

Morpol ASA

FIRST QUARTER 2011 REPORT



Highlights for the quarter

- Negative impact from increasing raw material prices
- Lower demand year on year due to timing of Easter
- Further price increases to customers
- Solid results from farming division in UK
- Newly acquired Jøkelfjord performing well

HIGHLIGHTS

Key figures

<i>EUR thousands</i>	Q1 2011	Q1 2010	FY 2010
Revenues	127 094.2	90 240.2	430 013.7
EBITDA	9 847.7	6 714.8	23 465.5
EBITDA%	7.7 %	7.4 %	5.5 %
EBIT pre fair value	6 214.5	5 215.1	15 402.7
EBIT%	4.9 %	5.8 %	3.6 %
EBIT pre fair value and transaction costs	7 254.7	5 215.1	18 402.2
Total assets	659 091.3	219 829.5	597 492.7
Equity	265 803.6	70 914.6	257 774.5
Equity ratio	40.3 %	32.3 %	43.1 %
Net interest bearing debt	(199 100.4)	(72 225.0)	(148 661.0)
Processing			
EBIT	292.6	5 215.1	11 722.3
Volume sold, excluding contract processing (net tonnes thousands)	15 724	16 221	64 316
Increase in volume year on year	(3.1 %)		29.1 %
Farming			
EBIT pre fair value	8 108.1	-	8 186.8
Volumes sold (thousands, gwe)	5 089	-	7 741
EBIT per kg	1.6	-	1.1

FINANCIAL REVIEW

Revenues

Morpol's operating revenues in the first quarter were significantly above prior year at EUR 127.1 million (EUR 90.2 million). The revenue increase was mainly due to farming revenues which were not included prior year. Further, increased prices within the processing operations have more than offset lower volumes. Overall sales volumes excluding contract processing in the quarter were down by 3.1 per cent compared to last year, but price increases to customers have been executed various times in the last year, consequently raising the average unit selling price.

EBIT

EBIT for the quarter increased from prior year's quarter to EUR 6.2 million (EUR 5.2 million). One off exceptional costs related to acquisitions totalling EUR 1.0 million were included in the results, meaning the operational EBIT was EUR 7.3 million in the first quarter.

Salmon raw material prices remained at a high level in the quarter, impacting processing margins negatively. Purchase prices of salmon from Norway increased from the fourth quarter to the first quarter by approximately EUR 0.25/ kg purchased.

On the opposite side, the farming segment benefited from the higher commodity prices of gutted salmon and returned high EBIT margins in the first quarter. Morpol did not own any farming assets in the corresponding quarter prior year.

Financing

There was a net financial expense in the quarter of EUR 3.5 million compared to an income of EUR 0.1 million prior year. These figures include currency gains and losses.

The group had net interest bearing debt (NIBD) of EUR 199.1 million, an increase of EUR 50.4 million from year end 2010. The increased debt position is mainly explained by the acquisition of Jøkelvfjord Laks AS in the quarter.

A bond with a three year tenure was issued in January 2011 raising approximately EUR 64 million.

Net result

The group had a net profit for continuing operations of EUR 12.2 million (EUR 3.6 million) in the first quarter. Included in the net result is tax income resulting from recognising deferred tax asset on tax losses carried forward in Marine Farms AS.

Exchange rates impacts against last year

Morpol's main currency exposures are to EUR, PLN, GBP and NOK. The majority of the sales and purchases of the processing segment are made in EUR and GBP to mitigate foreign exchange exposure. Major costs such as administration and overhead costs as well as labour cost (salaries and other) are mainly Polish Zloty (PLN), GBP and NOK denominated. Exchange rate impacts on the results are minimal when compared to prior year.

Acquisitions

Jøkelvfjord Laks AS, a Norwegian salmon farming company based in Troms, was acquired in the quarter and the company's results are included in the consolidated result for the first quarter. Please refer to note 2 for more details.

Through its UK subsidiary Lakeland Smolt, Morpol has invested in land and a building in Rosyth, near Edinburgh. The acquisition cost was EUR 4.2 million. The facility is purchased with the intention to establish a large scale value added processing plant which will be used to further increase the market strength of Morpol in the UK and other markets.

Discontinued operations

The assets held for sale returned a net operating result of EUR 2.1 million. The operations of Culmarex in Spain, sea bass and sea bream, were break even at EUR 0.1 million in EBIT pre fair value in the first quarter. The cobia businesses in Vietnam and Belize reported a total operating loss of EUR 0.4 million. The board has announced that the assets of Culmarex are in a divestment process.

OPERATIONAL REVIEW

Processing

Record high raw material prices continue

Revenues in processing were EUR 103.5 million compared to EUR 90.2 million prior year. Higher unit sales prices to customers more than offset a reduction in sales volume year on year. EBIT for processing in the first quarter 2011 was EUR 0.3 million (EUR 5.2 million). The impact of raw material purchase prices which were over EUR 1/kg higher in 2011 than prior year was only partially offset by increased sales prices to Morpol customers. This was the main factor in the reduced profitability in the processing division.

Raw material prices of salmon were the highest ever recorded during a first quarter. Average export prices from Norway rose from approximately NOK 38/kg to approximately NOK 40/kg from the fourth to the first quarter. The global supply of salmon has been impacted by the decline in Chilean salmon production due to disease. Though Norway, the leading producer, has had growth in volumes in 2010 and into 2011, this has not offset the reduction from Chile on a global basis.

The prevailing record high price of gutted salmon exported from Norway has impacted negatively on processing margins for Morpol during 2010 and in this quarter. Prices to Morpol's customers have been raised various times since the start of 2010; however there is a time lag before the higher purchase prices are passed on.

Depending on the client and product mix, final product prices are agreed ad hoc or fixed for a longer period. Significant changes in raw material prices allow for adjustments in fixed contract prices. However, as was the case during the previous period, Morpol's final product prices during the first quarter were lagging behind the raw material prices due to the increase in commodity price from the previous quarter.

Sales volume decrease in quarter

Despite increasing retail prices for salmon products, Morpol experienced a strong sales growth during 2010 with strong increases in the main products sold. In the first quarter 2011, sales volumes decreased due to various factors, principally being the timing of Easter and a

general slowing in demand. Volume development was flat in January and February versus the previous year.

The Easter holiday - a period of strong demand for smoked salmon - occurred three weeks later in 2011 than prior year. This meant that the seasonally higher sales volumes period takes place in the second quarter rather than the first quarter as was the case in 2010.

In addition, Morpol has prioritised margin improvements above growth since the start of 2011, while the current high purchase prices of raw material prevail. Volume has been reduced to certain customers if the overall customer margin is considered too low. Due to a combination of the Easter impact and lower demand, cold smoked salmon sales and speciality salmon sales reduced by 5 per cent and 11 per cent respectively in the first quarter.

Other products and lower priced by products were flat in terms of growth in comparison with 2010 first quarter.

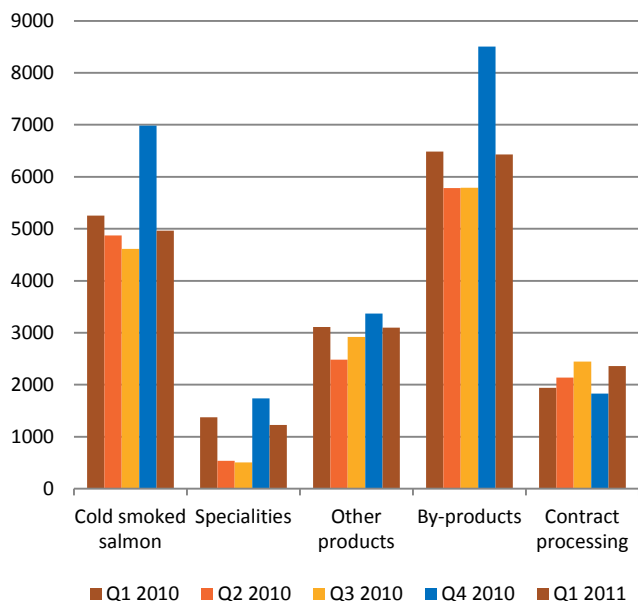
Overall, there was a 3 per cent reduction in the sales volumes year on year, excluding the contract processing volumes. Sales volumes for the first quarter 2011 and for the year 2010 compared to prior year were as follows:

Volume growth

Sales - Tonnes	Q1 2011	Q1 2010	% Var	FY 2010	FY 2009	% Var
Cold smoked salmon	4 966	5 253	(5%)	21 725	20 288	7 %
Specialities	1 227	1 374	(11%)	4 157	4 173	0 %
Other products	3 099	3 110	(0%)	11 879	8 277	44 %
By-products	6 433	6 484	(1%)	26 555	17 062	56 %
Sales excl. contract processing	15 724	16 221	(3 %)	64 316	49 800	29 %
Contract processing	2 361	1 940	22 %	8 356	6 996	19 %
TOTAL SALES	18 085	18 160	0 %	72 673	56 796	28 %

Despite the decline in the quarter, Morpol believes the company has built a strong platform to return to higher operational margins when there is a better balance between supply and demand on the raw material side. The strong growth throughout 2010 despite the demanding market means that Morpol has taken market share in key markets such as France. The company now has a strong base to further expand, but will only do so if it can be achieved with strong margin potential.

The evolution of volumes of products over the last years is illustrated as follows:



Farming

Following the acquisition of Jøkelfjord Laks AS in January 2011, Morpol has farming assets in both the UK and Norway. Consolidated financial statements for the combined operations in the UK and Norway will be reported with the farming segment data; however sales volumes and EBIT per country will be reported as well.

Revenues in farming in the first quarter were EUR 31.6 million. Of these revenues, EUR 8.0 million were transferred internally to the Morpol processing division for further processing and sales. Morpol did not have any farming operations in the first quarter prior year. EBIT pre fair value for farming in the first quarter was EUR 8.1 million.

The farming operations in the UK – Meridian Salmon Group - generated an EBIT pre fair value of EUR 4.4 million. Sales volumes in the quarter were 3 064 metric tonnes gutted fish equivalent returning an EBIT/kg of EUR 1.4. The key data for the farming operations in Norway – Jøkelfjord Laks - were EBIT of EUR 3.8 million, 2 025 metric tonnes and EBIT/kg of EUR 1.9.

	UK	Norway
Volume (thousands, gwe)	3 064	2 025
EBIT pre fair value	4 350.6	3 757.5
EBIT per kg	1.4	1.9

As the farming operations has been acquired in third quarter 2010 and first quarter 2011, there are no comparative figures reported, but please refer to proforma figures at the end of this report for some comparison data. Sales prices in the first quarter increased from the fourth quarter levels though volumes in the first quarter were seasonally low as normal. Contract prices, originally set in early 2010, were renegotiated at higher levels in early 2011 for the UK operations. All the production of Jøkelfjord in Norway is being sent to Poland for further processing and internal use.

While Jøkelfjord performed according to plan, Meridian Salmon encountered some problems with an increased percentage of downgraded products in its organic production, resulting in lower sales unit price realised during January in particular. The conventional Atlantic stocks performed as planned.

The salmon operations in the UK were renamed Meridian Salmon Group in February 2011 and a full integration will take place during 2011 encompassing the activities of Lakeland Group and Northern Isles Salmon as well as Westray and Rysa, the four operations acquired by Morpol in 2010. A key focus will be on realising hard synergies in farming and also on the interface between the farming and processing divisions.

An increasing percentage of the UK production is being sent to Morpol’s processing plants in Poland and the UK. The company expects to increase the internal utilisation with an aim to increase returns on low and large size fish as well as upgrading profit margins on downgraded salmon that would otherwise be sold at lower prices than superior product.

Operational Costs

The cost of sales increased in the quarter to EUR 106.3 million (EUR 77.7 million) in part due to the higher cost of raw material purchased but mainly due to the inclusion of farming operations in 2011 costs. All cost categories increased year on year due to the inclusion of farming. Distribution costs in the quarter were EUR 7.8 million (EUR 4.8 million) with farming accounting for over EUR 1.6 million of the variance. Sales, general and administration costs also were also higher in the first quarter than prior year at EUR 6.6 million (EUR 2.9 million). The majority of the administration cost increase is due to the acquisitions made during the second half of 2010.

FINANCIAL SITUATION

The group's net interest bearing debt (NIBD) increased in the first quarter mainly due to the acquisition of Jøkelfjord Laks AS. At the end of the quarter NIBD was EUR 199.1 million compared to EUR 72.2 million in the corresponding period prior year.

The equity ratio was 40.3 percent at quarter end compared to 32.3 percent prior year. Total assets of the group were EUR 659.1 million compared to EUR 219.8 million prior year first quarter. The increased asset base is mainly due to the inclusion of the salmon farming companies acquired during third quarter 2010 and in

first quarter 2011, and to the growth in the processing in Poland.

The group signed a EUR 250 million 5-year debt facility in December 2010 and the facility has been used to consolidate and refinance existing loans in early 2011. In addition, a bond with a three year tenure was issued in January 2011 raising approximately EUR 64 million. The group is adequately funded to maintain capital investment programmes and to fund strategic growth options.

<i>EUR thousands</i>	31.03.2011	31.03.2010	31.12.2010
Borrowings long term	(263 208.0)	(57 928.6)	(160 370.0)
Borrowings current	(5 447.4)	(32 949.8)	(43 747.9)
Cash and cash equivalents	69 554.9	18 653.4	55 456.9
Net interest bearing debt	(199 100.4)	(72 225.0)	(148 661.0)

CASH FLOW

The consolidated cash flow from operating activities for the first quarter was an inflow of EUR 27.7 million (inflow of EUR 9.7 million). The positive cash flow in the quarter is mainly due to received cash from trade receivables after the peak season in fourth quarter, a reduction in inventory levels, partly offset by a lower payables balance. The movement in working capital follows the normal seasonal pattern for Morpol, where the highest sales period is the fourth quarter in both the processing and farming segments, bringing a reduction in stocks, sales and purchases by the first quarter end.

Investments in intangibles and property, plant and equipment for the quarter amounted to EUR 10.8 million (EUR 5.5 million). Acquisition of subsidiaries amounts to EUR 64.4 million (EUR 0 million) in the quarter following the acquisition of Jøkelfjord Laks. Total cash outflow from investing activities was EUR 75.3 million (EUR 5.7 million).

Cash flow from financing activities year to date was positive at EUR 63.4 million (outflow EUR 8.2 million), mainly due to issuance of a NOK 500 million unsecured bond issue in the Norwegian bond market.

MARKET OVERVIEW

Given the phasing of Easter in 2011 versus 2010 (in second quarter 2011 versus first quarter 2010) comparative market data for the first quarter is not indicative of sales trends. A more reliable indication of market development will not be available until the end of first half year 2011. The commentary on markets are therefore limited this quarter.

Consumption of Morpol's products reduced during the first quarter. This was primarily due to seasonally higher sales in first quarter last year due to Easter shifting from first quarter in 2010 to second quarter in 2011. Additionally, there is also strong evidence to suggest sales growth of smoked salmon in all main markets has reduced in all main markets irrespective of the Easter effect; this is primarily due to higher prices at retail level.

France

First quarter 2011 versus 2010 sales of smoked salmon products in hypermarkets, supermarkets and hard discounters fell by 2.4 percent volume and increased 2.3 percent value.

Germany

Total sales of smoked and marinated salmon fell by approximately 3 percent by volume in first quarter 2011 versus the previous year. Sales during January and February were stable.

UK

Retail sales of smoked salmon, and marinated salmon show a volume decline of approximately 20.2 percent for the first quarter versus the previous year. Value fell by 10.2 percent in the same period.

Italy

Retail sales by volume of smoked and marinated salmon fell by 3.9 percent in first quarter versus the previous year. In value terms there was 1.2 percent growth. Although growth is slowing in Italy, discounters continued to gain market share during first quarter, growing 5.5 percent in volume and 10.1 percent value.

SUBSEQUENT EVENTS

For several years Morpol operated a toll processing arrangement for an industrial player in the Ustka facilities. This agreement has been terminated, effective from May 2011. The free capacity is required for Morpol's by-product upgrade programme, as well as for the production of newly developed value added products.

SHARE INFORMATION

Total number of shares outstanding at quarter end was 168.0 million shares and the total number of shareholders were 789. Morpol's share price was NOK 22.30 at 31 March 2011.

OUTLOOK

Processing

Raw material prices for salmon remained high in the first quarter. Though consumption has slowed since the second half 2010, global supply is still impacted by the disease crisis in Chile. The higher raw material prices will continue to impact Morpol processing margins and EBIT during 2011 if current raw material prices prevail. Though sales prices have been increased throughout 2010 and have increased further in early 2011, the increases will not fully offset the higher costs of fish purchased if raw material prices do not reduce from the first quarters levels. In April, the first month of the second quarter, raw material prices were still higher than the first quarter average.

Many industry analysts expect a reduction in global salmon prices during the second half of 2011 due to increased volumes produced by Chile once again. With the higher retail prices to consumers and higher supply, it is expected that commodity prices of gutted salmon from Norway and other producing countries will reduce, though a dramatic drop is not anticipated.

To partially hedge the impact of higher raw material prices of salmon, the group has entered into Fish Pool contracts of 4 800 tonnes through 2011. In addition, Morpol will source from its own salmon production, giving the group an improved overall position in 2011.

Farming

Profitability is expected to be good in both the Norwegian and UK farming operations during 2011 given continuing high salmon prices.

Mopol intends to grow the farming business in both Norway and Scotland over the coming years to take advantage of un-utilised licences and capacity. Focus in Scotland will be on extracting synergies from the merger and the integration of the companies acquired during the second half 2010.

The acquisition of Jøkelfjord gives an opportunity for the company to grow in the Troms area with the company

having access to 20 sites though currently utilising only 7 seawater licences.

A targeted volume of over 25 000 tonnes is the goal by 2013 in the UK. During 2011, the company expects to harvest approximately 21 200 metric tonnes in Scotland. The farming business will supply Mopol's processing operations with raw material, as well as being used as a platform to grow the company's market share in France, UK and US markets.

Forecast sales volumes – farming

Sales volumes (gwt)	Q1 2011 Actual	Q2 2011 Estimate	Q3 2011 Estimate	Q4 2011 Estimate	FY 2011 Estimate
Scotland	3 064	4 200	6 300	7 800	21 364
Norway	2 025	1 350	650	2 500	6 525
Total sales volumes	5 089	5 550	6 950	10 300	27 889

FINANCIAL STATEMENTS

Condensed consolidated interim statement of income

<i>EUR thousands</i>	Q1 2011	Q1 2010	FY 2010
<i>Continuing operations:</i>			
Revenue:	127 094.2	90 240.2	430 013.7
Sale of finished goods	122 231.9	81 177.5	411 121.7
Sale of services	2 538.4	1 782.0	7 978.2
Sale of merchandise and materials	2 323.9	7 280.7	10 913.8
Cost of sales	(106 306.3)	(77 687.8)	(368 395.7)
Finished goods sold	(102 596.6)	(70 563.3)	(352 102.7)
Services	(1 468.3)	(1 234.1)	(6 320.1)
Merchandise and materials sold	(2 241.4)	(5 890.4)	(9 972.9)
Gross profit/(loss)	20 787.9	12 552.4	61 618.0
Distribution costs	(7 785.7)	(4 782.9)	(28 200.0)
Sales, general and administrative expenses	(6 556.9)	(2 923.3)	(17 174.1)
Other income	861.6	441.5	4 592.8
Other expenses	(52.2)	(72.6)	(2 434.5)
Transaction costs	(1 040.2)	-	(2 999.5)
EBIT pre fair value	6 214.5	5 215.1	15 402.7
Unrealised fair value adjustments	391.3	-	(4 245.2)
EBIT	6 605.8	5 215.1	11 157.6
Finance income	6 329.3	6 370.9	8 176.5
Finance costs	(9 838.8)	(6 304.3)	(5 570.9)
Profit/(loss) before tax	3 096.3	5 281.6	13 763.1
Income tax expense	9 142.2	(1 667.3)	486.0
Net profit/(loss) continuing operations	12 238.5	3 614.3	14 249.1
Net income/(loss) discontinued operations	793.1	-	(2 454.0)
Net profit/(loss)	13 031.7	3 614.3	11 795.1
Net profit/(loss) for the period attributable to:			
- Owners of the parent	12 943.9	3 609.4	11 350.6
- Non-controlling interests	87.9	4.9	444.5
Earnings per share (EUR)			
Basic and diluted EPS continuing operations	0.07	0.04	0.11
Basic and diluted EPS discontinued operations	0.00	-	(0.02)
Basic and diluted EPS total operations	0.08	0.04	0.09
<i>The costs are presented "by function" and include depreciation and amortisation with the following amounts</i>			
Depreciation and amortisation	(3 633.2)	(1 499.7)	(8 062.7)
EBITDA	9 847.7	6 714.8	23 465.5

The group's key earnings measure is EBIT pre fair value as this reflects earnings on sales during the period.

Condensed consolidated interim statement of comprehensive income

<i>EUR thousands</i>	Q1 2011	Q1 2010	FY 2010
Net profit/(loss)	13 031.7	3 614.3	11 795.1
<i>Other comprehensive income</i>			
Exchange differences on translation of foreign operations	(5 002.6)	4 347.0	(5 471.7)
Total comprehensive income	8 029.0	7 961.3	6 323.4
Total comprehensive income attributable to:			
- Owners of the parent	7 941.6	7 959.8	5 930.3
- Non-controlling interests	87.4	1.4	393.0

Condensed consolidated interim statement of financial position

<i>EUR thousands</i>	Q1 2011	Q1 2010	FY 2010
ASSETS			
Deferred tax asset	21 209.7	2 987.1	10 162.9
Intangible assets	165 306.7	260.0	113 295.7
Property, plant & equipment	111 824.0	62 748.3	100 182.2
Other non-current assets	12 127.0	3 840.4	16 018.3
Total non-current assets	310 467.4	69 835.7	239 659.1
Inventories	33 395.8	26 052.8	43 512.0
Biological inventory at cost	51 888.0	-	40 631.7
Biological inventory fair value adjustment	10 575.7	-	6 340.0
Trade and other receivables	107 243.8	97 959.8	136 949.8
Other current assets	10 812.1	7 060.3	9 256.8
Cash and cash equivalents	69 554.9	18 653.4	55 456.9
Total current assets continuing operations	283 470.4	149 726.3	292 147.2
Assets and disposal group classified as held for sale	65 153.5	267.5	65 686.4
Total current assets	348 623.9	149 993.8	357 833.6
Total assets	659 091.3	219 829.5	597 492.7
EQUITY AND LIABILITIES			
Share capital	2 144.9	8 456.4	2 150.5
Share premium and other paid-in capital	249 439.2	-	250 093.3
Retained earnings	9 911.1	62 440.4	1 309.9
Non-controlling interests	4 308.4	17.9	4 220.8
Total equity	265 803.6	70 914.6	257 774.5
Deferred tax liabilities	35 473.7	1 586.7	20 353.4
Other long-term liabilities	7 581.6	9 437.8	8 079.8
Long-term interest bearing debt	263 208.0	57 928.6	160 370.0
Non-current liabilities	306 263.3	68 953.1	188 803.2
Trade and other payables	45 394.1	37 357.0	72 181.3
Current tax liabilities	6 416.7	2 959.0	3 384.0
Borrowings and other interest-bearing short-term debt	5 447.4	32 949.8	43 747.9
Other short-term liabilities	12 556.3	6 696.0	12 765.6
Total current liabilities continuing operations	69 814.5	79 961.8	132 078.7
Liabilities included in disposal group held for sale	17 210.0	-	18 836.3
Current liabilities	87 024.5	79 961.8	150 915.0
Total liabilities	393 287.8	148 914.9	339 718.2
Total equity and liabilities	659 091.3	219 829.5	597 492.7

Condensed consolidated interim statement of changes in equity

EUR thousands	Equity attributable to owners of the parent					Total	Non-controlling interests	Total equity
	Share capital	Share premium	Other paid-in capital	Retained earnings	Foreign currency translation reserve			
Balance 01.01.2010	7 925.7	-	-	54 894.4	124.8	62 944.9	8.5	62 953.4
Total comprehensive income Q1	530.7	-	-	3 614.3	3 806.9	7 951.9	9.4	7 961.3
Balance at 31.03.2010	8 456.4	-	-	58 508.7	3 931.7	70 896.8	17.9	70 914.6
Total comprehensive income Q2-Q4	(490.2)	4 477.8	16.7	7 736.3	(13 848.0)	(2 107.3)	469.4	(1 637.9)
Issue of share capital	2 110.0	244 579.7	1 019.5	-	-	247 709.2	-	247 709.2
Share swap	(7 925.7)	-	-	(54 894.4)	(124.8)	(62 944.9)	-	(62 944.9)
Change in non-controlling	-	-	-	-	-	-	3 733.5	3 733.5
Transactions with owners	(5 815.7)	244 579.7	1 019.5	(54 894.4)	(124.8)	184 764.3	3 733.5	188 497.8
Balance at 31.12.2010	2 150.5	249 057.5	1 036.2	11 350.6	(10 041.1)	253 553.7	4 220.8	257 774.5
Total comprehensive income Q1	(5.6)	(651.8)	(2.7)	13 031.6	(4 430.0)	7 941.5	87.6	8 029.1
Balance at 31.03.2010	2 144.9	248 405.7	1 033.4	24 382.2	(14 471.1)	261 495.2	4 308.4	265 803.6

Condensed consolidated interim statement of cash flows

<i>EUR thousands</i>	Q1 2011	Q1 2010	FY 2010
Operating activities			
Profit/(loss) before tax	3 096.3	5 281.6	13 763.1
Adjustments:			
Depreciation and impairment of property, plant and equipment	3 574.7	1 475.7	7 893.2
Amortisation and impairment of intangible assets	58.5	24.1	169.6
Fair value adjustments on financial assets and liabilities	178.6	(3 429.1)	(5 356.8)
(Gain)/loss on disposal of non-financial assets	0.9	-	(21.1)
(Gain)/loss on disposal of non-derivative financial assets	(2.9)	1.2	(11.5)
Foreign exchange impact	558.3	(2 463.3)	103.1
Interest expenses	3 621.0	569.0	3 189.1
Interest and dividend income	(923.1)	(201.2)	(1 196.9)
Other	(827.7)	-	1 415.4
Total adjustments	6 238.4	(4 023.6)	6 184.1
Change in inventories	12 225.6	2 419.6	(10 373.4)
Change in trade and other receivables	24 174.0	17 620.6	(16 834.1)
Change in trade and other payables	(17 804.4)	(10 595.2)	8 121.3
Change in provisions, accruals and prepaid expenses	2 328.9	568.4	4 145.8
Net changes in working capital	20 924.1	10 013.4	(14 940.4)
Settlement of derivative financial instruments	(516.9)	2 025.6	4 475.2
Interest paid (operating activities only)	(10.0)	33.3	(39.5)
Income taxes paid	(2 046.0)	(3 611.1)	(10 373.1)
Cash flow from operating activities	27 685.9	9 719.2	(930.6)
Investing activities			
Purchase of intangible assets	(21.5)	(0.7)	(9 283.2)
Purchase of property, plant and equipment	(10 819.5)	(5 536.8)	(25 818.0)
Acquisition of subsidiaries, net of cash	(64 440.7)	-	(130 765.3)
Acquisition of other financial assets	-	(1 419.9)	(9 743.1)
Proceeds from disposals of property, plant and equipment	-	-	56.4
Proceeds from disposals of other financial assets	19.7	1 281.3	1 319.6
Cash flow from investing activities	(75 262.0)	(5 676.2)	(174 233.5)
Financing activities			
Net change in interest bearing debt	64 995.3	(7 741.3)	36 564.9
Interest paid	(1 603.6)	(471.9)	(3 191.6)
Proceeds from issue of share capital	0.0	-	177 301.6
Cash flow from financing activities	63 391.7	(8 213.1)	210 675.0
Net change in cash and cash equivalents	15 815.7	(4 170.1)	35 510.8
Cash and cash equivalent, beginning of period	55 456.9	21 239.1	21 239.1
Exchange differences on cash and cash equivalents	(1 717.6)	1 584.5	(1 293.1)
Cash and cash equivalent, end of period	69 554.9	18 653.4	55 456.9

Selected notes disclosure

1. Basis of preparation

1.1. Statement of compliance

The interim accounts are presented in accordance with IAS 34 Interim Financial Reporting. These condensed consolidated interim financial statements were approved by the Board on 18 May 2011.

The condensed consolidated interim financial statements are unaudited. The financial statements are presented in EUR, rounded to the nearest thousand, unless otherwise stated. As a result of rounding differences, numbers or percentages may not add up to the total.

The consolidated financial statements for the year ended 31 December 2010 are available upon request from the company's registered office at Tjuvholmen Allé 3, Oslo or at www.Mopol.com.

1.2. Accounting principles

The accounting policies applied in the interim financial statements are in all material respect consistent with those applied in the consolidated financial statements for the year ended 31 December 2010. New standards and interpretations are outlined in the annual accounts 2010, note 2.8. The effects from the revised standards and interpretations have not had any impacts on the group's consolidated interim financial statements.

2. Significant events and transactions in the quarter and after the reporting period

On 12 January 2011, Mopol ASA entered into an agreement to buy all shares in Jøkelfjord Laks AS. The transaction was completed on 7 February 2011. Total cash consideration was NOK 547.8 million, reflecting increased cash balances due to positive movements in the company's net working capital up until 7 February 2011.

On 17 January 2011, Mopol ASA completed the issuance of a NOK 500 million unsecured bond issue in the Norwegian bond market. The settlement date is 3 February 2011 and the maturity date is 3 February 2014. The bond issue was oversubscribed. An application will be made for the bonds to be listed on Oslo Stock Exchange.

On 9 March 2011, Mopol ASA, through its subsidiary Lakeland Smolt, invested in land and a building in Rosyth, near Edinburgh. The acquisition cost was EUR 4.2 million. The facility is purchased with the intention to establish a large scale value added processing plant which will be used to further increase the market strength of Mopol in the UK and other markets.

For several years Mopol operated a toll processing arrangement for an industrial player in the Ustka facilities. This agreement has been terminated, effective from May 2011.

Assets acquired and liabilities assumed at the date of acquisition and goodwill arising on the acquisition

<i>EUR thousands</i>	Jøkelfjord Laks
ASSETS	
Intangible assets	33 612.8
Property, plant & equipment	7 061.6
Other non-current assets	6.0
Total non-current assets	40 680.4
Inventory	19 064.7
Trade and other receivables	5 289.2
Cash and cash equivalents	5 564.2
Total current assets	29 918.1
Total assets	70 598.5
LIABILITIES	
Deferred tax liabilities	14 386.6
Other long-term liabilities	25.6
Long-term interest bearing debt	886.3
Non-current liabilities	15 298.4
Current liabilities	6 100.7
Total liabilities	21 399.2
Fair value of identifiable net assets acquired	49 199.4
Consideration	70 118.4
Fair value of identifiable net assets acquired	(49 199.4)
Goodwill arising on acquisition	20 919.0

The opening balance and the purchase price allocation is provisional. The values may be reassessed based on improved knowledge of operations in subsequent periods, but no later than 12 months from date of acquisition.

Goodwill arose on the acquisition following consideration paid included amounts in relation to benefit expected synergies, revenue growth, future market development and the assembled work force. These benefits are not recognised separately from goodwill as they do not meet the recognition criteria for identifiable intangible assets.

The operating results and assets and liabilities of the company has been brought to account from 1 January 2011. In the quarter, Jøkelfjord Laks had revenue of EUR 9.8 million, EBIT pre fair value of EUR 3.8 million and net profit of EUR 0.4 million.

Acquisition related expenses of EUR 1.0 million have been expensed in the quarter.

Proforma numbers

Below are listed the proforma numbers for the group as the acquisitions of Northern Isles Salmon and Marine Farms' salmon operations acquired in third quarter 2010 and the acquisition of Jøkelfjord Laks in first quarter 2011 were effective as from 1 January 2010.

The proforma numbers represent an approximate measure of the performance of the combined group to

provide a reference point for comparison in future periods. In preparation of the proforma numbers, intercompany sales have been eliminated. Borrowing costs have not been adjusted following the acquisitions mainly being financed by issued share capital. The proforma numbers only include continuing operations.

EUR thousands	Actual	Proforma	Proforma
	Q1 2011	Q1 2010	FY 10
<i>Continuing operations:</i>			
Operating revenue	127 094.2	115 087.0	531 283.5
Cost of sales	(106 306.3)	(94 083.7)	(432 076.2)
Gross profit (loss)	20 787.9	21 003.3	99 207.4
Distribution costs	(7 785.7)	(5 857.1)	(31 552.1)
Administrative expenses	(6 556.9)	(4 706.5)	(22 341.6)
Other income	861.6	442.5	4 599.6
Other expenses	(52.2)	(667.4)	(3 989.2)
Transaction costs	(1 040.2)	-	(2 999.5)
EBIT pre fair value	6 214.5	10 214.7	42 924.6
Unrealised FV adjustments	391.3	2 042.6	5 147.9
EBIT	6 605.8	12 257.3	48 072.5
Profit/(loss) before tax	3 096.3	11 235.1	46 322.4
Income tax expense	9 142.2	(3 376.9)	(8 099.4)
Net profit/(loss) continuing operations	12 238.5	7 858.2	38 223.0
Depreciation/amortisation	(3 633.2)	(2 766.5)	(12 163.9)
EBITDA	9 847.7	12 981.1	55 088.5

3. Earnings per share

The basic earnings per share is calculated according to the net profit attributable to the shareholder of the parent company divided by the average weighted number of ordinary shares in the relevant period. Morpol currently has no share-based compensation that results in a dilutive effect on earnings per share.

Total operations	Q1 2011	Q1 2010	FY 2010
Profit attributable to equity holders of the company (EUR million)	12 943.9	3 609.4	11 350.6
Weighted average number of shares (basic and diluted)	168 009 099	100 000 000	127 835 097
Basic and diluted EPS (EUR)	0.08	0.04	0.09
Continuing operations	Q1 2011	Q1 2010	FY 2010
Profit attributable to equity holders of the company (EUR million)	12 176.7	3 609.4	13 830.9
Weighted average number of shares (basic and diluted)	168 009 099	100 000 000	127 835 097
Basic and diluted EPS (EUR)	0.07	0.04	0.11
Discontinued operations	Q1 2011	Q1 2010	FY 2010
Profit attributable to equity holders of the company (EUR million)	767.1	-	(2 480.3)
Weighted average number of shares (basic and diluted)	168 009 099	-	127 835 097
Basic and diluted EPS (EUR)	0.00	-	(0.02)

4. Seasonality of business activity

The main business activities of the group are fish processing, sales and salmon farming. The group generates higher revenues and profits in second half of the year. The main factor influencing the seasonal patterns throughout the year is the weighting of sales volumes according to market demands and biological cycle. The main period of sales of smoked salmon is the

period leading up to and at the Christmas holiday season in December and also the Easter period, which falls in a week period in either the month of March or April. Additionally, the salmon production cycle normally follows a pattern where more fish are harvested in the second half of a calendar year than the first half.

5. Operating segments

Morpol has two segments; fish farming and fish processing. Fish processing includes processing and preserving of fish and other fishery products and distribution and sale of those. The main product is smoked salmon, but other products are having an increased importance to the group's profitability. Fish farming involves the breeding and on-growing of salmon, as well as slaughtering, processing, sale and

distribution of salmon. The group discloses segment information in accordance with IFRS 8.

5. Operating segments (cont.)

EUR thousands	Processing		Fish farming		Group activities		Eliminations		Consolidated	
	Q1 11	Q1 10	Q1 11	Q1 10	Q1 11	Q1 10	Q1 11	Q1 10	Q1 11	Q1 10
<i>Continuing operations:</i>										
External sales	103 427.5	90 240.2	23 666.7	-	-	-	-	-	127 094.2	90 240.2
Internal sales	34.0	-	7 960.3	-	-	-	(7 994.3)	-	(0.0)	-
Operating revenue	103 461.5	90 240.2	31 627.0	-	-	-	(7 994.3)	-	127 094.2	90 240.2
Cost of sales	(93 970.1)	(77 687.8)	(20 330.5)	-	-	-	7 994.3	-	(106 306.3)	(77 687.8)
Gross profit (loss)	9 491.4	12 552.4	11 296.5	-	-	-	-	-	20 787.9	12 552.4
Distribution costs	(6 164.1)	(4 782.9)	(1 621.5)	-	-	-	-	-	(7 785.7)	(4 782.9)
SGA expenses	(3 819.0)	(2 923.3)	(1 591.9)	-	(1 146.0)	-	-	-	(6 556.9)	(2 923.3)
Other income	836.5	441.5	25.1	-	-	-	-	-	861.6	441.5
Other expenses	(52.2)	(72.6)	-	-	-	-	-	-	(52.2)	(72.6)
Transaction costs	-	-	-	-	(1 040.2)	-	-	-	(1 040.2)	-
EBIT pre fair value	292.6	5 215.1	8 108.1	-	(2 186.2)	-	-	-	6 214.5	5 215.1
Unrealised FV adj.	-	-	391.3	-	-	-	-	-	391.3	-
EBIT	292.6	5 215.1	8 499.4	-	(2 186.2)	-	-	-	6 605.8	5 215.1
Profit/(loss) before tax	(965.7)	5 281.6	7 065.6	-	(3 003.6)	-	-	-	3 096.3	5 281.6
Income tax expense	493.2	(1 667.3)	8 649.0	-	-	-	-	-	9 142.2	(1 667.3)
Net profit/(loss) cont.op.	(472.5)	3 614.3	15 714.6	-	(3 003.6)	-	-	-	12 238.5	3 614.3
Net profit/(loss) disc.op.	-	-	793.1	-	-	-	-	-	793.1	-
Net profit/(loss)	(472.5)	3 614.3	16 507.7	-	(3 003.6)	-	-	-	13 031.6	3 614.3
Depreciation/amortis.	(2 054.9)	(1 499.7)	(1 578.0)	-	(0.2)	-	-	-	(3 633.2)	(1 499.7)
EBITDA	2 347.5	6 714.8	9 686.1	-	(2 185.9)	-	-	-	9 847.7	6 714.8
Non-current assets	99 623.4	69 835.7	208 460.4	-	258 760.7	-	(256 377.1)	-	310 467.4	69 835.7
Total assets	265 909.7	219 829.5	381 181.0	-	276 593.2	-	(264 592.6)	-	659 091.3	219 829.5
Total liabilities	189 408.0	148 914.9	203 000.0	-	265 472.4	-	(264 592.6)	-	393 287.8	148 914.9

5. Operating segments (cont.)

<i>EUR thousands</i>	Processing FY 10	Fish farming Group activities FY 10	Eliminations FY 10	Consolidated FY 10
<i>Continuing operations:</i>				
External sales	399 300.2	30 713.5	-	430 013.7
Internal sales	-	6 833.6	10.3	-
Operating revenue	399 300.2	37 547.1	10.3	430 013.7
Cost of sales	(349 119.3)	(26 110.0)	-	(368 395.7)
Gross profit (loss)	50 180.9	11 437.1	10.3	61 618.0
Distribution costs	(25 752.3)	(2 447.7)	-	(28 200.0)
SGA expenses	(13 507.6)	(2 159.6)	(1 517.2)	(17 174.1)
Other income	3 094.2	1 498.6	-	4 592.8
Other expenses	(2 292.9)	(141.6)	-	(2 434.5)
Transaction costs	-	-	(2 999.5)	(2 999.5)
EBIT pre fair value	11 722.3	8 186.8	(4 506.3)	15 402.7
Unrealised FV adj.	-	(4 245.2)	-	(4 245.2)
EBIT	11 722.3	3 941.6	(4 506.3)	11 157.6
Profit/(loss) before tax	13 224.8	3 547.6	(3 009.3)	13 763.1
Income tax expense	(2 719.2)	3 177.6	27.6	486.0
Net profit/(loss) cont.op.	10 505.6	6 725.2	(2 981.7)	14 249.1
Net profit/(loss) disc.op.	-	(2 454.0)	-	(2 454.0)
Net profit/(loss)	10 505.6	4 271.2	(2 981.7)	11 795.1
Depreciation/amort.	(6 495.6)	(1 566.7)	(0.4)	(8 062.7)
EBITDA	18 218.0	9 753.5	(4 506.0)	23 465.5
Non-current assets	98 414.5	135 010.8	87 580.2	239 659.1
Total assets	287 151.5	275 033.0	119 463.0	597 492.7
Total liabilities	209 816.8	182 144.2	31 912.0	339 718.2

6. Discontinued operations

The operations in seabass/seabream through Culmarex and emerging operations in cobia farming acquired with Marine Farms are classified as held for sale as from 30 September 2010 and depreciation ceased from the same date. The results in the discontinued businesses

are reported separately under the heading Discontinued operations in the group's income statement as from 1 October 2010. Cash flows from discontinued operations are presented separately.

Summary of financial data for discontinued operations

<i>EUR thousands</i>	Q1 2011	Q1 2010	FY 2010
Revenue	9 708.0	-	12 614.8
Cost of sales	(7 997.5)	-	(11 319.4)
Gross profit/(loss)	1 710.5	-	1 295.4
Distribution costs	(1 482.0)	-	(3 887.5)
Administrative expenses	(554.0)	-	(404.4)
Other income	38.0	-	1 951.4
Other expenses	(22.0)	-	-
EBIT pre fair value	(309.5)	-	(1 045.0)
Fair value adjustment on biomass	2 451.0	-	(900.8)
Operating profit/(loss)	2 141.5	-	(1 945.8)
Profit/(loss) before tax	852.5	-	(2 385.8)
Income tax expense	(59.4)	-	(68.2)
Profit/(loss) for the period from discontinued operations	793.1	-	(2 454.0)
Net income/loss discontinued operations attributable to:			
Owners of the parent	767.1	-	(2 480.3)
Non-controlling interests	26.0	-	26.3

<i>EUR thousands</i>	Q1 2011	Q1 2010	FY 2010
Cash flow from operating activities	(727.0)	-	2 488.9
Cash flow from investing activities	(605.0)	-	(688.4)
Cash flow from financing activities	496.0	-	1 029.4
Total cashflow discontinued operation	(836.0)	-	2 829.9

7. Biological inventory

<i>Tonnes</i>	31.03.2011	31.03.2010
Smolts, fry and brood stock	2 489.3	-
Non harvestable fish	11 123.7	-
Harvestable fish	13 407.5	-
Total biomass	27 020.5	-

Biological assets comprise juveniles, smolt and fish in the sea. Salmon is normally considered harvestable at 4 kg, but classification in the table above reflects fish > 1 kg as harvestable and subject to fair value estimation in accordance with IAS 41.

8. Financial items

<i>Finance income</i>	Q1 2011	Q1 2010
Interest income	941.3	201.2
Net profit on financial assets and liabilities at fair value	2 979.9	3 019.8
Foreign exchange gain	2 408.1	3 139.1
Other financial income	-	10.8
Total finance income	6 329.3	6 370.9
<i>Finance costs</i>	Q1 2011	Q1 2010
Interest expense	(3 622.1)	(569.0)
Net loss on financial assets and liabilities at fair value	(3 755.1)	(980.2)
Foreign exchange loss	(2 382.4)	(4 753.2)
Other financial expense	(79.2)	(2.0)
Total finance cost	(9 838.8)	(6 304.3)
Net finance	(3 509.5)	66.6

9. Transactions with related parties

Mopol S.A. has over the last financial years entered into several agreements with related parties. The agreements relate to inter alia loan agreements, guarantee agreements and purchase agreements. All transactions are entered into in the ordinary course of business

of the group and the agreements pertaining to the transactions are all entered into on market terms.

Details of significant transactions and outstanding balances with related parties are disclosed below.

EUR thousands		Transaction value		Outstanding amount	
		Q1 2011	Q1 2010	31 March 2011	31 March 2010
MK Ustka	Loan	-	-	5 600.0	20 000.0
Euro-Industry	Loan	86.4	-	8 305.6	-
Euro-Industry	Loan received	-	-	-	(1 579.4)
MKJ	Loan	-	639.2	-	795.2
Jantar Ltd.	Loan	5.5	-	329.5	-
Epigon	Loan	5.2	-	309.2	-
Euro-Industry	Purchase of machinery and construction work	(4 207.9)	-	(45.4)	-
Euro-Industry	Rent etc.	681.7	10.2	674.1	567.0
Epigon	Sales of finished goods	2 962.3	2 561.8	1 776.9	2 189.7
MK Delikatesy	Sales of finished goods	1 262.4	28.5	1 468.4	852.0
Other	Sale	208.0	10.1	282.4	40.4
Other	Purchase	(110.1)	(621.9)	(378.0)	(731.6)
Other	Net interest	-	39.9	190.3	636.3
Net outstanding				18 512.9	22 769.7

Outstanding loan with the Euro-Industry Group is related to the sale of Laschinger GmbH in 2008.

10. Foreign currency rates versus EUR

Currency	31.03.2011	31.12.10	30.09.10	30.06.10	31.03.10	31.12.09	30.09.09	30.06.09	31.03.09
PLN	0.25	0.25	0.25	0.24	0.26	0.24	0.24	0.22	0.21
GBP	1.13	1.16	1.16	1.22	1.12	1.12	1.10	1.17	1.07
NOK	0.13	0.13	0.13	0.13	0.12	0.12	0.12	0.11	0.11

11. Largest shareholders 31 March 2011

Shareholder	Country	Number of shares held	Ownership
FRIENDMALL LTD	Cyprus	78 531 705	46.7%
SKAGEN VEKST	Norway	8 623 320	5.1%
ODIN NORGE	Norway	4 859 518	2.9%
JPMORGAN CHASE BANK	United Kingdom	4 223 100	2.5%
MKS SP. Z.O.O.	Poland	4 056 140	2.4%
CITIBANK N.A. (LONDON BRANCH)	United Kingdom	3 488 700	2.1%
BNP PARIBAS SECS SERVICES PARIS	France	3 468 776	2.1%
KVERVA AS	Norway	3 429 100	2.0%
CACEIS BANK	France	3 410 000	2.0%
VERDIPAPIRFONDET HANDELSBANKEN	Norway	3 384 592	2.0%
BAZMONTA HOLDINGS LIMITED	Cyprus	3 000 000	1.8%
JPMORGAN CHASE BANK N.A.	United Kingdom	2 310 000	1.4%
ODIN NORDEN	Norway	2 300 600	1.4%
BREMESCO HOLDINGS LIMITED	Cyprus	2 022 155	1.2%
DNB NOR SMB	Norway	1 486 234	0.9%
CREDIT SUISSE SECURITIES	United Kingdom	1 354 163	0.8%
SKANDINAVISKA ENSKILDA BANKEN	Sweden	1 354 000	0.8%
JPMORGAN CHASE BANK	United Kingdom	1 193 558	0.7%
VITAL FORSIKRING ASA	Norway	1 120 413	0.7%
KLP AKSJE NORGE VPF	Norway	1 112 440	0.7%
Total 20 largest shareholders		134 728 514	80.2%
Total other shareholders		33 280 585	19.8%
Total number of shares		168 009 099	100.0%

12. Quarterly historical information

Processing – actual numbers

EUR thousands	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010	Q4 2009	Q3 2009	Q2 2009
<i>Continuing operations:</i>								
Revenue	103 461.5	139 155.6	86 526.2	83 378.3	90 240.2	138 912.7	67 740.8	68 069.1
Cost of sales	(93 970.1)	(117 022.9)	(77 645.2)	(76 763.5)	(77 687.8)	(108 815.6)	(60 579.8)	(53 241.8)
Gross profit/(loss)	9 491.4	22 132.7	8 881.0	6 614.8	12 552.4	30 097.2	7 161.0	14 827.3
Distribution costs	(6 164.1)	(10 206.8)	(5 177.8)	(5 584.8)	(4 782.9)	(5 515.7)	(2 805.8)	(3 214.3)
Administrative expenses	(3 819.0)	(4 716.3)	(3 058.0)	(2 932.1)	(2 923.3)	(2 996.6)	(1 615.0)	(1 085.8)
Other income	836.5	1 090.5	1 103.6	458.5	441.5	992.5	164.2	864.6
Other expenses	(52.2)	(1 388.2)	(180.2)	(651.9)	(72.6)	(460.8)	(23.6)	(385.5)
EBIT	292.6	6 912.0	1 568.6	(2 095.5)	5 215.1	22 116.6	2 880.8	11 006.3
Profit/(loss) before tax	(965.7)	6 079.0	3 611.6	(1 846.0)	5 281.6	23 590.3	4 649.4	12 326.1
Income tax expense	493.2	(501.6)	(195.9)	(326.8)	(1 667.3)	(4 697.6)	(705.7)	(1 395.3)
Net profit/(loss)	(472.5)	5 577.4	3 415.7	(2 172.7)	3 614.3	18 892.7	3 943.7	10 930.8
<i>The costs are presented "by function" and include depreciation and amortisation with the following amounts</i>								
Depreciation and amortisation	(2 054.9)	(1 617.0)	(1 752.0)	(1 737.8)	(1 499.7)	(1 727.4)	(1 323.6)	(1 407.8)
EBITDA	2 347.5	8 529.0	3 320.6	(357.7)	6 714.8	23 844.0	4 204.4	12 414.1

EUR thousands	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010	Q4 2009	Q3 2009	Q2 2009
Cost of raw material (fish)	69 805.7	95 081.0	61 891.0	62 904.5	67 645.0	76 106.5	52 632.4	44 322.0
Other COGS	24 164.4	21 941.9	15 754.2	13 859.0	10 042.8	32 709.1	7 947.4	8 919.8
Total cost of sales	93 970.1	117 022.9	77 645.2	76 763.5	77 687.8	108 815.6	60 579.8	53 241.8

Sales - Thousand tonnes	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010	Q4 2009	Q3 2009	Q2 2009
Cold smoked salmon	4 966	6 984	4 613	4 875	5 253	6 631	4 678	4 698
Specialities	1 227	1 738	508	537	1 374	2 125	533	558
Other products	3 099	3 368	2 917	2 485	3 110	2 607	1 994	1 564
By-products	6 433	8 503	5 788	5 781	6 484	5 162	4 290	3 811
Sales excluding contract processing	15 724	20 593	13 826	13 677	16 221	16 524	11 494	10 632
Contract processing	2 361	1 830	2 447	2 140	1 940	2 334	1 730	1 529
Total sales volume	18 085	22 423	16 273	15 817	18 160	18 858	13 224	12 161

Specialities include grill salmon, organic salmon, wild salmon, mix, fillets and raw fish.
Other products include other fish and new frozen products.

Farming

The table below shows actual numbers for Q1 2011. 2010-numbers are proforma numbers consisting of all current farming operations. 2009 proforma numbers do not include numbers for Jøkelfjord Laks AS, farming operation acquired in 2011.

<i>EUR thousands</i>	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010	Q4 2009	Q3 2009	Q2 2009
<i>Continuing operations:</i>								
Revenue	31 627.0	40 688.3	34 577.7	39 143.8	24 846.8	24 596.8	22 161.7	21 329.2
Cost of sales	(20 330.5)	(26 318.8)	(24 698.6)	(22 816.9)	(16 395.9)	(18 542.7)	(17 947.5)	(14 997.0)
Gross profit/(loss)	11 296.5	14 369.5	9 879.2	16 326.9	8 450.9	6 054.0	4 214.2	6 332.1
EBIT pre fair value	8 108.1	11 441.5	6 655.7	12 611.9	4 999.6	2 126.1	1 803.1	3 339.5
Unrealised fair value adjustments	391.3	(1 611.4)	(858.3)	5 575.0	2 042.6	1 736.6	(3 281.6)	2 486.5
EBIT	8 499.4	9 830.1	5 797.3	18 186.9	7 042.2	3 862.7	(1 478.5)	5 826.0
Profit/(loss) before tax	7 065.6	9 544.4	4 577.6	18 039.6	6 622.8	3 693.7	(2 018.3)	5 996.1
Income tax expense	8 649.0	1 690.8	(2 142.1)	(3 246.9)	(1 709.6)	(484.6)	39.2	(1 052.6)
Net profit/(loss) cont. operations	15 714.6	11 235.2	2 435.5	14 792.7	4 913.3	3 209.2	(1 979.1)	4 943.5
Net income/(loss) disc. operations	793.1	(2 454.0)	(924.3)	(6 535.6)	(1 035.2)	(2 971.3)	205.1	(540.2)
Net profit/(loss)	16 507.7	8 781.1	1 511.3	8 257.1	3 878.0	237.9	(1 774.0)	4 403.3
<i>The costs are presented "by function" and include depreciation and amortisation with the following amounts</i>								
Depreciation and amortisation	(1 578.0)	(1 559.1)	(1 490.1)	(1 352.0)	(1 266.7)	(947.1)	(1 037.8)	(1 030.3)
EBITDA	9 686.1	13 000.6	8 145.7	13 963.9	6 266.3	3 073.2	2 840.9	4 369.8
Volumes (tonnes, gwe)	5 089	8 449	5 316	7 011	4 794	5 319	4 563	4 599
EBIT pre fair value per kg	1.6	1.4	1.3	1.8	1.0	0.4	0.4	0.7