



Q3 presentation 2010

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Highlights Q3 2010

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- Q3/10 revenues of 28.8 MNOK compared with 18.3 MNOK in Q3/09.
 - Total harvest of 865 tons (r.w.) own production and 368 tons (r.w.) for external producers.
- Positive contribution of 0.9 MNOK from fish sold in Q3/10.

	Q1	Q2	Q3
Harvest tons r.w.	2 810	1 530	865
Income per kg r.w.	8.5	10.8	13.8
Production cost per kg r.w.	8.8	11.0	12.9
Results COD fish per kg r.w.	-0.3	-0.2	0.9
Price per kg HOG FOB Oslo	20.1	25.7	29.6
Price Liver per kg FOB Oslo	9.6	9.5	12.9

- Q3/10 EBITDA of -1.4 MNOK vs Q3/09 -46.5 MNOK.
- Q3/10 EBIT -5.6 MNOK vs. Q3/09 -52.5 MNOK.
 - No write down of biomass in Q3/10
- EBIT is mainly explained by the following factors:
 - Positive contribution of 0.9 MNOK from fish sold in the period.
 - Administration and sales costs of 6.9 MNOK in Q3/10. Includes one-off warrants costs of MNOK 3.1.
 - Net result from subsidiaries of -0.3 MNOK. Includes income of 1.6 MNOK of public funding.
 - Income from sale of fixed assets of 2.3 MNOK.

Highlights Q3 2010

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- Biological assets have a fair value of 69.9 MNOK (3 741 tons r.w).
- The expected break even price for harvesting in Q4/10 is NOK 32.5 per kg HOG FOB Oslo (before adm/sales).
- Cash position per Q3/10 was 34.1 MNOK. Net short term receivables of 6.0 MNOK.
- Refinancing of company completed.
 - A total of 106,872,539 new shares were issued, net proceeds of 46.2 MNOK in cash and 4.35 MNOK worth in juveniles.
- F3 feeding output approx. 25% ahead of our best generation.
 - Size grading due week 47 postponed because of cold weather.
 - 3% mortality per Q3.
- Cost reduction focus continue.
 - Insurance of biomass discontinued, save 1.1 MNOK in 2011.
 - Increased use of vegetable feed. Based on today's prices annual savings amounts to 2.5 MNOK in 2011.

Highlights post Q3 / 2010



- Launch of Codfarmers new consumer packed product STRØM®
 - Overnight distribution
- Product launched week 44 in 4 stores. Additional 2 stores added in week 45.
 - CC Vest
 - Centra Høvik
 - Centra Colosseum
 - Jacobs på Holtet
 - Ultra, Sandvika
 - Ultra, Bryn
- Further expansion in Q1 201
- Salma salmon is being sold in +100 Norges Gruppen stores
- STRØM® www.stromcod.no
- Projected sales 2010 – 4,300 kg, 820 TNOK
 - The rest of the filet is being sold in various markets, minimal waste
 - Amounts to 21 ton whole fish
- Total cost product launch 1.9 MNOK
 - 0.2 MNOK in 08 - 0.2 MNOK in 09
 - 1.5 MNOK in 10
 - No cost activated
- Sales price on liver has so far in Q4 increased by 32% compared to Q3/10
 - Cod liver from the Baltic sea is classified as non consumable

Financials Q3 / 2010

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Key Financial Figures	Q3	Q3	30.Sept	30.Sept	Year
NOK (1000')	2010	2009	2010	2009	2009
Revenue	28 813	17 236	101 792	66 546	101 996
EBITDA	-1 399	-46 500	-13 058	-79 002	-141 026
EBIT after write down of biomass	-5 902	-52 483	-28 354	-95 882	-167 773
EBIT before write down of biomass	-5 902	-12 483	-28 354	-30 882	-47 773
*Writedown of biomass	0	-40 000	0	-65 000	-120 000
Net profit	-9 052	-54 976	-38 511	-106 016	-154 135
Total assets	245 468	317 368	245 468	317 368	268 497
Total Equity	140 857	199 900	140 857	199 900	125 353
Equity ratio	57 %	63 %	57 %	63 %	47 %
Interest bearing debt	84 483	87 803	84 483	87 803	104 732
Cash and cash equivalents	34 093	2 452	34 093	2 452	6 718
Harvest volumes tons (r.w.)	865	514	5 206	2 138	4 018

Key Biological Figures	Q3	Q3	30.Sept	30.Sept	Year
	2010	2009	2010	2009	2009
Juveniles release (1000)	835	-	835	1 380	1 380
Harvesting tons (r.w)	865	514	5 206	2 138	4 018
Net growth tons (r.w)	680	1 414	1 768	3 290	4 852
Biomass in sea tons (r.w)	3 741	7 374	3 741	7 374	7 055
Average weight (kg)	1,7	1,3	1,7	1,3	1,8

- Q3/10 sales revenue of 28.8 MNOK. Total harvest of 865 tons (r.w) of own production and 368 tons (r.w) sold for external producers.
- EBITDA of -1.4 MNOK in Q3/10.
- EBIT of -5.9 MNOK in Q3/10.
- Total assets of 245.5 MNOK, reflecting 113.8 MNOK in non current assets and 131.7 MNOK in current assets. Estimated biomass value of 69.9 MNOK.
- Total equity of 140.9 MNOK with an equity ratio of 57% and 84.5 MNOK of interest bearing debt.

Cashflow Q3 / 2010

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CASHFLOW	IFRS	
	30.Sept 2010	30.Sept 2009
Cash generated from operating activities		
Operating profit for the period	-28 354	-95 882
Interest paid	-4 061	-3 928
Depreciation and amortisation	15 296	16 880
Share option costs	3 591	127
Gain on sale of asset	-2 008	0
Change in other	-9 393	10 338
Net cash generated from operating activities	-24 929	-72 465
Cash flow from investing activities		
Purchase of property, plant and equipment (PPE)	0	-36 117
Governments grants related to investments	0	11 750
Proceeds from sale of PPE	28 060	10 000
Interest received	931	727
Other	0	-1 012
Net cash used in investing activities	28 991	-14 652
Cash flow from financing activities		
Repayments of borrowings	-27 110	-1 595
Proceeds from new borrowings	0	39 227
Proceeds from share issue	50 424	36 540
Net cash used in financing activities	23 314	74 173
Cash and cash equivalents at end of the period	34 093	2 452

- Cash flow from operations
 - - 24,9 MNOK per Q3/10 compared to -72,5 MNOK per Q3/09.
 - Mainly reflects YTD result and change in trade receivables and payables.
- Cash flow from investing activities
 - 29,0 MNOK per Q3/10 compared to -14,7 MNOK per Q3/09.
 - Mainly explained by proceeds from sale of equipment to Marine Harvest and Mainstream.
- Cash flow from financing activities
 - 23,3 MNOK per Q3/10 compared to 74,2 MNOK per Q3/09.
 - The positive cash flow is mainly explained by proceeds from share issue
- Cash position per Q3/10 is 34.1 MNOK
- Net receivables per Q3/10 of 6.0 MNOK

Cod Farming – production plan

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Cod performance indicators per September 2010

	Kjølsvika Gen.June 2007	Tårnvika Gen.Sept 2007	Kjerkvika Gen.May 2008	Meløysjøen Gen.Sept 2008	Kjerkvika (Sjetnes) Gen.May 2009	Hammarvika Gen.July 2010
Harvest %	100%	100%	74%	33%	0%	0%
Avg. harvested weight	2,4 kg	2,9 kg	2,7 kg	2,8 kg		
Current avg. weight	-	-	2,7 kg	2,7 kg	2,2 kg	0,3 kg
No. of fish (1000)	0	0	228	555	639	814
Biological feed factor (FCR)	1,34	1,20	1,19	1,12	1,07	0,77
Economic feed factor (EFCR)	1,62	1,35	1,30	1,32	1,47	0,79
Mortality (%) based on start number	21,5 %	19,3 %	10,0 %	17,3 %	11,6 %	2,5 %
Production cost per kg (r.w.)	NOK 33,5	NOK 27,2	NOK 25,4	NOK 24,7	NOK 31,7	NOK 57,2
Book value (after write down) per kg (r.w)	NOK 0	NOK 0	NOK 14,7	NOK 16,6	NOK 18,5	NOK 57,2

- Total of 865 tons harvested in Q3/10 from two locations.
- Planned harvest of 40` fish per week going forward representing approx. 120 tons (r.w) per week in Q4.
- Standing biomass per Q3 of 3 741 tons (r.w) - 2.2 million fish.
- Capacity to release 3-4 million juveniles annually.
- Breakeven for rest of 2010 before adm/sales and finance → NOK 32.5 pr kg HOG FOB Oslo.
- No diseases.

Cod Sales – improved prices

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Prices back on par with 2008

- FOB export price of 29.58 per kg. 15% up from Q2 and 3% above Q3 2009.
- 4% above average export price for farmed cod and 8% above average price for wild.
- 38% share of total Norwegian fresh farmed cod export.

Stable contract sales

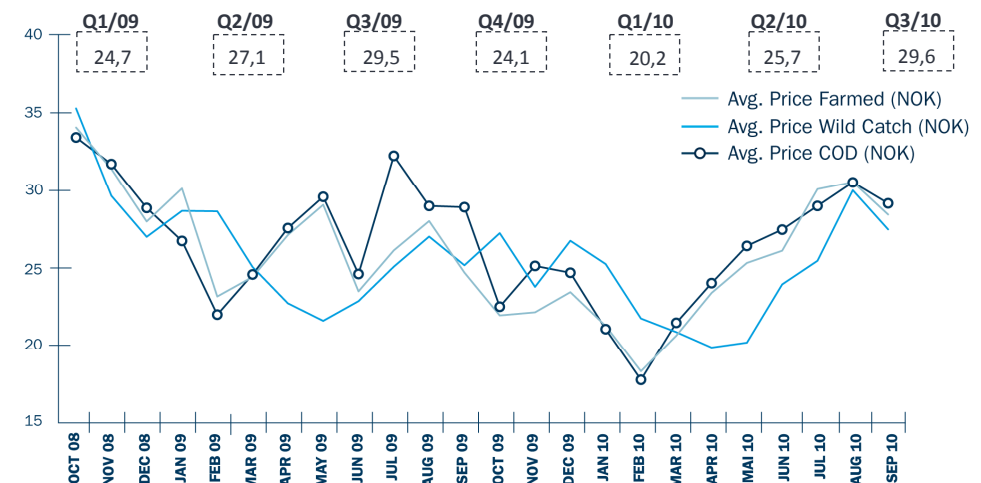
- Contract sales accounted for 56% of the sales value in Q3 and 54% YTD.
- Contract sales prices were adjusted during the quarter to reflect the general increase in market prices and continue to pull up COD's average sales price.

Significant trading activities

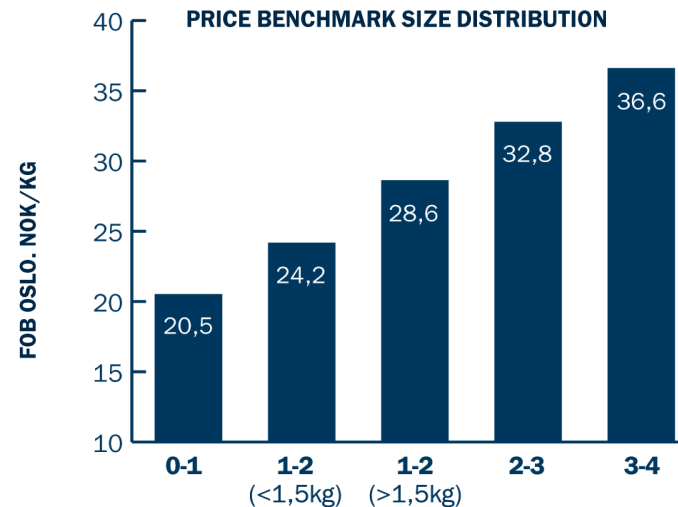
- Fish harvested and sold for others or traded in the spot market accounted for almost 30% of Q3 volumes sold.

Price FOB Oslo
(NOK/kg hks)

SALES PRICE BENCHMARK 2008-2010

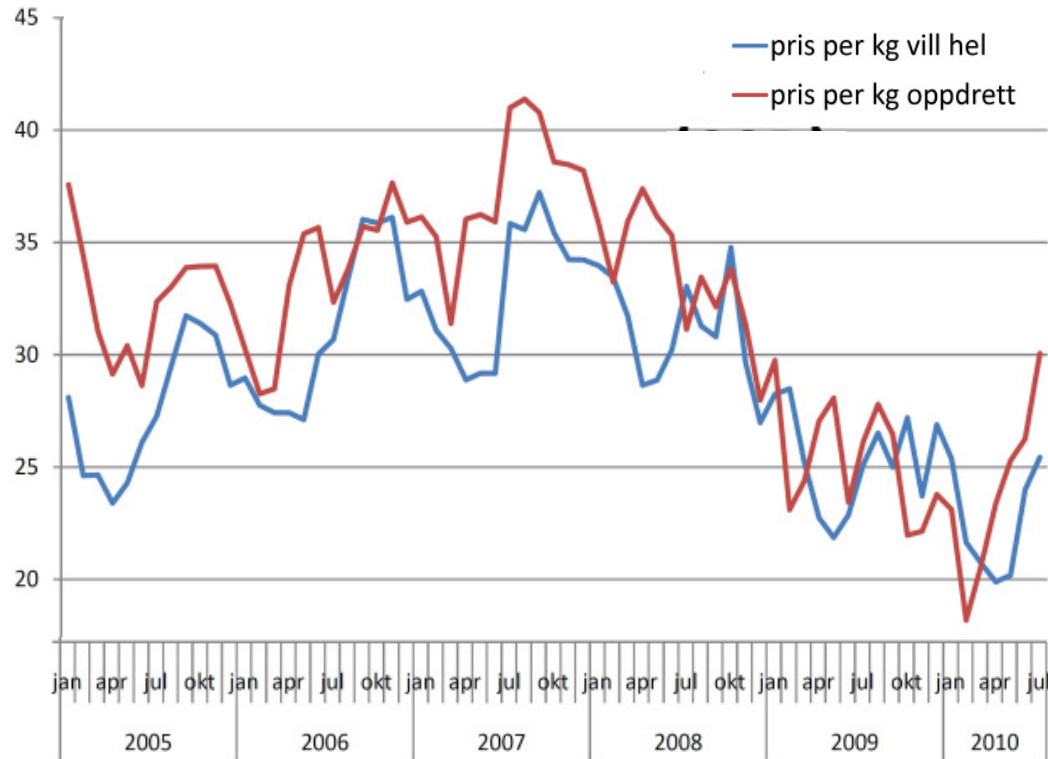


PRICE BENCHMARK SIZE DISTRIBUTION



Prices back to 2008 level

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- 01.01.05 – 01.10.07 Cod prices up from NOK 28 per kg to NOK 43 per kg
- 01.10.07 – 01.02.10 Cod prices down from NOK 43 per kg to NOK 17 per kg
- 50% price increase in 2010

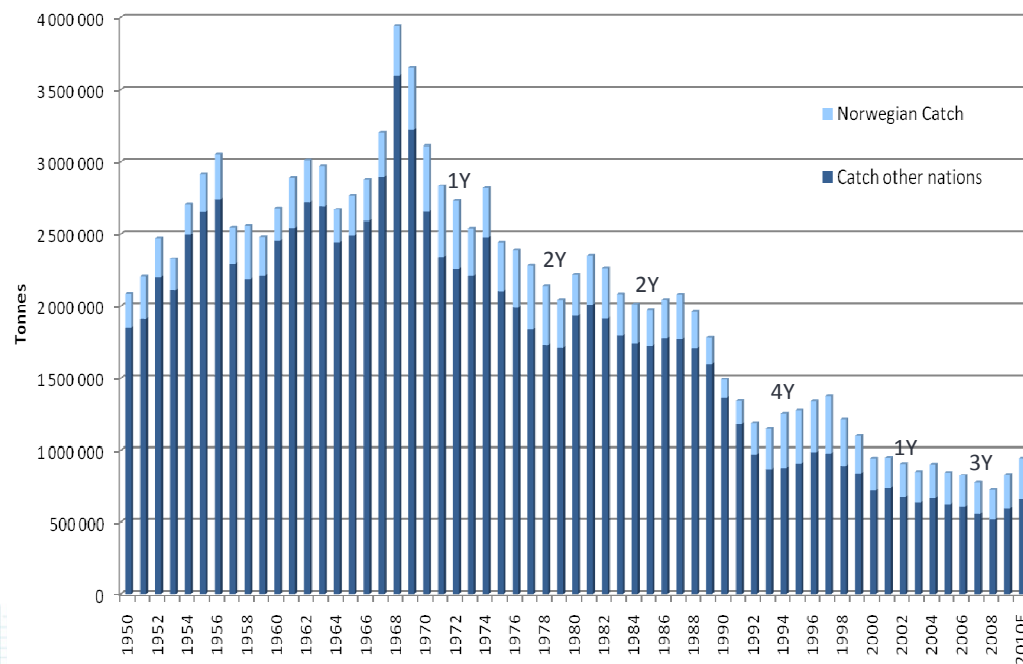
Source: Incod/"Sats på torsk"

Increasing wild cod quotas - for how long?

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Historic Development – Catch of Atlantic Cod 1950 - 2010



- Since the end of the 60s, quota increases has been limited to a few years, before the quotas are reduced further
- "Særlig bevaring av torskbestanden bekymrer Kommisjonen. Torskbestanden i Kattegat, Irskesjøen og rundt vestkysten av Skottland viser ingen tegn på å ta seg opp igjen. Kommisjonen foreslår derfor å halvere disse. For nordsjøtorsken har situasjonen forverret seg etter at det ble fisket mer torsk i 2008 enn i noe annet år siden 1999" (Intrafish)
- "Totalkvoten for nordøst-arktisk torsk i 2011 settes til 703.000 tonn i samsvar med forvaltningsregelen og anbefalingen fra ICES, en økning på 16% sammenlignet med 2010." (Intrafish)

STRØM®
DET NYE NAVNET
PÅ FERSK TORSK

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FRESH COD FROM NORDLAND