

# Q2 2014

**BAKKAFROST GROUP**

Glyvrar 26 August 2014

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- **SUMMARY OF Q2 2014**

- **MARKETS AND SALES**
- **SEGMENT INFORMATION**
- **GROUP FINANCIALS**
- **OUTLOOK**

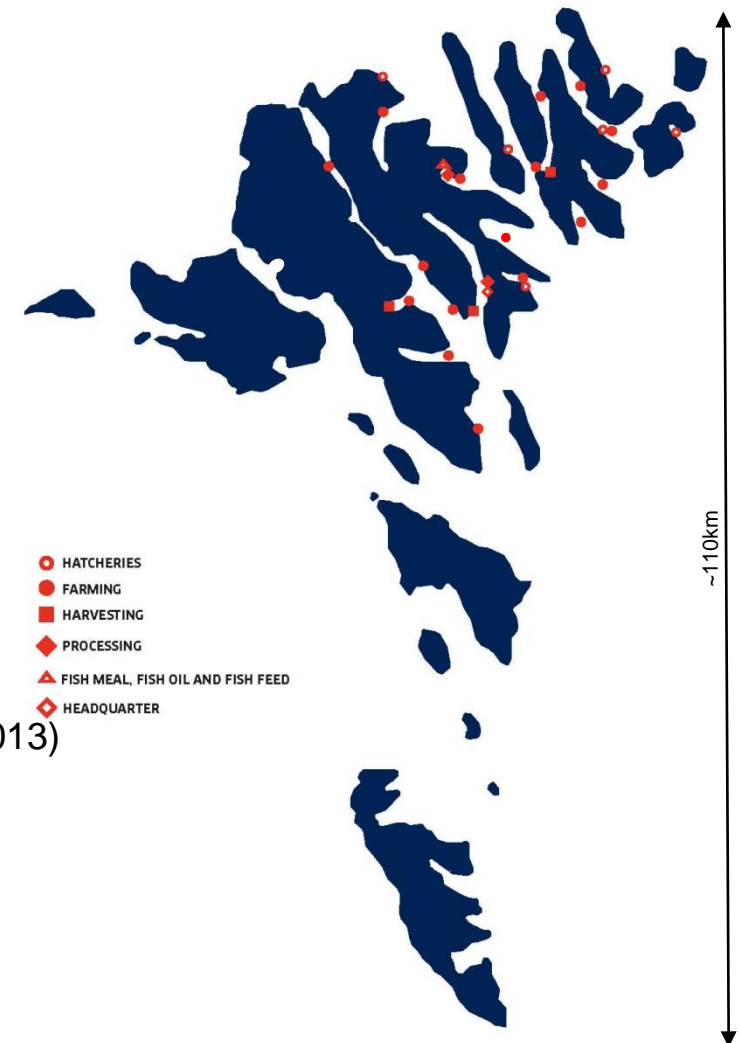


# BAKKAFROST

## – THE LARGEST FISH FARMING COMPANY IN THE FAROE ISLANDS



- **Largest salmon farming company in the Faroe Islands**
  - ~66% of harvest volumes in Q2 2014
  - 50% of farming licenses
- **Harvested** 11,212 tgv in Q2 2014 (10,540 tgv in Q2 2013)
- **Feed sale** of 18,827 tonnes in Q2 2014\* (18,196 tonnes in Q2 2013\*)
- **Revenues** of DKK 711 million in Q2 2014 (DKK 610 million in Q2 2013)
- **Operational EBIT** of DKK 212 million in Q2 2014 (DKK 169 million in Q2 2013)
- **Positive results** from all segments
- **Dividend** of DKK 4.50 per share (NOK 4.98) paid out in Q2 2014



\*) Including internal sale of 14,784 tonnes in Q2 2014 (14,412 tonnes in Q2 2013)

# SUMMARY OF THE QUARTER

## Strong result from VAP and fishmeal and oil

- Combination of contracts and spot sale busted earnings
- Farming/VAP division increased margin from 15.29 to 17.66 NOK/kg
- Result from production of fishmeal/oil increased significantly due to high raw material intake and favourable market price development
- Farming margins decreased due to lower spot prices
- VAP margins increased due to higher contract prices
- Group Operational EBIT increased by 25%

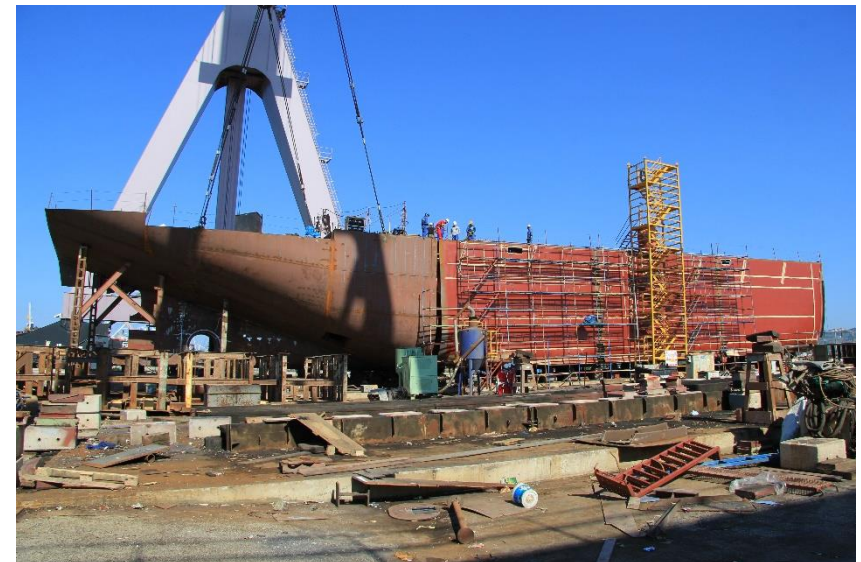
(DKK million)	Q2 2014	Q2 2013	H1 2014	H1 2013
Operating revenues	710.6	610.0	1,341.9	1,083.3
Operational EBITDA	235.5	190.7	443.5	316.6
<b>Operational EBIT</b>	<b>212.1</b>	<b>169.3</b>	<b>397.6</b>	<b>274.4</b>
<b>Profit for the period</b>	<b>126.2</b>	<b>184.2</b>	<b>213.4</b>	<b>251.7</b>
Operational EBITDA margin	33.1%	31.3%	33.1%	29.2%
Operational EBIT margin	29.8%	27.8%	29.9%	25.3%
Operational EBIT/Kg (Farming) (NOK)	15.65	19.34	18.75	17.27
Operational EBIT/Kg (Farming and VAP) (NOK)	17.66	15.29	19.35	13.81
Operational EBIT/Kg (VAP) (NOK)	3.79	-8.80	1.04	-7.17
EBITDA margin (Fishmeal, oil and feed)	20.33%	12.30%	17.27%	13.63%

## ■ Market

- Increased supply during the quarter and hence decreased spot prices
- Strong contract prices during the quarter for VAP products
- No slow down in demand due to high contract prices

## ■ Operation

- Harvested volumes higher in Q2 2014 compared to Q2 2013
- Transferred 1.9 million smolts in Q2 2014
- Biology good and stable



Bakkafrost's new wellboat "Hans á Bakka" under construction at Tersan shipyard, Istanbul  
To be delivered in May 2015  
Picture taken 13th August 2014



- SUMMARY OF Q2 2014

- **MARKETS AND SALES**

- SEGMENT INFORMATION

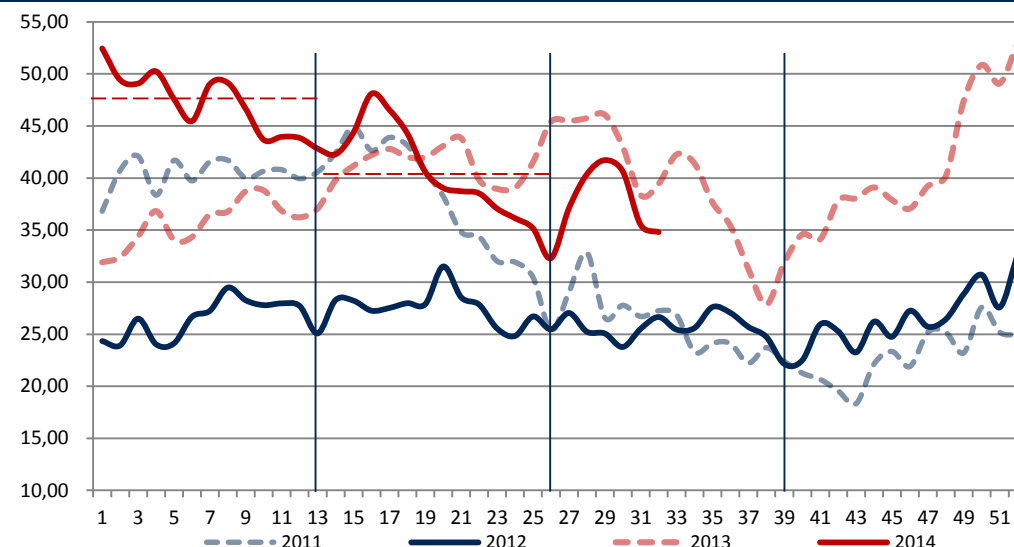
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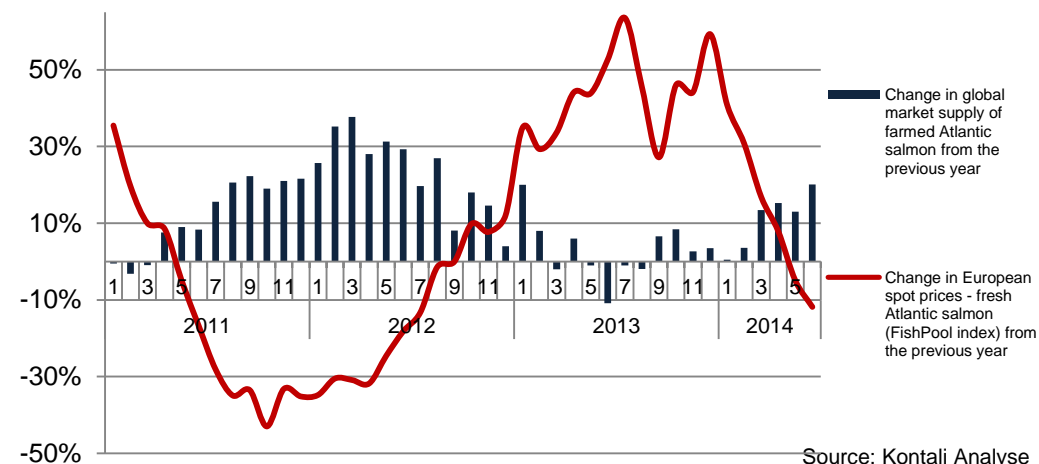


- The NASDAQ salmon price decreased ~3% compared with Q2 2013  
- from NOK 41.82 to 40.61 in Q2 2014
- The price decreased 6.56 NOK per kg from Q1 2014 to Q2 2014  
- from 47.18 to 40.62 NOK/kg
- The highest supply growth was in June with 17% supply growth compared with last year

## Spot prices on fresh salmon 4-5 [NOK/kg HOG]



## Change in global market supply and market price



Source: Kontali Analyse

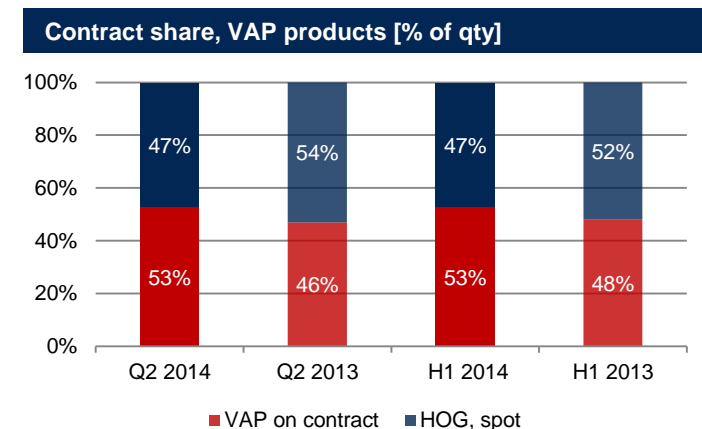


## EU market increased in Q2 2014

- VAP share increased in value compared with last year
- For fresh products overseas high-end markets continued to grow
- Eastern Europe still low in Q2 2014
- VAP/contract share 53% of total volume in Q2 2014 – due to seasonal low harvest in the quarter
- Estimate for the year 40-45% VAP of total harvest

Total sales of salmon by markets	Q2 2014	Q2 2013	H1 2014	H1 2013
EU	56%	51%	52%	52%
USA	20%	22%	22%	20%
Asia	19%	23%	20%	25%
Eastern Europe	5%	4%	6%	3%

Fresh salmon only by markets	Q2 2014	Q2 2013	H1 2014	H1 2013
EU	14%	25%	14%	27%
USA	42%	36%	43%	33%
Asia	38%	36%	37%	38%
Eastern Europe	6%	3%	6%	2%



# A MARKET IN BALANCE IN 2014, AND NO GROWTH EXPECTED IN 2015

- We expect a high global growth in Q3 2014, but lower growth for some time after Q3 2014
  - Norway is expected to increase volumes by 6% in 2014
  - Chile is expected to increase production by 15% in 2014
- Growth in supply of 6% has historically led to unchanged prices. Average NOS price in 2013 was NOK 39.07.
- Russian import ban and temporarily changed MAB in Norway may change growth estimates

## Global supply of Atlantic Salmon (head on gutted - HOG)

	2011	2012	2013	2014E	2015E
Norway	904	1.066	1.029	1.095	1.122
UK	139	143	142	148	148
Ireland	14	14	10	11	12
Faroes	51	64	66	72	70
<b>Total Europe</b>	<b>1.109</b>	<b>1.287</b>	<b>1.247</b>	<b>1.326</b>	<b>1.351</b>
Chile	196	318	418	481	457
Canada	108	123	104	102	116
USA	16	18	18	19	18
<b>Total Americas</b>	<b>320</b>	<b>459</b>	<b>539</b>	<b>602</b>	<b>591</b>
Other	38	44	48	53	59
<b>Total (Sold Quantity)</b>	<b>1.467</b>	<b>1.790</b>	<b>1.834</b>	<b>1.981</b>	<b>2.002</b>
<b>Supply growth - Global</b>		<b>22%</b>	<b>2%</b>	<b>8%</b>	<b>1%</b>
Supply growth - Europe		16%	-3%	6%	2%
Supply growth - Americas		43%	18%	12%	-2%

Source: Kontali

# DEMAND DEVELOPMENT SPLIT BY MARKETS

- The supply growth in Q2 2014 was 14% compared with Q2 2013
- The total volume was increased by 62,100 tonnes
- YTD 79,200 tonnes more salmon have been sold in the market
- Despite high average prices in H1 2014, some markets have had a remarkable growth rate between 20 and 40%
- The EU market increased with impressive 23,200 tonnes compared with last year

## Salmon markets, sold quantity (head on gutted - HOG)

Markets	Estimated volumes		Q2 comparison		Estimated volumes		YTD comparison	
	Q2 2014 E	Q2 2013	Volume	%	YTD 2014 E	YTD 2013	Volume	%
EU	215.400	192.200	23.200	↑ 12%	401.900	374.500	27.400	↑ 7%
USA	92.100	85.100	7.000	↑ 8%	178.900	168.700	10.200	↑ 6%
Russia	30.700	31.000	-300	↓ -1%	59.700	64.400	-4.700	↓ -7%
Japan	15.600	11.900	3.700	↑ 31%	27.900	22.500	5.400	↑ 24%
Greater China	26.200	15.600	10.600	↑ 68%	45.400	32.400	13.000	↑ 40%
ASEAN	13.700	15.000	-1.300	↓ -9%	30.500	28.900	1.600	↑ 6%
Latin America	36.800	29.000	7.800	↑ 27%	72.600	58.500	14.100	↑ 24%
Ukraine	3.600	5.700	-2.100	↓ -37%	7.600	12.300	-4.700	↓ -38%
Other markets	58.900	45.400	13.500	↑ 30%	108.400	91.500	16.900	↑ 18%
<b>Total all markets</b>	<b>493.000</b>	<b>430.900</b>	<b>62.100</b>	<b>↑ 14%</b>	<b>932.900</b>	<b>853.700</b>	<b>79.200</b>	<b>↑ 9%</b>

## Salmon markets, sold quantity (head on gutted - HOG)

	2011	2012	2013E	2014E	2015E
EU	704	826	814	865	878
USA	260	310	333	362	371
Japan	41	57	53	58	56
Russia	114	155	144	145	144
Others	348	443	489	550	552
<b>Total (Sold Quantity)</b>	<b>1.467</b>	<b>1.791</b>	<b>1.834</b>	<b>1.980</b>	<b>2.002</b>

Greater China = China / Hong Kong / Taiwan  
 ASEAN = Association of Southeast Asian Nations  
 Latin America (including both Mexico and Caribbean + domestic consumption in Chile)  
 All figures above are in tonnes hog, and are rounded to the nearest 100 tonnes.

Source: Kontali



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## Harvested volumes

- Harvested volumes increased by 6%
- 73% of the volumes from the North region, with large farming sites, and hence lower costs

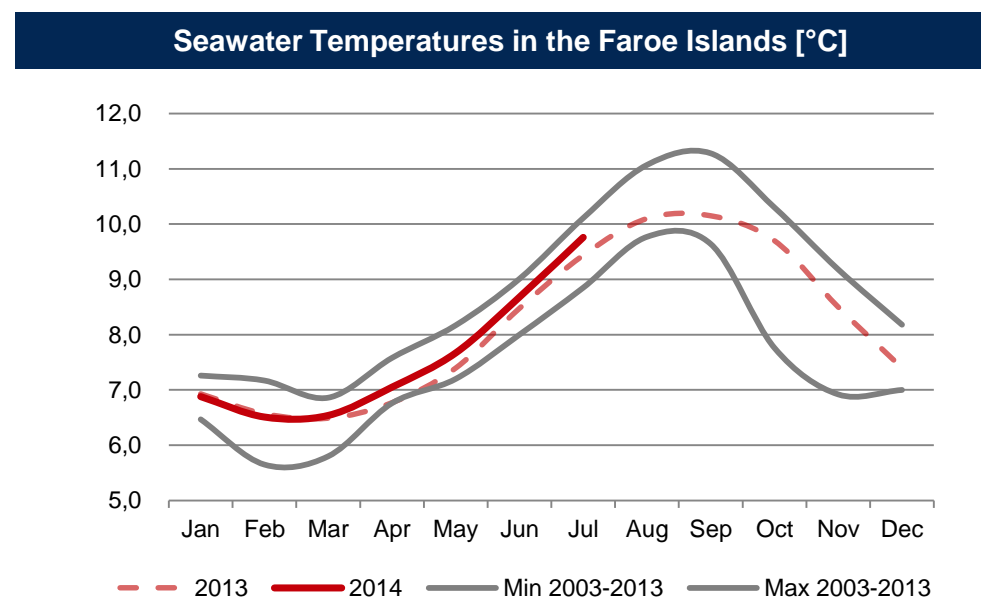
## Smolt transfer

- Smolt transfer 1.9 million pieces (Q2 2013 1.8) million
- Smolt release all months during the year due to favourable seawater temperatures

## Seawater temperature in the Faroe Islands

- In the same range as last year

Harvest Volume tonnes [HOG]	Q2 2014	Q2 2013	H1 2014	H1 2013
West	3,338	794	12,286	4,733
North	7,874	9,746	8,195	14,103
<b>Total</b>	<b>11,212</b>	<b>10,540</b>	<b>20,481</b>	<b>18,836</b>



### Revenues and margin

- Revenues decreased 1%, and volumes increased 6%
- Operational EBIT margin decreased from 38% to 31% in Q2 2014
- Good biological situation and satisfying costs on harvested fish

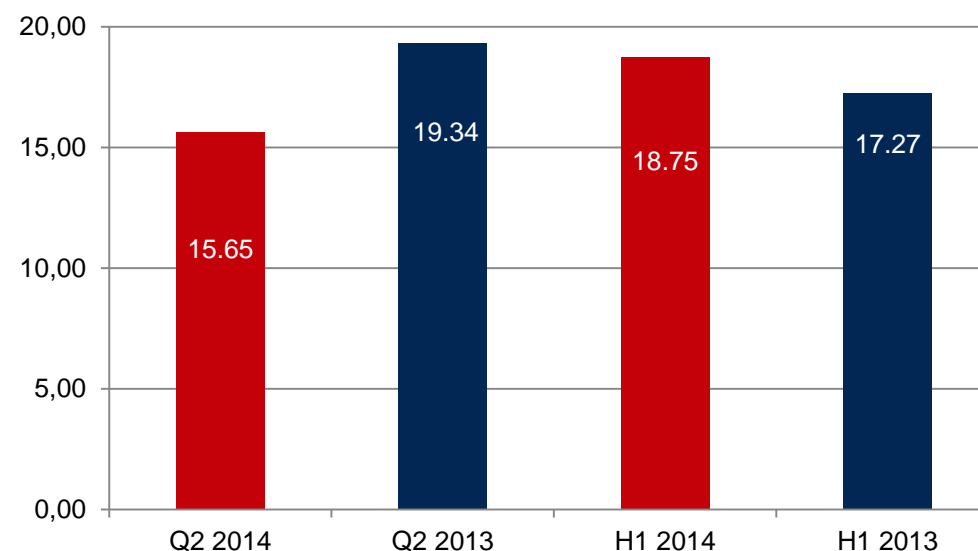
(DKK million)	Q2 2014	Q2 2013	H1 2014	H1 2013
Operating revenues	516	520	1,034	945
Operational EBIT	160	200	346	324
Operational EBIT margin	31%	38%	33%	34%



## Operation

- Lower EBIT/kg due increased supply of salmon during the quarter and hence lower spot prices
  - Harvested fish with good biological and financial performance
  - Biology stabile and unchanged
- 
- Front end loaded harvest in West at higher market prices
  - Backend loaded harvest in North at lower market prices, but at lower costs per kg than in West

**Margin - EBIT per kg total harvested quantity [NOK/kg]**



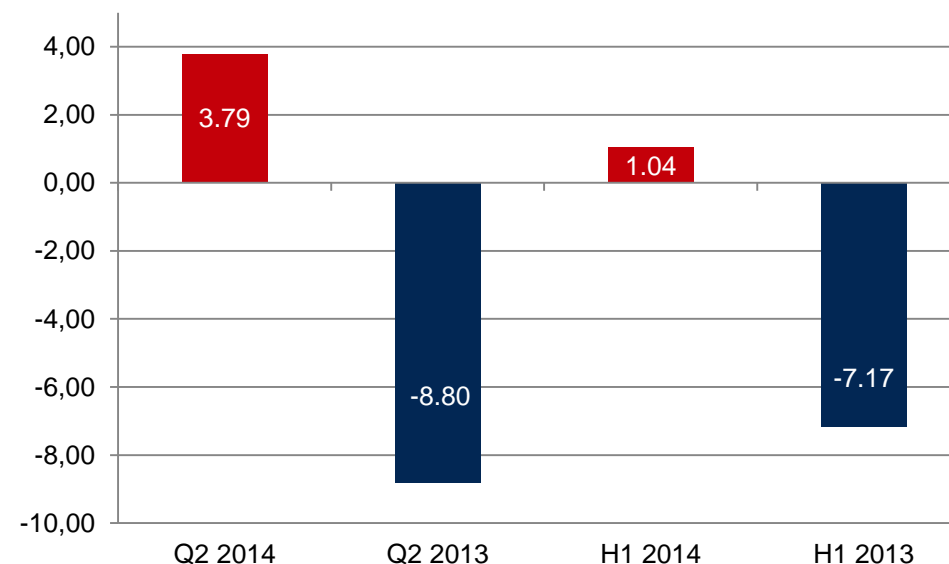
(NOK/kg)	Q2 2014		
Farming	Farming North	Farming West	Farming
Operational EBIT/kg gwt	15.39	16.27	15.65

### Revenues and margin

- Revenues increased 59%, while volume increased 22%
- Positive result in VAP due to high contracts prices and spot prices under pressure
- 40-45% of total harvested volumes in 2014 is expected to be sold as VAP on contracts

(DKK million)	Q2 2014	Q2 2013	H1 2014	H1 2013
Operating revenues	267	168	499	316
Operational EBIT	20	-42	11	-65
Operational EBIT margin	8%	-25%	2%	-21%
VAP produced volumes (tgw)	5,941	4,852	11,772	9,104

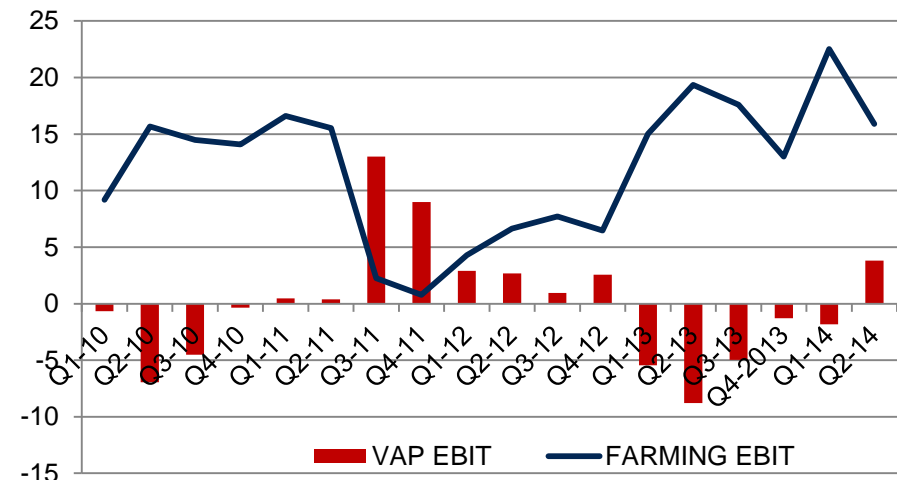
### Margin - EBIT per kg total harvested quantity [NOK/kg]



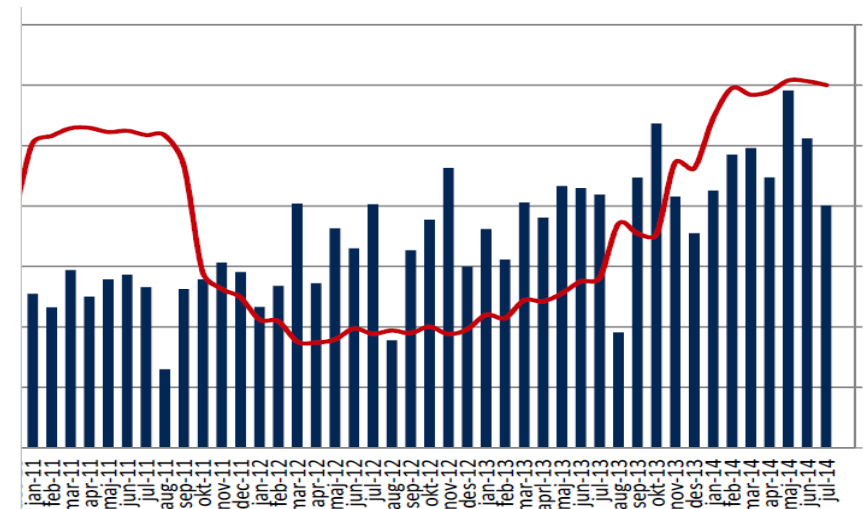
## Strategy

- Bakkafrøst's strategy is to sell 40-50% of our products as VAP products directly to end markets in Europe and US
- Contract period is normally between 6 and 12 months
- Losses during periods with high increase in spot prices, and gains during periods with drop in spot prices
- Contract prices on the highest level for 18 years
- ~85% of the VAP capacity for 2014 contracted

Margin - EBIT per kg total harvested quantity [NOK/kg]



VAP Products, sales prices and volumes





## SEGMENT FISHMEAL, OIL AND FEED (FOF)

- EBITDA margin increased from 12.3% to 20.3% due to higher production of fishmeal and fish oil in a market with favourable development
- Sale in 2014 in line with expectations

### Fishmeal, Oil and Feed

(DKK million)	Q2 2014	Q2 2013	H1 2014	H1 2013
Operating revenues	280	251	458	408
EBITDA	57	31	79	56
EBITDA Margin	20.3%	12.3%	17.3%	13.6%
Sale of feed (tonnes)*	18,827	18,196	32,783	33,102



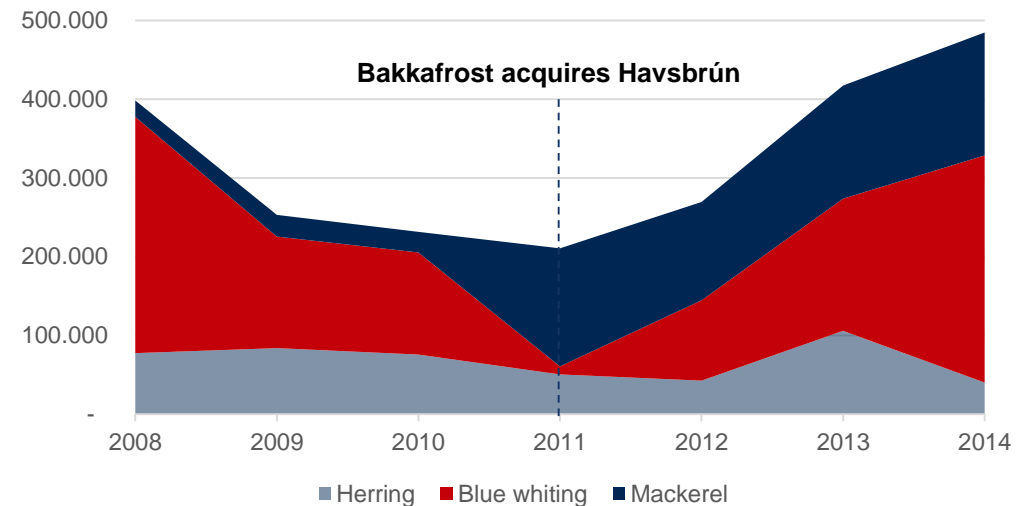
\* Including sale to Bakkafrost corresponding to ~79% of feed volumes in Q2 2014 (Q2 2013: 79%)

## SEGMENT FISHMEAL, OIL AND FEED (FOF)

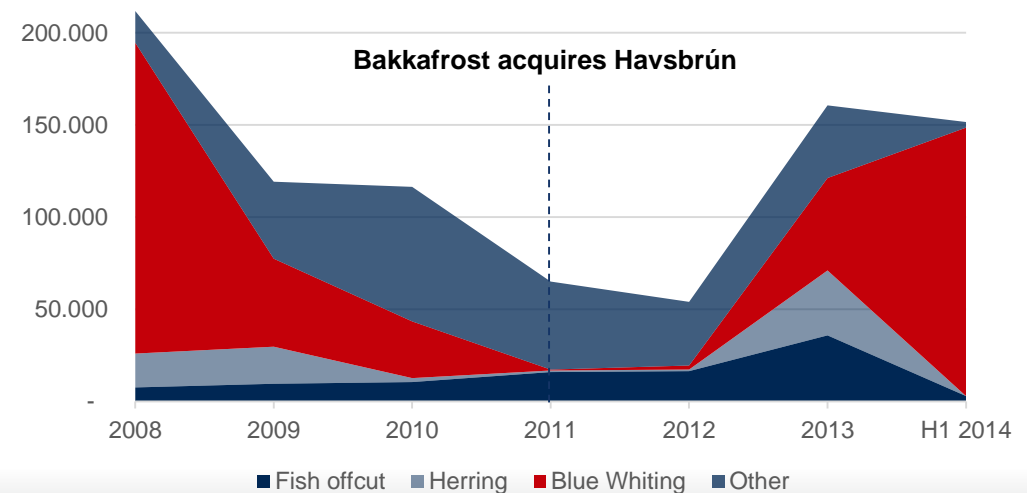
- Increased pelagic quotas since the acquisition of Havsbrún in 2011
- Increased quotas => improved access to raw material for the production of fishmeal and oil
- Havsbrún received 107,372 tonnes of raw material in Q2 and 151,531 tonnes in H1 2014
- Fishmeal and fish oil are very important ingredients in Havsbrún feed and Bakkafrost salmon
- Blue Whiting – an excellent raw-material for production of fishmeal and converted to high quality salmon
- Herring and Mackerel are preferred for human consumption, while off-cuts are perfect for production of fishmeal and oil
- Increasing processing capacity in the Faroe Islands including Pelagos\* could improve access to off-cuts

\* Bakkafrost own 30% in Pelagos, which commenced production in August 2014 next to Havsbrún

### Faroese pelagic quotas in the North Atlantic



### Havsbrún's raw material intake



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# GROUP PROFIT AND LOSS

- Revenue up 17% corresponding to DKK 101 million) due to:
  - Improved contract prices for Value Added Products and improved result in Havsbrún
  - Harvest volumes up 6%, but salmon spot prices on average lower than in Q2 2013
- Operating EBIT increased by 25% from DKK 169 million to DKK 212 million
- Decrease in fair value of biomass due to lower salmon prices
- No provision for onerous contracts
- Interests costs netted by currency gains
- Increased taxes (deferred and tax payables) due to increased farming tax)

(DKK million)	Q2 2014	Q2 2013	H1 2014	H1 2013
Operating revenues	711	610	1,342	1,083
<b>Operational EBITDA*</b>	<b>235</b>	<b>191</b>	<b>444</b>	<b>317</b>
<b>Operational EBIT*</b>	<b>212</b>	<b>169</b>	<b>398</b>	<b>274</b>
Fair value adjustment on biological assets	-10	39	-124	34
Onerous contracts	0	-3	71	-27
Income from associates	10	7	3	12
Loss from sale of subsidiary	0	0	0	0
<b>EBIT</b>	<b>212</b>	<b>212</b>	<b>348</b>	<b>293</b>
Net Financial items	0	15	-18	16
<b>EBT</b>	<b>212</b>	<b>227</b>	<b>330</b>	<b>309</b>
Taxes	-86	-42	-117	-58
<b>Profit for the period</b>	<b>126</b>	<b>184</b>	<b>213</b>	<b>252</b>
<b>Operational EBITDA margin</b>	<b>33.1%</b>	<b>31.3%</b>	<b>33.1%</b>	<b>29.3%</b>
<b>Operational EBIT margin</b>	<b>29.8%</b>	<b>27.7%</b>	<b>29.7%</b>	<b>25.3%</b>
<b>Operational EBIT/kg (Farming and VAP) (NOK)</b>	<b>17.66</b>	<b>15.29</b>	<b>19.35</b>	<b>13.81</b>
<b>EBITDA margin (fishmeal, oil and feed)</b>	<b>20.3%</b>	<b>12.3%</b>	<b>17.3%</b>	<b>13.6%</b>

\* Operational EBITDA and EBIT adjusted for non-operational related items such as fair value adjustment of biomass, onerous contracts, income/loss from associates etc.

# BALANCE SHEET

- Investments in PPE of DKK ~61 million in Q2 2014
- Increase in financial assets primarily due to investment in pelagic processing plant (Bakkafrost owns 30%)
- Long term receivables increase due to feed financing agreement
- Decrease in fair value of biological assets due to lower salmon prices and seasonal lower biomass
- Unchanged equity. Positive result, but dividend is paid out in Q2 2014
- NIBD at DKK 555 million down from DKK 638 million at end 2013\*
- Equity ratio 53% (Covenants 40%)

\* Incl. unrealised losses and deposits on financial derivatives related to the debt

(DKK million)	End H1 2014	2013
Intangible assets	295	295
Property, plant and equipment	949	917
Financial assets	132	116
Long term receivables	15	1
Biological assets	813	966
Inventory	284	235
Receivables	311	278
Other receivables	78	122
Cash and cash equivalents	263	182
<b>Total Assets</b>	<b>3,140</b>	<b>3,112</b>
Equity	1,663	1,665
Deferred tax and other taxes	417	311
Long term interest bearing debt	671	685
Financial derivatives	73	75
Short term interest bearing debt	100	100
Accounts and other payables	216	276
<b>Total Equity and Liabilities</b>	<b>3,140</b>	<b>3,112</b>

- Cash flow from operation improved due to higher operational EBIT and lower working capital
- Cash flow from investments represents investments in property plant and equipment
- Undrawn loan facility of DKK 738 million of which DKK 16 million is restricted

(DKK million)	Q2 2014	Q2 2013	H1 2014	H1 2013
Cash flow from operations	308	173	416	200
Cash flow from investments	-71	-41	-105	-69
Cash flow from financing	-217	-169	-230	-69
Net change in cash	19	-37	81	62
Cash at the end of the period	263	87	263	87
Undrawn facilities	738	617	738	617

## Licence tax on farming companies in the Faroes\*

- Approved by the parliament in May 2014
- From a provisional tax to a permanent tax
- Licence tax of:
  - 4.5% on taxable income
  - 0.5% on farming revenues

Effect on H1 2014 compared to 2013 tax rates estimated to:

- Tax payable increases by DKK 9 million
- Deferred tax increases by DKK 43 million as the new tax is permanent

\* For 2014 a provisional extra tax of 7% was implemented, compared to the 2.5% for 2013. The provisional 7% tax has been changed to a permanent 4.5% tax and a permanent 0.5% tax on revenues. The change from a provisional to a permanent tax affects deferred tax.

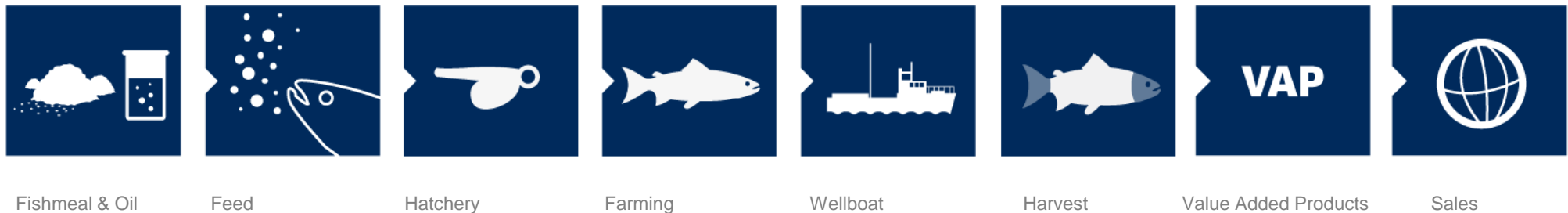




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### **One of the most vertical integrated salmon farming companies in the world**

- Full traceability to the benefit of our customers
- 45 years of experience
- Focus on cost centres
- Vertical integration reduces operational and financial risk
- A market focused company with own sale and marketing department



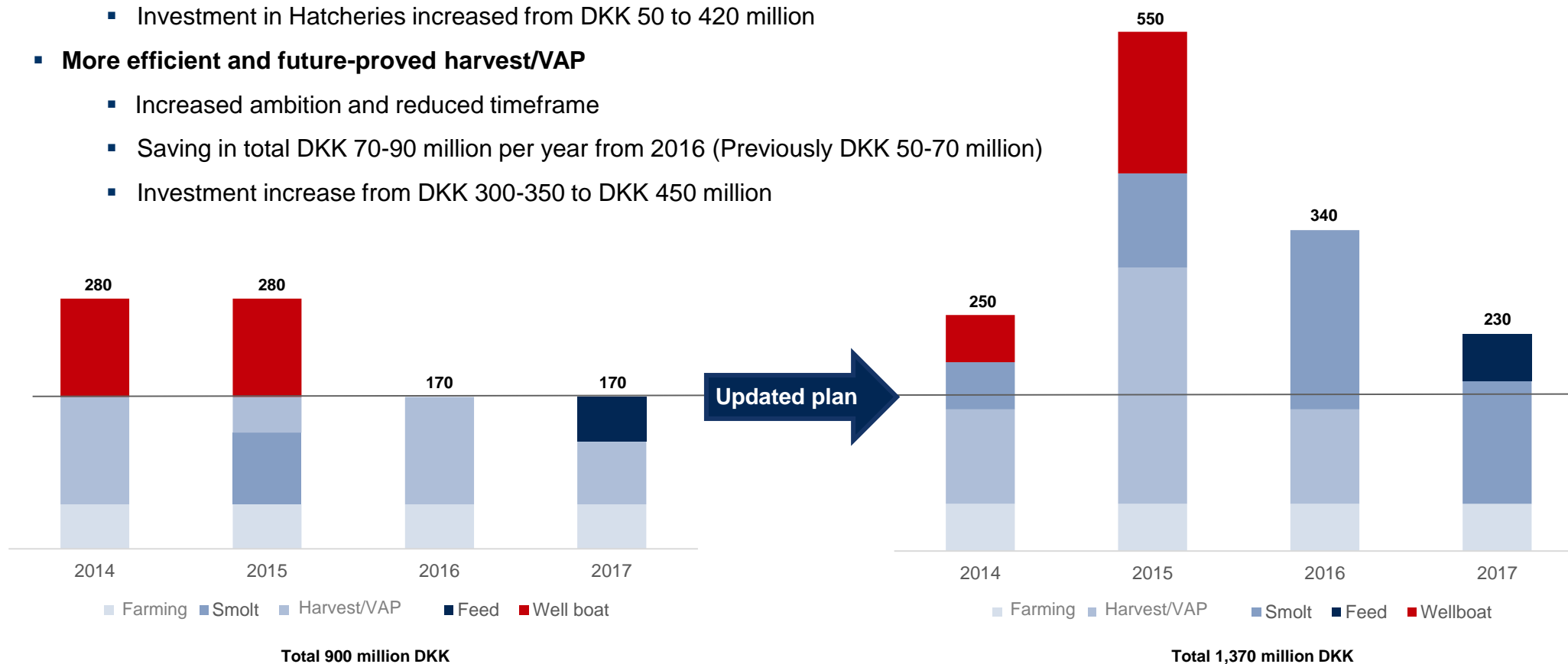
**The investments will be made step by step in the relevant parts in the value chain to secure:**

- Efficiency
- Biological risk
- Organic growth

## INVESTMENTS - PREPARING FOR THE FUTURE

### Time to boost organic growth adjusting investment plan

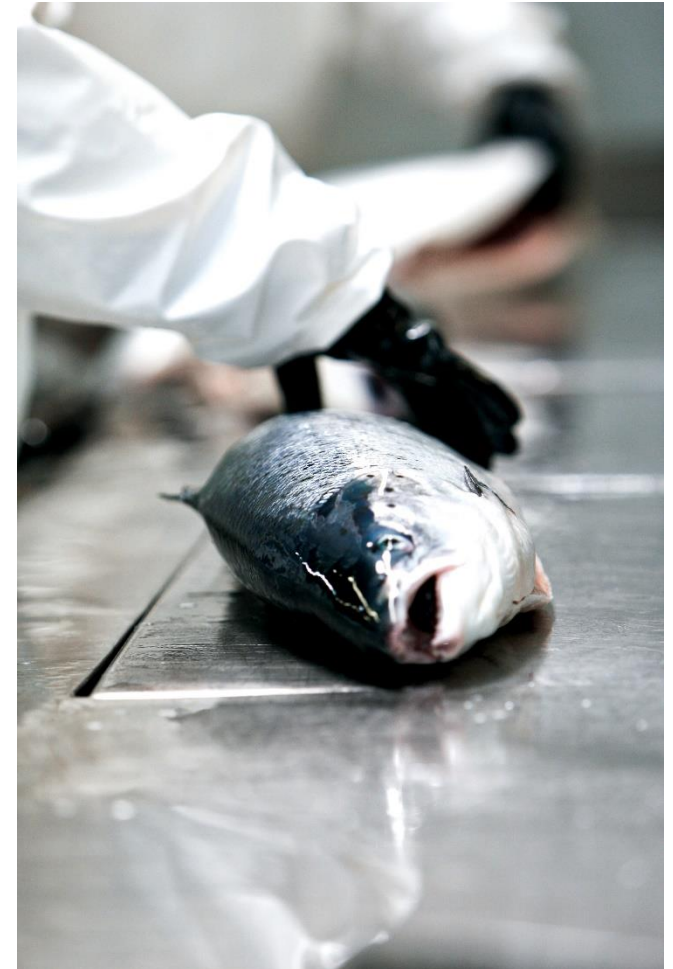
- **Increasing hatchery capacity to produce 200-300g smolt**
  - Reduce biological risk
  - Gradually increase Farming production by 10-15%
  - Investment in Hatcheries increased from DKK 50 to 420 million
- **More efficient and future-proved harvest/VAP**
  - Increased ambition and reduced timeframe
  - Saving in total DKK 70-90 million per year from 2016 (Previously DKK 50-70 million)
  - Investment increase from DKK 300-350 to DKK 450 million



### **Financing of the investments 2014-2017**

- Use free cash flow from operations
- Unused financing of approximately DKK 730 million
- Partly new financing if advantageous
- Flexibility to postpone investment in case of adverse events

### **Unchanged dividend policy**



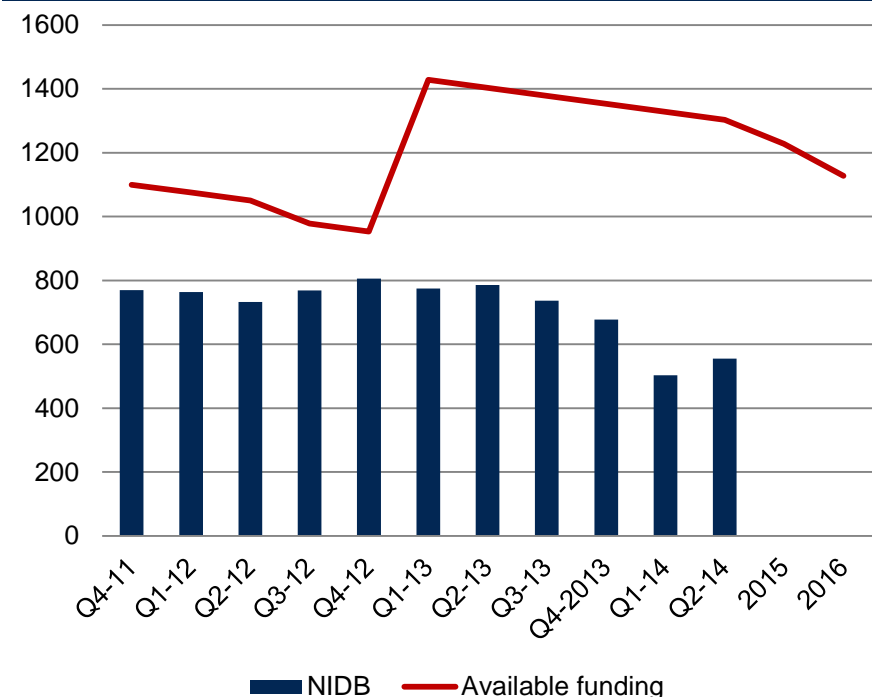
## Financing of the Group

- Total funding to DKK ~ 1,303 million
  - Bonds NOK 500 million due Feb 2018 (swapped into DKK)
  - Instalment loan of DKK 250 million, repayable with DKK 25 million each quarter
  - Revolving credit facility of DKK 553 million due in 2017
- NIBD end Q2 2014: DKK 555 million

## Covenant loans

- NIBD/ EBITDA max 3.5 over 12 months ( Bonds 4.0)
- Equity ratio of 40.0%

## NIBD and available funding





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## Market

- Still high supply of salmon in Q3, but expected tight market from Q4
- Market interrupted in the short term by the import ban put into effect by the Russian authorities
- Faroe Islands not covered by the import ban
- Forward prices for the rest of 2014 are around NOK 38.56 per kg
- Global supply growth estimated to 6-7% in 2014 and only 2-4 % in 2015 – due to adjustment in MAB

## Farming

- Estimated harvest volumes unchanged at 45,000 - 48,000 tonnes HOG in 2014
- Expected smolt release in 2014 unchanged at 11.6 million pieces

## Biology

- Good biology and fish health
- Good biological performance and results

## VAP

- Around 85% of the VAP capacity for 2014 contracted, the last 15 % will be contracted in H2
- Contracted volumes corresponds to 30% of remaining estimated harvested volumes in 2014
- Contract prices on a significant higher level than in 2013

## Fishmeal, oil and feed

- Forecast for feed sales 83,000 - 87,000 tonnes in 2014

## Business development

- Optimize the Value Chain according to the announced investment plan
- Pursue Organic Growth
- Financial flexibility enables M&A



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## THANK YOU!





- 18 islands – 1,387 km<sup>2</sup>
- 48,288 inhabitants (February 28 2014)
- Home rule – within the Kingdom of Denmark
- Part of the Danish monetary union, Danish krone (DKK)

## Key sectors (% of wage earners, 2014)

- Service/public admin.: ~40%
  - Private service: ~31%
  - Construction: ~12%
  - Fishing : ~17%
  - Unemployment rate (Feb 2014): 4.3%
  - Total working force (no of people Feb 2014): 27,075
- 
- GDP: DKK 13.6 bn (2012)
  - GDP/capita: DKK 282,000 (2012) (Norway: 300,000) (2010)

## Total export of fish products (2013)

- DKK 5,766 million
- whereof farmed fish accounts for 42.5%

## TAXES

- Total Percent of GDP: 44.8% (2012)
- Corporate Tax: 18%
- Farming Licence Tax : 4.5% plus 0.5% of revenues
- Restriction on a single foreign ownership of 20% in farming companies
- One company may max. control 50% of licences in the Faroe Islands



Source: Hagstova Føroya

# FAROE ISLANDS

## – EXCELLENT CONDITIONS FOR COST EFFECTIVE FARMING

### GEOGRAPHY

- Natural growth area for wild salmon
- Faroese fjords provide separation between locations
- Improves biological control and area management

### WATER

- Stable seawater temperatures throughout the year between 6-12 degrees Celsius
- Excellent water quality and circulation conditions

### LOCATION

- Efficient distribution to European, US and Far Eastern markets

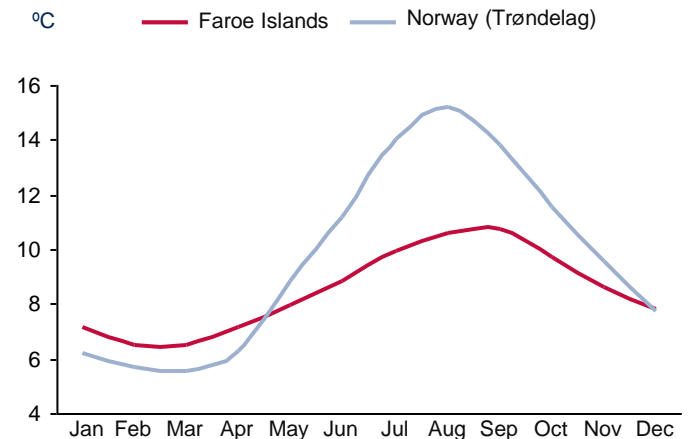
### BIOMASS

- Biological sustainability setting the biomass target per license

### FEED

- Sustainable feed, based on local marine raw materials. High on Omega-3, proved track record with best performance on high SGR and low FCR

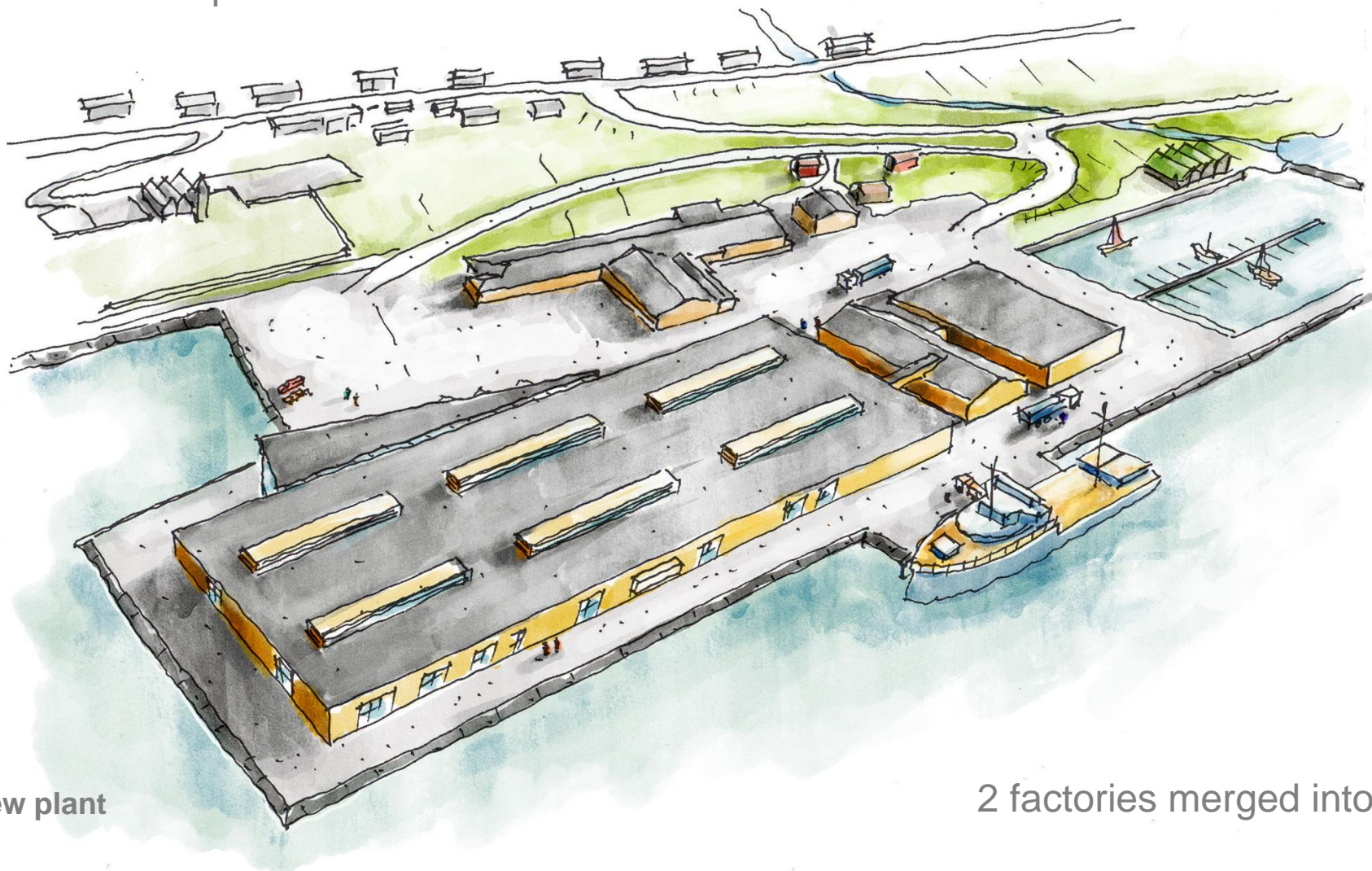
### Average Seawater Temperatures



Source: Company material, Havforskningsinstituttet



### Phase 3: New VAP operation



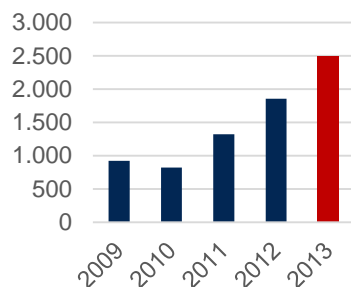
Draft of new plant

2 factories merged into one

## DEVELOPMENT PER QUARTER Q1 2012 – Q2 2014

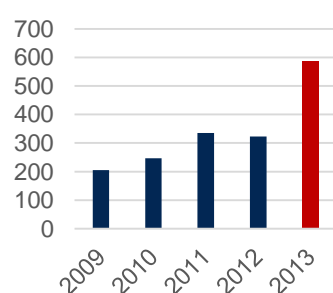
(mDKK)	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013	Q4 2012	Q3 2012	Q2 2012	Q1 2012
Revenue	711	631	667	741	610	473	582	457	416	400
Op. EBIT	212	186	124	187	169	105	99	86	78	60
Profit/Losss	126	87	138	200	184	67	148	26	91	16
Harvest (tgv)	11,212	9,269	11,097	11,335	10,540	8,296	13,044	9,730	10,219	11,348
Op. EBIT Farming & VAP (NOK/kg)	17.66	21.37	12.44	15.76	15.29	12.16	7.25	8.00	7.78	5.42
Equity ratio	53%	57%	54%	52%	49%	48%	49%	47%	47%	43%
NIBD	555	503	641	728	786	775	807	770	733	764

Turnover (mDKK)



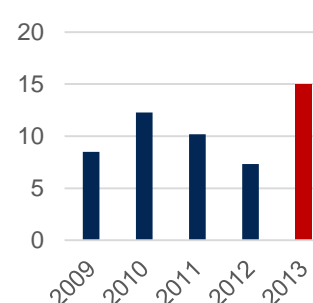
Turnover for Bakkafrost group has increased from 820 mDKK in 2010 to 2.5 bDKK in 2013

Operational EBIT (mDKK)



Operational EBIT for Bakkafrost Group has increased from 247 mDKK in 2010 to 587 mDKK in 2013

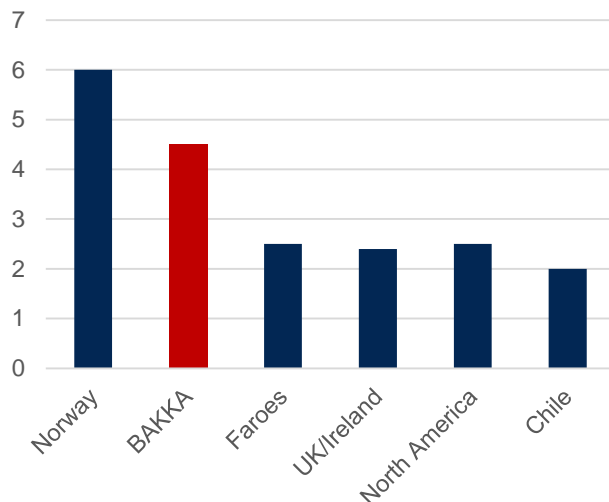
Farming margin Op. EBIT (NOK/kg)



The margin in Farming was 15 NOK in 2013 – the highest ever. Even in 2012, when the global supply increased by 22%, the company had a margin of 7.3 NOK/kg

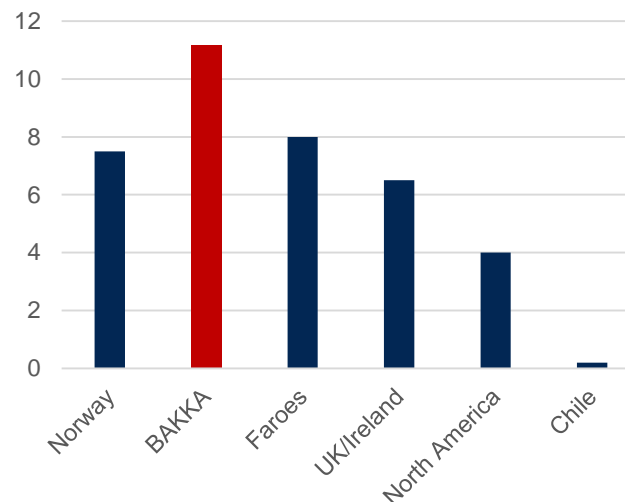
# INDUSTRY STRUCTURE HAS INFLUENCE ON THE COMPETITIVENESS

Margin EBIT/kg last 15yrs (NOK/kg)



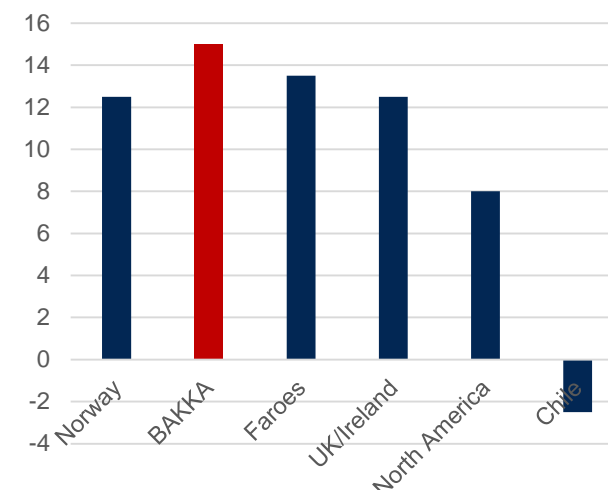
During the last 15 years, Norway had far the highest margin of the farming contries with 6 NOK/kg in average, while BAKKA had 4.5 NOK/kg.

Margin EBIT/kg last 5yrs (NOK/kg)



The last five years BAKKA had a strong average margin of 11.18 NOK/kg

Margin EBIT/kg 2013E (NOK/kg)



In 2013 BAKKA had a Farming margin of 15 NOK/kg

Reorganizing the industry in Faroe Islands and company specific strategy has paid off

Source: Kontali and Bakkafrøst

## Dividend

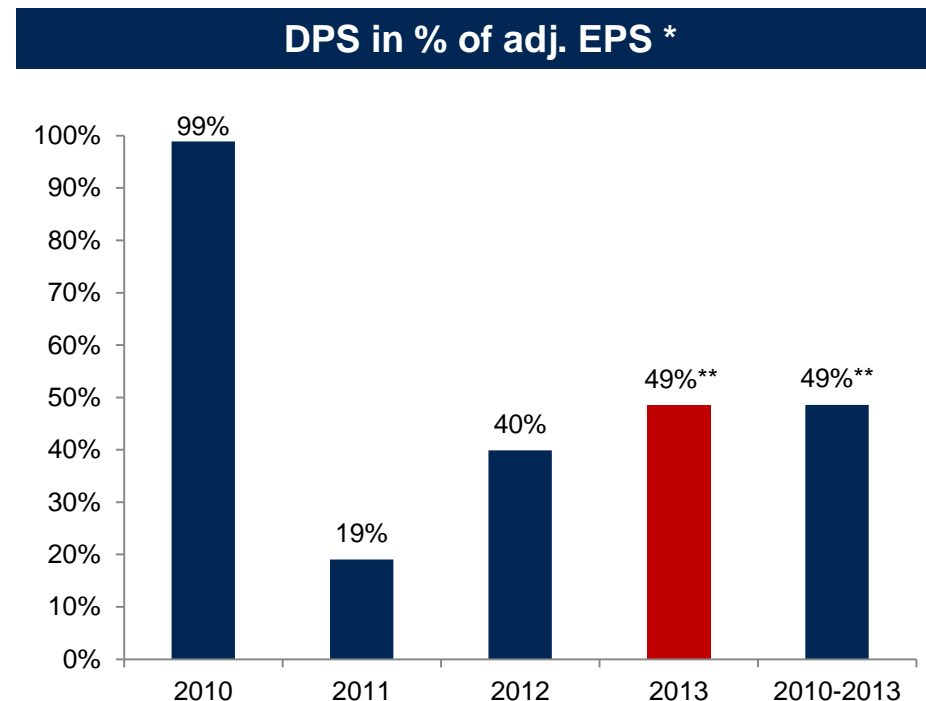
- Dividend of DKK 4.50 (NOK ~4.98) per share paid out in April 2014
- Bakkafrøst purchased treasury shares in 2013, equivalent to DKK 0.59 (NOK 0.66) per share.
- Dividend incl. the acquisition of treasury shares is DKK 5.09 (NOK ~5.64)

## Dividend policy

- Competitive return through:
  - Dividends
  - Increase in the value of the equity
- Generally the company shall pay dividends to its shareholders
- A long-term goal for the Board of Directors is that 30–50% of EPS shall be paid out as dividend

\* Operational EBIT is EBIT adjusted for fair value adjustment of biomass, onerous contracts, income/loss from associates, acquisition costs and badwill

\*\* Dividend and acquisition of treasury shares



# LARGEST SHAREHOLDERS

## 20 largest shareholders

No of shares	%	Name	Origin
4.594.437	9,4	Jacobsen Oddvør	FRO
4.491.217	9,2	Jacobsen Regin	FRO
3.044.312	6,2	SPAR NORD BANK A/S S/A CLIENT ACCOUNT	NOM FRO
2.204.940	4,5	DANSKE BANK 3993 NORDIC SETTLEME	NOM FRO
2.047.176	4,2	Skandinaviska Enskil A/C CLIENTS ACCOUNT	NOM SWE
1.559.703	3,2	J.P. Morgan Chase Ba EUROPEAN RESIDENT OM	NOM GBR
1.207.995	2,5	J.P. Morgan Chase Ba LUXEMBOURG OFFSHORE	NOM LUX
1.136.042	2,3	J.P. Morgan Luxembou NORDEA LUX LENDING A	NOM LUX
1.025.355	2,1	MORGAN STANLEY & CO S/A MSIL IPB CLIENT	NOM GBR
957.084	2,0	J.P. Morgan Chase Ba A/C US RESIDENT NON	NOM USA
953.603	2,0	STATE STREET BANK AN A/C CLIENT OMNIBUS F	NOM USA
917.347	1,9	JP Morgan Chase Bank HANDELSBANKEN NORDIC	NOM SWE
748.591	1,5	SEB Private Bank S.A	NOM LUX
700.000	1,4	VERDIPAPIRFONDET HAN NORGE	NOR
665.242	1,4	NORDEA NORDIC SMALL	FIN
652.132	1,3	SKANDINAVISKA ENSKIL A/C CLIENTS ACCOUNT	NOM DNK
641.396	1,3	STATE STREET BANK AN A/C CLIENT OMNIBUS A	NOM USA
521.302	1,1	The Bank of New York BNY MELLON	NOM USA
502.679	1,0	HOLTA INVEST AS	NOR
455.433	0,9	NORDEA NORDIC FUND	FIN
<b>29.025.986</b>	<b>59,4</b>	<b>Total share 20 largest shareholders</b>	
<b>48.858.065</b>	<b>100</b>	<b>Total number of shares as per August 18th 2014</b>	
<b>342.569</b>	<b>0,7</b>	<b>Wherof own shares</b>	
<b>48.515.496</b>	<b>99,3</b>	<b>Total number of outstanding shares as per August 18th 2014</b>	

## Origin of shareholders, 5 largest countries

No of shares	%	Origin	No of shareholders
14.705.767	30,1	Faroe Isl	901
12.155.401	24,9	UK	79
9.200.135	18,8	Norway	1353
4.556.889	9,3	USA	47
2.558.471	5,2	Sweeden	13

Total number of shareholders: 2,514 - from 23 different contries

## Share price development since listing in NOK

Last 12 months



2010-2014



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# BAKKAFROST

ESTABLISHED 1968

