

First quarter 2017 highlights

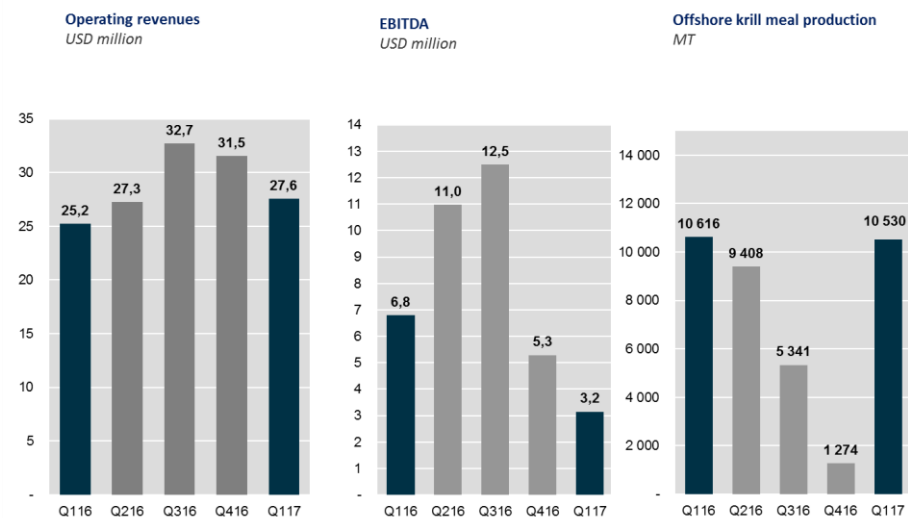
Highlights

- On 14 February 2017, Aker BioMarine announced that it will build a new krill vessel. The vessel is expected to be in operation in the Antarctic for the 2019 harvesting season
- The krill harvesting vessels performed well in first quarter with total krill meal production in line with first quarter 2016
- Total revenues amounted to USD 27.6m, up 9% compared to first quarter 2016
- EBITDA impacted by lower gross margin and certain higher cost items compared to first quarter 2016

Events and outlook

- Aker BioMarine has strengthened its US sales team with the addition of two new sales executives
- Aker BioMarine has obtained committed take-out financing for up to USD 120 million for the new krill harvesting vessel
- After bankruptcy in two of the infringing companies and a settlement with a third, Aker BioMarine no longer sees value in continuing ITC proceedings, and has therefore asked ITC to discontinue investigation

Key figures and operational information



Consolidated financial information – key figures

Aker BioMarine (AKBM) 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 AKBM's development in the first quarter 2017 compared to the first quarter in 2016, and full year 2016, unless otherwise stated. Comments on EBITDA are made on development in operating profit before depreciation, amortization, write-downs and impairments, and Special Operating Items.

Aker BioMarine Group STATEMENTS OF PROFIT OR LOSS

| Amounts in thousands of U.S. Dollars | Q1 2016 | Q2 2016 | Q3 2016 | Q4 2016 | Q1 2017 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Revenues from sale of products | 24 652 | 27 024 | 32 242 | 31 274 | 27 163 |
| Other income | 589 | 237 | 476 | 244 | 401 |
| Total revenues and other income | 25 241 | 27 261 | 32 718 | 31 518 | 27 564 |
| Net change in inventories | 2 184 | 3 133 | (1 555) | (684) | 1 455 |
| Production and misc. operating expenses | (14 668) | (13 859) | (11 517) | (14 197) | (17 958) |
| Salaries and payroll expenses | (5 969) | (5 551) | (7 160) | (11 348) | (7 910) |
| Other expenses | (356) | (88) | (6 329) | (367) | |
| Total operating expenses before depreciation, amortization and impairment | (18 809) | (16 365) | (26 561) | (26 596) | (24 413) |
| Depreciation and amortization | (3 790) | (4 225) | (4 467) | (6 871) | (4 089) |
| Impairment charges | - | 163 | | (759) | |
| Operating profit (loss) | 2 641 | 6 834 | 1 690 | (2 708) | (938) |
| Net financial expenses | (3 076) | (2 036) | (3 902) | (980) | (2 850) |
| Share of loss from equity accounted investees | 55 | | | | |
| Net profit (loss) before tax expense | (380) | 4 798 | (2 212) | (3 688) | (3 788) |
| Tax expense | - | | | (573) | |
| Net profit (loss) | (380) | 4 798 | (2 212) | (4 261) | (3 788) |
| EBITDA | 6 788 | 10 984 | 12 486 | 5 289 | 3 152 |

CONDENSED BALANCE SHEET AND KEY FIGURES

| Amounts in thousands of U.S. Dollars | Q1 2016 | Q2 2016 | Q3 2016 | Q4 2016 | Q1 2017 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Total assets | 267 524 | 289 299 | 283 845 | 279 341 | 275 806 |
| Total equity | 75 944 | 80 809 | 77 671 | 74 025 | 70 315 |
| Net interest bearing debt | 137 653 | 182 046 | 173 959 | 168 661 | 169 725 |
| Net working capital | 35 186 | 53 295 | 41 749 | 33 532 | 41 215 |
| Equity ratio | 28 % | 28 % | 27 % | 26 % | 25 % |

AKBM's first quarter net loss was USD 3.8m. EBITDA for the quarter was USD 3.2m, down from USD 6.8m year-on-year driven by lower gross margin and certain higher costs.

Revenue and other income:

Sale of products generated USD 27.2m in revenues in the period, an increase by USD 2.5m compared to last year. The growth is driven by a step-up in Superba™ Krill sales. Revenues from Qrill™ Aqua and Qrill™ High Protein are slightly below first quarter last year, while Qrill™ Pet is on par with last year.

Operating expenses:

During the quarter production and operating expenses ended at USD 18.0m, up from USD 14.7m in first quarter last year. The main reasons for the increase is that the operations in Houston acquired in May 2016 was not part of the consolidated accounts in the first quarter in 2016 and higher production levels onshore compared to last year.

Depreciation, amortization and impairment charges

Depreciation, amortization and impairment charges are slightly increased in first quarter 2017 compared to same quarter 2016. The increase is due to full consolidation of the operations in Houston, partly offset by lower depreciations on the company's krill harvesting vessels.

Financial items

Net financial items include interest expense on debt facilities, unrealized gains on NOK denominated debt, and the guarantee fee to Aker ASA.

Total assets:

Total assets decreased with USD 3.5m compared to 31 December 2016. The decrease is mainly driven by depreciation of fixed and intangible assets, decreased working capital items and reduced bank deposits.

Net interest bearing debt

Net interest-bearing debt (interest-bearing loans less cash and cash equivalents) amounted to USD 169.8m at the end of the quarter, up from USD 168.7m as of 31 December 2016. The increase results from increased draw down on the company's working capital facility.