

Aker Seafoods – First quarter 2009

Prices down, but improved product mix and increased activity at Aker Seafoods

CEO Yngve Myhre
CFO Gunnar Aasbø



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Welcome Agenda

Topic	Speaker
▪ Operational Update <ul style="list-style-type: none">• Group• Harvesting• Processing Norway and Denmark• Processing France	Yngve Myhre, CEO
▪ Financials <ul style="list-style-type: none">• Income Statement• Cash Flow• Balance Sheets	Gunnar Aasbø, CFO
▪ Strategic Considerations and Outlook	Yngve Myhre, CEO
▪ Q&A session	



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Highlights of the Q1 2009

Prices down, but improved product mix and increased activity



- Revenues decreased from MNOK 791 in Q1'08 to MNOK 639 Q1'09
 - Stable harvesting and production volumes, but lower prices
- Group EBITDA came to MNOK 54 in Q1'09 vs MNOK 73 in Q1'08
 - Low prices on cod, both on raw material and fillets
 - MNOK 10 negative effect on inventory (salt fish and filet)
- Reduced fuel costs
- High focus on fresh production successful
 - Fresh production increased by 31%
 - Improved product mix
- High volumes of cod quota left for remainder of 2009
 - In addition, quotas increased by 20%
 - 8% lower landings of cod in Norway*

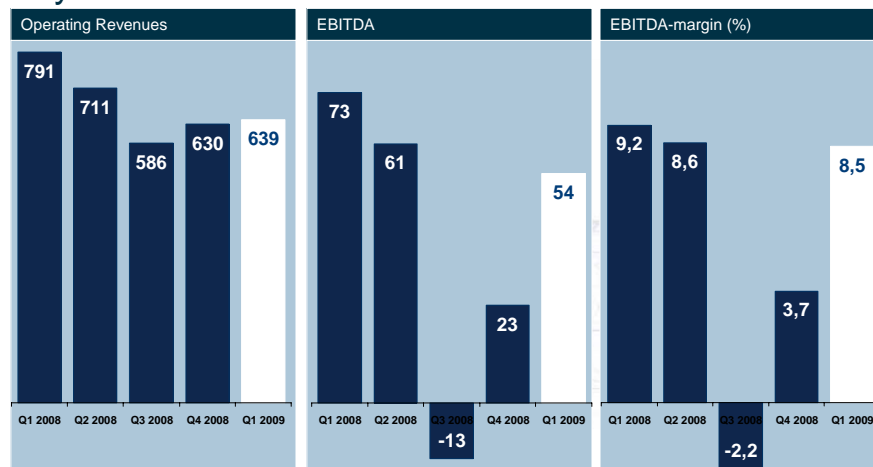
*Source: The Norwegian Fishermen's Sales Organisation

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Quarterly figures Key indicators



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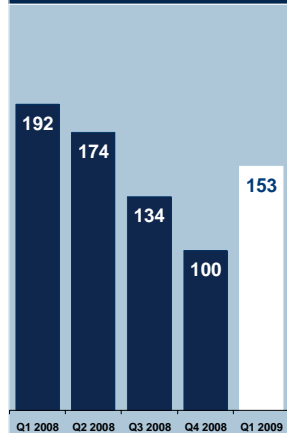
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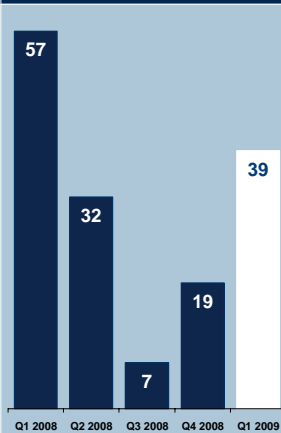
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Harvesting Aker Seafoods Increased efficiency, lower prices

Operating Revenues



EBITDA



- Increased focus on saithe and haddock harvesting
 - Enough cod available from coastal fleet
 - AKS has only fished 24% of its cod quotas in Q1
- Increased harvesting efficiency
 - Increased catch per day by 7% vs Q1'08
- Reduced oil prices with 30% vs Q1'08

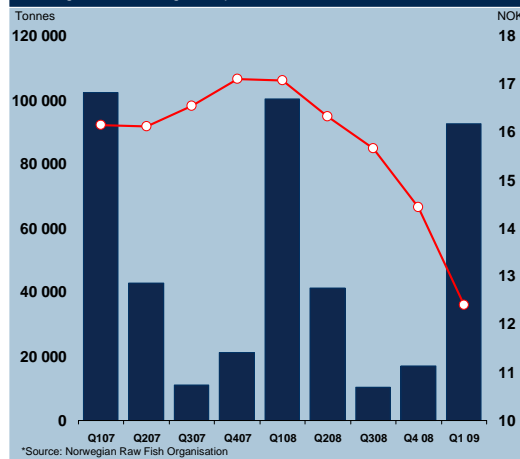
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Harvesting Norway Lower prices*

Norwegian cod landings and prices



- Prices on cod down by 27% since Q1'08
 - Haddock prices down by 29%
 - Saithe prices stable
 - Shrimp and oil prices make shrimp fisheries more profitable
- Cod landings in Q1'09 down 8% vs Q1'08
 - Norwegian cod quotas increased by 20% in 2009

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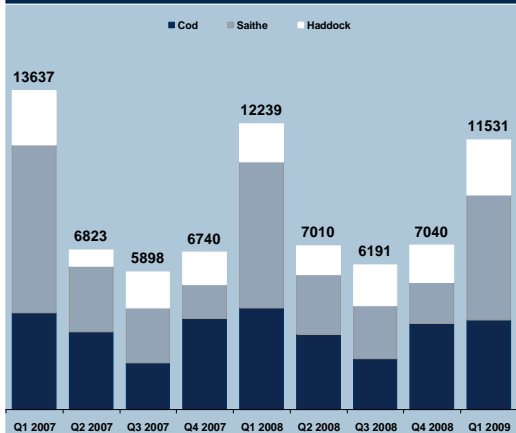
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Harvesting Aker Seafoods

Significant volumes of cod left for 2009

Aker Seafoods Harvesting north of the 62nd parallel (MT)



Source: Company figures

Volumes in Q1'09 vs. Q1'08

- Haddock: +45%
- Saithe north of 62p: -15%
- Cod: -12%

AKS total harvesting decreased by 2% in Q1

- Combined fishing scheme and fleet restructuring expected to increase quota utilization

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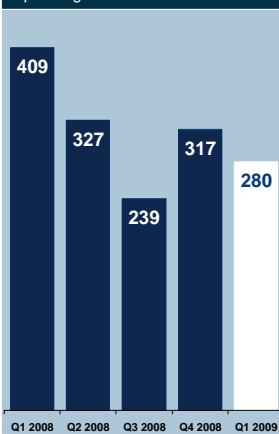
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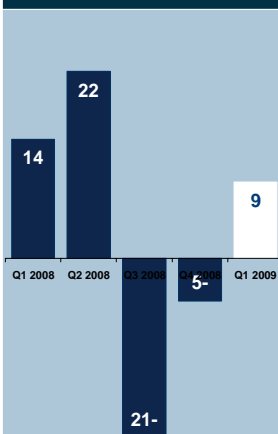
Processing - Norway

Focus on fresh production continues

Operating Revenues



EBITDA



Challenging market, lower prices*

- Frozen cod fillets -16%
- Fresh cod fillets -24%
- Frozen haddock fillets -18%
- Frozen saithe fillets +29%

Write down of inventory and losses on salt fish due to reduced fish prices (NOK 10 mill)

- Minimum prices too high in Q1
- Challenging market for salt fish

Good availability of raw material

- Reduced raw material cost

Increased fresh production

- 31% higher than Q1'08
- Improved product mix
- Less inventory increase than normal, but still high

Large amount of fish was salted compared to last year

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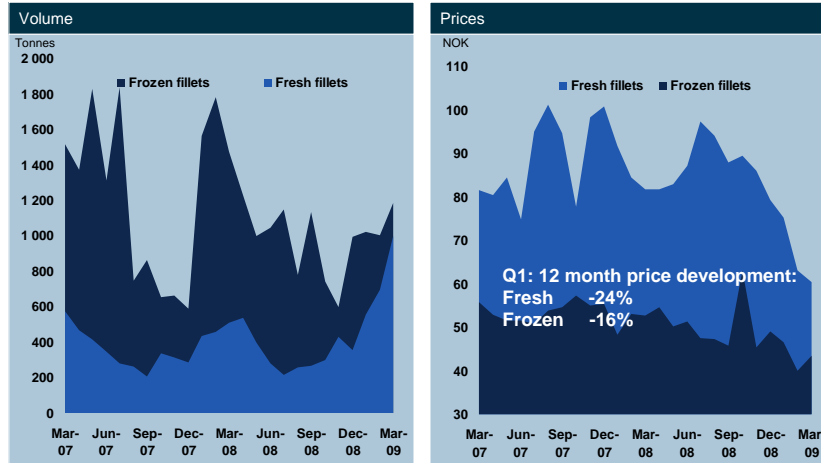
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*Source: Eksportutvalget for fisk

Processing - Norway

Fresh and frozen cod fillets from Norway



Source: Eksportutvalget for fisk

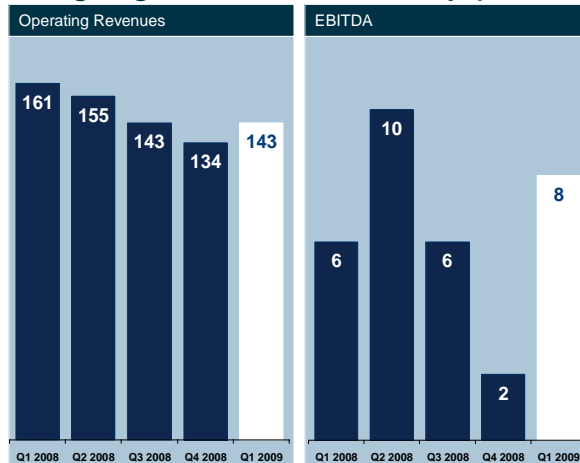
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Processing – Denmark and Sweden

Margin growth in secondary processing



- Consumer packed fresh fish (MAP) in Denmark keeps revenues on same level as in 08 and increases EBITDA
- Listing of new product range frozen with several Danish retailers
- Substantial decline in prices affects primary processing in Denmark
- Low revenues in Sweden

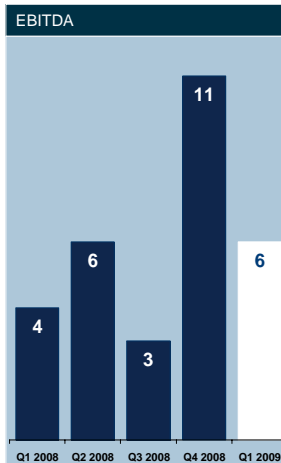
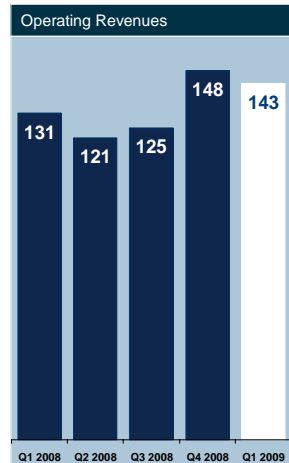
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Processing – France

Increased revenues and sales, reduces prices



- Increased sales to major French retailers
- Increased revenues in Q1'09 vs. Q1'08
- High level of production of salmon
 - High prices
- Trout farming contributes to high revenues, especially towards the end of Q1
- Reduced prices on turbot has a negative effect on revenues

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Agenda

Topic	Speaker
<ul style="list-style-type: none"> ▪ Operational Update <ul style="list-style-type: none"> • Group • Harvesting • Processing Norway and Denmark • Processing France ▪ Financials <ul style="list-style-type: none"> • Income Statement • Cash Flow • Balance Sheets ▪ Q&A session ▪ Strategic Considerations and Outlook 	<p>Yngve Myhre, CEO</p> <p>Gunnar Aasbø, CFO</p> <p>Yngve Myhre, CEO</p>

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Financials

Key figures

(NOK million)	Q1 08	Q2 08	Q3 08	Q4 08	Q1 09	YTD 08	YTD 09	2008
Operating revenues	791	711	586	630	639	791	639	2719
EBITDA	73	61	(13)	23	54	73	54	144
<i>EBITDA margin (%)</i>	9.2	8.6	(2.2)	3.7	8.5	9.2	8.5	5.3
EBIT	48	43	(45)	(22)	25	48	25	24
Profit before tax	23	13	(78)	(83)	3	23	3	(126)
Profit after tax	17	9	(56)	(49)	2	17	2	(79)
Earnings per share	0.35	0.19	(1.16)	(1.00)	0.05	0.35	0.05	(1.62)
Total assets	3 346	3 365	3 400	3 302	3 293	3 346	3 293	3 302
Equity	1 063	1 047	998	826	869	1 063	869	826
Equity ratio (%)	31.8	31.1	29.3	25.0	26.4	31.8	26.4	25.0
Net interest bearing debt	1 262	1 350	1 432	1 512	1 455	1 262	1 455	1 512

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Financials

Cash Flow

(NOK million)	Q1 08	Q2 08	Q3 08	Q4 08	Q1 09	YTD 08	YTD 09	2008
Profit before tax	23	13	(78)	(83)	3	23	3	(126)
Sales losses/gains	-	-	-	-	-	-	-	-
Depreciation and amortisation	25	26	26	40	29	25	29	116
Changes in other net operating assets	(223)	(58)	15	30	46	(223)	46	(236)
Cash flow from operating activities	(176)	(19)	(38)	(13)	78	(176)	78	(245)
Cash flow from investing activities	13	(76)	(15)	(51)	(18)	13	(18)	(130)
Cash flow from financing activities	25	89	68	51	(56)	25	(56)	233
Total cash flow reporting period	(138)	(6)	15	(13)	4	(138)	4	(142)
Cash and cash equivalent at the beginning of period	189	51	45	60	48	189	48	189
Cash and cash equivalent at end of period	51	45	60	48	52	51	52	48
Not utilized credit facilities	70	38	5	-	15	70	15	-
Cash and cash equivalent at end of period, incl. credit facilities	121	83	65	48	67*	121	67	48

*Aker Seafoods has unused long term credit facilities from the banks of MNOK 79, and unused short term credit facilities from Aker ASA of MNOK 75

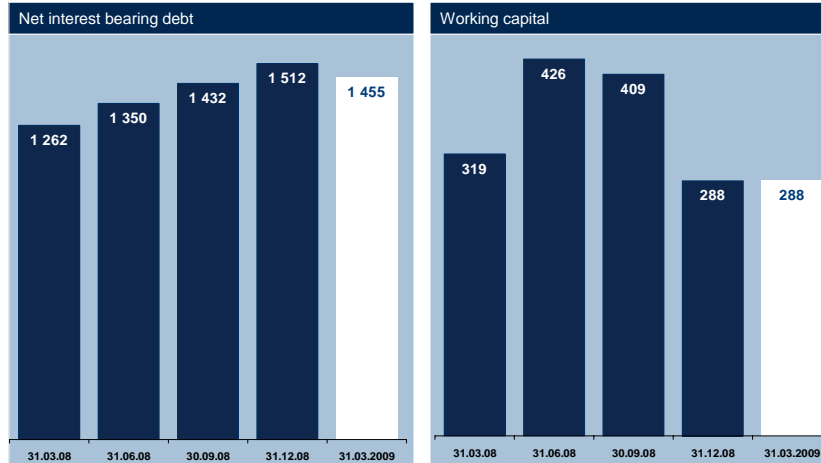
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Financials

Debt and Working capital



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AKS strategy 2009-2011

Financial update



- **Financial challenges**
 - Short term solution solved through a short term credit facility from Aker ASA
 - Short term credit facility of 75 MNOK granted in Q1
 - Not utilized
 - Current net debt to Aker is 38 MNOK
 - Working with long term solution
 - Loans from Aker has kept business in Aker Seafoods running
 - Main shareholder willing to contribute in an equity issue
 - Subjected restructuring of the company's debt
- **Financial covenants: EK > 25%**
 - EK = 26,4%

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Agenda

Topic	Speaker
<ul style="list-style-type: none"> Operational Update <ul style="list-style-type: none"> Group Harvesting Processing Norway and Denmark Processing France 	Yngve Myhre, CEO
<ul style="list-style-type: none"> Financials <ul style="list-style-type: none"> Income Statement Cash Flow Balance Sheets 	Gunnar Aasbø, CFO
<ul style="list-style-type: none"> Strategic Considerations and Outlook 	Yngve Myhre, CEO
<ul style="list-style-type: none"> Q&A session 	

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Strategic considerations and outlook

Reduced prices increase French cod consumption



- Fresh cod fillet prices in France also decreased
 - January'09: Consumer prices decreased by 7%
 - Sales increased by 36%
 - Highest sale increase registered in France in 5 years
- Salmon prices increased and fresh salmon became more expensive than fresh cod
- French supermarkets are heavily promoting fresh cod and a continued increase in sale is expected

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Strategic considerations and outlook

Focus on utilizing existing raw material in secondary production



- Aim to further improve product mix from primary processing in order to be able to increase secondary fresh production
- Focus on fresh production with improved quality
- Investments in primary processing plants
 - utilize raw material in secondary processing
 - Denmark, frozen and fresh secondary production
 - France fresh secondary production

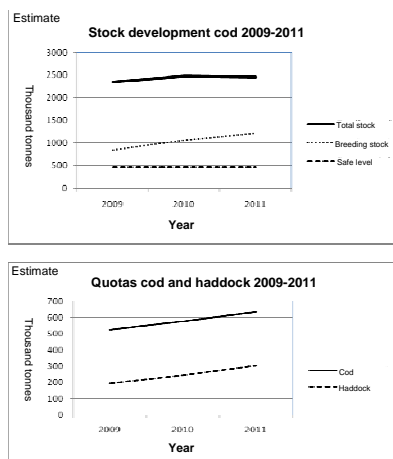
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Strategic considerations and outlook

Cod and haddock stock in good conditions



Source: Institute of Marine Research (Havforskningsinstituttet)

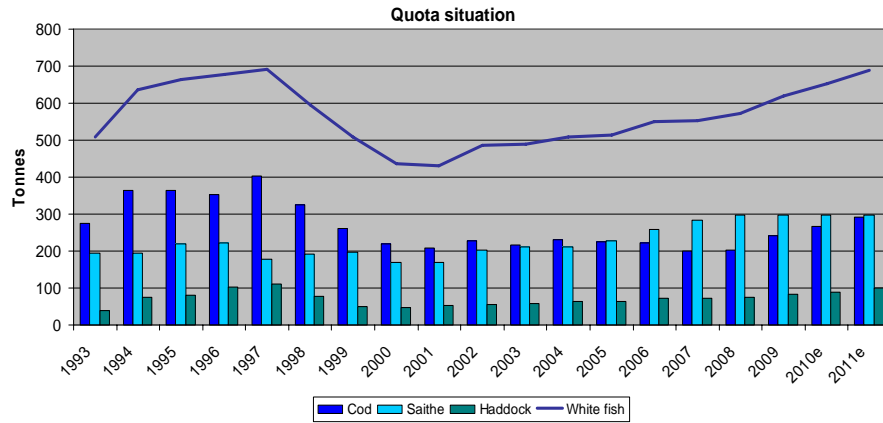
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- The North East Arctic cod and haddock biomass is larger than any other Atlantic cod stock
- Warm sea temperatures
 - Increased growth
 - Migration further north
- High probability for MSC certified cod and haddock fisheries in the Barents sea

Strategic considerations and outlook

Development of white fish harvesting in Norway



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Strategic considerations and outlook

Illegal harvesting



Bestikker militæret for å få lov til å tyvfiske

Russiske fiskebåtsredere bestikker militæret med 20.000 dollar per 100 tonn fisk de får lov til å transportere illegalt via militære områder.

Kilde: FiskeribladetFiskaren 17.04.2009

- Illegal, unreported and unregulated (IUU) harvesting has been reduced, but is still an issue
 - Long-term cooperation between Norway and Russia resulted in higher quotas for 2009
 - Still need for focus on IUU

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Strategic considerations and outlook

Environmental branding



- MSC certification of saithe in 2008 gave improved product mix and increased price
- MSC certification for cod and haddock expected to be approved in the second half of 2009
 - High focus among consumers on environmental friendly harvesting
 - ICA environmental campaign in Sweden increased sales by approx 50% in January 09
 - AKS has clear indications of increased sales to retail chains
- Environmental branding expected to give positive effects on sales of cod and haddock

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Outlook and concluding remarks

- Seafood products and market
 - Increased quotas in 2009, and positive outlook for 2010 and further
 - Increase quotas give more efficient fisheries
 - Increased share of quotas remains for the rest of 2009
 - Potential for good availability for raw material in Q2-Q4
 - Low raw material prices expected to remain
 - Decreased prices and reduced margins in harvesting
 - Improved margins in processing expected
- Reduced cost
 - Increased catch rate and efficiency in harvesting
 - Low fuel costs expected to remain for 2009
 - Reduced fixed costs and increased productivity in primary processing Norway according to strategy plan (3-5% EBITDA margin effect in 2009-2010)
- Unstable price situation due to challenging economic situation
 - Lower prices increase demand
 - Campaigns in large retailers
 - Environmental branding expected to give positive effects on sales of cod and haddock
 - Uncertain price development going forward
 - Further price decrease will affect value of inventory

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Enclosures



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Financials

Income statement

NOK million	Q1 08	Q2 08	Q3 08	Q4 08	Q1 09	YTD 08	YTD 09	2008
Operating revenues	791	711	586	630	639	791	639	2 719
Operating expenses	(719)	(650)	(599)	(607)	(585)	(719)	(585)	(2 574)
EBITDA	73	61	(13)	23	54	73	54	144
Depreciation	(25)	(26)	(26)	(32)	(29)	(25)	(29)	(108)
Non-recurring items	0	7	(6)*	(14)	0	0	0	(13)
Operating profit	48	43	(45)	(22)	25	48	25	24
Net financial items	(25)	(29)	(34)	(61)	(22)	(25)	(22)	(150)
Profit before tax	23	13	(78)	(83)	3	23	3	(126)
Tax on ordinary profit	(6)	(4)	22	35	(1)	(6)	(1)	47
Net ordinary profit	17	9	(56)	(49)	2	17	2	(79)
Minority interest	0	9	3	(11)	0	0	0	1
Majority interest	17	0	(60)	(37)	2	17	2	(80)
Earnings per share	0.35	0.19	(1.16)	(1.00)	0.05	0.35	0.05	(1.62)

* NRIs in 3Q 2008 consists of losses related to the bankruptcy of Arctic Stockfish
Aker Seafoods France included in the group accounts from 2008

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Financials

Balance sheet - Assets

NOK million	31.03.08	30.06.08	30.09.08	31.12.08	31.03.09
Intangible assets	1 340	1 345	1 344	1 333	1 311
Tangible fixed assets	970	949	974	1 064	1 040
Total intangible/tangible fixed assets	2 310	2 294	2 318	2 397	2 352
Financial interest-bearing fixed assets	102	104	100	23	21
Financial interest-free fixed assets	19	11	13	14	15
Shares and other equity investments	43	42	40	17	20
Total financial fixed assets	164	156	153	54	55
Total fixed assets	2 474	2 450	2 471	2 451	2 407
Biological assets				83	73
Inventory	392	406	403	327	393
Interest-free short-term receivables	428	456	457	388	361
Interest-bearing short-term receivables	-	8	9	6	6
Liquid assets	51	45	60	48	52
Total current assets	872	915	929	851	886
Total assets	3 346	3 365	3 400	3 302	3 293

* Aker Seafoods has unused long term credit facilities of MNOK 109.

Aker Seafoods France included in the group accounts from 2008
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Financials

Balance sheet - Equity and liabilities

NOK million	31.03.08	30.06.08	30.09.08	31.12.08	31.03.09
Total shareholders' equity	959	934	876	809	852
Minority interests	105	113	122	17	18
Total shareholders' equity and minority interests	1 063	1 047	998	826	869
Provisions and other interest-free long-term liabilities	365	376	350	378	350
Interest-bearing long-term debt	1 325	1 343	1 404	1 310	1 294
Total long-term liabilities	1 691	1 719	1 754	1 688	1 643
Interest-free short-term debt	501	435	451	510	540
Interest-bearing short term debt	91	163	197	279	240
Total short-term liabilities	592	599	648	789	780
Total shareholders' equity and liabilities	3 346	3 365	3 400	3 302	3 293

Aker Seafoods France is included in the group accounts from 2008

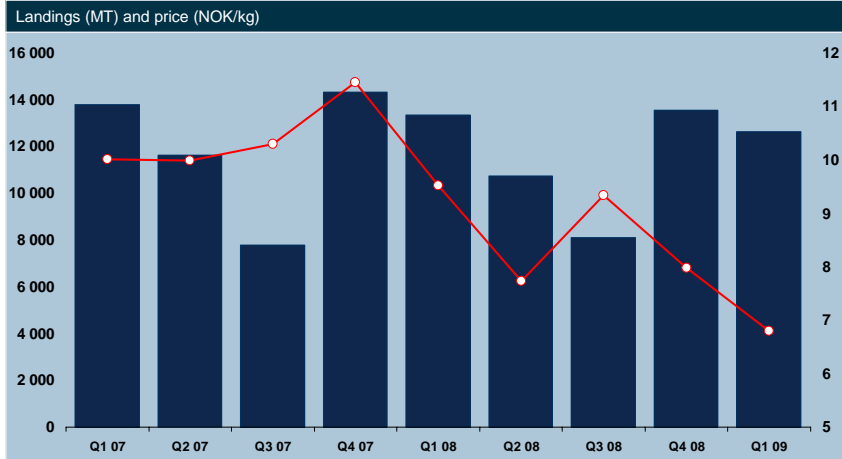
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Harvesting Landings and price - Haddock



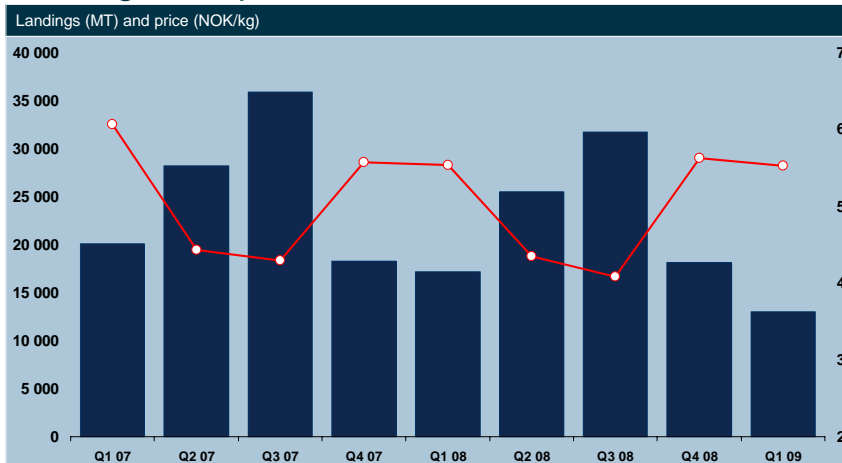
Source: Råfisklaget

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Harvesting Landings and price - Saithe



Source: Råfisklaget

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