

Second-quarter 2015 highlights

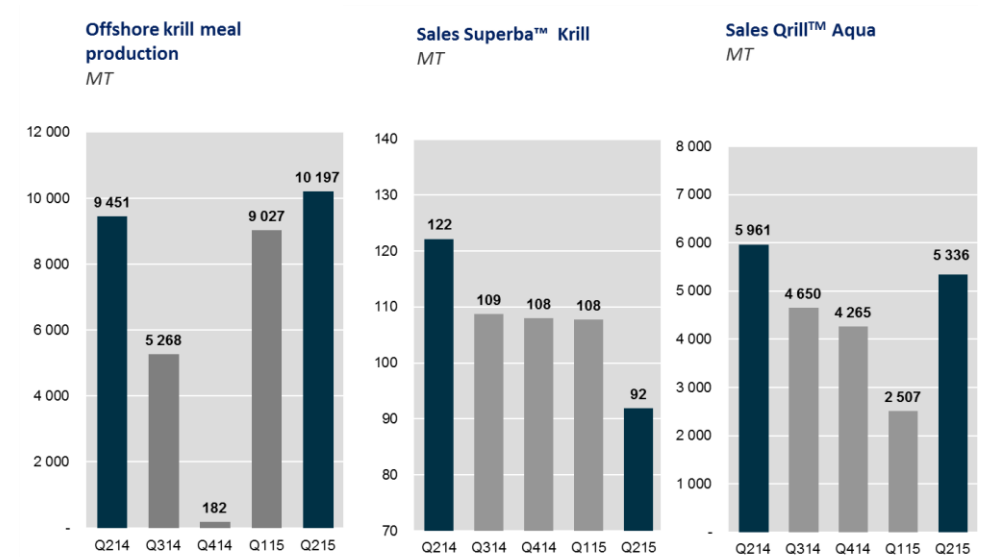
Highlights

- Quarterly EBITDA rose to USD 10.8 million, driven by reduced operating expenses
- Krill harvesting and on-board krill meal production ahead of last year
- Sale of Qrill Pet gaining momentum

Events and outlook

- Matts Johansen appointed chief executive officer, replacing Hallvard Muri, and new management team introduced
- The company is updating the production technologies at the krill oil facility in Houston to facilitate the next generation of krill products
- Maturity on Revolving Credit Facility of USD 105m extended to April 2017
- Superba™ Krill sales experience challenging markets

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 second quarter of 2015 compared to the second quarter of 2014, and full year 2014, unless otherwise stated. Comments on EBITDA are made with regards to the 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	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	YTD 2015	YTD 2014
Revenues from sale of products	33 275	28 128	25 755	20 828	25 982	46 810	55 431
Other income	976	579	716	460	470	930	1 690
Total revenues and other income	34 252	28 707	26 471	21 289	26 451	47 740	57 121
Net change in inventories	7 902	(3 902)	(13 358)	11 219	9 344	20 563	18 886
Production and misc. operating expenses	(28 311)	(18 720)	(14 926)	(19 166)	(19 332)	(38 498)	(48 243)
Salaries and payroll expenses	(5 540)	(6 086)	(6 956)	(5 277)	(5 774)	(11 051)	(12 634)
Other expenses	(278)	(673)	13	(38)	(490)	(528)	(436)
Total operating expenses before depreciation, amortization and impairment	(26 226)	(29 382)	(35 227)	(13 262)	(16 252)	(29 514)	(42 427)
Depreciation and amortization	(5 039)	(4 382)	(4 020)	(4 177)	(4 001)	(8 178)	(9 522)
Impairment charges	-	-	(389)	-	-	-	-
Operating profit (loss)	2 987	(5 057)	(13 165)	3 850	6 199	10 048	5 172
Financial income	24	35	7 046	3 271	(922)	2 349	58
Financial expenses	(1 607)	(1 140)	(4 105)	(2 232)	(2 623)	(4 855)	(4 515)
Share of loss from equity accounted investees	62	(36)	(1 577)	(1 236)	(1 533)	(2 769)	127
Net profit (loss) before tax expense	1 466	(6 198)	(11 801)	3 652	1 121	4 773	842
Tax expense	(7)	(8)	(270)	-	2	2	177
Net profit (loss)	1 459	(6 205)	(12 071)	3 652	1 123	4 775	1 018
EBITDA	7 922	(0)	(8 783)	8 065	10 689	18 754	14 738

CONDENSED BALANCE SHEET AND KEY FIGURES

Amounts in thousands of U.S. Dollars	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	YTD 2015	YTD 2014
Total assets	272 297	266 943	255 159	258 927	268 941	268 941	272 297
Total equity	96 361	90 475	75 257	78 214	80 048	80 048	96 361
Net interest bearing debt	142 891	144 576	143 929	142 173	146 513	146 513	142 891
Net working capital	52 713	49 026	35 069	40 182	47 081	47 081	52 713
Equity ratio	35 %	34 %	29 %	30 %	30 %	30 %	35 %

The Group's second-quarter net profit was USD 1.1 million, compared with a profit of USD 1.5 million the same period last year. EBITDA for the quarter was USD 10.7 million, USD 2.8 million higher

year-on-year. The increase in EBITDA was mainly due to reduced operating expenses compared with previous quarters.

During the quarter the Group had good harvesting conditions with a total of 51 264 metric tons (MT) krill harvested and 10 197 MT of krill meal produced onboard.

Revenue and other income:

Total revenue and other income decreased with USD 7.8 million compared to the same period last year. The decrease in revenue is mainly due to challenging markets for the Superba™ Krill oil products. Total sales volume ended at 92 MT of Superba™ Krill oil and 5 083 MT of Qrill™ Aqua. In addition, Qrill™ Pet sales amounted to 108 MT in the quarter.

Operating expenses:

Operating expenses decreased to USD 16.3 million from USD 26.2 million in the second 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 budgeted indirect production costs were higher than the actual indirect production costs, implying a positive variance of USD 3.3m which has not been recognised as inventory. This positive variance will be released from inventory, and thus be recognised in the profit and loss, when the products produced this quarter have been sold. Total positive variance is USD 3.4 million as of 30 June 2015.

Financial items

The Group's share of the joint venture in Houston impacted Share of loss from equity accounted investees negatively with USD 1.5 million in the quarter, reflecting start-up costs on the new facility. Financial income is mainly unrealised loss 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. During the quarter, the company extended the DNB loan by one year, with a new maturity date set for April 2017.

Total assets:

Total assets increased with USD 12.1 million 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 146.5 million in the second quarter, up from USD 143.9 million as of 31 December 2014 primarily following new debt from Aker ASA. Of the Group's total interest-bearing debt, USD 21.5 million is a liquidity loan from Aker ASA, which increased by USD 5 million in the quarter.