAL EQUITY AND LIABILITIES	**9 931,6**	**8 997,7**	**7 626,8**
Net interest bearing debt	**1 772,4**	**2 409,6**	**2 764,4**
Equity share	**50,9 %**	**48,8 %**	**38,9 %**

STATEMENT OF CASH FLOW

NOK million	4Q 13	4Q 12	FY 2013	FY 2012
Profit before tax	838,3	341,1	2 322,1	608,5
Tax paid in period	-4,2	-76,0	-6,5	-80,7
Depreciation	72,6	47,6	225,8	170,2
Share of profit/loss from associates	-33,4	-42,8	-158,0	-93,9
Realized and unrealized gains on financial assets	-59,5	-	-341,8	-
Non-recurring gains on acquisitions	35,8	15,0	-161,8	-62,4
Change in fair value adjustments	-470,4	-197,0	-528,2	-290,4
Change in working capital	20,4	-98,7	-417,6	-158,6
Other changes	46,4	-12,6	172,0	94,2
Net cash flow from operating activities	446,0	-23,5	1 106,0	186,8
Net cash flow from investing activities	242,3	-26,8	331,2	-399,7
Change in interest-bearing debt	89,0	153,6	-173,3	95,5
Dividend paid out	-	-	-0,1	-2,9
Equity paid in	-	-	-	303,4
Buy-out of non-controlling interest	-0,8	-	-70,4	-
Interest paid	-38,1	-94,5	-158,1	-174,4
Other changes	-14,4	-0,3	-20,6	-0,3
Net cash flow from financing activities	35,7	58,8	-422,5	221,3
Net change in cash for the period	**724,0**	**8,4**	**1 014,6**	**8,4**
Foreign exchange effects	1,2	-0,0	1,1	-0,7
Cash in the beginning of the period	345,8	46,9	55,3	47,6
Cash at the end of the period	**1 071,0**	**55,3**	**1 071,0**	**55,3**

CHANGES IN EQUITY

2013	Share capital	Treasury shares	Share premium fond	Other paid-in equity	Translation differences	Retained earnings	Non-controlling interests	Total equity
Equity as at 01.01.13	**28,3**	**-0,3**	**415,3**	**50,0**	**0,1**	**2 338,1**	**136,3**	**2 967,7**
Net profit for the year						1 790,2	105,0	1 895,2
Comprehensive income					74,4	0,2	0,0	74,6
Total comprehensive income for the yea	0,0	0,0	0,0	0,0	**74,4**	1 790,4	105,0	1 969,8
Transactions with shareholders								
Options granted				1,3				1,3
Options reclassification				-18,4		1,2		-17,2
Access non-controlling interests							201,1	201,1
Buyout of non-controlling interests						42,5	-112,9	-70,4
Other changes						0,4		0,4
Sum transactions with shareholders	0,0	0,0	0,0	-17,1	0,0	44,0	88,2	115,1
Equity as at 31.12.13	**28,3**	**-0,3**	**415,3**	**32,8**	**74,5**	**4 172,5**	**329,5**	**5 052,6**

2012	Share capital	Treasury shares	Share premium fond	Other paid-in equity	Translation differences	Retained earnings	Non-controlling interests	Total equity
Equity as at 01.01.12	**25,8**	**-0,3**	**112,9**	**38,3**	**0,8**	**1 914,9**	**122,2**	**2 214,6**
Net profit for the year						467,4	14,1	481,4
Comprehensive income					-0,7	-42,0		-42,8
Total comprehensive income for the yea	0,0	0,0	0,0	0,0	-0,7	425,3	14,1	438,7
Transactions with shareholders								
Net share issue	2,6		302,4					305,0
Options granted				11,6				11,6
Dividend for 2011						-2,9		-2,9
Other equity transactions						0,8		0,8
Sum transactions with shareholders	2,6	0,0	302,4	11,6	0,0	-2,2	0,0	314,4
Equity as at 31.12.12	**28,3**	**-0,3**	**415,3**	**50,0**	**0,1**	**2 338,1**	**136,3**	**2 967,7**

SEGMENT INFORMATION

	Farming Central-Norway	Farming Northern-Norway	Farming Rauma	Villa	Sales and Processing	Elim.	Group
4Q 13							
Operating income (mill.)	546,7	429,0	187,0	232,1	1 622,8	-1 176,5	1 841,1
Operational EBIT (mill.)	148,4	164,1	44,4	60,5	-37,6	-31,7	348,1
Operational EBIT %	27,2 %	38,3 %	23,7 %	26,0 %	-2,3 %		18,9 %
Harvested volume (1,000 tgw)	14,0	10,7	4,4	5,0			34,1
EBIT/ kg gw (NOK)	10,58	15,32	10,02	12,18			10,20
4Q 12							
Operating income (mill.)	463,5	320,3	97,0		1 296,8	-848,5	1 329,1
Operational EBIT (mill.)	61,5	49,6	-7,5		16,2	6,3	126,1
Operational EBIT %	13,3 %	15,5 %	-7,7 %		1,2 %		9,5 %
Harvested volume (1,000 tgw)	16,9	9,2	3,5				29,6
EBIT/ kg gw (NOK)	3,64	5,36	-2,16				4,26
FY 2013							
Operating income (mill.)	2 702,0	912,7	595,4	314,5	6 047,4	-4 326,2	6 245,9
Operational EBIT (mill.)	924,2	320,2	161,9	54,4	-160,9	-40,3	1 259,5
Operational EBIT %	34,2 %	35,1 %	27,2 %	17,3 %	-2,7 %		20,2 %
Harvested volume (1,000 tgw)	70,2	23,8	14,9	6,1			114,9
EBIT/ kg gw (NOK)	13,17	13,45	10,88	8,95			10,96
FY 2012							
Operating income (mill.)	1 727,7	692,0	419,4		4 231,3	-2 865,6	4 204,8
Operational EBIT (mill.)	202,6	83,3	0,8		55,0	-1,1	340,7
Operational EBIT %	11,7 %	12,0 %	0,2 %		1,3 %		8,1 %
Harvested volume (1,000 tgw)	65,3	22,4	14,9				102,6
EBIT/ kg gw (NOK)	3,10	3,73	0,06				3,32

KEY FIGURES – GROUP

	4Q 13	4Q 12	FY 2013	FY 2012
Number of shares - end of period (mill.)	113,3	113,3	113,3	113,3
Earnings per share (NOK)	5,42	2,31	15,80	4,13
Earnings per share - diluted (NOK)	5,42	2,31	15,80	4,13
EBITDA %	22,9 %	13,1 %	23,8 %	12,1 %
Operational EBIT %	18,9 %	9,5 %	20,2 %	8,1 %
EBIT %	42,5 %	23,8 %	31,2 %	15,2 %
Profit before tax %	45,5 %	25,7 %	37,2 %	14,5 %
Cash flow per share - diluted (NOK)	3,94	-0,21	9,76	1,65
Net interest bearing debt (mill.)	1 772,4	2 764,4	1 772,4	2 764,4
Equity ratio %	50,9 %	38,9 %	50,9 %	38,9 %

Earnings per share = Earnings after tax/ average numbers of shares

Earnings per share - diluted = Earnings after tax/ average number of shares - diluted

Earnings before tax % = Earnings before tax/ operating income

Cash flow per share - diluted = Cash flow from operating activities/ average number of shares - diluted

Equity ratio = Equity/ total assets

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting principles

This report has been prepared in accordance with International Financial Reporting Standards (IFRS), including the standard for interim reporting (IAS 34). The same accounting principles and calculation methods used in the last year-end financial statements have been used here. Please refer to the Group's latest IFRS year-end financial statements, which are published on the Group's website under Investor Relations (www.salmar.no), for a complete description of the accounting principles.

This interim report has not been subject to external audit.

New or amended accounting standards coming into effect in 2013 that holds significance for the Group are presented below. The Group applied the new standards with effect from 1 January 2013.

Amendment to IAS 1 - Presentation of Financial Statements

The amendment to IAS 1 means that elements included in the presentation of other income elements in the Statement of Comprehensive Income are grouped on the basis of whether or not the items can be reclassified to profit and loss at some future point in time. The amendments affect only the presentation of comprehensive income.

IFRS 13 - Fair Value Measurement

The standard specifies principles and guidance for the measurement of fair value for assets and liabilities that other standards require or permit to be measured at fair value. The standard does not change when the use of fair value measurement is required or permitted, and has no impact on the Group's profits or financial position. However, IFRS 13 requires greater disclosure in the notes to both the interim and year-end financial statements. See Note 3 Inventory and Biological Assets, as well as Note 4 Fair Value Adjustments.

Amendment to IAS 19 - Employee Benefits

Altered rules in IAS 19 Employee Benefits have been applied since 1 January 2013. The change means that all estimate deviations are recognised in comprehensive income as they arise, an immediate posting to profit and loss of all costs relating to pension accruals in previous periods and that expected return on pension assets is replaced by a net interest amount calculated using the discount rate on the net pension liability. The change in principle has had no material impact on the figures reported by the Group in its financial statements, since the Group's pension schemes are for the most part defined-contribution schemes.

2. The company's 20 largest shareholders

Shareholder	Shares	%
KVERVA AS	60 500 000	53,40 %
FOLKETRYGDFONDET	8 730 426	7,71 %
PARETO AKSJE NORGE	3 521 257	3,11 %
LIN AS	2 005 528	1,77 %
ODIN NORGE	1 930 117	1,70 %
PARETO AKTIV	1 482 260	1,31 %
SALMAR ASA	1 300 000	1,15 %
VERDIPAPIRFONDET DNB NORGE SELEKTI	1 072 714	0,95 %
PARETO VERDI	705 112	0,62 %
PENSATO CAPITAL FUNDS	663 874	0,59 %
UBS AG, LONDON BRANCH	614 090	0,54 %
VERDIPAPIRFONDET DNB NORGE (IV)	606 320	0,54 %
VERDIPAPIRFONDET DNB SMB	540 000	0,48 %
J.P. MORGAN CHASE BANK N.A. LONDON	522 300	0,46 %
DELPHI NORGE	520 000	0,46 %
FORSVARETS PERSONELLSERVICE	505 800	0,45 %
STOREBRAND VERDI	501 227	0,44 %
THE BANK OF NEW YORK MELLON	500 000	0,44 %
KLP AKSJE NORGE INDEKS VPF	470 653	0,42 %
J.P. MORGAN CHASE BANK N.A. LONDON	468 218	0,41 %
Top 20	**87 159 896**	**76,93 %**
Others	26 140 103	23,07 %
Total	**113 299 999**	**100,00 %**

3. Inventory and Biological Assets (biomass)

Book value of inventory	31.12.2013	30.09.2013	31.12.2012
Raw materials	89,8	83,7	103,6
Biological assets	3 077,2	2 586,3	1 986,2
Finished goods	81,7	104,8	200,1
Total	3 248,7	2 774,8	2 289,9

Fair value adjustment of biological assets	31.12.2013	30.09.2013	31.12.2012
Historic cost	2 202,3	2 152,3	1 662,8
Fair value adjustment of the biomass	874,8	434,0	323,4
Book value	3 077,2	2 586,3	1 986,2

Raw materials largely comprise feed for smolt and marine-phase fish production. Raw materials used in secondary processing, as well as packaging materials, are also included. Stocks of biological assets are associated with SalMar's fish farming operations on land and at sea.

Finished goods comprise whole salmon, fresh and frozen, as well as processed salmon products

Biological assets in further detail

The treatment for accounting purposes of live fish is regulated by IAS 41 Agriculture. IAS 41 contains a methodological hierarchy for the measurement of biological assets for accounting purposes. The main rule is that such assets must be measured at fair value.

The best estimate for the fair value of fish with a live weight of less than 1 kg is accumulated cost, while the fair value of harvestable fish with a live weight of more than 4 kg is adjusted to its expected net profit/loss. For fish with a live weight of between 1 kg and 4 kg the fair value adjustment of the biomass is set to its pro-rata share of expected net profit/loss at harvest. As a consequence, this can lead to a downward adjustment in the fair value of biological assets.

The fair value of the biomass is assessed on the basis of the market price for the individual weight class on the balance sheet date, corrected for sales costs, including harvesting costs and processing wastage. The market price is adjusted for differences in quality. The sales prices used are based on external forward prices and/or the most relevant price information available for the particular period when the fish are due to be harvested.

Smolt are valued at cost.

Note 4 - Fair Value Adjustments

Fair value adjustments are part of the Group's operating profit/loss, but changes in fair value are presented on a separate line to provide a better understanding of the Group's profit/loss on the sale of goods. The item Fair Value Adjustments comprises:

	4Q 2013	4Q 2012	YTD 13	YTD 12
Change in fair value of the biomass	426,4	208,1	529,4	268,7
Change in provisions for onerous contracts	14,4	-1,8	-1,8	-1,8
Unrealised change in value of fish-pool contracts	16,0	-5,9	13,7	8,6
Unrealised change in value of forward currency contracts	13,5	5,3	-13,2	14,8
Fair value adjustments recognised in profit and loss	470,4	205,8	528,2	290,4

Note 5. Business combinations

Business acquisitions in 2013

Atlantic Cod Farms AS

On 22 April 2013 the Group agreed the purchase of 100% of the shares in Atlantic Cod Farms AS. For accounting purposes the transaction is treated as a business acquisition, and the company will be included in the Rauma segment. The purpose of the acquisition was to secure access to sites in Møre. In addition to sites, operating equipment in the area was also taken over. Moreover, the acquired company has a substantial loss carryforward, which has a value for SalMar. The value of the carryforward has resulted in a non-recurring gain in connection with the acquisition. The non-recurring gain has been taken to income in its entirety.

Changes in the allocation of the consideration have been made in the fourth quarter. The changes are largely associated with the value of operating assets, as well as the final disclosure of deferred tax assets on the date of acquisition. The change in allocation means that the non-recurring gain was reduced from NOK 96.2 million to NOK 87.0 million. The NOK 9.2 million reduction in the non-recurring gain has been recognised in the fourth quarter. Allocation of the consideration is now deemed to be final.

The acquisition's effect on the balance sheet:	Book value	Fair value adjustments	Fair value
Deferred tax assets	-	103,4	103,4
Intangible assets	-	11,0	11,0
Property, plant & equipment	12,7	-	12,7
Liquid assets	0,7	-	0,7
Liabilities	-34,5	-0,8	-35,2
Net identifiable assets and liabilities	**-21,1**	**113,6**	**92,6**
Cash consideration			-5,5
Non-recurring gain from acquisition			**87,0**

Villa Organic AS

In 2013 the Group has completed a stepwise acquisition of shares in Villa Organic AS which, in June 2013, resulted in SalMar becoming majority shareholder in the Villa Group. As at 30 June 2013 SalMar's shareholding stood at 50.4%.

In 2012 SalMar acquired 8.4% of the shares in Villa Organic AS. At the start of April 2013 agreement was reached with a group of shareholders of Villa Organic AS to acquire a further 41.3% of the company's shares, bringing SalMar's total shareholding after the transaction to 49.7%. From this point in time SalMar exercised considerable influence over the Villa Group, and the shares were classified as an associate of SalMar ASA. Towards the end of the second quarter a further 0.7% of the shares were acquired, and as at 30 June 2013 SalMar ASA's shareholding in the company totalled 50.4%. Villa Organic AS is a fully integrated aquaculture company, with 16 fish farming licences, as well as sites in Laksefjord and Varangerfjord. In addition to its fish farming activities, the Group has its own smolt production, two processing plants and its own sales organisation. The Villa Group became a consolidated subsidiary with effect from 30 June 2013 since when it has been reported as a separate segment in the SalMar Group.

Changes in the allocation of consideration have been made in the fourth quarter. These changes have been prompted largely by new information on the value of operating assets on the date of acquisition. Changes in allocation resulted in the non-recurring gain associated with the acquisiton being reduced from NOK 121.3 million to NOK 94.7 million. The NOK 26.6 million reduction in the non-recurring gain has been recognised in the fourth quarter. Allocation of the consideration is now deemed to be final.

The acquisition's effect on the balance sheet:	Book value	Fair value adjustments	Fair value
Intangible assets	24,0	279,2	303,2
Property, plant & equipment	212,6	-74,9	137,7
Other financial assets	5,0	-	5,0
Inventory and biological assets	233,2	18,2	251,4
Current assets	123,8	0,6	124,4
Deferred tax	25,8	-65,2	-39,4
Interest-bearing debt	-197,0	-1,0	-198,0
Other liabilities	-84,0	-	-84,0
Net identifiable assets and liabilities	**343,4**	**157,0**	**500,4**
Consideration on establishment of subsidiary			-204,6
Non-controlling interests			-201,1
Non-recurring gain from acquisition			**94,7**

Excess value and bargain purchases derive from an assessment of the fair value of identifiable assets and liabilities. Excess value associated with intangible assets relates to production licences. The acquired company owns 16 fish farming licences, of which seven are specific to Varangerfjord, Finnmark. The value of the licences is determined on the basis of comparable transactions and analyses based on recognised valuation methods. Thus the value of the licences in the allocation of excess value has been set at NOK 22.0 million per licence, with the exception of the fixed-location licences, where it is set at NOK 15.0 million each. As a result of the allocation of excess value, SalMar received a non-recurring gain from the acquisition of NOK 94.7 million. The main reason for the revenue recognition is that the seller of the shares was in a difficult financial situation at the time the transaction was completed.

Ocean Farming AS

On 31 December 2013 the Group signed an agreement for the purchase of 52% of the shares in Ocean Farming AS, following which it now owns 91% of the shares in this company. For accounting purposes, the transaction is treated as a business takeover. The purpose of the acquisition is to secure access to technology developed by the company. Allocation of the consideration is presented below, and is deemed to be final.

The acquisition's effect on the balance sheet:	Book value	Fair value adjustments	Fair value
Deferred tax assets	-	0,6	0,59
Intangible assets	-	19,2	19,15
Current assets	6,0	-	6,03
Other liabilities	-25,7	-	-25,67
Net identifiable assets and liabilities	**-19,6**	**19,7**	**0,10**
Cash consideration			-0,09
Non-controlling interests			-0,01

Acquisitions in 2012

On 29 February 2012 SalMar Nord AS signed an agreement with Villa Arctic AS regarding the acquisition of 10 production licences, a facility in Laksefjorden and associated operating assets, in addition to 50% of the biomass at that location. It was further agreed to conduct joint operations with Villa Arctic AS in Laksefjorden from 1 April 2012 until the 2015 generation has been completely harvested. The transaction is accounted for as a business acquisition. A proviso of the transfer is that the consideration payable may be adjusted if the price of salmon exceeds a given amount in 2013. As at 31 December 2012, a provision of NOK 15.0 million has been made to cover this liability. Villa Arctic AS is included in the Villa Group, which became a SalMar subsidiary with effect from the second quarter 2013. As a result of the high price of salmon in the first half of 2013, an additional provision of NOK 20 million was made ahead of the acquisition of Villa Organic in the second quarter to cover the contingent consideration. The impact of the provision is recognised in the line for non-recurring gains from acquisitions

The effect of the acquisitions on the balance sheet was:	Book value	Fair value adjustment	Fair value
Intangible assets	110,0	110,0	220,0
Property, plant & equipment	34,9	-	34,9
Biological assets	20,9	-2,5	18,4
Deferred tax	-	-30,1	-30,1
Interest-bearing debt	-20,0	-	-20,0
Net identifiable assets and liabilities	**145,7**	**77,4**	**223,1**
Cash consideration			-145,7
Non-recurring gains from acquisition			**77,4**
Provision for contingent consideration			-15,0
Net non-recurring gains from acquisition			**62,4**

Note 6 - Buyout of non-controlling interests

On 22 March 2013 the Group signed an agreement to buy out the remaining minority shareholders of SalMar Rauma AS. The Group purchased 24.46% of the shares in SalMar Rauma AS and, following this transaction, now owns 100% of the company's shares.

The transaction was settled in cash. A consideration of NOK 69.7 million was paid. The book value of the non-controlling interests on the acquisition date was NOK 112.3 million. The gain of NOK 42.6 million has been posted to retained earnings in the Group.

On 21 October 2013 the Group signed an agreement to buy out the minority shareholders of Langstein Fisk AS. A consideration of NOK 0.7 million was paid for 40% of the shares.

Including this transaction, the value of the non-controlling interests bought out by the Group in 2013 came to NOK 70.5 million.

Note 7 - Financial assets - Associates

Companies recognised in accordance with the equity method	***Norskott***	***Nordskag***	***Others***	***TOTAL***
Opening balance 01.07.2013	370,9	26,0	0,3	397,2
Acquisition of shares/contribution	-	-	-	-
Share of year's profit/loss	33,4	-	-	33,4
Other items in comprehensive income	11,9	-	-	11,9
Dividend received	-14,0	-2,2	-	-16,2
Sale of assets	-	-23,9	-0,1	-24,1
Closing balance 30.09.2013	**402,2**	**-0,0**	**0,1**	**402,3**

Realisation of shares in Bakkafrost

On 15 May 2013 the Group agreed the sale of part of its shareholding in Bakkafrost. The shareholding in Bakkafrost was reduced from 25.2% to 10.2% following the transaction. Less costs, the total consideration received for the realised shares was NOK 506.0 million.

Bakkafrost ceased to be an associate from the date on which the sale of shares was completed. For accounting purposes the entire shareholding was deemed to have been realised, and the remaining 10.2% shareholding was classified as a financial instrument with fair value recognised in profit and loss. The new cost price for the remaining shareholding was fair value on the transaction date. The share of profit/loss from the associate for the period up until the transaction date, in the amount of NOK 23.7 million, was recognised in revenue. For the subsequent period up until 30 September 2013 the change in fair value was NOK 82.8 million. A gain of NOK 170.1 million on the realisation of the TS share during the period was also recognised in the second quarter 2013. Both the change in fair value and the gain on the realisation of the TS share are included in the line for 'Other financial items'.

SalMar had, in addition to its shares in Bakkafrost, also entered into a TRS agreement for a total of 4.46% of that company's shares. The TRS agreement has been successively recognised at the prevailing fair value, with changes in value being posted to 'Other financial items'. The TRS agreement was realised with effect from 15 July 2013, and the entire shareholding acquired. The accumulated gain on the TRS agreement totalled NOK 78.8 million, of which NOK 26.7 million was to income in 2013. Following this, SalMar's shareholding in Bakkafrost totalled 14.88%. The change in value of the shares between acquisition on 15 July 2013 and the close of the period on 30 September 2013 is included in the NOK 82.3 million change in fair value as described above.

The remaining 14.88% shareholding in Bakkafrost was realised in the fourth quarter. The total net consideration for the remaining shareholding came to NOK 616.4 million. A gain of NOK 18.6 million on the sale has been recognised in the fourth quarter, and is included in the line for 'Other financial items' in the Income Statement.

Acquisition of shares in Villa Organic

Reference is made to the description in Note 5 of the transactions relating to the acquisition of shares in Villa Organic. At the start of the second quarter 2013 SalMar acquired considerable influence over Villa Organic and the investment in shares was classified as an associate. For accounting purposes the investment was treated as an associate in accordance with the equity method in the second quarter 2013, with NOK 12.9 million being taken to income with respect to SalMar's share of the profit/loss from the investment. At the time when considerable influence was acquired and again when controlling interest was acquired, cf. Note 5, the entire gain on shares was deemed to have been realised, and a new cost price established. At the time of the transition from financial instrument held for sale to associate, this generated a gain of NOK 15.0 million. Correspondingly, at the transition from associate to subsidiary, a gain of NOK 6.6 million was recognised in revenue. Both effects were included in the line for other financial items in the income statement for the second quarter 2013.

Realisation of shares in Nordskag Næringspark AS

In October 2013 SalMar sold its 42.5% investment in Nordskag Næringspark AS. The total consideration for the shareholding came to NOK 65.2 million. The gain on the realisation of the TS share has been recognised in the fourth quarter in the amount of NOK 40.7 million. The gain is included in the line for 'Other financial items' in the Income Statement.

Note 8 - Material leasing agreements

At the same time as the shares in Nordskag Næringspark AS were sold, the Group renegotiated its agreement for the lease of 'InnovaMar' from Nordskag Næringspark AS. The leasing period was extended from 15 to 20 years, with an option to extend the lease after the expiry of the agreement at a reduced annual rent.The lessor is entitled, but not obliged, to demand that SalMar purchase the property after the expiry of the agreement for the sum of NOK 70 million. The change in the terms of the leasing agreement have resulted in the buildings and the leasing liability being recognised in the balance sheet with effect from 1 October 2013. The book value of the property in the balance sheet is set at NOK 312.2 million. The leasing liability has been correspondingly capitalised. The investment has been broken down into buildings, technical installations and land. The portion allocated to buildings will be depreciated over 30 years. Correspondingly, the portion allocated to technical installations will be depreciated over 13 years. Land is not depreciated.

Note 9 - Other financial items

	4Q 2013	4Q 2012	YTD 13	YTD 12
Unrealised gains TRS agreement	-	33,0	26,7	50,0
Gain on realisation of shares	59,5	-	254,4	-
Change in value of financial assets to fair value in profit and loss	-	-	82,8	-
Net interest expenses	-38,1	-43,2	-158,1	-166,1
Other net financial items	0,8	-8,4	8,9	-8,2
Total other financial items	22,2	-18,6	214,7	-124,3