

First-quarter 2015 highlights

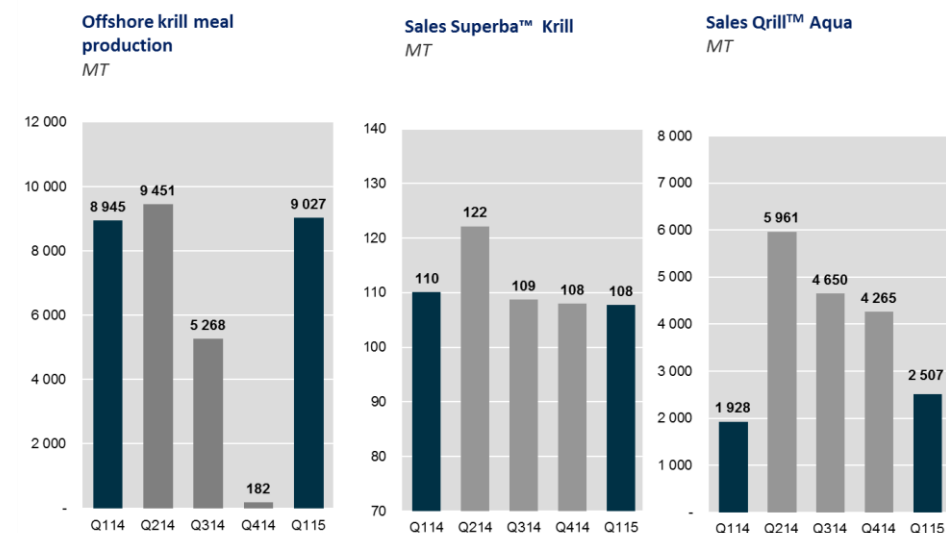
Highlights

- Strong quarterly EBITDA of USD 8.1m driven by reduced operating expenses
- First quarter with Superba™ Krill oil production from the new production facility in Houston
- Good krill harvesting and on board krill meal production
- Sale of Qrill Pet gaining momentum with record high 89 tons sold in the quarter
- Launch of the new Superba™ Krill Gummies in Europe
- Superba™ Krill Oil sales still influenced by a weak market sentiment

Events and outlook

- In this quarter 22 per cent of the total krill oil was produced in Houston. The production facility will further ramp up capacity and optimize the process-parameters in the coming months.
- Nine European customers are set to expand their krill product portfolio by launching Superba™ Krill Gummies the next quarter.
- The year-on-year sale of Qrill Aqua increased with 579 MT in the first quarter 2015

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 first quarter of 2015 compared to the first quarter in 2014, and full year 2014, 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 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Full year 2014
Revenues from sale of products	22 156	33 275	28 128	25 755	20 828	109 314
Other income	713	976	579	716	460	2 985
Total revenues and other income	22 869	34 252	28 707	26 471	21 289	112 299
Net change in inventories	10 984	7 902	(3 902)	(13 358)	11 219	1 626
Production and misc. operating expenses	(19 932)	(28 311)	(18 720)	(14 926)	(19 166)	(81 889)
Salaries and payroll expenses	(7 094)	(5 540)	(6 086)	(6 956)	(5 277)	(25 677)
Other expenses	(158)	(278)	(673)	13	(38)	(1 096)
Total operating expenses before depreciation, amortization and impairment	(16 200)	(26 226)	(29 382)	(35 227)	(13 262)	(107 036)
Depreciation and amortization	(4 484)	(5 039)	(4 382)	(4 020)	(4 177)	(17 925)
Impairment charges	-	-	-	(389)	(38)	(389)
Operating profit (loss)	2 185	2 987	(5 057)	(13 165)	3 812	(13 051)
Financial income	34	24	35	7 046	3 271	7 139
Financial expenses	(2 908)	(1 607)	(1 140)	(4 105)	(2 232)	(9 759)
Share of loss from equity accounted investees	65	62	(36)	(1 577)	(1 236)	(1 486)
Net profit (loss) before tax expense	(624)	1 466	(6 198)	(11 801)	3 614	(17 157)
Tax expense	183	(7)	(8)	(270)	-	(101)
Net profit (loss)	(441)	1 459	(6 205)	(12 071)	3 614	(17 258)
EBITDA	6 816	7 922	(0)	(8 783)	8 065	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	Full year 2014
Total assets	265 829	272 297	266 943	255 159	258 927	255 159
Total equity	84 139	96 361	90 475	75 257	78 214	75 257
Net interest bearing debt	144 159	142 891	144 576	143 929	142 173	143 929
Net working capital	38 852	52 713	49 026	35 069	40 182	35 069
Equity ratio	32 %	35 %	34 %	29 %	30 %	29 %

The Group's first quarter Net profit was USD 3.6m, compared with a loss of USD 0.4m the same period last year. EBITDA for the quarter was USD 8.1m, USD 1.2m higher year-on-year. The strong EBITDA was driven by reduced operating expenses compared with previous quarters.

During the quarter the Group had good harvesting conditions with a total of 52,709 metric tons (MT) krill harvested and 9,027 MT of krill meal produced on board. The production yield increased to 17,1% in the quarter, from 16,3% the same quarter last year.

Revenue and other income:

Total revenue and other income decreased with 7% or USD 1.6m compared to the same period last year. The decrease in revenue is mainly driven by price pressure on the Superba™ Krill oil products. Total sales volume ended at 108 MT of Superba™ Krill oil and 2,507 MT of Qrill™ Aqua. In addition, Qrill™ Pet sales amounted to 89 MT in the quarter.

Operating expenses:

Operating expenses decreased to USD 13.3m from USD 16.2 in the first quarter of 2014. The 'Net change in inventories' comprises cost of goods sold as well as costs charged to inventory upon production. During the quarter the Group updated its standard costs on all products impacting the costs charged to inventory based on updated calculations due to more cost efficient production. During the quarter the budgeted indirect production costs were higher than the actual indirect production costs, implying a positive variance of USD 0.3m which has been included in cost charged to inventory. This positive variance will be released from inventory when the produced products this quarter has been sold. Total positive variance is USD 1.8m.

Financial items

The Group's share of the joint venture in Houston impacted Share of loss from equity accounted investees negatively with USD 1.2m in the quarter, reflecting start-up costs on the new facility. Financial income is mainly unrealized gain on our NOK denominated loans, whereas the Finance expenses mainly relate to interest cost on loans and the guarantee fee to Aker ASA for the DNB loan.

Total assets:

Total assets increased with USD 3.7m compared to 31 December 2014. The increase reflects the build-up of inventory partly off-set by a reduction in receivables and bank deposits.

Net interest bearing debt

Net interest-bearing debt (interest-bearing loans less cash and cash equivalents) amounted to USD 142.2m in the first quarter, down from USD 143.9m as of 31 December 2014 primarily following repayment of debt. Of the Group's total interest-bearing debt, USD 16.0m is a liquidity loan from Aker ASA.