

# Aker Seafoods – First quarter 2010

## Good results in high season – challenges ahead

CEO Liv Monica B Stubholt  
CFO Gunnar Aasbø-Skinderhaug



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## Welcome Agenda

Topic	Speaker
<ul style="list-style-type: none"><li>▪ <b>Operational Update</b><ul style="list-style-type: none"><li>• Group</li><li>• Harvesting</li><li>• Processing Norway and Denmark</li><li>• Processing France</li></ul></li><li>▪ Financials<ul style="list-style-type: none"><li>• Income Statement</li><li>• Cash Flow</li><li>• Balance Sheets</li></ul></li><li>▪ Q&amp;A session</li></ul>	<p><b>Liv Monica Stubholt, CEO</b></p> <p>Gunnar Aasbø-Skinderhaug, CFO</p>

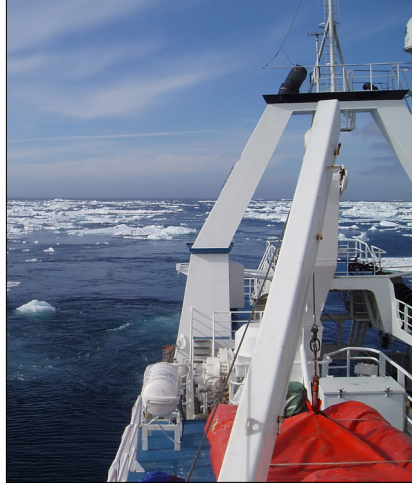
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Highlights of the first quarter 2010  
Good results in high season – challenges ahead



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- Harvesting product trends:
  - Increased demand and higher prices for frozen products
  - Increased demand, yet lower prices for fresh products
- Processing product trends:
  - Unsatisfactory demand, still low profitability for frozen products
  - Robust demand, prices under pressure for fresh products

Highlights of the first quarter 2010  
Good results in high season – challenges ahead



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- Increased turnover in both harvesting and processing segment
  - Due to seasonal variations, results remain unsatisfactory in a yearly perspective
- Profitability remains low and does not support needed investments
  - Structural issues
  - Internal non-optimized processes
- Need for increased market orientation
  - Ongoing project to restructure company for increased profitability

## Highlights of the first quarter 2010 Aker Seafoods prepares restructuring



Foto: Tom Haga © Norwegian Seafood Export Council

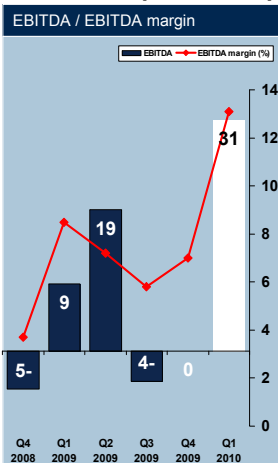
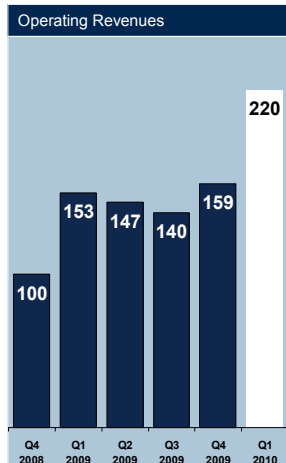
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- Establishment of two new subsidiaries:
  - Increased focus on quality and efficiency in the harvesting company
  - Increased focus on quality, efficiency and market in the new processing company
    - Potential for strategic alliances with partners
    - Allows ownership change in processing

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## Harvesting Aker Seafoods Increased volumes and improved prices



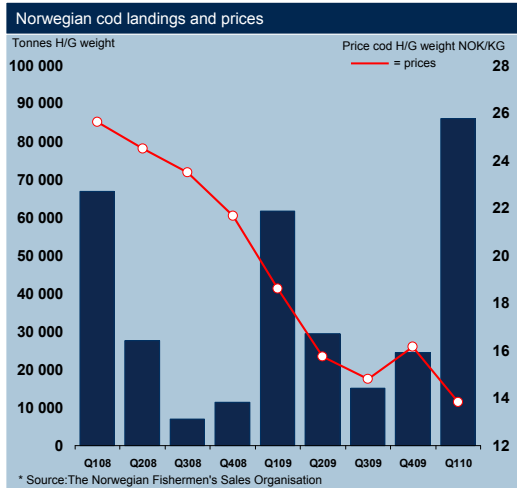
- Harvesting volumes in Q1 increased 29% compared to 2009
- Revenues increased by 44% from Q1'09
  - Increased prices on haddock and saithe
- Increased catch per day ratio
  - More efficient operations

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## Harvesting Norway Lower cod and haddock price, but increased saithe price\*



- Cod prices decreased by 26% since Q1'09\*
- Prices on haddock decreased by 10% since Q1'09\*
- Prices on saithe increased by 20% since Q1'09\*
- Cod landings in Q1'10 up 57% compared to Q1'09
- Total white fish landings up by 46%

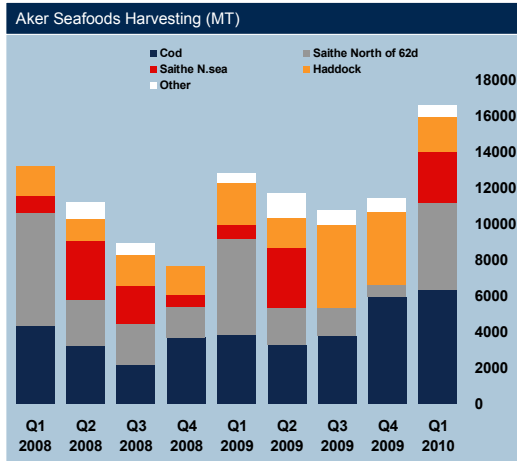
\*Source: The Norwegian Fishermen's Sales Organisation

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## Harvesting Aker Seafoods Increased volumes harvested in Q1



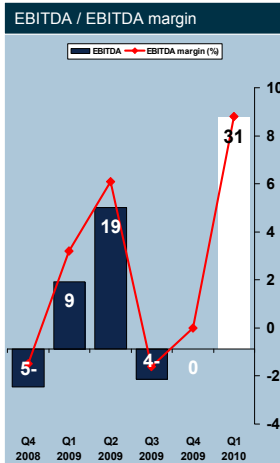
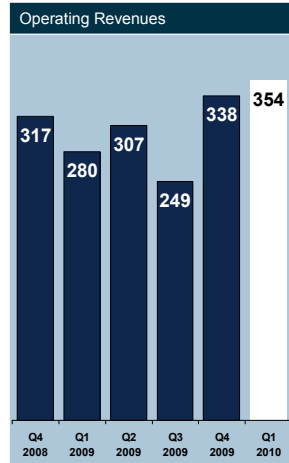
- Q1'10 vs. Q1'09
  - Cod: +66%
  - Haddock: -17%
  - Saithe north of 62p: -9%
  - Saithe south of 62p: +287%
- AKS total harvesting increased by 29% in Q1'10 vs. Q1'09

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## Processing - Norway Increased production



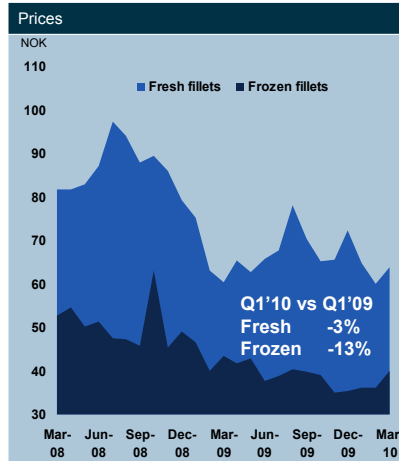
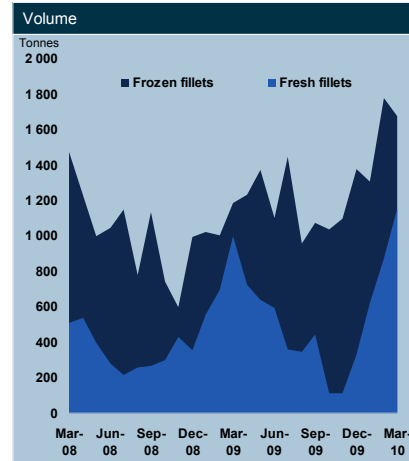
- Production of fillets increased by 14% from Q1'09
  - Good access to raw material
  - 80% of production are cod products
  - Fresh production accounted for 37% of AKS production
- Prices decreased slightly from Q1'09
- Note: Profitability from currency hedging

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## Processing - Norway Fresh and frozen cod fillets from Norway



Source: Eksportutvalget for fisk

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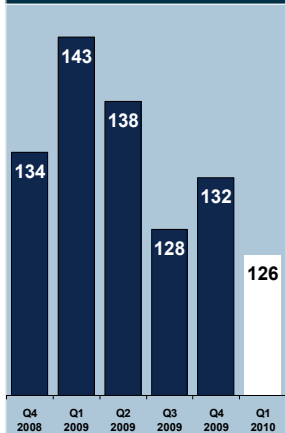
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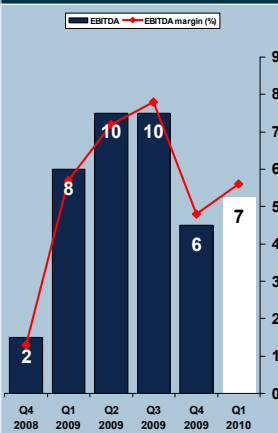
## Processing – Denmark

### Decreased revenue, high raw material costs

Operating Revenues



EBITDA / EBITDA margin



- Profitability unsatisfactory
- Increased raw material cost through high salmon price
- Consumer packed fresh fish (MAP) contributes to EBITDA

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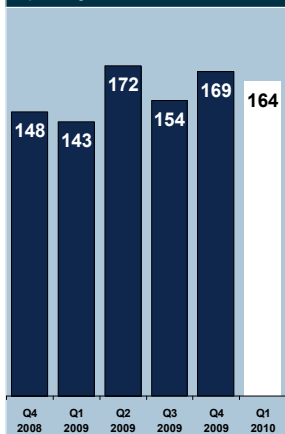
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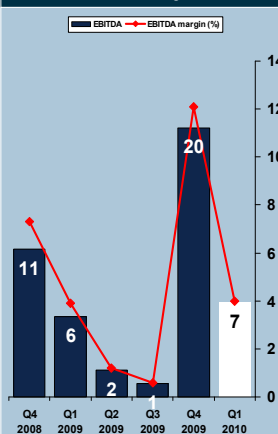
## Processing – France

### Volumes down, stable EBITDA

Operating Revenues



EBITDA / EBITDA margin



- Profitability unsatisfactory
- Revenues increased to MNOK 164 in Q1'10
- High trout prices
  - Increased profitability on sold trout
- High activity in processing plants
  - High raw material cost
    - High salmon and trout price

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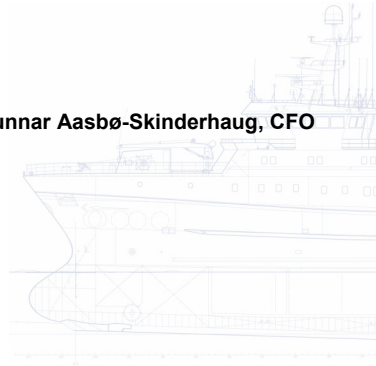
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## Agenda

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## Financials Key figures

(NOK million)	Q1 09	Q2 09	Q3 09	Q4 09	Q1 10	YTD 09	YTD 10	2009
Operating revenues	639	710	609	727	780	639	780	2 685
<b>EBITDA</b>	<b>54</b>	<b>51</b>	<b>36</b>	<b>51</b>	<b>102</b>	<b>54</b>	<b>102</b>	<b>192</b>
<i>EBITDA margin (%)</i>	8.5	7.2	5.8	7.0	13.1	8.5	13.1	7.1
Non-recurring items	0	0	(13)	(41)	0	0	0	(54)
<b>EBIT</b>	<b>25</b>	<b>22</b>	<b>(6)</b>	<b>(29)</b>	<b>71</b>	<b>25</b>	<b>71</b>	<b>14</b>
Profit before tax	3	9	136	(51)	52	3	52	97
<b>Profit after tax</b>	<b>2</b>	<b>6</b>	<b>99</b>	<b>(33)</b>	<b>36</b>	<b>2</b>	<b>36</b>	<b>74</b>
Earnings per share*	0.05	0.12	2.04	(0.39)	0.42	0.05	0.42	1.29
Total assets	3 293	3 253	3 203	3 160	3 132	3 293	3 132	3 160
Equity	869	880	1 124	1 083	1 091	869	1 091	1 083
Equity ratio (%)	26.4	27.1	35.1	34.3	34.8	26.4	34.8	34.3
Net interest bearing debt	1 455	1 291	1 156	1 025	1 068	1 455	1 068	1 025

\* Based on average number of shares in the period

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## Financials Cash Flow

(NOK million)	Q1 09	Q2 09	Q3 09	Q4 09	Q1 10	YTD09	YTD10	2009
Profit before tax	3	9	136	(51)	52	3	52	97
Sales losses/gains	-	-	(8)	(13)	(10)	-	(10)	(21)
Depreciation and amortisation	29	29	28	38	31	29	31	124
Changes in other net operating assets	46	42	(157)	222	(105)	46	(105)	153
<b>Cash flow from operating activities</b>	<b>78</b>	<b>80</b>	<b>(1)</b>	<b>196</b>	<b>(32)</b>	<b>78</b>	<b>(32)</b>	<b>353</b>
<b>Cash flow from investing activities</b>	<b>(18)</b>	<b>(25)</b>	<b>(95)</b>	<b>(57)</b>	<b>(9)</b>	<b>(18)</b>	<b>(9)</b>	<b>(195)</b>
<b>Cash flow from financing activities</b>	<b>(56)</b>	<b>(39)</b>	<b>91</b>	<b>(46)</b>	<b>(22)</b>	<b>(56)</b>	<b>(22)</b>	<b>(50)</b>
<b>Total cash flow reporting period</b>	<b>4</b>	<b>16</b>	<b>(5)</b>	<b>93</b>	<b>(62)</b>	<b>4</b>	<b>(62)</b>	<b>108</b>
Cash and cash equivalent at the beginning of period	48	51	67	62	155	48	155	48
<b>Cash and cash equivalent at end of period</b>	<b>52</b>	<b>67</b>	<b>62</b>	<b>155</b>	<b>93</b>	<b>52</b>	<b>93</b>	<b>155</b>
Not utilized credit facilities	15	6	10	77	78	15	78	77
<b>Cash and cash equivalent at end of period, incl. credit facilities</b>	<b>67</b>	<b>73</b>	<b>72</b>	<b>232</b>	<b>171</b>	<b>67</b>	<b>171</b>	<b>232</b>

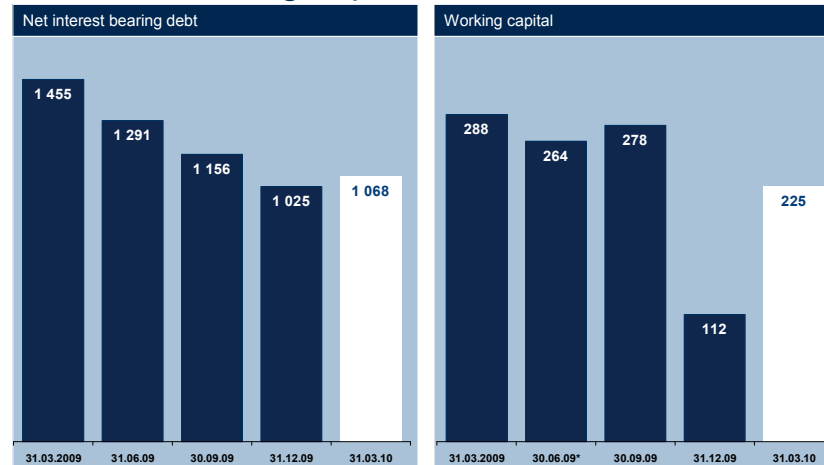
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## Financials Debt and working capital



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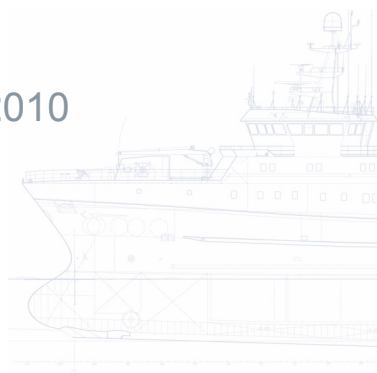


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# Aker Seafoods first quarter 2010

## Enclosures



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## Financials

### Income statement

NOK million	Q1 09	Q2 09	Q3 09	Q4 09	Q1 10	YTD 09	YTD 10	2009
<b>Operating revenues</b>	<b>639</b>	<b>710</b>	<b>609</b>	<b>727</b>	<b>780</b>	<b>639</b>	<b>780</b>	<b>2 685</b>
Operating expenses	(585)	(659)	(573)	(677)	(678)	(585)	(678)	(2 493)
<b>EBITDA</b>	<b>54</b>	<b>51</b>	<b>36</b>	<b>51</b>	<b>102</b>	<b>54</b>	<b>102</b>	<b>192</b>
Depreciation	(29)	(29)	(28)	(38)	(31)	(29)	(31)	(124)
Non-recurring items	0	0	(13)	(41)	0	0	0	(54)
<b>Operating profit</b>	<b>25</b>	<b>22</b>	<b>(5)</b>	<b>(29)</b>	<b>71</b>	<b>25</b>	<b>71</b>	<b>14</b>
Net financial items	(22)	(14)	141	(22)	(19)	(22)	(19)	83
<b>Profit before tax</b>	<b>3</b>	<b>9</b>	<b>136</b>	<b>(51)</b>	<b>52</b>	<b>3</b>	<b>52</b>	<b>97</b>
Tax on ordinary profit	(1)	(3)	(37)	18	(16)	(1)	(16)	(23)
<b>Net ordinary profit</b>	<b>2</b>	<b>6</b>	<b>99</b>	<b>(33)</b>	<b>36</b>	<b>2</b>	<b>36</b>	<b>74</b>
Minority interest	0	0	0	0	1	0	1	1
Majority interest	2	6	99	(33)	35	2	35	73
Earnings per share*	0.05	0.12	2.04	(0.39)	0.42	0.05	0.42	1.29

\* Based on average number of shares in the period

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## Financials

### Balance sheet - Assets

NOK million	31.03.09	30.06.09	30.09.09	31.12.09	31.03.10
Intangible assets	1 311	1 313	1 301	1 271	1 263
Tangible fixed assets	1 040	1 024	1 070	1 046	1 002
<b>Total intangible/tangible fixed assets</b>	<b>2 352</b>	<b>2 337</b>	<b>2 371</b>	<b>2 317</b>	<b>2 265</b>
Financial interest-bearing fixed assets	21	22	23	22	20
Financial interest-free fixed assets	15	16	16	15	15
Shares and other equity investments	20	23	23	21	16
<b>Total financial fixed assets</b>	<b>55</b>	<b>61</b>	<b>62</b>	<b>58</b>	<b>51</b>
<b>Total fixed assets</b>	<b>2 407</b>	<b>2 398</b>	<b>2 433</b>	<b>2 376</b>	<b>2 316</b>
Biological assets	73	61	52	63	59
Inventory	393	384	327	260	275
Interest-free short-term receivables	361	337	324	301	384
Interest-bearing short-term receivables	6	5	4	6	5
Liquid assets	52	67	62	155	93
<b>Total current assets</b>	<b>886</b>	<b>855</b>	<b>770</b>	<b>785</b>	<b>816</b>
<b>Total assets</b>	<b>3 293</b>	<b>3 253</b>	<b>3 203</b>	<b>3 160</b>	<b>3 132</b>

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## Financials

### Balance sheet - Equity and liabilities

NOK million	31.03.09	30.06.09	30.09.09	31.12.09	31.03.10
Total shareholders' equity	852	862	1 105	1 065	1 072
Minority interests	18	18	18	18	19
<b>Total shareholders' equity and minority interests</b>	<b>869</b>	<b>880</b>	<b>1 124</b>	<b>1 083</b>	<b>1 091</b>
Provisions and other interest-free long-term liabilities	350	357	408	358	362
Interest-bearing long-term debt	1 294	875	1 102	1 097	1 069
<b>Total long-term liabilities</b>	<b>1 643</b>	<b>1 232</b>	<b>1 510</b>	<b>1 455</b>	<b>1 432</b>
Interest-free short-term debt	540	630	425	511	493
Interest-bearing short term debt	240	511	144	111	117
<b>Total short-term liabilities</b>	<b>780</b>	<b>1 141</b>	<b>569</b>	<b>623</b>	<b>610</b>
<b>Total shareholders' equity and liabilities</b>	<b>3 293</b>	<b>3 253</b>	<b>3 203</b>	<b>3 160</b>	<b>3 132</b>

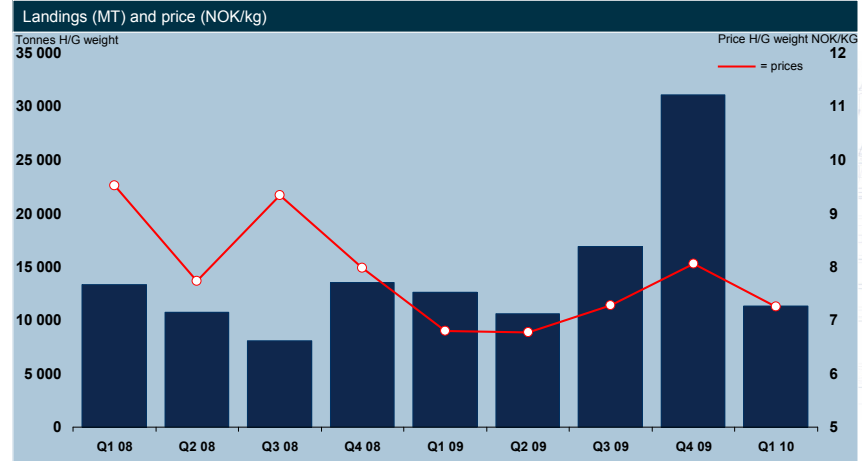
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## Harvesting Landings and price - Haddock



Source: Råfisklaget

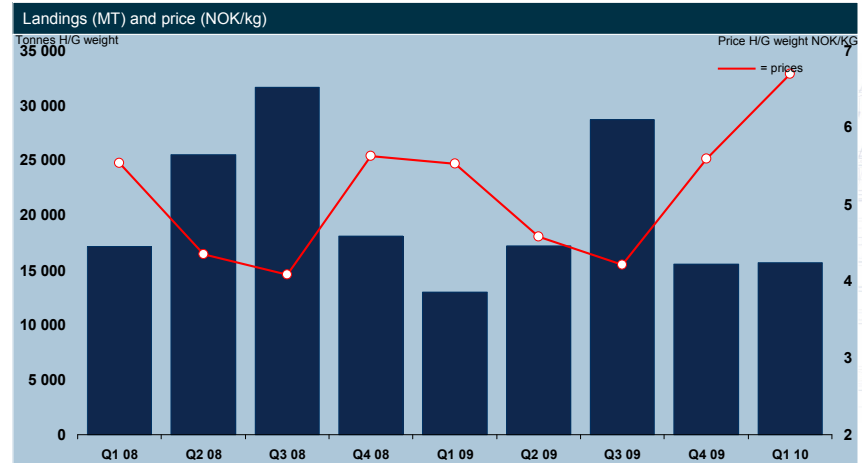
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## Harvesting Landings and price - Saithe



Source: Råfisklaget

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