



HALF YEAR REPORT 2010
AUGUST 26TH 2010



HIGHLIGHTS

- > **Q2/10 revenue of 29.5 MNOK compared to 17.4 MNOK in Q2/09.** Total harvest of 1 530 tons (r.w.) of own production and 150 tons (r.w.) sold for external producers
- > **The average FOB (Oslo) sales price in Q2/10 was 25.73 NOK/kg** compared to 27.1 NOK/kg in Q2/09. The price increase from Q1/10 is 27%
- > **Contract sales account for 55% of total sales in Q2/10**
- > **Production cost including processing and logistics costs** (after prior write downs) was **NOK 17.73 pr kg rw.** Average sales price was **NOK 17.34 pr kg rw.** Negative contribution of 0.6 MNOK from fish sold in the period
- > **EBIT of -13.5 MNOK in Q2/10** compared to -37.1 MNOK in Q2/09. EBIT in Q2/10 is mainly explained by the following factors:
 - (1) Negative contribution of 0.6 MNOK from fish sold in the period
 - (2) MNOK 4.7 in extraordinary biomass cost in connection with escape of fish at Sjetnes
 - (3) Administration and sales costs of 4.8 MNOK
 - (4) Net result from subsidiaries of -1.0 MNOK
- > **Biological assets** per Q2/10 have a fair value of MNOK 55.1 (3 850 tons r.w). **The expected break even price** for harvesting in second half of 2010 is **NOK 29.9 pr kg** (before adm/sales)
- > **Cash position per Q2/10 was 7.8 MNOK**

Highlights post Q2

- > **Refinancing of company completed**
 - (1) A total of 106 872 539 new shares were issued, net proceeds of approximately MNOK 46.2, in cash and MNOK 4.35 worth of Juveniles.
 - Issue of 95 540 800 new shares through a Private Placement. Net proceeds were approximately MNOK 45.0
 - Issue of 8 700 000 new shares in connection with a private placement towards Havlandet Marin Yngel AS. Settlement consisted of juveniles worth MNOK 4.35
 - Issue of 2 631 739 new shares through a repair issue. Net proceeds were approximately MNOK 1.2
 - (2) Insurance settlement of MNOK 12.4, where of MNOK 5.0 was paid to Innovation Norway as down payment of debt
 - (3) Sale of remaining land and building at Halså MNOK 2.5. 50% of the proceeds was paid to Innovation Norway as down payment of debt
- > **Cash position per Q2/10 including refinancing elements** mentioned above is MNOK 62.6
- > The positive market price development has continued and **so far in Q3 average price is above NOK 30 pr kg hks**
- > **Neset Fiskemottak is now up and running** after renovation and all fish is now being packed at this site
- > **A total of 835 000 F3 generation juveniles released** into sea at our Hammarvika location

FINANCIALS

KEY FINANCIALS FIGURES NOK (1000`)	Q2 2010	Q2 2009	30 June 2010	30 June 2009	Year 2009
Revenue	29 506	17 381	72 979	49 310	101 996
EBITDA	-8 279	-31 608	-11 719	-32 502	-141 026
EBIT after write down of biomass	-13 474	-37 069	-22 452	-43 398	-167 773
EBIT before write down of biomass	-13 474	-12 069	-22 452	-18 398	-47 773
Writedown of biomass	0	-25 000	0	-25 000	-120 000
Net profit	-17 543	-40 296	-29 459	-51 040	-154 135
Total assets	213 237	301 660	213 237	301 660	268 497
Totalt Equity	96 311	139 926	96 311	139 926	125 353
Equity ratio	45%	46%	45%	46%	47%
Interest bearing debt	94 903	140 221	94 903	140 221	104 732
Cash and cash equivalents	7 838	2 870	7 838	2 870	15 397
Harvest volumes tons (r.w)	1 530	337	4 341	1 624	4 018

- **Q2/10 revenue of 29.5 MNOK** compared to 17.4 MNOK in Q2/09. Revenues in Q2/10 generated by harvesting 1 530 tons (r.w.) of own production and 150 tons (r.w.) of external volumes.
- **EBIT before write-down of -13.5 MNOK** in Q2/10 compared to -12.1 MNOK in Q2/09.
- **EBIT of -13.5 MNOK in Q2/10** compared to -37.1 MNOK (include write-downs MNOK 25.0) in Q2/09. EBIT in Q2/10 is mainly explained by the following factors:
 - (1) Extraordinary biomass cost in connection with escapes and wastage of fish of MNOK 4.7
 - (2) Negative contribution of 0.6 MNOK from fish sold in the period
 - (3) Administration and sales costs of 4.8 MNOK in Q2/10
 - (4) Net result from subsidiaries of -1.0 MNOK
- **Net profit of -17.5 MNOK** in Q2/10 compared to -40.3 MNOK in Q2/09.
- **Total assets of 213.2 MNOK**, reflecting 123.8 MNOK in non current assets and 89.4 MNOK in current assets. Estimated biomass value of 55.1 MNOK.
- **Total equity of 96.3 MNOK** with an equity ratio of 45.2% and 94.9 MNOK of interest bearing debt.
- **Cash per Q2/10 of 7.8 MNOK**, prior to incorporation of the following liquidity positions:
 - (1) New share issue of MNOK 46.1
 - (2) Insurance compensation after fire at Halså related to the building of MNOK 8.0 and equipment and machinery of MNOK 4.2. Amounts received in July, whereof MNOK 5.0 was paid to Innovation Norway as down payment of debt.

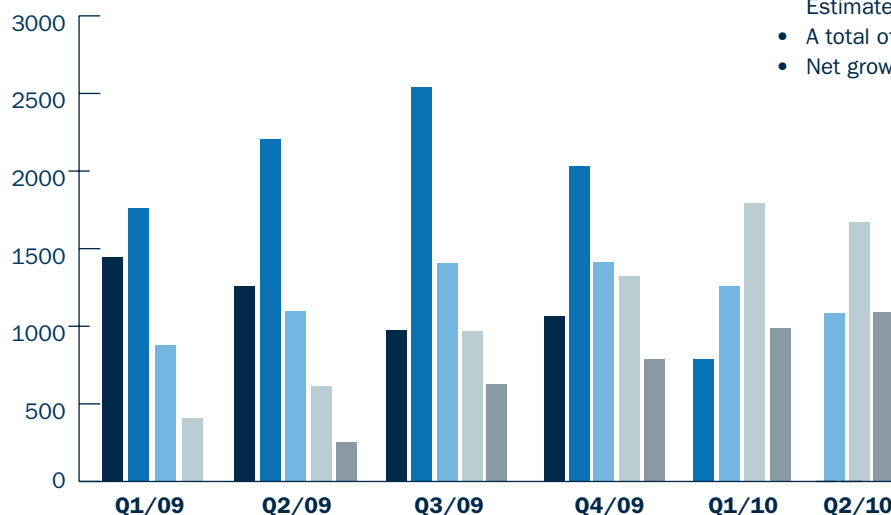
COD PRODUCTION

COD PERFORMANCE INDICATORS PER JUNE 2010

	Kjølvika Gen.June 2007	Tårnvika Gen.Sept 2007	Kjerkvika Gen.May 2008	Meløysjøen Gen.Sept 2008	Kjerkvika (Sjetnes) Gen.May 2009
Harvest %	100%	100%	50%	16%	0%
Avg. harvested weight	2,4 kg	2,9 kg	2,8 kg	2,9 kg	
Current avg. weight	-	-	2,4 kg	2,3 kg	1,7 kg
No. of fish (1000)	0	0	452	741	649
Biological feed factor (FCR)	1,34	1,20	1,15	1,10	1,05
Economic feed factor (EFCR)	1,62	1,35	1,23	1,23	1,55
Mortality (%) based on start number	21,5 %	19,3 %	8,7 %	13,4 %	10,9 %
Production cost per kg (r.w.)	NOK 33,5	NOK 27,2	NOK 24,6	NOK 23,9	NOK 36,6
Book value (after write down) per kg (r.w.)	NOK 0	NOK 0	NOK 11,6	NOK 12,6	NOK 19,5

- Total harvest of 1 530 tons (r.w) in Q2/10 from Tårnvika, Kjerkvika and Meløysjøen. Average harvest weight 2.9 kg.
- Location Tårnvika has been emptied during May and transferred, according to sales agreement, to Marine Harvest ASA.
- The fish at location Sjetnes has been graded and transferred to Kjerkvika. As per 30 June there are only two locations in use; Kjerkvika and Meløysjøen.
- Downsizing of workforce was completed by the end of June. There are 15 employees left in Cod production, down from 37 in January.

BIOMASS DEVELOPMENT (TONS)



- 3 850 tons (r.w) of standing biomass. Estimated value of 55.1 MNOK.
- A total of 1.8 million fish at 2 different locations.
- Net growth of 542 tons (r.w) biomass in Q2/10.

COD JUVENILES

- The operations at the hatchery and the pre-ongrowing facility are still on hold. An application for licence to produce up to 5 mill salmon, trout and rainbow trout at the location for Cod Juveniles at Mørkvadbukta, Bodø, is filed, while the existing licence for 10 mill cod is still maintained. This will increase the flexibility and utilisation of production capacity for the pre-ongrowing facilities by producing other species together with cod.
- The decision at Innovasjon Norge and Nordland fylkeskommune on governmental funding for a 2-year R&D-platform in Mørkvadbukta has been postponed and is expected to be made in Q3. This will make possible a small scale hatchery production over two years that will help to build up hatchery expertise at Cod Juveniles.
- In Q2 MarineBreed, the broodstock owner, successfully produced 86 new families of genetically improved fish (F3) based on siblings from the fish kept as back-up at Mørkvadbukta. Since a new generation now is produced this back-up fish will be culled, and only spawning groups will remain at Mørkvadbukta. The new F3-generation will start spawning in 2012.

COD PROCESSING

- Insurance settlement has secured fixed harvesting costs of max NOK/kg 4.8 until May 2010. Volume is spread amongst 2 harvesting plants: Norsal (Steigen) and Nettet (Nord Trøndelag).
- A partnership agreement with Nettet Fiskemottak AS, a processing plant at Flatanger in Nord Trøndelag was signed in May 2010. Nettet is currently undertaking a full upgrade of its facilities bringing the technical standards up to par with those at Cod Processing AS. Nettet will also install a versatile high-quality filleting line enabling Codfarmers to re-start its product development programme in the second half of 2010. The whole facility is expected to be BRC quality certified during the autumn.
- On 21 June Codfarmers entered into an agreement with Æsvik Eiendom AS regarding sale of remaining land and building at Halså in Cod Processing AS. Æsvik Eiendom AS shall pay total cash consideration of NOK 2,500,000 for the land and building. The Land and building were sold at book value.

COD MARKET

Average price up 27% on Q1

In Q2/10 the average FOB export price on whole gutted fish was 25.73 – only 5% down on Q2/09, but 27% up on Q1 2010.

Codfarmers' export volume of whole gutted fish increased by 48% on Q2/09 and accounted for 66% of the total Norwegian export volume.

While the average size of fish harvested increased somewhat compared to Q1 2010 57% of fish harvested was still made up of 0-2 kg fish.

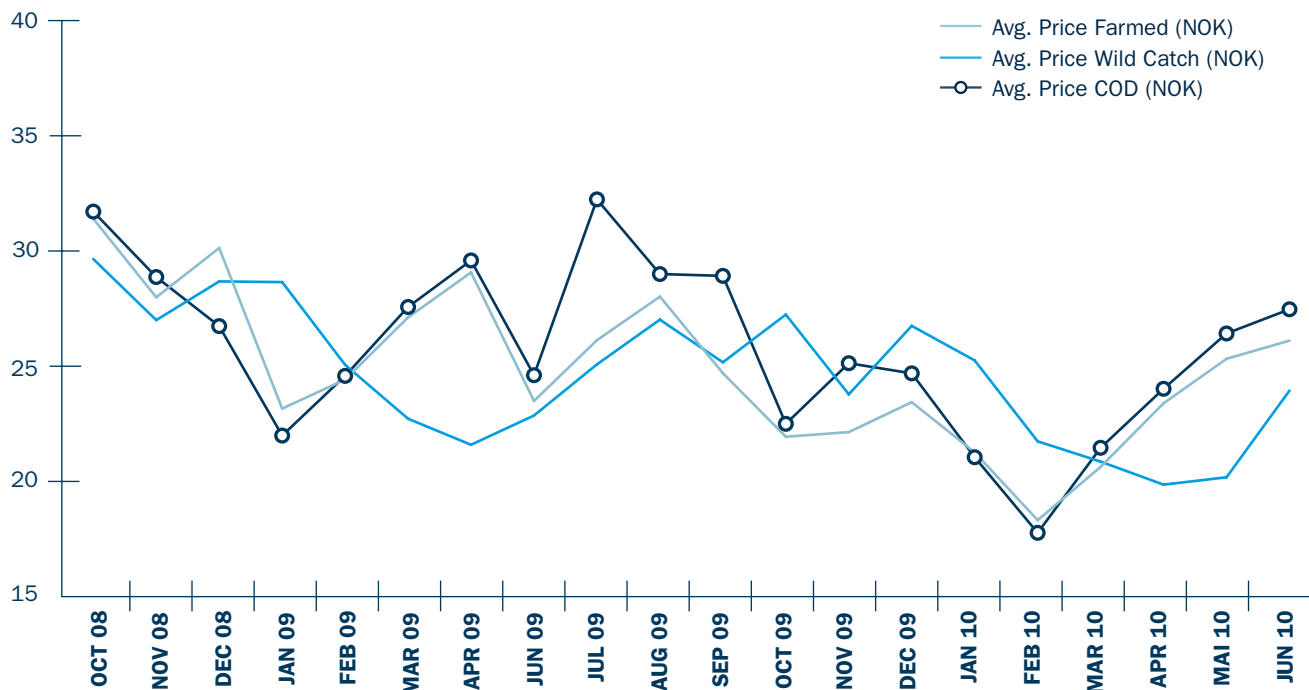
Contract sales accounted for 55% of the total sales value in Q2 with most contract clients accepting price increases effective from end Q2.

Short-term; Prices continue to recover in Q3 in line with reduced landings and harvest

The majority of Wild cod quotas particularly for the coastal fleet have been caught in the first half of the year. This has helped prices increase during Q3 and the trend is expected to continue into the beginning of Q4.

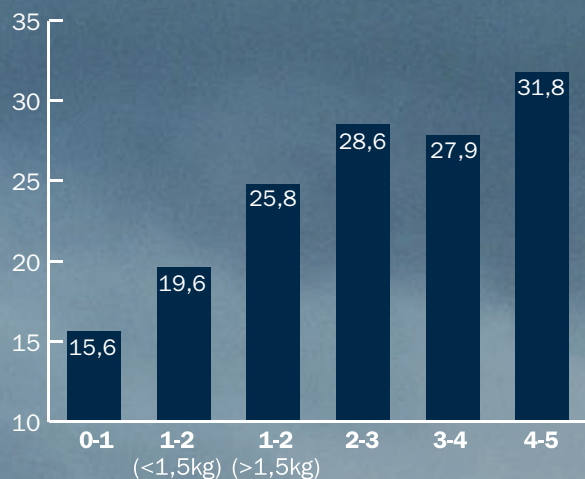
SALES PRICE BENCHMARK 2008-2010

Price FOB Oslo
(NOK/kg hks)

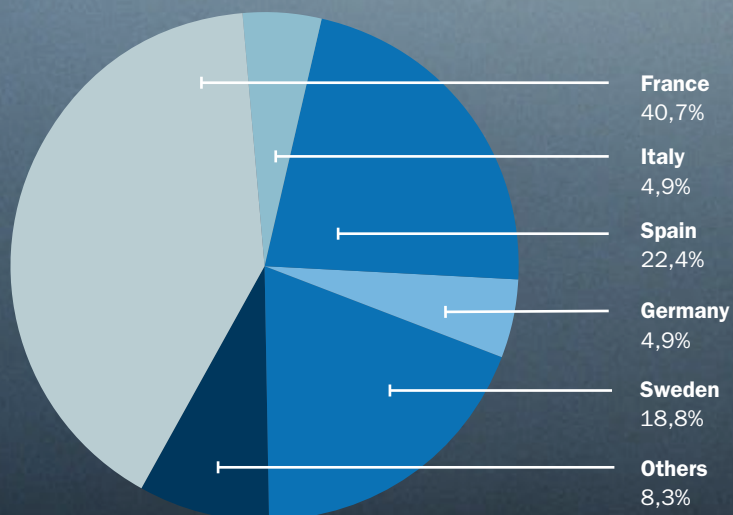


PRICE BENCHMARK SIZE DISTRIBUTION

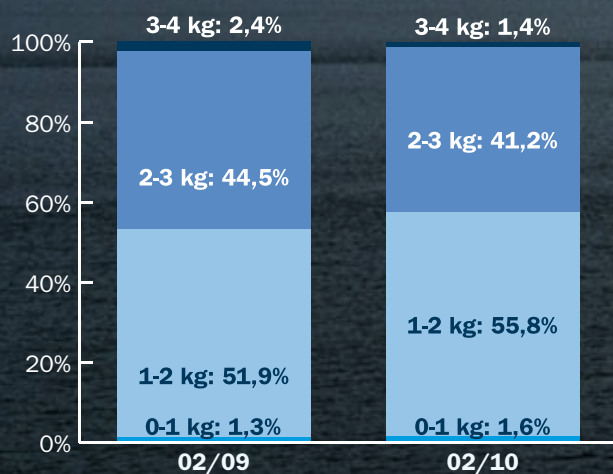
FOB OSLO. NOK/KG



SALES VALUE BY GEOGRAPHICAL MARKETS Q2 2010



SIZE DISTRIBUTION Q2 2010



HALF YEAR FINANCIAL REPORT

INCOME STATEMENT

The Group achieved a total revenue of 73.0 MNOK for the first half year of 2010 compared to 49.3 MNOK for the same period in 2009.

Revenues of 67.4 MNOK for the first half year reflect harvesting of 4 341 tons (r.w) from four different locations. Revenues in second quarter accounts for 26.5 MNOK and reflect harvesting of 1 530 tons (r.w).

Harvesting and sales for external producers accounts for a total of 4.5 MNOK (260 tons r.w) for the first half year. Revenues from external fish in second quarter was 2.8 MNOK from the sales of approximately 150 tons (r.w).

EBIT result before biomass write-down of - 22.4 MNOK for the first half year in 2010 compared to -18.4 MNOK in 2009. No write down so far in 2010. Negative result in first half 2010 of -29.5 MNOK is mainly explained by the following factors:

(1) Extraordinary Biomass cost of MNOK 4.7. In the process of grading Sjetnes 09 generation an escape of 70 000 fish where detected. In addition, the amount of fish in a large number of cages deviated from earlier assumptions.

(2) Result from harvesting and sales of total 4 341 tons (r.w) of -1.3 MNOK, which reflects deviations from previous estimates of biomass value.

(3) Normal admin/sales cost of MNOK 9.5.

(4) Net result from subsidiaries with MNOK -4.1.

(5) Depreciation of idle locations of 1,5 MNOK.

(6) Net finance of MNOK -7.0 including MNOK 4.6 in amortized interest on convertible bond.

CASH FLOW AND LIQUIDITY

Net cash flow from operational activities for the first half year in 2010 was -5.8 MNOK compared with -50.5 MNOK in 2009. Net cash flow is mainly explained by the YTD result and change in inventories and receivables.

The net positive cashflow from investing activities in the first half year in 2010 amounted to MNOK 20.8 compared with MNOK 12.9 for the same period in 2009. Net cash flow is mainly explained by proceeds from sale of equipment. MNOK 18.6 regards sales to Mainstream and Marine Harvest. The Group also received 0.4 MNOK in interests in the first half year of 2010 compared to 0.5 MNOK for the same period in 2009.

The company's financial activities in the first half of 2010 show a negative net cash flow of -14.3 MNOK. The negative cash flow is mainly explained by payment of debt in connection with sales of assets; MNOK 5.3 to Innovation Norway and MNOK 6.5 to SG Finans and DnBNOR Finans as settlement of leased equipment.

At the end of first quarter 2010 the company has 7.8 MNOK cash and cash equivalents compared with 2.9 MNOK in 2009.

BALANCE SHEET

At the end of June 2010 the Group's assets had a book value of 213.2 MNOK compared with 301.7 MNOK in 2009. Fixed assets amounted to 123.8 MNOK. MNOK 56.1 relates to facilities in Cod Juveniles, MNOK 4.4 in Cod Processing (remains of land, building and equipment), MNOK 60.3 in Cod Production (farming equipment, boats and facilities). Current assets amounted to 89.4 MNOK. This reflects 11.7 MNOK in trade receivables, 55.1 MNOK in biomass value, 1.6 MNOK feed in storage, 7.8 MNOK in cash and 13.2 MNOK in other receivables (MNOK 12.2 relates to insurance settlement with Protector Forsikring ASA).

The Group's equity as of 30.06.2010 is 96.3 MNOK compared with 139.9 MNOK for 2009. The company has no distributable equity. Long term-debt in the company is 74.2 MNOK of which 40.9 MNOK reflects the convertible bonds issue, 0.5 MNOK is pension liabilities, 28.2 MNOK reflects debt to Innovation Norway and 4.6 MNOK reflects financial leasing and debt to Gildeskål Sparebank. The company has short-term debt of 42.8 MNOK, compared to 30.7 MNOK in 2009. 14.2 MNOK reflects trade payables, 14.4 MNOK reflects debt to Innovation Norway, 0,8 MNOK reflects debt to Gildeskål Sparebank, 5.7 MNOK reflects financial leasing and 7.7 MNOK reflects taxes and other liabilities.

RISK

The company's activities are exposed to a number of different risks. Cod farming is still a young industry and the company's success will to a large degree depend on the development of cod farming as an industry. Uncertainty factors in the sectors include, among other things, the risk of fluctuations in market prices, both on costs and for farmed cod, the risk of diseases, escapes and delayed growth as a result of early maturation of cod.

The Company's business is dependent on sufficient supply of quality juveniles. The supply of cod juveniles has dropped significantly the last two years as a response to difficult financing and declining market price for cod and thus less demand for juveniles. Havlandet is currently the only independent hatchery that is producing cod juveniles of significant amount and high quality. The Company has entered into a strategic partnership with Havlandet to secure juvenile supply for the next two years. In the event that the Company's need for supply of juveniles is not covered, or if the juvenile delivered by Havlandet does not meet the applicable quality requirements, the Company's profitability could be affected.

The company's financial risk is primarily associated with currency fluctuations, credit and liquidity risks. A lack of access to capital or material changes in the terms and conditions relating to the same, could limit the Company's future growth and strategy, which may in turn have a material adverse affect on the Company's financial condition.

RESPONSIBILITY STATEMENT

We confirm to the best of our knowledge that the condensed set of financial statements for the period 1 January to 30 June 2010 has been prepared in accordance with IAS 34 – Interim Financial Reporting, and gives a true and fair view of the (Company's and) Group's assets, liabilities, financial position and result for the period viewed in their entirety, and that the interim management report, to the best of our knowledge, includes a fair review of any significant events that arose during the six-month period and their effect on the half-yearly financial report, any significant related parties' transactions, and a description of the principal risks and uncertainties for the remaining six months of the year.

Marianne E. Johnsen
Chair of the Board

Benedicte H. Fossum
Board member

Kristian Nergaard
Board member

Thomas Falck
Board member

INCOME STATEMENT

Unaudited (NOK 1000)		Q2	Q2	30 June	30 June	Year
	Note	2010	2009	2010	2009	2009
Revenue		29 506	17 381	72 979	49 310	101 996
Consumables used		23 798	27 297	53 476	56 472	124 716
Inventory change		3 821	4 622	7 115	-10 757	44 381
Salaries	12	4 576	8 416	12 342	18 863	38 239
Depreciation, amortisation and impairment charges		5 195	5 461	10 733	10 897	26 747
Other expenses		5 591	8 653	11 765	17 234	35 685
Operating profit before biomass adj.		-13 474	-37 069	-22 452	-43 398	-167 773
Biomass adjustment		0	0	0	0	0
Operating profit		-13 474	-37 069	-22 452	-43 398	-167 773
Financial income		231	145	418	552	29 608
Financial cost	13	-4 301	-3 372	-7 424	-8 193	-15 970
Net finance		-4 070	-3 227	-7 007	-7 642	13 638
Profit before income tax		-17 543	-40 296	-29 459	-51 040	-154 135
Income tax (expense) / income		0	0	0	0	0
Profit for the period		-17 543	-40 296	-29 459	-51 040	-154 135
Attributable to:						
Equity holders of the company		-17 543	-40 296	-29 459	-51 040	-154 135
Earnings per share						
– basic	10	-0,41	-1,98	-0,69	-2,50	-5,19
– diluted	10	-0,41	-1,98	-0,69	-2,50	-5,19

BALANCE SHEET

11

Unaudited (NOK 1000)				
	Note	30 June 2010	30 June 2009	Year 2009
ASSETS				
Non-current assets				
Property, plant and equipment	5	120 311	151 287	151 404
Intangible assets	5	3 301	2 466	3 525
Financial assets		215	3	215
Total non-current assets		123 827	153 756	155 144
Current assets				
Inventories		1 566	4 338	3 288
Biomass		55 073	114 440	62 188
Trade receivables		11 744	8 285	17 880
Other receivables		13 190	17 971	23 278
Cash and cash equivalents		7 838	2 870	6 718
Total current assets		89 411	147 904	113 353
Total assets		213 237	301 660	268 497
EQUITY				
Capital and reserves attributable to equity holders of the company				
Share capital	6	472 510	386 494	472 510
Other equity	6	16 922	14 416	16 922
Retained earnings	6	-393 121	-260 984	-364 079
Total equity		96 311	139 926	125 353
LIABILITIES				
Non-current liabilities				
Pension liabilities	8	482	1 482	482
Borrowings	7	32 801	28 878	36 756
Convertible loan	13	40 868	100 682	36 366
Total non-current liabilities		74 152	131 042	73 603
Current liabilities				
Trade payables		14 193	12 033	17 121
Indirect taxes and excises		1 324	1 543	1 132
Borrowings	7	21 233	10 661	31 611
Other current liabilities		6 024	6 456	19 676
Total current liabilities		42 774	30 693	69 540
Total liabilities		116 926	161 735	143 143
Total equity and liabilities		213 237	301 660	268 497

CASH FLOW

Unaudited (NOK 1000)	Note	30 June 2010	30 June 2009
Cash generated from operating activities			
Operating profit for the period		-22 452	-43 398
Interest paid		-2 858	-2 596
Depreciation and amortisation		10 733	10 897
Share option costs		418	46
Gain on sale of asset		-231	
Change in inventories		8 838	-10 287
Change in trade receivables		6 136	11 057
Change in trade payables		-2 928	-9 986
Change in other		-3 437	-6 197
Net cash generated from operating activities		-5 782	-50 465
Cash flow from investing activities			
Purchase of property, plant and equipment (PPE)		0	-9 444
Governments grants related to investments		0	11 750
Proceeds from sale of PPE		20 815	10 000
Interest received		418	552
Net cash used in investing activities		21 233	12 857
Cash flow from financing activities			
Repayments of borrowings		-14 332	-1 063
Proceeds from new borrowings		0	26 319
Net cash used in financing activities		-14 332	25 081
Net increase (decrease) in cash and cash equivalents		1 119	-12 526
Cash and cash equivalents at beginning of the period		6 718	15 397
Cash and cash equivalents at end of the period		7 838	2 870
Restricted cash as of 30 June		1 278	1 465
Cash and cash equivalents at end of the period adjusted for restricted cash		6 560	1 405

CHANGE IN EQUITY

Unaudited (NOK 1000)	Notes	Share capital/ share Premium	Other reserves	Retained earnings	Total
Balance at 1 January 2010		472 510	16 922	-364 079	125 353
Market value of awarded options			418		418
Profit for the period				-29 459	-29 459
Balance at 30 June 2010		472 510	17 340	-393 538	96 311

1 GENERAL INFORMATION

Codfarmers ASA ("the Company") and its subsidiaries ("the Group") is a group incorporated and domiciled in Norway.

The address of the registered office of Codfarmers ASA is;

8120 Nygårdsjøen
Gildeskål

The group produces and sells farmed cod. It has its main base in Gildeskål in Nordland county. At present the group has 2 active licenses in Gildeskål and 1 in Meløy.

The condensed consolidated interim financial statements for the period from Jan-June 2010, consists of Codfarmers ASA and its subsidiaries Cod Processing AS, NAP Marine AS and Cod Juveniles AS.

2 BASIS OF PREPARATION

This condensed interim financial information has been prepared in accordance with IAS 34, "Interim financial reporting".

3 ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the IFRS annual financial statements for the year ended 31 December 2009.

4 SEGMENT INFORMATION

The group operates in one segment, being the production and sale of farmed cod within Europe.

NOTES

5 CAPITAL EXPENDITURE

30 June 2009	Tangible and intangible assets
Opening net book amount 1 January 2009	176 956
Additions	9 444
Government grants *)	-11 750
Disposals	-10 000
Depreciation, amortisation, impairment and other movements	-10 897
Closing net book amount 30 June 2009	153 753

30 June 2010

Opening net book amount at 1 January 2010	154 929
Additions	0
Disposals	-20 584
Depreciation/amortisation, impairment and other movements	-10 733
Closing net book amount at 30 June 2010	123 612

NOTES

6 CAPITAL

Capital	Number of shares ('000)	Ordinary shares	Share premium	Other equity	Total
Opening balance 1 January 2009	20 395	2 039	384 630	-195 574	191 095
Market value on awarded options				46	46
Private placement expenses			-176		-176
Result				-51 040	-51 040
At 30 June 2009	20 395	2 039	384 454	-246 568	139 925
Opening balance 1 January 2010	42 677	4 268	468 242	-347 157	125 353
Market value on awarded options				418	418
Result				-29 459	-29 459
At 30 June 2010	42 677	4 268	468 242	-376 197	96 312

The Group has a share option program for its leading employees. During the period from 2010-2013 these employees can subscribe 1.050.000 shares in Codfarmers ASA.

NOTES

7 BORROWINGS	30 June 2010	30 June 2009
Non-current	32 801	28 878
Current	21 233	10 661
Total	54 034	39 539

Movements in borrowings is analysed as follows:

2009

Opening amount as at 1 January 2009	14 283
Repayments of borrowings	-1 063
New borrowings	26 319
Closing amount as at 30 June 2009	39 539

2010

Opening amount 1 January 2010	68 367
Repayments of borrowings	-14 332
New borrowings	0
Closing amount as at 30 June 2010	54 034

8 PENSIONPLANS

Due to legislation which came into force 1 January 2006, the Group has implemented a pension arrangement for its employees.

A limited number of the employees are entitled to retirement at the age of 62, with some compensation from the Group.

The estimated obligation related to this arrangement is expensed and presented in the balance sheet as debt.

9 INCOME TAXES

The current income tax rate is 28%. None of the Group companies are currently in a taxable position.

10 EARNINGS PER SHARE

Earnings per share attributable to equity holders of the company are as follows:

Earnings per share for profit from continuing operations attributable to the equity holders of the company (expressed in cents per share)

	Januar - June	
	2010	2009
– basic	-0,69	-2,50
– diluted	-0,69	-2,50

11 DIVIDENDS

No dividends have been paid in the period.

12 RELATED - PARTY TRANSACTIONS

The following transactions have occurred with related parties during the period January-June 2010.

Type of transaction	Related party	Salary in TNOK
Consultancy services	*Harald Dahl (Chairman of the Board for the period January-April)	400

* Harald Dahl held the position as Chairman until he was appointed CEO 30 April 2010.

13 CONVERTIBLE LOAN

The company issued on 20 July 2009 - as a part of a refinancing of a MNOK 100 convertible loan granted in Nov 2007 -a senior unsecured convertible loan of MNOK 50. The bonds will have a 51 months tenor. The convertible loan carries a 15 % per annum coupon rate from 30 Nov 2009, and 10% from 30 Nov 2011 to its maturity on 30 Nov 2013. Interest payments shall be made in semi annual arrears on 30 May and 30 Nov each years, the first interest payment date was 30 May 2010. The payment were made as "Payment in Kind". If Codfarmers choose "Payment in Kind" for the period 30 November 2011 to 30 November 2013, the interest increases from 10% to 15% in the period. Amortization of interest expences in the period totalled TNOK 4.566.

NOTES

14 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

A combined listing prospectus for the private placement, including Havlandet share issue and a offering prospectus for the rights issue were approved by Financial Supervisory Authority of Norway 15 July 2010.

Results of the new share issue:

- Listing of 95,540,800 new shares through a Private Placement at a subscription price of NOK 0.50 per Share.
- Listing of 8,700,000 New Shares issued in connection with a private placement towards Havlandet Marin Yngel AS regarding settlement of juveniles delivered in July.
- Listing of 2,581,739 new shares were subscribed at NOK 0.50 per share and 50,000 shares were subscribed by Codfarmers employees at NOK 0.40 per share.

Codfarmers has entered into an agreement with Æsvik Eiendom AS regarding sale of remaining land and building at Halså in Cod Processing AS. Æsvik Eiendom AS shall pay a total cash consideration of NOK 2,500,000 for the land and building. NOK 1,250,000 will be paid to Innovation Norway and deducted from the remaining debt. The Land and building were sold at book value.

Codfarmers has made an agreement with Protector Forsikring ASA of a cash settlement of NOK 8.0 million for the destroyed processing plant. The settlement negotiated is equal to book value. Hence, no significant accounting profit or loss will occur. The insurance settlement was received in July and Codfarmers has redeemed the debt in Cod Processing AS of NOK 5 million to Innovation Norway.

SHAREHOLDERS

SHAREHOLDERS PER 24.08.2010

Shareholders	Citizen	Shares	Ownership
PROTECTOR FORSIKRING	NOR	20 000 000	13.4 %
TEIGEN FRODE	NOR	14 691 800	9.8 %
ODIN NORGE	NOR	14 010 036	9.4 %
HAVLANDET MARIN YNGEL	NOR	8 700 000	5.8 %
DAHL HARALD/FUTURUM CAPITAL AS	NOR	6 989 273	4.7 %
SKAGEN VEKST	NOR	6 970 000	4.7 %
INSTITUSJONEN FRITT	NOR	6 601 000	4.4 %
BANAN AS	NOR	5 450 605	3.6 %
EPSILON AS	NOR	4 000 000	2.7 %
ASKILDSSEN KJETIL	NOR	3 000 000	2.0 %
HALFDAN HOLME AS	NOR	2 537 193	1.7 %
KRAG INVEST AS	NOR	2 402 000	1.6 %
VPF NORDEA KAPITAL	NOR	2 191 600	1.5 %
BURCH ROBERT LOUIS	USA	2 151 684	1.4 %
JPMORGAN BANK LUXEMBURG	LUX	2 132 300	1.4 %
MP PENSJON	NOR	2 121 253	1.4 %
GAILLAC AS	NOR	2 000 000	1.3 %
MORTEN WERRINGS REDERI	NOR	1 891 232	1.3 %
ORKLA ASA	NOR	1 733 200	1.2 %
VPF NORDEA AVKASTNING	NOR	1 712 800	1.1 %
DNB NOR MARKETS	NOR	1 638 751	1.1 %
IN COD WE TRUST LLC	USA	1 532 243	1.0 %
WAHLSTRØM ERIK	NOR	1 474 605	1.0 %
PEBA AS	NOR	1 464 000	1.0 %
REMA 1000 AS	NOR	1 377 252	0.9 %
OTHERS		30 776 958	21.2 %
TOTAL		149 549 775	100.0 %

Number of shareholders: 1010

Ownership Norway citizen: 91.4%

Ownership foreign citizen: 8.6%

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