

Fourth Quarter Report 2009 with preliminary annual results



marine farms asa

marine farms group

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HIGHLIGHTS / BOARD OF DIRECTOR'S COMMENTS

Highlights

- Revenue increased by NOK 11 mill (5%) in Q4 2009 compared to the same period last year. The increase was mainly due to higher prices for salmon in the UK as well as increased volumes of seabass/seabream in Spain (45% up). Revenue was negatively affected by lower FX rates for EUR and GBP against NOK. Revenue increased almost 17% in 2009 compared to last year.
- EBIT before fair value in Q4 2009 ended at NOK -1.7 mill compared to NOK -0.5 mill in Q4 2008. The result was negatively affected by several exceptional items (NOK 16.6 mill net), including write down of biomass and goodwill. EBIT before fair value for the year 2009 amounted to NOK 4.4 mill, compared to NOK 26.1 mill last year.
- The salmon operations in Lakeland (UK) obtained an EBIT/kg gwt sold salmon of NOK 3.9 in Q4 2009 (NOK 7.4 in 2008). Volumes kg sold salmon dropped by 15% in Q4 2009 compared to same period last year. For the year 2009, Lakeland generated an EBIT of NOK 6.9/kg gwt sold fish, which is NOK 0.9 less than the year before.
- The seabass/seabream operations in Culmarex (Spain) obtained an EBIT/kg sold seabass/seabream of NOK 2.1 in Q4 2009 (NOK 2.2 in Q4 2008). Volumes kg sold seabass/seabream increased by 45% in Q4 2009 compared to last year. For the year 2009, Culmarex generated an EBIT of NOK -3.3/kg gwt sold fish, which is NOK 1.5 less than the year before. 2009 has been a tough year with low prices for seabass/seabream.
- Costs related to the two cobia operations in Vietnam and in Belize resulted in a negative EBIT of NOK -17.9 mill in Q4 2009 (NOK -23.0 mill in 2008). Included in this figure are write downs of biomass and goodwill in the amount of NOK 8.3 mill. For the year 2009 EBIT was NOK -48.4 mill (NOK 39.3 mill in 2008), including write downs in the amount of 13.6 mill.
- As of 31.12.2009, equity amounted to NOK 444 mill (34.5% equity ratio) and net interest-bearing debt amounted to NOK 676 mill. As of 31.12.2009, the group had approximately NOK 75 mill in free cash and available credit facilities.

Figures in NOK 1 000	Q4 2009 IFRS	Q4 2008 IFRS	Yr 2009 IFRS	Yr 2008 IFRS
Operating revenue	236 534	225 942	879 065	754 761
EBITDA pre fair value adjustment	13 077	15 873	66 234	76 326
EBIT pre exceptionals and fair value adjustment*	14 925	-540	31 451	26 090
EBIT pre fair value adjustment	-1 680	-540	4 370	26 090
EBIT	10 821	-41 647	67 530	-18 657
Result before tax	6 686	-33 264	43 546	-23 385
Result after tax	-717	-27 609	13 097	-23 355
<i>EBIT pre fair value adj. margin</i>	-0,7 %	-0,2 %	0,5 %	3,5 %
<i>Earnings per share</i>	-0,11	-0,83	0,27	-0,65
<i>Earnings per share diluted</i>	-0,11	-0,83	0,27	-0,65
Net cash flow from operating activities	-50 110	-63 797	-1 872	-70 118
Total assets			1 284 131	1 431 294
Equity			443 611	492 313
Net interest-bearing debt			676 090	655 721
<i>Equity ratio</i>			34,5 %	34,4 %

* Pre exceptionals include effect of sealice attack, write downs and reallocation of FX gains

The company is reporting in accordance with the international reporting standards known as IFRS.

Revenues and profits for the group

In Q4 2009 revenue was up 5% to NOK 236.5 mill compared to NOK 225.9 mill last year. The increase was mainly due to higher prices for salmon in the UK as well as increased volumes of seabass/seabream in Spain (45% up). Revenue was negatively affected by lower FX rates for EUR and GBP against NOK. For the year 2009, revenue increased by 17% compared to last year.

EBIT before fair value in the Q4 2009 ended at NOK -1.7 mill compared to NOK -0.5 mill in 2008. The result for Q4 2009 was negatively affected by sea lice problems at Lakeland (NOK -7 mill), redefinition of FX gains first 9 months of the year in Lakeland; from being included in EBIT to be included in net financial items (NOK -2.5 mill), write down of biomass in Lakeland (NOK -3.5 mill), write down of biomass in Vietnam (NOK -4.0 mill), write down of biomass in Belize (NOK -1.2 mill) and write down of goodwill in Belize (NOK -3.1 mill). The result for Q4 2009 was positively affected by changes in how development costs in Culmarex are handled in the accounts (NOK +4.7 mill). EBIT before fair value for the year 2009 amounted to NOK 4.4 mill, compared to NOK 26.1 mill last year.

The salmon price at the end of December 2009 was higher compared to the end of September 2009, resulting in a positive fair value adjustment for salmon in the amount of NOK 26.2 mill in Q4 2009. For seabass/seabream, the prices at the end of December were lower compared to the end of September 2009. As a result, fair value adjustment for seabass/seabream was negative with NOK 13.7 mill. In total, fair value adjustment for the group amounted to NOK 12.5 mill in Q4 2009, compared to NOK 0.0 mill in the same period last year. For the year 2009, fair value adjustment amounted to NOK 63.2 mill compared to -44.7 mill in 2008, generating a positive EBIT of NOK 67.5 mill (NOK -18.7 mill in 2008).

Net financial items in Q4 2009 includes NOK 0.6 mill in agio provisions, mostly related to GBP loans between Marine Farms and its subsidiary Lakeland in the UK. For the year 2009, net financial items includes NOK 1.2 mill in agio provisions.

Net profits amounted to NOK -0.7 mill in Q4 2009 compared to NOK -27.6 mill in the same period last year. Net profits for the year of 2009 amounted to NOK 13.1 mill, compared to NOK -23.4 mill last year.

Segments

Salmon (Lakeland Group)

In Q4 2009, Lakeland generated an EBIT of NOK 3.9/kg gwt sold fish, which is NOK 3.5 less than the year before. The EBIT figure for Q4 2009 was reduced by approximately NOK 3.7/kg, due to the following factors:

- Sea lice problems at Hoganness (NOK -7 mill), ref announcement published on the 28th of September 2009. All the fish affected by the seal ice problems has now been harvested.
- Write down of biomass at Lakeland Unst on Shetland (NOK -3.5 mill); During counting and grading of the 09 S1 stock (approximately 800 gr size fish) in December 2009, unaccountable losses of 160,000 fish were discovered. Pancreas Disease hit the site in July 2009, resulting in significantly higher than normal monthly production mortalities until the fish were moved early in December.

For the year 2009, Lakeland generated an EBIT of NOK 6.9/kg gwt sold fish, which is NOK 0.9 less than the year before. The EBIT figure for year 2009 was reduced by approximately NOK 2/kg, due the factors listed above. Hence, the underlying business in Lakeland continues to do well.

Historic development

<i>NOK mill</i>	2007	2008	2009	4.Q 2008	4.Q 2009	1.Q 2010e	2.Q 2010e	3.Q 2010e	4.Q 2010e
Sale of own salmon (gwt tonnes)	10 212	11 431	11 687	3 294	2 812	3 000	3 200	3 100	3 200
Sale of 3rd party salmon (gwt tonnes)	1 014	637	1 523	259	645	300	300	350	300
Total sale of salmon (gwt tonnes)	11 226	12 068	13 210	3 553	3 457	3 300	3 500	3 450	3 500
Revenue Lakeland Group	456,0	489,2	556,9	145,4	136,9				
EBIT before fair value adjustment (1)	91,7	88,9	80,4	24,5	10,8				
EBIT/kg gwt own fish sold (NOK)	9,0	7,8	6,9	7,4	3,9				
<i>(1) EBIT = EBIT before fair value adjustments, extraordinary items and provisions.</i>									
<i>NOK/GBP</i>	<i>11,71</i>	<i>10,31</i>	<i>9,89</i>	<i>10,65</i>	<i>9,28</i>				

Lakeland has today an annual production capacity averaging approximately 13,500 tonnes gwt. Due to a fallowing regime in Scotland, however, Lakeland's production capacity can vary between 12,500 tonnes gwt and 14,500 tonnes gwt any given year.

Lakeland is planning to sell approximately 12,500 tonnes gwt of own produced salmon in 2010.

Seabass/seabream (Culmarex Group)

Culmarex obtained an EBIT/kg sold fish of NOK 2.1 in Q4 2009, which is NOK 0.1 lower compared to the same period in 2008 (NOK 4.7 mill positive effect of handling development costs in Spain is not included in these EBIT figures). Prices obtained in the market were lower in 4Q 2009. However, average production costs were down, improving the result. For the year 2009, Culmarex generated an EBIT of NOK -3.3/kg gwt sold fish, which is NOK 1.5 less than the year before. 2009 has been a tough year with low prices.

Historic development

<i>NOK mill</i>	2007	2008	2009	4.Q 2008	4.Q 2009	1.Q 2010e	2.Q 2010e	3.Q 2010e	4.Q 2010e
Sale of own seabass/seabream (tonnes)	4 925	4 784	6 789	1 539	2 230	1 700	2 100	2 500	2 200
Sale of 3rd party seabass/seabream (tonnes)	485	450	59	106	-	-	-	-	-
Total sale of seabass/seabream (tonnes)	5 410	5 234	6 848	1 645	2 230	1 700	2 100	2 500	2 200
Revenue - Culmarex Group	279,6	245,4	311,4	74,8	97,4				
EBIT before fair value adj (1)	44,8	(8,4)	(22,6)	3,4	4,7				
EBIT/kg own fish sold (NOK)	9,1	-1,8	-3,3	2,2	2,1				
<i>(1) EBIT = EBIT before fair value adjustments, extraordinary items and provisions.</i>									
<i>NOK/EUR</i>	<i>8,00</i>	<i>8,26</i>	<i>8,68</i>	<i>8,94</i>	<i>8,39</i>				

Culmarex has today a licenced production capacity of approximately 12,000 tonnes. 1,800 tonnes of this relates to a consession (Motril) which was transferred to Culmarex when it bought the company Ponto in Malaga in 2007. The consession has not yet been developed. Because of the temperature profile on the Motril site is unfavourable for seabass/seabream farming, Culmarex will most likely not develop his site. The decision will have no financial effects. Culmarex would then have a licenced production capacity of approximately 10,200 tonnes seabass/seabream. Expectations are that Culmarex will receive permits on expantions of existing farms in the years ahead.

Culmarex is planning to sell approximately 8,500 tonnes of own-produced seabass and seabream in 2010.

Cobia (Belize and Vietnam)

The first run in our new hatchery in Belize was successful, with more than 50,000 cobia juveniles being put to sea. Some later runs have experienced technical difficulties with reduced output.

MF Belize generated a loss in Q4 2009, with an EBIT of NOK -12.3 mill. Included in this figure is write down of biomass amounting to NOK 1.2 mill as well as write down of goodwill amounting to NOK 3.1 mill. For the year 2009 EBIT was NOK -40.6 mill, including the extraordinary write down of biomass amounting to NOK -5.3 mill in 2Q 2009. At the end of December 2009, MF Belize had total assets amounting to NOK 68 mill, of which NOK 3 mill was related to biomass inventory (120 tonnes / 80,000 fish).

MF Vietnam generated a loss in Q4 2009, with an EBIT of NOK -5.6 mill. Included in this figure is write down of biomass amounting to NOK 4.0 mill. For the year 2009, EBIT was NOK -7.8 mill. At the end of December 2009, MF Vietnam had total assets amounting to NOK 65 mill, of which NOK 33 mill was related to biomass (1,230 tonnes / 330,000 fish).

The plan for 2010 is to harvest approximately 1,500 tonnes rw of cobia. Current annual licensed production capacity is estimated to be around 8,000 tonnes in Belize and in Vietnam combined. The company is expecting approval of new licenses in Belize.

Balance sheet and capital structure

Total assets per 31.12.09 amounted to NOK 1 284 mill, which is NOK 147 mill lower than per 31.12.2008. The drop is much due to lower foreign currency exchange rates against the NOK. Biomass amounted to NOK 610 mill, a NOK 41 mill increase compared to year end 2008. Net interest-bearing debt per 31.12.2009 amounted to NOK 676 mill, which NOK 20 mill higher than year end 2008.

As pr 31.12.2009, the group had approximately NOK 75 mill in free cash and available credit facilities.

Equity per 31.12.2009 was NOK 444 mill (34.5% equity ratio), compared to NOK 492 mill (34.4%) at year end 2008. Marine Farms ASA has received a temporary waiver on its only financial covenant with DnB NOR, being a minimum equity ratio of 32.5%. The waiver includes 31.12.2009, 31.03.2010 and 30.06.2010, at which dates the new minimum equity ratio covenant is 30.0%. As pr 31.12.2009 Marine Farms ASA was in compliance with its original financial covenant. The company is currently undertaking a strategic review and is considering options to improve the group's financial structure.

Events after the balance sheet date

On the 3rd of February 2010 it was announced that Mr Roar Nyhus had informed the company of his resignation as Chairman of the Board of Marine Farms ASA, effective from 17th of February 2010. The previous Vice Chairman, Mr Endre Witzø, now acts as Chairman of the Board.

On 18th of February 2010 the company announced that it had received a letter from Nireus Aquaculture SA, requesting that the Board of Directors calls for an Extraordinary General Meeting in Marine Farms ASA. On the agenda is Election of a new Board of Directors. The Extraordinary General Meeting will be held on Wednesday 17th of March 2010. The Notice has been sent to all shareholders and is available on our website www.marinefarms.no.

Going forward

The significant drop in production in Chile will lead to a global supply drop of Atlantic salmon during 2010, which will possibly continue for further 3 to 5 years. This will lead to higher prices in 2010 than we saw in 2009, especially in spot market where we will experience certain high priced spikes. It is to be hoped that the market can absorb these higher prices without any adverse reactions to demand and consumers turning to lower priced alternatives. Marine Farms through its salmon subsidiary Lakeland Group is well positioned to take advantage of the upturn having a well balanced portfolio of customers and product split. Fixed price/volume contracts for 2010 have been renegotiated at higher price compared to 2009, representing some 35% to 40% of production. This is consistent with our policy of co-operation and partnership with high quality major players in supermarkets, smokers and processors which will result in long term stability for both parties. We continue to be strong in the prestigious Label Rouge market and will increase our market share during 2010. Our added value factory is performing strongly and is well equipped in meeting the increased demand for skinless boneless fillets worldwide. We look forward to achieving an increased return to farm during the coming year.

It looks like production of seabass/seabream will be down globally and in Spain by at least 15 % in 2010. Culmarex will increase its production (growth) by 5% although it will sell 26% more in 2010. It is expected that seabream prices will improve in 2010 and that prices will maintain a good level in 2011 as well. We believe available funding will be limited for the seabass/seabream sector to radically increase juvenile inputs in 2010 or 2011. Furthermore we believe that feed companies, hatcheries and pre-growers will not be prepared to finance the on-growers with long credit terms as they have done in the past. It would therefore seem reasonable that pan-Mediterranean seabass and seabream production in 2010, 2011 and 2012 will not exceed 250,000 tonnes. This leads us to be optimistic that we can sell the volumes projected over the next few years and at better prices than achieved in 2008 and 2009. The concerns are that the Spanish economy is in poor condition with nearly 20% un-employment and that the normally ebullient restaurant trade is severely depressed. Also some of our competitors are so cash strapped that they are putting fish into the market at very low prices, which might impede a rapid return to pre-crisis prices.

Culmarex has established itself as leader in Spain, both in terms of size, quality, service and profitability. In 2009, the company increased sales by more than 40% and still obtained the highest prices in the market compared to its competitors. Although 2009 has been a difficult year, going into to 2010 average production costs will be lower, the market is expected to improve, the need for investments will be lower and interest rates will be lower.

MF Belize has less fish in the sea going into 2010 than what was planned for, due to lower production of cobia juveniles in the new hatchery in 2009. The result is less volumes of fish to be produced and sold in 2010. Focus will be on getting the new hatchery running stable at high volumes as well as containing costs until production at sea picks up. Annual cash burning rate in Belize (excl feed) is USD 2.5-3.0 mill.

We continue to see favourable developments in the underlying performance in MF Vietnam. The company has weekly shipments of fresh cobia into the Asian markets. For 2010, we have approximately 1,500 tonnes rw of cobia for sale. Focus in 2010 will be on selling these increased volumes. Given current prices, the operation should make a profit.

Business areas

Marine Farms ASA has been involved in the fish farming business since 1976 and has considerable knowledge of all aspects of fish farming, from broodfish to the finished product. Marine Farms' core competence is its technical and biological know-how and innovativeness. The company's operations

mainly consist of salmon farming in the U.K. and seabass / seabream in Spain. These activities are run through the 100% owned companies Lakeland (U.K.) and Culmarex (Spain), both being fully integrated companies and among the most profitable in their respective markets. In addition, Marine Farms ASA is engaged in farming of the fast growing marine species cobia in Belize and in Vietnam. The Group had a turnover of NOK 879 mill in 2009 and had 624 employees per 31.12.2009. Read more about the Marine Farms Group on www.marinefarms.no.

Salmon (Lakeland Group)

Lakeland has been operating within the salmon farming industry since 1987, and specialises in vertically integrated production of Atlantic salmon, all the way from the broodfish through egg, fry, parr, smolt and fully grown salmon to the sale of gutted salmon and fresh fillets.

Lakeland's hatchery business is the largest third party supplier of salmon ova and smolt to the UK market. The Company has a production capacity of over 60 mill ova and up to 10.0 mill smolt. Read more about Lakeland on www.lakelandsmolt.co.uk.

Seabass/seabream (Culmarex Group)

Culmarex was founded in 1986 and commenced the production of various marine species such as yellowtail and oysters. In 1990 the Company was purchased by Marine Farms ASA and it was then decided to focus its activities on seabass and seabream, two relatively highly priced white meat fish from the Mediterranean. The fish grow relatively slowly and are sold round from 350g and upwards.

Culmarex is today a vertically integrated supplier of seabass and seabream, and conducts all parts of the production, from broodfish through the pre-ongrowing of juveniles up until the fish is ready for the market. Culmarex has approximately 320 employees and the company is renowned for its good service and high quality. This is reflected in the prices the company achieves in the market for its fish. Read more about Culmarex on www.culmarex.com.

Cobia (Belize and Vietnam)

Cobia is a white meat fish that lives in tropical waters (20-30C°). It grows from 1 gram to 5-6 kg in one year and the fillets are popular in sushi and other dishes. Cobia is a relatively unknown species. However, Cobia has all the traits we want for a farmed fish such as good eating qualities, large fillets, high on Omega-3, do well in cages, fast growth, year round egg supplies and an efficient production.

Marine Farms started cobia farming in 2002 with the operation of a hatchery in Florida. This hatchery was closed down in 2007, when the company started the construction of a new hatchery in Belize. The new hatchery was completed in 2009, with a capacity of 1-2 mill cobia juveniles. Farming of cobia for fresh export to the US started in Belize in 2006. The company has now a vertically integrated production of cobia in Belize. Farming of cobia in Vietnam started up in 2006, the strategy being fresh export to the Asian market and frozen export to other markets.

All major investments in infrastructure and farming equipment are now in place, both in Belize and in Vietnam. However, the operations are set up for significant increased production volumes, resulting in losses when production is low. Read more about Marine Farms Belize on www.marinefarmsbelize.com.

Share information

On the 12th of October 2006 Marine Farms ASA was listed on the Oslo Stock Exchange, trading under the “MAFA” ticker. At 31.12.2009, total number of shares outstanding was 36,618,628.

Bergen, 24th of February 2010

The Board of Directors
Marine Farms ASA

MARINE FARMS GROUP CONSOLIDATED

Statement of profit and loss

Figures in NOK 1 000	Q4 2009 IFRS	Q4 2008 IFRS	Yr 2009 IFRS	Yr 2008 IFRS
Total operating revenues (Note 4)	236 534	225 942	879 065	754 761
Cost of materials	-133 128	-119 410	-484 523	-432 121
Change in inventory (cost of production)	18 105	16 976	56 900	102 077
Salaries and personnel expenses	-33 278	-31 133	-152 164	-134 287
Other operating expenses	-75 156	-76 502	-233 044	-214 104
EBITDA before fair value adj. biomass	13 077	15 873	66 234	76 326
Depreciations	-11 648	-16 413	-58 755	-50 236
Write down of goodwill	-3 109	0	-3 109	0
EBIT before fair value adj. biomass	-1 680	-540	4 370	26 090
Fair value adjustment on biomass (Note 3)	12 501	-41 107	63 160	-44 747
OPERATING PROFIT (EBIT)	10 821	-41 647	67 530	-18 657
Write down on financial assets	-1 000	-2 496	-1 542	-2 496
Finance revenue	272	1 149	1 329	2 745
Interest costs	-3 609	-7 691	-23 374	-26 445
Other finance costs	202	17 421	-397	21 468
Profit before tax	6 686	-33 264	43 546	-23 385
Taxes	-7 403	5 655	-30 449	30
Net profit (loss)	-717	-27 609	13 097	-23 355
Majority interest	-4 071	-30 297	9 938	-23 873
Minority interest	3 354	2 688	3 159	518
<i>Earnings per share</i>	<i>-0,11</i>	<i>-0,83</i>	<i>0,27</i>	<i>-0,65</i>
<i>Diluted earnings per share</i>	<i>-0,11</i>	<i>-0,83</i>	<i>0,27</i>	<i>-0,65</i>

Statement of financial position

Figures in NOK 1 000	31.12.09	31.12.08
ASSETS		
Licences	87 922	100 217
Goodwill	25 728	32 393
Total intangible assets	113 650	132 610
Total tangible assets	351 998	432 993
Total financial assets	5 762	4 078
Total non-current assets	471 410	569 681
Biomass (Note 3)	610 366	569 732
Other inventories	36 877	37 946
Total inventories	647 243	607 678
Total receivables	155 001	172 106
Cash and cash equivalents	10 477	81 829
Total current assets	812 721	861 613
TOTAL ASSETS	1 284 131	1 431 294
EQUITY AND LIABILITIES		
Total equity	443 611	492 313
Liabilities to financial institutions	522 718	597 589
Other non-current liabilities	29 008	31 891
Total non-current liabilities	551 726	629 480
Liabilities to financial institutions	163 849	139 961
Other current liabilities	124 945	169 540
Total current liabilities	288 794	309 501
Total liabilities	840 520	938 981
TOTAL EQUITY AND LIABILITIES	1 284 131	1 431 294

<i>Net interest bearing debt</i>	676 090	655 721
<i>Total liabilities to financial institutions</i>	686 567	737 550
<i>Equity ratio</i>	34,5 %	34,4 %
<i>Current ratio</i>	2,81	2,78
<i>Net debt/equity</i>	1,52	1,33

Key figures

Figures in NOK 1 000	Q4 2009	Q4 2008	Yr 2009	Yr 2008
	IFRS	IFRS	IFRS	IFRS
EBITDA before fair value adjustment	13 077	15 873	66 234	76 326
EBITDA after fair value adjustment	25 578	-25 234	129 394	31 579
EBIT before fair value adjustment	-1 680	-540	4 370	26 090
EBIT	10 821	-41 647	67 530	-18 657
EBITDA margin before fair value adjustment	5,5 %	7,0 %	7,5 %	10,1 %
EBITDA margin after fair value adjustment	10,8 %	-11,2 %	14,7 %	4,2 %
EBIT margin before fair value adjustment	-0,7 %	-0,2 %	0,5 %	3,5 %
EBIT margin	4,6 %	-18,4 %	7,7 %	-2,5 %
Earnings per share	-0,11	-0,83	0,27	-0,65
Diluted earnings per share	-0,11	-0,83	0,27	-0,65
Equity ratio			35 %	34 %
Net interest bearing debt			676 090	655 721

Consolidated statements of cash flow

Figures in NOK 1 000	Q4 2009	Q4 2008	Yr 2009	Yr 2008
	IFRS	IFRS	IFRS	IFRS
Net profit before income taxes	6 686	-33 264	43 546	-23 385
Fair value adjustment on biomass	-12 501	41 107	-63 160	44 747
Tax paid	-6 963	-4 573	-21 044	-19 942
Deprec. and amortisation, including gain/loss on disposal	14 757	16 413	61 864	50 236
Interest paid	3 609	7 691	23 374	26 445
Change in inventories, trade receivables and trade acc. p.	-84 307	-81 412	-83 919	-153 857
Change in other accruals	28 609	-9 759	37 467	5 638
Net cash flow from operating activities	-50 110	-63 797	-1 872	-70 118
Sales of fixed assets	0	0	0	0
Investments in fixed assets	-13 469	-81 873	-74 649	-183 651
Net purchase and proceeds from other investments	0	0	0	0
Net cash flow from investing activities	-13 469	-81 873	-74 649	-183 651
Net down payment/proceeds of interest-bearing debt	71 885	203 473	61 316	327 922
Interest paid	-3 609	-7 691	-23 374	-26 445
Issuance of share capital (share issue and sale of own shares)	0	0	0	0
Net cash flow from financing activities	68 276	195 782	37 942	301 477
Net foreign exchange difference and other adj.	-8 825	-1 731	-32 773	-13 812
Net change in cash and cash equivalents	-4 128	48 381	-71 352	33 896
Cash and cash equivalents at beginning of period	14 605	33 448	81 829	47 933
Net change in cash and cash equivalents	-4 128	48 381	-71 352	33 896
Cash and cash equivalents at end of period	10 477	81 829	10 477	81 829

Statement of comprehensive income

Figures in NOK 1 000	Yr 2009	Yr 2008
Net earnings in the period	13 097	-23 355
Other comprehensive income		
Currency translations differences	-61 427	41 650
Other items	-372	-810
Total other comprehensive income	-61 799	40 840
Comprehensive income in the period	-48 702	17 485
Minority share of comprehensive income	0	-810
Comprehensive income to the shareholders of Marine farms ASA	-48 702	16 675

Equity statement

Figures in NOK 1 000	Yr 2009	Yr 2008
Total equity at start of year	492 313	474 828
Comprehensive income to the shareholders of Marine farms ASA	-48 702	17 485
Total equity at the end of period	443 611	492 313

NOTE 1: CORPORATE INFORMATION

Marine Farms ASA is a company incorporated and domiciled in Norway. The principle activities of the company and its subsidiaries are fishfarming activities of species as salmon, seabass/seabream etc.

NOTE 2: BASIS FOR PREPARATION AND ACCOUNTING PRINCIPLES

The report for Q4 2009 has been prepared in accordance with IFRS – hereunder IAS 34 Interim Financial Reporting. The Interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements as at 31st of December 2007 and at 31st of December 2008. Changes in the standards and interpretations may lead to changes in the accounts.

NOTE 3: INVENTORY

The following fish is measured at fair value:

- Salmon above 1 kilo
- Seabass and seabream above 350 g

Figures in NOK 1 000	31.12.09	30.09.09	31.12.08
Biomass at cost	529 235	531 262	547 687
Excess fair value end of period	81 131	69 322	22 045
	<i>Spain:</i> 40 657	55 212	1 294
	<i>UK:</i> 40 474	14 110	20 750
Biomass at fair value	610 366	600 584	569 732

NOTE 4: SEGMENT INFORMATION

Marine Farms has activities within farming, processing and sale of different fish species. The activities take place in majority owned subsidiaries mainly in UK and Spain. Business segments constitute the primary reporting format and are based on Group's management and internal reporting structure. The Group's primary segment is determined to be fishfarming of salmon, fishfarming of seabass/seabrem and fishfarming of other species. The Groups secondary segment is geographical.

The following tables present revenue and profit and certain asset and liability information regarding the Group's business segments.

Q4 2009

Figures in NOK mill	Revenue	Operating profit	Net financial items	Income taxes	Net profit (loss)	Investments	Non-current assets	Inventory	Total assets	Total liabilities
Salmon UK	136,9	34,6	1,6	-9,4	26,8	5,0				
Seabass/bream Spain	97,4	-4,3	-2,3	2,0	-4,7	8,8				
Other i.e. Cobia + MFt Ltd	2,2	-18,1	-2,2	0,0	-20,3	0,3				
Mother Company Norway	1,4	-1,4	-1,2	0,0	-2,6	0,0				
Eliminations/group adjustments	-1,5	0,0	0,0	0,0	0,0	0,0				
Total continued operations	236,4	10,8	-4,2	-7,4	-0,7	14,0				
Discontinued operations/assets held for sale	0,0	0,0	0,0	0,0	0,0	0,0				
Total	236,4	10,8	-4,2	-7,4	-0,7	14,0				

Q4 2008

Figures in NOK mill	Revenue	Operating profit	Net financial items	Income taxes	Net profit (loss)	Investments	Non-current assets	Inventory	Total assets	Total liabilities
Salmon UK	145,4	15,6	0,7	-5,8	25,9	21,5				
Seabass/bream Spain	74,8	-28,8	-4,7	11,4	2,3	43,0				
Other i.e. Cobia + MFt Ltd	2,7	-23,6	0,3	0,0	-10,9	20,3				
Mother Company Norway	-0,2	-3,1	12,5	0,0	10,5	0,0				
Eliminations/group adjustments	3,2	-1,8	2,0	0,0	0,0	-2,9				
Total continued operations	225,9	-41,6	10,8	5,6	27,8	81,9				
Discontinued operations / assets held for sale	0,0	0,0	0,0	0,0	0,0	0,0				
Total	225,9	-41,6	10,8	5,6	27,8	81,9				

Yr 2009

Figures in NOK mill	Revenue	Operating profit	Net financial items	Income taxes	Net profit (loss)	Investments	Non-current assets	Inventory	Total assets	Total liabilities
Salmon UK	556,9	101,2	-1,6	-27,3	72,3	30,2	153,9	213,3	455,6	221,4
Seabass/bream Spain	311,6	24,6	-14,1	-3,1	7,3	23,7	232,1	389,4	695,4	534,4
Other i.e. Cobia + MFt Ltd	10,7	-48,6	-1,7	0,0	-50,3	20,7	84,8	44,5	133,9	107,9
Mother Company Norway	2,5	-9,7	-6,5	0,0	-16,2	0,0	289,0	0,1	290,3	88,5
Eliminations/group adjustments	-2,6	0,0	0,0	0,0	0,0	0,0	-288,4	0,0	-291,1	-111,6
Total continued operations	879,0	67,5	-24,0	-30,5	13,1	74,6	471,4	647,2	1 284,1	840,5
Discontinued operations / assets held for sale	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Total	879,0	67,5	-24,0	-30,5	13,1	74,6	471,4	647,2	1 284,1	840,5

Yr 2008

Figures in NOK mill	Revenue	Operating profit	Net financial items	Income taxes	Net profit (loss)	Investments	Non-current assets	Inventory	Total assets	Total liabilities
Salmon UK	491,0	90,5	-9,7	-23,1	57,8	43,0	162,0	210,3	468,5	289,2
Seabass/bream Spain	245,4	-57,8	-14,5	22,6	-49,7	104,1	313,1	355,9	807,5	624,3
Other i.e. Cobia + MFt Ltd	17,7	-40,5	-0,7	0,5	-40,7	40,0	95,1	41,4	146,9	58,1
Mother Company Norway	2,2	-10,9	17,3	-0,1	6,3	0,2	263,9	0,1	272,0	54,0
Eliminations/group adjustments	-1,6	0,0	2,9	0,0	2,9	-3,6	-264,4	0,0	-263,6	-86,0
Total continued operations	754,7	-18,7	-4,7	0,0	-23,4	183,7	569,7	607,7	1 431,3	939,6
Discontinued operations / assets held for sale	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Total	754,7	-18,7	-4,7	0,0	-23,4	183,7	569,7	607,7	1 431,3	939,6

The table below presents the Marine Farms Group's revenue distributed between the Group's main geographical markets

Geographical segments – by location of revenue generating legal entities

Figures in NOK mill	Q4 2009		Q4 2008		Yr 2009		Yr 2008	
	NOKm	Share	NOKm	Share	NOKm	Share	NOKm	Share
Operating revenue								
UK	136,9	70 %	147,1	58 %	556,9	70 %	491,9	65 %
Spain	97,4	29 %	74,8	39 %	311,6	28 %	245,4	32 %
Belize / Vietnam (cobia)	2,2	1 %	1,8	3 %	10,7	1 %	16,8	3 %
Norway	1,4	0 %	-0,2	1 %	2,5	0 %	2,2	0 %
Other / Elimination	-1,5	0 %	2,4	-1 %	-2,6	0 %	-1,6	-1 %
Total rev. cont. oper.	236,4	100 %	225,9	100 %	879,0	100 %	754,7	100 %

NOTE 5: EQUITY BASED REMUNERATION (SYNTHETIC OPTIONS)

In 2008, the General Meeting held on the 27th of May 2008 approved a new bonus scheme for top management in the Marine Farms Group, of which a part of the bonus is based on the development of the share price in the parent company. The scheme started July 2008 and expires 31.12.2010, with a total period of 30 month. Top management, including 5 members, will receive a cash bonus if the weighted average market price of the MAFA share is higher than NOK 28.79 per share in 4th quarter of 2010. Bonus calculation is based on “synthetic” shares given to each top manager. The bonus related to the development of the share price is capped at maximum one (1) annual salary for each top manager. Total number of synthetic shares in this new scheme is 250,000 shares. As per 31.12.2009 no provisions had been made related to this remuneration scheme.

NOTE 6: EARNING PR SHARE

Earnings per share are calculated by dividing the majority's share of net profit after tax for the period by the average number of ordinary shares outstanding during the period. Diluted earnings per share is calculated by dividing the majority's share of net profit after tax for the period by the average number of ordinary shares outstanding during the period, adjusted for outstanding options and other convertible instruments that have potential dilution effects.

Figures in NOK 1 000	Q4 2009	Q4 2008	Yr 2009	Yr 2008
Majority's share of net profit	-4 071	-30 297	9 938	-23 873
Number of outstanding ordinary shares end of period ('000)	36 619	36 619	36 619	36 619
Average number of outstanding shares ('000)	36 619	36 619	36 619	36 619
Earnings per share	-0,11	-0,83	0,27	-0,65
Earnings per share (diluted)	-0,11	-0,83	0,27	-0,65