

Fourth-quarter 2015 highlights

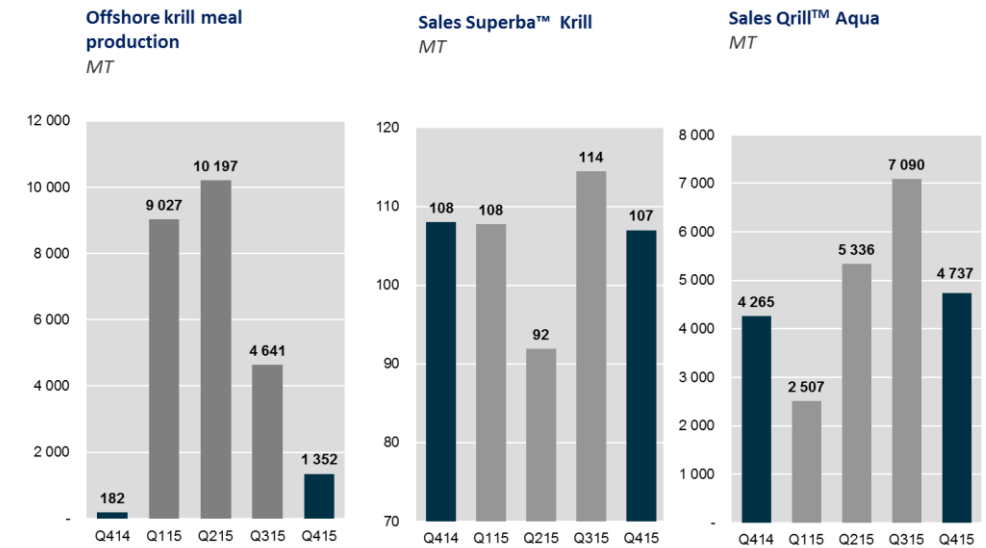
Highlights

- Fourth quarter EBITDA rose by USD 9.7 million year-on-year, driven by cost reductions and improved operational efficiency
- Full-year EBITDA of USD 25.7 million and net profit of USD 0.8 million
- Continued improvement in the Qrill™ Aqua market
- Harvesting season for 2016 commenced in December 2015 as planned

Events and outlook

- New production technology, Flexitech™, reaching normal production capacity. New products Superba™ Boost and Superba™ 2 to be delivered to customers in the first half of 2016
- Qrill™ Pet obtained final regulatory approval (GRAS) in the U.S. in December 2015. It is expected that the approval will open up the U.S. market.
- Aker BioMarine Antarctic AS, a subsidiary, filed a lawsuit in the District Court of Delaware against Olympic Holding AS and their partners for infringement of U.S. patents

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 fourth quarter and full year 2015 compared to the fourth quarter 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	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	YTD 2015	YTD 2014
Revenues from sale of products	22 156	33 275	28 128	25 755	20 828	25 982	30 630	25 739	103 180	109 314
Other income	713	976	579	716	460	470	537	473	1 941	2 985
Total revenues and other income	22 869	34 252	28 707	26 471	21 289	26 451	31 168	26 213	105 121	112 299
Net change in inventories	10 984	7 902	(3 902)	(13 358)	11 219	9 344	(5 482)	(7 880)	7 202	1 626
Production and misc. operating expenses	(19 932)	(28 311)	(18 720)	(14 926)	(19 166)	(19 332)	(14 193)	(11 262)	(63 953)	(81 889)
Salaries and payroll expenses	(7 094)	(5 540)	(6 086)	(6 956)	(5 277)	(5 774)	(5 457)	(6 141)	(22 649)	(25 677)
Other expenses	(158)	(278)	(673)	13	(38)	(490)	(62)	(401)	(991)	(1 096)
Total operating expenses before depreciation, amortization and impairment	(16 200)	(26 226)	(29 382)	(35 227)	(13 262)	(16 252)	(25 194)	(25 683)	(80 391)	(107 036)
Depreciation and amortization	(4 484)	(5 039)	(4 382)	(4 020)	(4 177)	(4 001)	(3 906)	(3 827)	(15 911)	(17 925)
Impairment charges	-	-	-	(389)	-	-	-	(905)	(905)	(389)
Operating profit (loss)	2 185	2 987	(5 057)	(13 165)	3 850	6 199	2 067	(4 202)	7 913	(13 051)
Net financial expenses	34	24	35	2 941	1 039	(3 544)	5 736	(6 248)	(3 016)	(2 621)
Share of loss from equity accounted investees	65	62	(36)	(1 577)	(1 236)	(1 533)	(1 054)	(187)	(4 010)	(1 486)
Net profit (loss) before tax expense	2 284	3 073	(5 058)	(11 801)	3 652	1 122	6 750	(10 637)	887	(17 157)
Tax expense	183	(7)	(8)	(270)	-	2	(0)	(84)	(82)	(101)
Net profit (loss)	2 467	3 066	(5 065)	(12 071)	3 652	1 124	6 750	(10 720)	805	(17 258)
EBITDA	6 816	7 922	(0)	(8 783)	8 065	10 689	6 036	903	25 693	5 955

CONDENSED BALANCE SHEET AND KEY FIGURES

Amounts in thousands of U.S. Dollars	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	YTD 2015	YTD 2014
Total assets	265 829	272 297	266 943	255 159	258 927	268 941	267 312	258 422	258 422	255 159
Total equity	84 139	96 361	90 475	75 257	78 214	80 048	82 254	76 158	76 158	75 257
Net interest bearing debt	144 159	142 891	144 576	143 929	142 173	146 513	143 715	140 311	140 311	143 929
Net working capital	38 852	52 713	49 026	35 069	40 182	47 081	45 322	36 255	36 255	35 069
Equity ratio	32 %	35 %	34 %	29 %	30 %	30 %	31 %	29 %	29 %	29 %

The Group's fourth quarter net loss was USD 10.7 million compared with a loss of USD 11.8 million the same period last year. EBITDA for the quarter was USD 0.9 million, an increase of USD 9.7 million year-on-year. Reduced operating expenses compared with previous quarters primarily drove the positive development in EBITDA.

In the fourth quarter, the Group commenced the 2016 harvesting season in Antarctica. Total harvesting ended at 11 453 metric tons (MT) and a total of 1 352 MT of krill meal was produced in the quarter. For the full year 2015, total production of krill meal ended at 25 217 MT.

Revenue and other income:

Total revenue and other income ended approximately on par with the same quarter last year. While revenues from Qrill™ Aqua is up USD 1.2 million in the fourth quarter of 2015 compared to the same period in 2014, revenues from Superba™ Krill are down USD 1.9 million.

Total sales volume ended at 107 MT of Superba™ Krill oil and 4 737 MT of Qrill™ Aqua. Revenues from other products increased with USD 0.5 million quarter-on-quarter.

Operating expenses:

Total operating expenses for the fourth quarter declined 27 per cent to USD 25.7 million from the year prior. The main drivers behind the reduction were lower production and other operating expenses, and reduced inventory levels.

Depreciation, amortisation and impairment charges

In the fourth quarter, the Company recognised impairment charges of USD 0.9 million related to its harvesting equipment, previously classified as held for sale.

Financial items

The Group's share of the joint venture in Houston impacted Share of loss from equity accounted investees negatively with USD 0.2 million in the quarter, reflecting start-up costs on the new facility. Financial expenses are mainly related to interest costs on external loans and a guarantee fee to Aker ASA.

Total assets:

Total assets increased by USD 3.3 million to USD 258 million, compared to 31 December 2014. The increase reflects the expected build-up of inventory and investments made in the new onshore production technology, Flexitech™. During the year, the Group invested USD 14.7 million in Flexitech™, which will ensure the production of the next generation Superba™ Krill oil.

Net interest bearing debt

Net interest-bearing debt (interest-bearing loans less cash and cash equivalents) amounted to USD 140.3 million in the fourth 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 21.3 million is a liquidity loan from Aker ASA.