

Second-quarter 2014 highlights

Key events

- Superba[™] Krill oil sales increased by 12 metric tons to 122 metric tons in the second quarter 2014 compared to the previous quarter, despite recent softness in the U.S. retail market
- 5 961 tons Qrill[™] Aqua was sold in the second quarter 2014, compared to 1 928 tons in the first quarter. Qrill[™] demand continues to be strong and second-quarter sales rose threefold as higher product volumes became available for delivery.
- Harvesting volumes for 2014 are in line with budget as per 30 June 2014 and are significantly improved from the 2013 season.
- The SuperbaTM Krill factory in Houston is on schedule to start commercial production in the second half of 2014.
- The Trygg Pharma Group includes AKR 963, which is a product candidate for the treatment of severe hypertriglyceridemia. The value of the investment in Trygg Pharma Group depends on Trygg's ability to successfully launch the product, alone or with a partner. However, due to regulatory approval and commercialisation challenges that have delayed the launching of the product, Trygg Pharma Group decided in June to take a write-down of NOK 491 million, of which Aker BioMarine's share is 50 per cent.

Key figures



Unaudited consolidated accounts - key figures

In connection with a possible listing of Aker ASA's krill business in the U.S., as communicated by Aker ASA in the fourth quarter 2013, the Company has initiated certain processes. As a result of these, Aker BioMarine has restated its financial reporting for 2013 and for the first quarter 2014, as presented in this appendix. Previously reported quarterly financial statements in 2013 will be restated in order to reflect the updated assessments made by the Company.

Note that Aker BioMarine's share of the NOK 491 million write-down in Trygg Pharma Group is part of the restatement of the 2013 annual accounts.

Income statement - Restated

	Actual	Actual	Actual YTD	Year
Amounts in USD million	Q1 2014	Q2 2014	2014	2013
Operating revenues	22.9	33.9	56.7	114.5
Cost of goods sold and other selling costs	(10.6)	(20.8)	(31.4)	(60.9)
Salaries and other personell expenses	(4.4)	(3.0)	(7.4)	(22.6)
Production and other operating expenses	(1.1)	(2.1)	(3.2)	(15.3)
Operating profit before depreciation and amortizatio	6.8	7.9	14.7	15.7
Depreciation and amortisation	(5.3)	(4.2)	(9.5)	(16.3)
Impairment charges and special operating items	(0.2)	0.1	(0.1)	(13.1)
Operating profit / (loss)	1.3	3.8	5.2	(13.6)
Financial income	0.0	1.5	1.6	3.9
Financial expenses	(2.8)	(1.6)	(4.4)	(16.5)
Share of profit of equity-accounted investees	(1.5)	(1.9)	(3.4)	0.6
Profit / (loss) before tax	(2.9)	1.9	(1.1)	(25.7)
Income tax expense	0.2	(0.0)	0.2	(0.5)
Net profit / (loss)	(2.7)	1.9	(0.9)	(26.2)
Other income				
Translation differences and other comprehensive income	(3.0)	2.4	(0.6)	(3.8)
Total profit / (loss) for the period	(5.7)	4.3	(1.5)	(30.0)

^{*}Operating profit before depreciation and amortization, impairment charges and special operating items

Balance sheet and cash flow - Restated

	Actual	Actual	Actual YTD	Year
Amounts in USD million	Q1 2014	Q2 2014	2014	2013
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Total assets	323	322	322	319
Total equity	142	146	146	144
Net interest bearing debt	158	143	143	134
Net w orking capital	44	51	51	32
Equity ratio	44 %	45 %	45 %	45 %
Cash flow from operating activities	(9)	3	(6)	60
Cash flow from investing activities	(2)	(2)	(4)	(46)
Cash flow from financing activities	5	4	9	(8)

Higher Qrill™ and Superba™ Krill sales increased operating revenues by USD 11.0 million in the second quarter 2014, compared to the first quarter 2014. Total sales volume stood at 122 metric tons of Superba™ Krill and 5 961 metric tons of Qrill™ Aqua.

EBITDA rose to USD 7.9 million in the second quarter 2014 up from USD 6.8 million in the previous quarter. The gain in EBITDA is due to increased gross profit of USD 0.7 million and increased offshore production of USD 1.4 million, partly offset by increased offshore, onshore and SG&A costs of USD 1.0 million.

USD 1.6 million in financial expenses in the second quarter includes USD 2.3 million in interest expenses and quarantee fees, and USD 0.9 million in agio.

Profit from joint ventures amounted to minus USD 1.9 million in the second quarter, which mainly represents the company's share of loss from the Trygg Pharma Group.

Cash flow from operations in the second quarter was USD 3.3 million. Funds provided from operating activities stood at USD 9.8 million, whilst changes in net working capital contributed negatively to the cash flow in the period by USD 4.8 million.

Aker BioMarine entered into a loan agreement with Aker ASA in the first quarter 2014. The loan facility is for a total of NOK 60 million, of which all was drawn as of the end of the second quarter 2014. The loan carries an interest rate of 3M NIBOR + 500bps and is classified as short-term interest-bearing debt.

Aker BioMarine established "Pharma" as a separate reporting segment for its pharma-related businesses in the third quarter 2013. This segment is composed of Aker BioPharma and the 50 per cent ownership in Trygg Pharma.

Unaudited segment reporting - key figures

Income statement pr segment - Restated

	N	Nutraceuticals			Pharma		
	Actual	Actual	Actual YTD	Actual	Actual	Actual YTD	
Amounts in USD million	Q1 2014	Q2 2014	2014	Q1 2014	Q2 2014	2014	
Operating revenues	22.8	33.9	56.7	0.6	0.3	0.9	
EBITDA	8.1	8.3	16.4	(1.1)	(0.6)	(1.7)	
EBIT	2.7	4.2	6.9	(1.1)	(0.7)	(1.7)	
EBT	(1.7)	2.8	1.1	(2.6)	(1.1)	(3.7)	
Net profit	(1.5)	2.8	1.3	(2.6)	(1.1)	(3.7)	
*Before eliminations							