

## Marine Harvest ASA: results for the second quarter of 2007

**Demand for salmon remains solid and the prices have been satisfactory given the increased demand in Q2. The period proved good for Marine Harvest's Norwegian, Scottish and Canadian businesses and for its value-added products (VAP) unit. The biological situation in Chile represents a growing challenge, and requires implementation of preventive measures by the entire industry.**

**The communicated synergies are carried out as planned and will gradually strengthen Marine Harvest's competitiveness. Operating profit for the second quarter, before restructuring costs and fair value adjustment of the biomass, was NOK 447.4 million and operating revenues were NOK 3 618.3 million for the quarter.**

*"The second quarter was positive in a number of areas, but also out of the ordinary due to falling salmon prices and persistent challenges in Chile," says Chief Executive Atle Eide.*

*"Operationally, we're doing well in Norway, Canada and the UK. At the same time, VAP has strengthened significantly as a result of lower raw material prices. The most gratifying aspect has been to see that the new organisation is well functioning and that forecast synergies from the creation of the 'new' Marine Harvest are materialising as planned. This shows that the plans laid and measures adopted are having the expected effects."*

*"At the entry of August we observe increasing salmon prices at growing volumes, while the positive effects of the integration are continuing to materialise. We expect the challenges in Chile to persist, but it is our firm view that these biological problems can be solved in cooperation between the industry and the authorities. Marine Harvest has initiated a comprehensive programme together with other market players to handle the situation, says Atle Eide."*

Marine Harvest's operating revenues of NOK 3 618.3 million for the second quarter were somewhat lower than in the same period of last year, primarily because of a reduced harvesting in Chile. Revenues in Norway, Canada and the VAP unit were up from the second quarter of 2006. EBIT before fair value adjustment and restructuring costs were NOK 447.4 million in the second quarter.

At 30 June, Marine Harvest had a net interest-bearing debt of NOK 6 479 million. Its equity ratio at the same date was 55.8 per cent.

### Business areas

*Marine Harvest is divided into five business areas: Marine Harvest Norway, Marine Harvest Chile, Marine Harvest Canada, Marine Harvest Scotland and Marine Harvest VAP Europe (Value Added Products). It also has operational units in Ireland, the Faroe Islands, Japan, China, Taiwan, Korea and Singapore.*

Marine Harvest Norway had operating revenues of NOK 1 437.7 million in the second quarter. EBIT before restructuring costs and fair value adjustment of the biomass was NOK 291.8

million. A total of 42 862 tonnes (HOG) was harvested in the period, contributing to an EBIT/kilogram (HOG) of NOK 6.81.

Marine Harvest Chile had operating revenues of NOK 816.1 million in the second quarter. EBIT before restructuring costs and fair value adjustment of the biomass was NOK 60.2 million. A total of 23 370 tonnes (HOG) was harvested in the period, contributing to an EBIT/kilogram (HOG) of NOK 2.58. Recorded losses related to abnormal levels of mortality came to NOK 57.7 million for the period, and explain the poor earnings.

Marine Harvest Canada had operating revenues of NOK 373.2 million in the second quarter. EBIT before restructuring costs and fair value adjustment of the biomass was NOK 76.8 million. A total of 10 461 tonnes (HOG) was harvested in the period, contributing to an EBIT/kilogram (HOG) of NOK 7.34.

Marine Harvest Scotland had operating revenues of NOK 253.6 million in the second quarter. EBIT before restructuring costs and fair value adjustment of the biomass was NOK 28.4 million. A total of 5 790 tonnes (HOG) was harvested in the period, contributing to an EBIT/kilogram (HOG) of NOK 4.91.

Marine Harvest VAP Europe had operating revenues of NOK 895.9 million in the second quarter. EBIT before restructuring costs was NOK 44.9 million.

A total of 84 674 tonnes (HOG) was harvested in the quarter.

### **Outlook**

Marine Harvest is optimistic about future developments, both for the company and for the industry. The ongoing integration process will be maintained, and is expected to materialise even stronger in the second half of 2007.

The production challenges in Chile may lead to improved global market balance and the situation could open up for further restructuring of the industry in Chile. Marine Harvest is well positioned to take advantage of the opportunities that might arise.

The board of Marine Harvest will intensify the search for acquisition opportunities within the seafood industry.

### **For further information**

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