

Third-quarter 2015 highlights

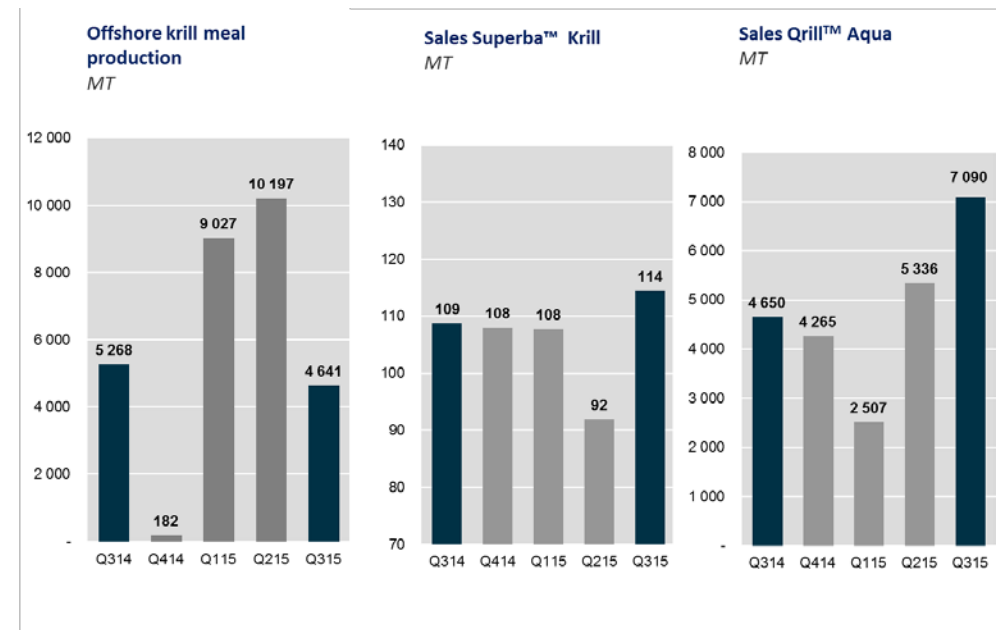
Highlights

- EBITDA of USD 6.0 million, driven by reduced operating expenses.
- Sale of high margin product Qrill™ High Protein gains momentum.
- First quarter with stable production of Superba™ Krill oil at factory in Houston, U.S.

Events and outlook

- Harvesting expected to commence in December
- Superba™ Krill market will remain challenging
- Qrill™ Aqua continues to experience strong demand

Key figures and operational information



Consolidated financial information – key figures

Aker BioMarine (the Group) is an integrated biotechnology group that harvests, processes, markets, and sells krill-derived ingredients for health and nutrition applications ranging from fish feed to dietary supplements.

The comments below are on the Group's development in the third quarter of 2015 compared to the third quarter in 2014, and full year 2014, unless otherwise stated. Comments on EBITDA are made on development in operating profit before depreciation, amortisation, write-downs and impairments, and Special Operating Items.

Aker BioMarine Group STATEMENTS OF PROFIT OR LOSS

Amounts in thousands of U.S. Dollars	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	YTD 2015	YTD 2014
Revenues from sale of products	28 128	25 755	20 828	25 982	30 630	77 440	83 559
Other income	579	716	460	470	537	1 468	2 269
Total revenues and other income	28 707	26 471	21 289	26 451	31 168	78 908	85 828
Net change in inventories	(3 902)	(13 358)	11 219	9 344	(5 482)	15 082	14 984
Production and misc. operating expenses	(18 720)	(14 926)	(19 166)	(19 332)	(14 193)	(52 691)	(66 963)
Salaries and payroll expenses	(6 086)	(6 956)	(5 277)	(5 774)	(5 457)	(16 508)	(18 721)
Other expenses	(673)	13	(38)	(490)	(62)	(590)	(1 109)
Total operating expenses before depreciation, amortization and impairment	(29 382)	(35 227)	(13 262)	(16 252)	(25 194)	(54 708)	(71 809)
Depreciation and amortization	(4 382)	(4 020)	(4 177)	(4 001)	(3 906)	(12 084)	(13 905)
Impairment charges	-	(389)	-	-	-	-	-
Operating profit (loss)	(5 057)	(13 165)	3 850	6 199	2 067	12 115	115
Financial income	35	7 046	3 271	(921)	3 341	5 691	93
Financial expenses	(1 140)	(4 105)	(2 232)	(2 623)	(2 459)	(7 314)	(5 655)
Share of loss from equity accounted investees	(36)	(1 577)	(1 236)	(1 533)	(1 054)	(3 823)	91
Net profit (loss) before tax expense	(6 198)	(11 801)	3 652	1 122	1 895	6 669	(5 356)
Tax expense	(8)	(270)	-	2	(0)	2	169
Net profit (loss)	(6 205)	(12 071)	3 652	1 124	1 895	6 671	(5 187)
EBITDA	(0)	(8 783)	8 065	10 689	6 036	24 790	14 738

CONDENSED BALANCE SHEET AND KEY FIGURES

Amounts in thousands of U.S. Dollars	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	YTD 2015	YTD 2014
Total assets	266 943	255 159	258 927	268 941	267 312	267 312	266 943
Total equity	90 475	75 257	78 214	80 048	82 254	82 254	90 475
Net interest bearing debt	144 576	143 929	142 173	146 513	143 715	143 715	144 576
Net working capital	49 026	35 069	40 182	47 081	45 322	45 322	49 026
Equity ratio	34 %	29 %	30 %	30 %	31 %	31 %	34 %

The Group's third-quarter net profit was USD 1.9 million compared with a loss of USD 6.2 million the same period last year. EBITDA for the quarter was USD 6.0 million, an increase of USD 6.0 million year-on-year. The strong EBITDA was primarily driven by reduced operating expenses and increased revenues compared with previous quarters.

In the third quarter, the Group ended its 2015 harvesting season in the Antarctica. Total harvesting ended at 134 808 metric tons (MT) and a total of 23 865 MT of krill meal was produced. The vessels are currently in Montevideo, Uruguay, preparing for the 2016 harvesting season, which is expected to kick-off in December 2015.

Aker BioMarine AS restructured its ownership of Aker BioMarine Antarctic AS (AKBMA), which is the vessel-owning subsidiary, in the third quarter. The purpose of the restructuring was to enable Aker BioMarine to access foreign capital, while remaining in compliance with the ownership requirement pursuant to Norwegian Fishery Authorities and Norwegian Fishery Law.

Following approval by the Norwegian Fishery Authorities, a new legal structure was established whereby AKBMA created a separate share class with certain veto rights related to krill fishing license-specific issues and increased its share capital at face value by approximately NOK 11 million through a private offering to Antarctic Harvesting Holding AS ("Antarctic Harvesting"). Antarctic Harvesting is 100% owned by The Resource Group TRG AS ("TRG"). Shares acquired by Antarctic Harvesting through the private offering are entitled to an annual dividend of 7%, or approximately NOK 800,000 per year, on its capital investment in AKBMA. Should AKBMA in any year not have available profit to make such dividend payment, Antarctic Harvesting shall receive the balance in the first year thereafter when the company has available profit. All available profit beyond the annual dividend to Antarctic Harvesting shall either be distributed to Aker BioMarine AS or be retained by AKBMA. As such, Antarctic Harvesting's potential economic distribution from AKBMA is limited to approximately NOK 800,000 per year.

EY was engaged to prepare a fairness opinion on the transaction.

The transaction above does not alter Aker BioMarine's full consolidation of AKBMA in the Group accounts, and the ownership interest of Antarctic Harvesting is presented as non-current interest bearing debt in the consolidated balance sheet.

Revenue and other income:

Total revenue and other income increased with USD 2.5 million compared to the same period last year. The increase in revenue is mainly driven by increased sales of Qrill™ Aqua, which is up USD 5.5 million compared with the same quarter last year. Total sales volume ended at 114 MT of Superba™ Krill oil and 7 090 MT of Qrill™ Aqua. In addition, Qrill™ Pet sales amounted to 59 MT in the quarter, while the high protein krill meal, derived as a byproduct from the krill oil production process, QHP sales amounted to 319 MT.

Operating expenses:

During the quarter total operating expenses ended at USD 25.2 million. Compared with the same quarter last year, total expenses are down 16.6%. The main drivers behind the reduction are lower salaries and production and other operating expenses. Net change in inventories is higher this quarter due to higher sales of Qrill™ Aqua and lower production of krill meal.

Financial items

The Group's share of the joint venture in Houston impacted Share of loss from equity accounted investees negatively with USD 1.1 million in the quarter, reflecting start-up costs on the new facility. Financial income is mainly unrealised gain on our NOK denominated loans, whereas the Finance expenses mainly relate to interest cost on external loans and a guarantee fee to Aker ASA.

Total assets:

Total assets increased with USD 12.2 million compared to 31 December 2014. The increase reflects the expected build-up of inventory partly off-set by a reduction in receivables and bank deposits. During the year the Group has invested USD 9 million in the new production facilities in Houston that will enable the production of the next generation of Superba™ Krill oil.

Net interest bearing debt

Net interest-bearing debt (interest-bearing loans less cash and cash equivalents) amounted to USD 143.7 million in the third quarter, slightly down from USD 143.9 million as of 31 December 2014, primarily due to unrealised exchange gains on the entity's NOK denominated loans. Of the Group's total interest-bearing debt, USD 20 million is a liquidity loan from Aker ASA.