

P/f Bakkafrost

Condensed Consolidated

Interim Report for

Q3 2011 and YTD 2011

Table of Contents

Highlights	2
Summary of the Third Quarter 2011 and Year-to-Date 2011	3
Financial Review	5
Outlook	10
Risks	11
Post- Balance Sheet Events	11
Consolidated Profit and Loss Account.....	12
Statement of Comprehensive Income	12
Consolidated Statement of Financial Position.....	14
Consolidated Statement of Financial Position.....	15
Consolidated Cash Flow Statement.....	16
Consolidated Changes in Equity	17
Notes to the Account	18
Cash.....	23
Contacts	26

Highlights

Bakkafrost	Q3	Q3	YTD	YTD
DKK 1,000	2011	2010	2011	2010
Group - Operating revenue	369,319	177,667	923,899	567,679
Group – EBIT	163,705	82,498	267,323	183,124
Group – Operational EBIT*/Kg (Farming and VAP) (DKK)	5.83	11.70	11.98	10.34
Group – Operational EBIT*/Kg (Farming and VAP) (NOK)	6.08	12.49	12.55	11.09
Group - Net interest	-3,502	-1,890	-7,068	-6,463
Group - Profit for the period	159,883	66,099	237,772	144,862
Farming - Operating revenue	230,773	158,684	733,429	535,533
Farming - Operational EBIT*	20,709	58,641	237,238	195,086
Farming - Operational EBIT margin	8.97%	36.95%	32.35%	36.43%
Farming - Operational EBIT/kg (DKK)	2.24	14.49	10.41	12.89
Farming - Operational EBIT/kg (NOK)	2.33	15.47	10.90	13.83
VAP - Operating revenue	111,513	108,488	380,261	353,614
VAP - Operational EBIT*	33,213	-11,285	35,888	-38,651
VAP - Operational EBIT margin	29.78%	-10.40%	9.44%	-10.93%
VAP - Operational EBIT/kg (DKK)	13.01	-4.51	3.95	-3.97
VAP - Operational EBIT/kg (NOK)	13.56	-4.81	4.14	-4.26
Fish meal, oil and feed - Operating revenue	276,578	-	276,578**	-
Fish meal, oil and feed - EBITDA	39,810	-	39,810**	-
Fish meal, oil and feed - EBITDA margin	14.39%	-	14.39%**	-
DKK/NOK (average)	95.96	93.64	95.51	93.18
Basic earnings per share (DKK)	3.25	1.35	4.85	3.03
Cash flow from operations	55,648	-17,685	323,247	151,221
Total Assets	2,395,145	1,079,615	2,395,145	1,079,615
Net interest bearing debt	852,697	80,387	852,697	80,387
Equity ratio	41%	73%	41%	73%
Harvested volume (tonnes gutted weight)	9,243	4,048	22,794	15,133
VAP produced volume (tonnes gutted weight)	2,553	2,503	9,085	9,742
Sold feed tonnes	30,404	-	30,404	-

* Aligned for fair value adjustment of biomass, onerous contracts provisions and acquisition costs

**Figures for Q3 only

Summary of the Third Quarter 2011 and Year-to-Date 2011

The results for the third quarter (Q3) 2011 were mixed proving the Group's diversified strategy with sale of salmon on the spot market, sale of VAP products on contracts, own production and sale of fish meal, oil and feed. Bakkafrost made an operational EBIT of DKK 70.0 million in Q3 2011.

The sale of fresh salmon was challenging under the current market conditions. The farming segment made an operational EBIT of DKK 20.7 million, corresponding to an EBIT/kg of DKK 2.24 (NOK 2.33). The result per kg was negative impacted by high costs on fish harvested in Viking Seafood, due to low capacity utilisations. Also in Bakkafrost Farming the result was hampered by quality downgrade and a backend loaded harvesting profile as the prices decreased during the quarter. The table below shows the EBIT/Kg for the different companies in the Group.

Q3 2011	Farming	Bakkafrost	Viking	Faroe
Operational EBIT/kg harvested	Segment	Farming	Seafood*	Farming
DKK	2.24	3.37	-1.74	2.58
NOK	2.33	3.52	-1.81	2.69

Result affected by low capacity utilization

The VAP segment on the other hand made an operational EBIT of DKK 33.2 million, corresponding to an EBIT/kg of DKK 13.01 (NOK 13.56). Also the new fish meal, oil and feed segment show promising results and made an EBITDA of DKK 39.8 million before eliminations of internal margins.

For the nine months of 2011 operational EBIT was DKK 289.2 million, of which farming has an operational EBIT of DKK 237.2 million, VAP DKK 35.9 million and Fish Meal, Oil and Feed DKK 36.2 million. Internal margins are included in the EBIT for Fish Meal, Oil and Feed.

The total harvested volume in Q3 2011 was 9,243 tonnes gutted weight (4,048 tonnes gutted weight in Q3 2010).

Segment performance per kg:

	Q3	Q3	YTD	YTD
Operational EBIT/kg harvested	2011	2010	2011	2010
Farming EBIT/kg (DKK)	2.24	14.49	10.41	12.89
Farming EBIT/kg (NOK)	2.33	15.47	10.90	13.83
VAP EBIT/kg (DKK)	13.01	-4.51	3.95	-3.97
VAP EBIT/kg (NOK)	13.56	-4.81	4.14	-4.26
Fish Meal, Oil and Feed EBITDA/kg (DKK)	1.31	-	1.31	-
Fish Meal, Oil and Feed EBITDA/kg (NOK)	1.37	-	1.37	-

Bakkafrost transferred approximately 1.3 million smolts in Q3 2011 and 6.5 million YTD 2011.

- The Group had a net interest bearing debt at the end of Q3 2011 amounting to DKK 852.7 million (DKK 70.2 million at year-end 2010). The company has increased the debt to fund the acquisition of the fish meal, oil and feed producer Havsbrún. Bakkafrost had undrawn credit facilities of DKK

247.3 million at the end of September 2011, following the new loan agreement with Bakkafrost's bank syndicate.

- In Q3 2011 Bakkafrost accounted for 80% of the 11,562 tonnes gutted weight of the total exported volume of farmed fish from the Faroe Islands. For the first nine months of 2011 Bakkafrost accounted for 67% of the 34,225 tonnes gutted weight of the total exported volume of farmed fish from the Faroe Islands.
- On July 1st 2011 Bakkafrost purchased all the outstanding shares in P/f Havsbrún including the farming companies Viking Seafood (100%) and Faroe Farming (78%). P/f Havsbrún, a modern internationally renowned producer of fish meal, fish oil and fish feed, is situated in the Faroe Islands. The purchase price was agreed to DKK 1,100 million, based on among other things the value of a share position held by Havsbrún in Bakkafrost. The payment was made as a combination of existing shares in Bakkafrost, which Havsbrún owned, and cash. At the same time Bakkafrost also acquired all the minorities' shares in the farming company Viking Seafood, which now is a fully owned subsidiary.
- Following the acquisition of P/f Havsbrún, Bakkafrost has signed a new loan agreement with its bank syndicate. The loan agreement includes two loans. One instalment loan of DKK 500 million payable with DKK 25 million each quarter and one loan payable after five years with the full amount of DKK 600 millions. The Group's total financing is DKK 1,100 million. The covenant stipulates that the equity ratio of the Group must be at least 35% and 37.5% from the end of 2012 and 40% from the end of 2013. Furthermore the NIBD/EBITDA ratio must not be higher than 3.5 during a 12 months period.

Smolt Transfer

Bakkafrost Group				
1,000 pieces	2008	2009	2010	2011E
Farming North, <i>salmon</i>	3,200	4,000	4,100	5,000
Farming West, <i>trout</i>	700	300	0	0
Farming West, <i>salmon</i>	1,400	2,100	4,100	3,000
Farming Havsbrún	-	1,700	2,800	2,000
Total	5,300	8,100	11,000	10,000

Financial Review

Income Statement

The operating revenues amounted to DKK 369.3 million in Q3 2011 (DKK 177.7 million in Q3 2010). For the nine months of 2011, the operating revenue amounted to DKK 923.9 million (DKK 567.7 million for the first nine months of 2010). The reason for the increase in the revenue quarter-on-quarter is higher harvested volume and the acquisition of the Havsbrún Group.

Bakkafrost harvested the following:

	Q3	Q3	YTD	YTD	Pro forma YTD
Harvested volumes (gwt)	2011	2010	2011	2010	2011
Farming North	4,879	3,133	15,991	10,855	15,991
Farming West	582	915	3,022	4,278	3,022
Faroe Farming	2,062	-	2,062	-	3,235
Viking Seafood	1,720	-	1,720	-	2,615
Total harvested volumes (gwt)	9,243	4,048	22,795	15,133	24,862

Operational EBIT was DKK 70.0 million in Q3 2011 (DKK 47.4 million in Q3 2010). Operational EBIT for the first nine months of 2011 came to DKK 289.2 million (DKK 156.4 million for the first nine months of 2010).

A negative fair value adjustment of the Group's biological assets has been recognised in Q3 2011 amounting to DKK 14.6 million.

In Q3 2011 Bakkafrost has recognised a goodwill following the acquisition of the Havsbrún Group amounting to DKK 124.6 million. The goodwill is calculated as the difference paid for the Group and the value of net assets purchased. The cost associated to the same transaction of DKK 13.9 has been expensed in the period.

Net interest in Q3 2011 amounted to DKK -3.5 million (DKK -1.9 million in Q3 2010). For the first nine months of 2011 net interest was DKK -7.0 million, compared to DKK -6.5 million for the first nine months of 2010.

Taxes amounted to DKK -0.3 million in Q3 2011 (DKK -14.5 million in Q3 2010) and DKK -22.5 million for the first nine months of 2011 (DKK -31.8 million for the first nine months of 2010).

The result for Q3 2011 was DKK 159.9 million (DKK 66.1 million in Q3 2010). The result for the first nine months of 2011 was DKK 237.8 million, compared to DKK 144.9 million for the first nine months of 2010.

The number of fish in cages is 27% higher at the end of Q3 2011 than at the same time last year. The average size of the fish is 40% higher. This enables Bakkafrost to increase production and utilize its farming capacity better going forward.

Segments

Following the acquisition of Havsbrún, Bakkafrost has three operating segments: one farming segment, one segment for value added products (VAP) and one segment for the fish meal, fish oil and fish feed production. Fresh/frozen salmon is sold on the spot market, while VAP products are sold on long-term contracts.

Distribution of harvested volume (gwt)	Q3	Q3	YTD	Pro forma	
	2011	2010	2011	YTD 2010	YTD 2011
Harvested volume used in VAP production	28%	62%	40%	64%	37%
Harvested volume sold fresh/frozen	72%	38%	60%	36%	63%
Harvested and purchased volume (gwt)	100%	100%	100%	100%	100%

The raw material split between sold whole gutted and VAP was 72% whole gutted and 28% VAP products in Q3 2011. The reason for the lower percentage used in VAP production in Q3 2011 compared to Q3 2010 is the increase in volumes in the period compared to Q3 2010. Bakkafrost aims to produce around 40% of the harvested volume as VAP products.

Farming:

The operating revenue for Bakkafrost's farming segment was DKK 230.8 million in Q3 2011 (DKK 158.7 million in Q3 2010). For the first nine months of 2011 the revenue was DKK 733.4 million (DKK 535.5 million for the first nine months of 2010). Included in the gross operating revenue is internal sale between the farming segment and the VAP segment.

Operational EBIT, which is EBIT before fair value adjustments on biological assets and acquisition costs etc., amounted to DKK 20.7 million in Q3 2011 (DKK 58.6 million in Q3 2010). For the first nine months of 2011 operational EBIT was DKK 237.2 million (DKK 195.1 million for the first nine months of 2010). The increase in Q3 2011 and YTD 2011 compared to the same periods in 2010 is due to higher volumes and a higher sales price in the beginning of 2011.

Operational EBIT/kg for the farming segment was DKK 2.24 (NOK 2.33) in Q3 2011, compared to DKK 14.49 (NOK 15.47) in Q3 2010. The performance of the Group's farming segment reflects the high supply of salmon to the world market. Operational EBIT/kg for the farming segment was DKK 10.41 (NOK 10.90) for the first nine months of 2011, compared to DKK 12.89 (NOK 13.83) for the first nine months of 2010.

The result after tax for the farming segment for Q3 2011 was DKK 125.1 million (DKK 57.0 million in Q3 2010). For the first nine months of 2011 the result after tax was DKK 199.6 million (DKK 180.3 million for the first nine months of 2010).

Value Added Products (VAP):

The operating revenue for the value added segment amounted to DKK 111.5 million in Q3 2011 (DKK 108.5 million in Q3 2010). For the first nine months of 2011 the operating revenue was DKK 380.3 million (DKK 353.6 million for the first nine months of 2010).

Operational EBIT, which is EBIT adjusted for provision for onerous contracts, amounted to DKK 33.2 million in Q3 2011 (DKK -11.3 million in Q3 2010). This corresponds to an Operational EBIT of DKK 13.01 (NOK 13.56) per kg gutted weight in Q3 2011. For the first nine months of 2011 the Operational EBIT was DKK 35.9 million (DKK -38.6 million for the first nine months of 2010), which corresponds to an operational EBIT/kg of DKK 3.95 (NOK 4.14), compared to DKK -3.97 (NOK -4.26) for the first nine months of 2010. Following the peak in the salmon prices in H1 2011 the prices for fresh salmon has

decreased significantly. This has impacted the VAP segment positively, as it purchases its raw material based on the prices on the spot market.

Fish Meal, Fish Oil and Fish Feed:

This is the first quarter that the fish meal, fish oil and fish feed segment is reported in Bakkafrost's consolidated accounts and includes only numbers for the Q3 2011 in the profit and loss, as the Havsbrún Group was acquired with effect from July 1st 2011.

The operating revenue for the fish meal, fish oil and fish feed segment amounted to DKK 276.6 million in Q3 2011. The operating revenue also includes internal sales of feed to Bakkafrost's farming segment. EBITDA was DKK 39.8 million in Q3 2011 and the EBITDA margin was 14.4%

The sale of feed amounted to 30,404 tonnes in Q3 2011. Year to date Havsbrún has sold 60,819 tonnes of fish feed.

The result after tax for Q3 2011 was DKK 28 million.

Statement of Financial Position

The Group's total assets as of 30 September 2011 amounted to DKK 2,395.1 million, compared to DKK 1,184.7 million at the end of 2010. The reason for the increase in the total assets relates to the acquisition of the Havsbrún Group.

The Groups intangible assets amounts to DKK 370.0 million and comprise the fair value of farming licenses. The increase since 1 January 2011 amounts to DKK 233.7 million and represents the value of the licenses acquired in connection with the acquisition of the Havsbrún Group.

Property, plant and equipment have increased from DKK 356.4 million at first January to DKK 824.1 million at the end of September 2011. The increase represents primarily the acquisition of Havsbrún, but also includes investments of DKK 70.2 million.

The Group's book value (fair value) of biological assets (fish in the sea) amounted to DKK 611.3 million at 30 September 2011, compared to DKK 482.1 million at the end of 2010. Following the decrease in the salmon prices all fair value adjustments made on the biomass have been reversed. On the other hand an impairment of DKK 0.7 million has been made to the biomass. The booked value also includes the biomass of Viking Seafood and Faroe Farming which both were part of the Havsbrún acquisition.

The Group's total inventories amounted to DKK 247.8 million as of 30 September 2011, compared to DKK 28.5 million as of year-end 2010. The increase primarily represents the Havsbrún's inventory of fish meal, fish oil and fish feed.

The Group's total receivables amounted to DKK 260.3 million as of 30 September 2011, compared to DKK 145.5 million at the end of 2010. The increase is mainly due to the inclusion of Havsbrún's receivables.

The Group's equity is at 30 September DKK 975.3 million compared to DKK 827.7 million at 30 June 2011. The increase in Q3 2011 consists primarily of the result for Q3 and goodwill recognised in connection with the acquisition of Havsbrún.

The Group's total non-current liabilities amounted to DKK 670.8 million at the end of Q3 2011, compared to DKK 157.4 million at the end of 2010. Deferred and other taxes amounts to DKK 321.3 million, compared to DKK 120.0 million at the end of 2010. Long-term debt increased from DKK 37.4 million at the end of 2010 to DKK 349.6 million at the end of September 2011. The increase relates to the acquisition of Havsbrún, which took place on July 1st 2011. To partly fund the acquisition of the Havsbrún Group, Bakkafrost took an acquisition loan amounting to DKK 500 million. The loan is repayable with DKK 100 million at 6-month intervals. Therefore DKK 300 million of this loan is classified as long-term debt, while DKK 200 million is classified as short-term interest bearing debt. The rest of the long term debt amounting to DKK 49.6 million is other instalment loans both in Bakkafrost and Havsbrún.

After the end of Q3 2011 Bakkafrost and its bank syndicate have signed a new term sheet. The term sheet comprises two new loans replacing all the existing debt in the new Group. One instalment loan of DKK 500 million, payable with DKK 25 million each quarter, and one loan payable after five years with the full amount of DKK 600 millions. The Group's total financing will be DKK 1,100 million. The covenant stipulates that the equity ratio of the Group must be at least 35% and 37.5% from the end of 2012 and 40% from the end of 2013. Furthermore the NIBD/EBITDA must not be more than 3.5 on a rolling 12 months period.

The Group's total current liabilities are DKK 749 million at the end of Q3 2011, compared to DKK 125.0 million at the end of 2010. Short term interest bearing debt amounts to DKK 549.5 million and relates to short term part of long term debt and other short term bank financing, which will be refinanced as described above. Accounts payable amounts to DKK 199.5 million and has increased from DKK 83.0 million at the beginning of the year. The increase relates mainly to inclusion of the Havsbrún Group.

Bakkafrost had an equity ratio of 41% as of September 30th 2011, compared to 76% at the end of 2010. The equity ratio has decreased following the acquisition of Havsbrún. It is still Bakkafrost's goal to have a healthy financial position to enable the Group to follow the strategy pursuing further growth and profitability. The Group will continue to place great emphasis on this going forward.

Cash Flow

The total cash flow from operations in Q3 2011 was DKK 55.6 million (Q3 2010 DKK -17.7 million). For the first nine months of 2011 it was DKK 323.2 million compared to DKK 151.2 million for the first nine months of 2010.

The cash flow from investment activities in Q3 2011 amounted to DKK -657.6 million (Q3 2010 DKK -10.4 million). The cash effect of the acquisition of Havsbrún amounts to DKK 976.8 million, part of this was paid with shares in Bakkafrost and amounts to DKK 349.5 million. Purchase of fixed assets in Q3 amounts to DKK 30.3 million and includes both investments made by Bakkafrost and Havsbrún.

For the first 9 months of 2011 the cash flow from investments activities amounted to DKK -696.4 million (DKK -50.5 million for the first nine months of 2010). Of this DKK 70.2 millions are payments for fixed assets, while the rest is related to the acquisition of Havsbrún and is described above.

Cash flow from financing activities totalled DKK 643.8 million in Q3 2011 (Q3 2010 DKK 21.7 million). The cash flow from financing covers primarily increase in debt as a consequence of the purchase of Havsbrún. For the first 9 months of 2011 cash flow from financing amounts to DKK 410.4 million, (DKK -117.8 million for the first nine months of 2010) and includes both the financing of the Havsbrún acquisition and the payout of dividend amounting to DKK 191.0 millions, that took place in April 2011.

Net cash flow in Q3 2011 amounted to DKK 41.9 million (Q3 2010 DKK -6.4 million). For the first nine months of 2011 net cash flow was DKK 37.3 million (DKK -17.0 million for the first nine months of 2010).

At the end of September Bakkafrost had unused credit facilities of DKK 247.3 million.

Outlook

The decrease in the salmon prices that started in Q2 2011 has continued in Q3 and so far also in Q4 2011. This has been challenging for the industry. The farming segment is highly affected by the price drop, however as prices come down during 2H 2011, sales volumes are boosted and expected to have positive impact on volumes sold, as the lowered prices sooner or later will reach the end users.

Bakkafrost – Salmon Farming and VAP

Bakkafrost increased its harvest significantly the first nine months of 2011 compared with 2010. However due to difficult market situation harvesting was halted during Q3. Bakkafrost's production plans for 2011 are therefore revised to 38,000 tonnes including Havsbrún Group and for 2012 between 46,000 to 49,000 tonnes.

Totally 6.5 million smolts were transferred the first nine months of 2011. Bakkafrost expects to transfer approximately 10 million smolts in 2011, this includes approximately 0.8 million released in Faroe Farming. Bakkafrost's VAP division has secured around 80% of the present VAP capacity in 2012 with fixed contracts. With the purchase of Havsbrún, Bakkafrost also acquired a VAP factory, which is planned to start production in 2012. This will increase Bakkafrost's VAP capacity with 15-25%.

Havsbrún – Fish Meal, Oil and Feed

The purchase of the Havsbrún Group is expected to bring significant opportunities to Bakkafrost in the future. Utilization of its farming capacity, VAP capacity and increased utilization of the feed capacity in the years to come is a focus area. Havsbrún feed sales have increased by 43 percent the first nine months of 2011 compared with the same period 2010. The raw material situation is expected to be volatile also in the future, however quotas of blue whiting have increased ten times to around 400.000 tonnes, which should improve Havsbrún's possibilities to source raw material to its own production of fish meal and oil. Havsbrún expects to sell around 80,000 tonnes of fish feed in 2011.

Risks

Bakkafrost has not identified any additional risk exposure beyond the risks described in the 2010 Annual Report and risks described in the information memorandum for P/F Bakkafrost announced via Oslo Børs the 09.05.2011 regarding the acquisition of 100% of the shares in P/F Havsbrún. As explained in the annual report the company is exposed to salmon prices. The price dropped significantly during the third quarter and is expected to stay at a low level for the rest of this year.

Post- Balance Sheet Events

From the date of the statement of financial position until today, the following events have occurred:

On October 28th 2011 Bakkafrost signed a term sheet for a new loan agreement with its bank syndicate. The loan agreement includes two loans. One instalment loan amounting to DKK 500 million payable with DKK 25 million each quarter and one loan payable after five years with the full amount of DKK 600 millions. The Group's total financing will be DKK 1,100 million. The covenant stipulates that the equity ratio of the Group must be at least 35% and 37.5% from the end of 2012 and 40% from the end of 2013. Furthermore the NIBD/EBITDA must not be more than 3.5 on a 12 months' period.

Apart from the above from the date of the statement of financial position until today, no events have occurred which materially impact the information provided by this report.

Glyvrrar, November 7th 2011

The Board of Directors of P/f Bakkafrost

Rúni M. Hansen
Chairman of the Board

Johannes Jensen

Trine Sæther Romuld

Virgar Dahl

Annika Frederiksberg

Odd Eliassen

Regin Jacobsen
CEO

Consolidated Profit and Loss Account

For the period ended 30 September 2011

DKK 1,000	Q3 2011	Q3 2010	YTD 2011	YTD 2010
Operating revenue	369,319	177,667	923,899	567,679
Purchase of goods	-175,091	-112,005	-346,366	-206,379
Change in inventory and biological assets (at cost)	53,609	64,012	80,981	47,720
Salary and personnel expenses	-44,485	-26,962	-108,898	-87,876
Other operating expenses	-110,794	-44,879	-215,992	-133,593
Depreciation	-22,562	-10,477	-44,424	-31,115
Operational EBIT	69,996	47,356	289,200	156,436
Fair value adjustments on biological assets	-14,569	12,362	-131,919	36,997
Fair value (excess of costs) on biological assets acquired and harvested	0	0	0	3,371
Impairment of biological assets	-656	0	-656	0
Onerous contracts	0	22,913	2,856	-896
Income from associates	-1,809	0	-1,809	0
Listing costs	0	-132	0	-12,783
Acquisition costs	-13,892	0	-14,984	0
Badwill related to the acquisition of the Havsbrún Group	124,635	0	124,635	0
Earnings before interest and taxes (EBIT)	163,705	82,498	267,323	183,124
Financial income	261	167	2,721	831
Net interest expenses	-4,307	-939	-7,837	-6,453
Net currency effects	932	-1,052	-1,120	485
Other financial expenses	-388	-66	-832	-1,327
Earnings before taxes (EBT)	160,203	80,609	260,255	176,661
Taxes	-320	-14,510	-22,483	-31,799
Profit or loss for the period	159,883	66,099	237,772	144,862
Profit or loss for the year attributable to				
Non-controlling interests	1,023	0	1,023	0
Owners of P/F Bakkafrost	158,860	66,099	236,749	144,862

Statement of Comprehensive Income

For the period ended 30 September 2011

DKK 1,000	Q3 2011	Q3 2010	YTD 2011	YTD 2010
Profit for the period	159,883	66,099	237,772	144,862
Adjustment 01.01	0	0		-34
Fair value adjustment on interest rate swap	727		727	
Fair value adjustment on securities available for sale	-12,831	0	-12,831	0
Tax on fair value adjustment	1,594	0	1,594	0
Total other comprehensive income for the period	149,374	66,099	227,263	144,828
Comprehensive income for the period attributable to				
Non- controlling interests	1,023	0	1,023	0
Owner of P/F Bakkafrost	148,351	66,099	226,240	144,828
Earnings per share continued operations (DKK)	3.04	1.35	4.63	1.67
Diluted earnings per share (DKK)	3.04	1.35	4.63	1.67

Consolidated Statement of Financial Position

As of 30 September 2011

DKK 1,000	30 September 2011	2010
ASSETS		
Non-current assets		
Intangible assets	369,955	136,245
Property, plant and equipment	824,136	356,419
Financial assets	34,641	25,967
Long term receivables	641	796
Total non-current assets	1,229,373	519,427
Current assets		
Biological assets (biomass)	611,270	482,091
Inventory	247,811	28,501
Total inventory	859,081	510,592
Accounts receivable	198,343	125,619
Other receivables	61,959	19,890
Total receivables	260,302	145,509
Cash and cash equivalents	46,390	9,128
Total current assets	1,165,773	665,229
TOTAL ASSETS	2,395,145	1,184,656

Consolidated Statement of Financial Position

As of 30 September 2011

DKK 1,000	30 September 2011	2010
EQUITY AND LIABILITIES		
Equity		
Share capital	48,858	48,858
Other equity	889,659	853,431
Non-controlling interests	36,740	0
Total equity	975,257	902,289
Non-current liabilities		
Deferred taxes and other taxes	321,264	120,009
Long-term interest bearing debt	349,585	37,357
Total non-current liabilities	670,849	157,366
Current liabilities		
Short-term interest bearing debt	549,502	41,961
Accounts payable and other debt	199,538	83,039
Total current liabilities	749,040	125,000
Total liabilities	1,419,889	282,367
TOTAL EQUITY AND LIABILITIES	2,395,145	1,184,656

Consolidated Cash Flow Statement

For the period ended 30 September 2011

DKK 1,000	Q3 2011	Q3* 2010	YTD 2011	YTD* 2010
Earnings before interest and taxes (EBIT)	163,705	82,499	267,323	183,124
Adjustments for write-downs and depreciation	22,562	10,477	44,424	31,115
Adjustments for value adjustments on biomass	14,569	-12,362	131,919	-40,368
Adjustments for income from associates	1,809	0	1,809	
Adjustments for badwill	-124,635	0	-124,635	0
Taxes paid	0	0	0	0
Provision for onerous contracts	0	-22,913	-2,856	896
Change in inventory	-13,600	-80,680	-41,239	-44,340
Change in receivables	-60,081	-13,334	-56,437	11,322
Change in current debts	51,319	18,628	102,939	9,472
Cash flow from operations	55,648	-17,685	323,247	151,221
Cash flow from investments				
Acquisition of businesses	-976,770	0	-976,770	0
Proceeds from sale of fixed assets	0	0	882	300
Proceeds from sale of financial assets	349,530	0	349,530	0
Payments made for purchase of fixed assets	-30,319	-10,746	-70,167	-50,545
Purchase of shares and other investments	0	35	0	-4
Change in long-term receivables	0	286	155	-225
Cash flow from investments	-657,560	-10,425	-696,371	-50,474
Cash flow from financing				
Paying down/increase of interest bearing debt (short and long)	647,337	23,986	608,488	-176,988
Proceeds from share capital increases	0	-384	0	67,644
Received interest	261	-884	2,721	1,317
Net proceeds from sale of own shares	0	0	0	15,669
Paid interest	-3,763	-1,006	-9,789	-7,780
Dividend paid	0	0	-191,035	-17,643
Cash flow from financing	643,835	21,713	410,385	-117,781
Net change in cash and cash equivalents in period	41,923	-6,395	37,261	-17,033
Cash and cash equivalents – opening balance	4,466	25,043	9,128	35,680
Cash and cash equivalents – closing balance total	46,389	18,647	46,389	18,647

* The statement of cash flow for Q3 2010 and YTD 2010 has been adjusted compared to the accounts for Q3 2010. For Q3 2010 and YTD 2010 cash flow from operations has been net decreased respectively by DKK 5,318 and DKK 39,336. For Q3 2010 and YTD 2010 cash flow from financing has been increased respectively by DKK 5,318 and DKK 39,336 million.

Consolidated Changes in Equity

As of 30 September 2011

DKK 1,000	30 September 2011	30 September 2010	31 December 2010
Total equity 01.01	902,289	388,887	388,887
Profit for the period to equity	237,772	144,862	259,711
Adjustment to 01.01	0	-34	1,371
Fair value adjustment on interest rate swap	727	0	0
Fair value adjustment on securities available for sale	-12,831	0	5,830
Deferred tax on securities available for sale	1,594	0	-1,594
Total other comprehensive income	-10,510	-34	4,236
Proposed dividend	0	0	-191,035
Total gains and losses charged directly to equity	0	0	-191,035
Total recognised income and expense to equity	227,263	144,828	74,283
Equity transactions between the company and its shareholders			
Share issue related to IPO	0	75,000	75,000
Sale of treasury shares related to IPO	0	15,669	15,669
Tax on sale of treasury shares	0	-2,820	-2,820
Costs related to IPO	0	-7,356	-7,273
Net proceeds from share capital increases	0	80,493	80,576
Equity increase by merger			
Proceeds from merger	0	209,039	209,039
Deferred tax on recognised excess fair values	0	-18,828	-23,888
Equity increase by merger	0	190,211	185,151
Distribution of dividend	-191,035	-18,000	-18,000
Dividends on treasury shares	0	357	357
Proposed dividend	0		191,035
Total equity to shareholders during the year	-191,035	-17,643	173,392
Total change in equity during the period	36,228	397,889	513,402
Non-controlling interests	36,740	0	0
Total equity at the end of the period	975,256	786,776	902,289

Notes to the Account

Accounting Policy

General Information

P/f Bakkafrost is a limited company incorporated and domiciled in the Faroe Islands.

The Annual and Consolidated Report and Accounts of the Group as at and for the year ended 31 December 2010 are available upon request from the company's registered office at Bakkavegur 9, FO-625 Glyvrar, Faroe Islands, or at www.bakkafrost.com.

This Condensed Consolidated Interim Report is presented in DKK.

Note 1. Statement of Compliance

This Condensed Consolidated Interim Report has been prepared in accordance with International Financial Reporting Standards (IFRS) IAS 34 Interim Financial Reporting as adopted by the EU. It does not include all of the information required for the full Annual and Consolidated Report and Accounts and should be read in conjunction with the Annual and Consolidated Report and Accounts for the Group as at and for the year ended 31 December 2010.

This interim report has not been subject to any external audit.

Note 2. Significant Accounting Policies

The accounting policies applied by the Group in this Condensed Consolidated Interim Report are the same as those applied in the Annual and Consolidated Report and Accounts as at and for the year ended 31 December 2010.

Note 3. Biomass

DKK 1,000	30 September 2011	2010
Biological assets carrying amount 01.01	482,091	227,497
Increase due to production or purchases	499,108	442,289
Increase due to acquisitions	154,267	98,986
Reduction due to harvesting or sale (costs of goods sold)	-374,883	-370,607
Fair value adjustment at the beginning of the period reversed	-130,792	-46,866
Fair value adjustments at the end of the period	0	130,792
Eliminations	-17,865	0
Impairment	-656	0
Biological assets carrying amount 30.09	611,270	482,091
Cost price biological assets	611,270	351,299
Fair value adjustments at the end of the period	0	130,792
Biological assets carrying amount	611,270	482,091

Note 4. Segments

Farming Segment	Q3	Q3	YTD	YTD
DKK1,000	2011	2010	2011	2010
External revenue	173,097	69,179	458,930	214,065
Internal revenue	57,676	89,505	274,499	321,468
Total revenue	230,773	158,684	733,429	535,533
Operating expenses	-192,262	-90,606	-458,861	-312,369
Depreciation and amortisation	-17,802	-9,437	-37,330	-28,078
Operational EBIT	20,709	58,641	237,238	195,086
Fair value adjustments on biological assets	-14,569	12,362	-131,918	40,368
Impairment on biological assets	-656	0	-656	0
Listing costs	0	-132	0	-10,253
Acquisition costs	-13,892	0	-14,766	0
Badwill related to the acquisition of the Havsbrún Group	124,635	0	124,635	0
Income from associates	0	0	0	0
Earnings before interest and taxes (EBIT)	116,226	70,871	214,532	225,201
Net interest	-1,971	-1,378	-4,290	-5,314
Earnings before taxes (EBT)	114,255	69,493	210,242	219,887
Taxes	10,835	-12,509	-10,595	-39,580
Profit for the period	125,091	56,984	199,648	180,307

Value Added Products DKK1,000	Q3 2011	Q3 2010	YTD 2011	YTD 2010
External revenue	111,513	108,488	380,261	353,614
Internal purchase of raw material	-57,676	- 89,505	-274,499	-321,468
Operating expenses	-19,412	-29,229	-66,328	-67,760
Depreciation and amortisation	-1,212	-1,039	-3,546	-3,037
Operational EBIT	33,213	-11,285	35,888	-38,651
Provision for onerous contracts	0	22,913	2,856	-896
Listing costs	0	0	0	-2,530
Acquisition costs	0	0	-218	0
Earnings before interest and taxes (EBIT)	33,213	11,628	38,526	-42,077
Net interest	-262	-512	-1,509	-1,149
Earnings before taxes (EBT)	32,951	11,116	37,017	-43,226
Taxes	-5,969	-2,001	-6,702	7,781
Profit for the period	26,982	9,115	30,315	-35,445

Fish Meal, Oil and Feed DKK1,000	Q3 2011	Q3 2010	YTD 2011*	YTD 2010
External revenue	84,709	-	84,709	-
Internal revenue	191,869	-	191,869	-
Total revenue	276,578	-	276,578	-
Purchase of goods	-209,844	-	-209,844	-
Operating expenses	-26,924	-	-26,924	-
Depreciation and amortisation	-3,548	-	-3,548	-
Operational EBIT	36,262	-	36,262	-
Fair value adjustments on biological assets		-	0	-
Income from associates	-1,809	-	-1,809	-
Acquisition costs	0	-	0	-
Earnings before interest and taxes (EBIT)	34,453	-	34,453	-
Net interest	-1,269	-	-1,269	-
Earnings before taxes (EBT)	33,184	-	33,184	-
Taxes	-5,186	-	-5,186	-
Profit for the period	27,998	-	27,998	-

* Figures for Q3 only

Note 5. Harvest and Feed Sale

Distribution of harvested volume (gwt)	Q3	Q3	YTD	Proforma	
	2011	2010	2011	YTD 2010	YTD 2011
Harvested volume used in VAP production	2,553	2,503	9,085	9,742	9,085
Harvested volume sold fresh/frozen	6,690	1,545	13,709	5,391	15,777
Harvested and purchased volume (gwt)	9,243	4,048	22,794	15,133	24,862

*Proforma includes Faroe Farming and Viking for H1 2011.

Harvested volumes (gwt)	Q3	Q3	YTD	Proforma	
	2011	2010	2011	YTD 2010	YTD 2011
Farming North	4,879	3,133	15,991	10,855	15,991
Farming West	582	915	3,022	4,278	3,022
Faroe Farming	2,062	-	2,062	-	3,235
Viking Seafood	1,720	-	1,720	-	2,615
Total harvested volumes (gwt)	9,243	4,048	22,795	15,133	24,862

Distribution of harvested volume (gwt)	Q3	Q3	YTD	Proforma	
	2011	2010	2011	YTD 2010	YTD 2011
Harvested volume used in VAP production	28%	62%	40%	64%	37%
Harvested volume sold fresh/frozen	72%	38%	60%	36%	63%
Harvested and purchased volume (gwt)	100%	100%	100%	100%	100%

Feed sold volume (tonnes)	Q3	Q3	YTD	Pro forma	
	2011	2010	2011	YTD 2010	YTD 2011
Internal sale	22,448	-	22,448	-	45,920
External sale	7,956	-	7,956	-	14,899
Sold tonnes feed	30,404	-	30,404	-	60,819

Note 6. Business Combinations

On July 1st 2011 Bakkafrost purchased all the outstanding shares in P/f Havsbrún. P/f Havsbrún, a modern, internationally renowned producer of fish meal, fish oil and fish feed, is situated in the Faroe Islands. P/f Havsbrún purchased 116,000 tonnes of raw material in 2010 and produced approx. 60,250 tonnes of feed, 25,000 tonnes of fish meal and 9,900 tonnes of fish oil. Almost all of the produced fish meal and oil is used for its own fish feed production, and only a small part is being exported. P/f Havsbrún owns 78.1% of the farming companies P/f Faroe Farming and P/f Viking Seafood with a total of 5 licenses. The estimated capacity is 15,000 gwt of salmon per year. On July 1st Bakkafrost also acquired the 21.9% owned by other investors in Viking Seafood. Thus Bakkafrost now owns 100% of the shares in Viking Seafood. The Board of Directors is satisfied with the deal, as it gives Bakkafrost additional farming capacity and thus opportunities of economy of scale. In addition it gives Bakkafrost full control of the value chain from production of fish oil and fish meal to finished salmon products. The Havsbrún Group is acquired with effect from 1 January 2011, but is in accordance with IFRS 3 consolidated into Bakkafrost's financial statement from the date of change of control, which was July 1st 2011.

Prior to the acquisition of the Havsbrún Group, Bakkafrost owned 11 licenses, which accounted for approx. 39% of the licenses on the Faroe Islands. Regulations limit the number of licenses controlled by one company to 50% of the total licenses. With the purchase of Havsbrún, Bakkafrost has 2 licenses above the 50% limit. Bakkafrost has received a grace period to fulfil the legal requirements.

Consideration transferred

DKK 1,000

Cash	627,241
Havsbrún's shares in Bakkafrost	349,529
Total consideration	976,770

The cash payment was paid in cash and was financed by a combination of new debt financing and existing facilities.

The management and key employees of P/f Havsbrún will continue in the company.

Identifiable Assets and Liabilities Assumed:

DKK (1.000)	Note	1 July 2011
Intangible assets	1)	233,710
Property, plant and equipment	2)	442,561
Financial assets	3)	379,858
Long-term receivables		136
Biological assets (biomass)		154,889
Inventory		284,280
Receivables	4)	139,365
Cash and cash equivalents		10,097
Deferred taxes and other taxes		-183,850
Long-term interest bearing debts		-113,632
Short-term interest bearing debts		-146,629
Accounts payable and other debts		-63,664
Minority interests	5)	-35,717
Total net identifiable assets		1,101,404

The following:

- 1) The Havsbrún Group holds 5 farming licences. Fair values have been identified in farming licenses by employing generally accepted valuation techniques. The market value of licences is measured at DKK 233.7 million.
- 2) The fair value of property, plant and equipment is based on an independent valuation. A material fair value adjustment of property, plant and equipment was recognised.
- 3) Financial assets include the fair value of Havsbrún's share in Bakkafrost, amounting to DKK 349.5 million at July 1st.
- 4) Accounts receivable include DKK 80.2 million payable by Bakkafrost.
- 5) In accordance with IFRS 3.20 ref. B44. The measurement of the non-controlling interest is based on using other valuation techniques, due to the fact that no market prices for the equity share not held by Bakkafrost exist.

All the accounts receivable is expected to be collectible.

Acquisition-related costs:

The Group incurred acquisition-related costs of DKK 15.0 million relating to external legal fees and due diligence costs. The amount has been disclosed on a separate line in the Consolidated Profit and Loss Account.

Pro Forma Financials

The Bakkafrost Group and Havsbrún Group were separate entities. On July 1st 2011 Bakkafrost acquired all the share capital of the Havsbrún Group. Prior to that Havsbrún was the largest shareholder in Bakkafrost. Consequently, the comparison figures for 2010 will not provide an adequate basis for comparison as the Havsbrún Group is incorporated into the Profit & Loss statement from July 1st 2011. Therefore the following pro forma financial information, which presents the Profit & Loss statement as if the merger took place on January 1st 2011, will provide pro forma comparison.

The pro forma financials present the joint activity as one reporting entity for the period. The pro forma figures are based on the actual financial figures of the Groups. Internal trade, gains and losses and balances have been eliminated.

DKK 1,000	Pro forma YTD 2011
Operating revenue	1,074,724
Purchase of goods	-472,895
Change in inventory and biological assets (at cost)	216,059
Salary and personnel expenses	-144,002
Other operating expenses	-283,052
Depreciation	-60,339
Operational EBIT	330,496
Fair value adjustments on biological assets	-143,206
Fair value (excess of costs) on biological assets acquired and harvested	0
Impairment of biological assets	-3,196
Onerous contracts	2,856
Income from associates	-1,809
Listing costs	0
Acquisition costs	-14,984
Badwill related to the acquisition of the Havsbrún Group	124,635
Earnings before interest and taxes (EBIT)	294,792
Financial income	1,984
Net interest expenses	-33,446
Net currency effects	-1,186
Other financial expenses	-864
Earnings before taxes (EBT)	261,280
Taxes	-22,652
Profit or loss for the period	238,627

Contacts

P/f Bakkafrost
Bakkavegur 9
FO-625 Glyvvar
Faroe Islands
Telephone: +298 40 50 00
Fax: +298 40 50 09
E-mail: bakkafrost@bakkafrost.com
Website: www.bakkafrost.com