

Consolidated Report

3rd Quarter 2008



MARINE FARMS ASA

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HIGHLIGHTS / BOARD OF DIRECTORS COMMENT'S

Highlights

- In the third quarter 2008, net profits amounted to NOK 27.8 mill compared to NOK 24.9 mill in the same period last year.
- Revenue increased by 6% compared to the same period last year. EBIT before fair value was NOK 7.7 mill compared to NOK 23.5 mill last year. The drop was mainly a result of significantly lower profitability for the seabass/seabream operation in Spain and a 13% lower GBP currency rate in the UK.
- For the first nine months of 2008, revenue dropped by 0.4% compared to the same period in 2007. EBIT before fair value was NOK 26.6 mill, which was NOK 38.4 mill lower than the year before.
- The salmon operations in Lakeland (UK), a 100% owned subsidiary of Marine Farms ASA, continue to do well. The company obtained an EBIT/kg gwt sold salmon of NOK 7.4 in 3rd quarter 2008 (NOK 8.5 in 2007). Volumes increased by 8% in 3rd quarter 2008 compared to same quarter last year.
- The seabass/seabream operations in Culmarex (Spain), a 100% owned subsidiary of Marine Farms ASA, obtained an EBIT/kg sold seabass/seabream of NOK 0.9 in 3rd quarter 2008 (NOK 10.3 in 2007). Volumes increased by 3% in 3rd quarter 2008 compared to same quarter last year.
- The cobia operations in Belize and in Vietnam continue to develop according to plan. The new marine hatchery in Belize should be up and running in time for the cobia spawning season, starting in spring 2009.
- The group's financial position is solid. Per 30.09.2008, equity amounted to NOK 490 mill (39.6% equity ratio) and net interest-bearing debt amounted to NOK 452 mill. As pr 30.09.2008, the group had approximately NOK 270 mill in free cash and available credit facilities (including new DnB NOR Bank facilities announced on the 16th of June 2008).
- Strategic acquisitions in 2007 and 2008 coupled with increased concessions on existing farms have resulted in room for significant organic growth going forward, especially in seabass/seabream (Spain) and in cobia (Belize and Vietnam).

Group key figures

Figures in NOK 1 000	3Q 2008	3Q 2007	YTD 2008	YTD 2007	Yr 2007
	IFRS	IFRS	IFRS	IFRS	IFRS
Operating revenue	191 437	181 325	528 819	530 830	735 420
EBITDA pre fair value adjustment	19 467	33 846	60 453	94 980	136 349
EBIT pre fair value adjustment	7 687	23 538	26 630	65 061	94 609
EBIT	27 824	55 906	22 990	67 359	79 861
Result before tax	34 138	41 829	9 879	50 260	60 921
Result after tax	27 801	24 895	4 254	28 731	32 506
<i>EBIT pre fair value adj. margin</i>	<i>4,0 %</i>	<i>13,0 %</i>	<i>5,0 %</i>	<i>12,3 %</i>	<i>12,9 %</i>
<i>Earnings per share</i>	<i>0,80</i>	<i>0,67</i>	<i>0,18</i>	<i>0,75</i>	<i>0,76</i>
<i>Earnings per share diluted</i>	<i>0,80</i>	<i>0,67</i>	<i>0,18</i>	<i>0,75</i>	<i>0,76</i>
Total assets			1 237 803	978 699	1 061 961
Equity			489 748	467 794	474 828
Net interest-bearing debt			451 626	243 267	317 692
<i>Equity ratio</i>			<i>39,6 %</i>	<i>47,8 %</i>	<i>44,7 %</i>

The company is reporting in accordance with the international reporting standards known as IFRS. The transition from Norwegian reporting standard and the corresponding effects are described in the company's annual IFRS report for 2006 and 2007 (see www.marinefarms.com).

Revenues and profits for the group

Revenue in the 3rd quarter 2008 was up 6% to NOK 191.4 mill compared to NOK 181.3 mill last year. The increase was mainly due to increased volumes for salmon in the UK and cobia in Belize/Vietnam. In addition, salmon prices were higher in the UK. Revenues were negatively influenced by a significant lower GBP exchange rate as well as lower seabream prices. For the first nine months of 2008, revenue was 0.4% lower compared to the same period in 2007.

EBIT before fair value in the 3rd quarter 2008 ended at NOK 7.7 mill compared to NOK 23.5 mill in 2007. For the first nine months of 2008, the group generated an EBIT before fair value of NOK 26.6 mill, which was NOK 38.4 mill lower than the year before. The drop was mainly due to significantly lower profitability for the seabass/seabream operation in Spain and a 13% lower GBP currency rate in the UK. In addition, the group had to make a NOK 3.2 mill write down of biomass in MF Belize, due to fish being missing when emptying cages.

Marine Farms reports according to IFRS. The salmon price at the end of September 2008 was higher than at the end of June 2008. Coupled with good growth in 3rd quarter 2008, the fair value adjustment for salmon was positive with NOK 14.1 mill in the 3rd quarter 2008. For seabass/seabream, the prices were lower at the end of September compared to end of June 2008. However, reasonable good growth in 3rd quarter 2008 resulted in a more favourable size mix at the end of September, resulting in a positive NOK 6.1 mill adjustment of the fair value for seabass/seabream in 3rd quarter 2008. In total, fair value adjustment for the group amounted to NOK 20.1 mill in 3rd quarter 2008, compared to NOK 32.4 mill in the same period last year. For the first nine months of 2008, fair value adjustment amounted to NOK -3.6 mill compared to NOK 2.3 mill in the same period in 2007.

Financial net for 3rd quarter 2008 include NOK 13.2 mill in reversed agio provisions. For the first nine months of 2008, reversed agio provisions amounted to NOK 3.4 mill. The reversed provisions have been significant in 3rd quarter due to the significant improvement in the GBP, the EUR and the USD exchange rates.

The 51% ownership in Machrihanish Marine Farms Ltd is held as assets for sale in the accounts pr 30.09.2008 (see note 5 for more details) and the results have been adjusted accordingly.

Net profits amounted to NOK 27.8 mill in 3rd quarter 2008 compared to NOK 24.9 mill in the same period last year. For the first nine months of 2008, net profits amounted to NOK 4.3 mill compared to NOK 28.7 mill in the same period in 2007.

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 America (Belize) and in Vietnam. The

Group had a turnover of NOK 735 mill in 2007 and had 545 employees per 30.09.2008. Read more about the Marine Farms Group on www.marinefarms.com.

Salmon (Lakeland)

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

Lakeland's hatchery business is considered to be the largest independent supplier of salmon ova and smolt to the UK market. The Company has a production capacity of over 60 mill ova and up to 8.5 mill smolt. Broodfish are tested individually for the virus disease IPN which is a major selling point. Read more about Lakeland on www.lakelandsmolt.co.uk.

Lakeland was one of the most profitable salmon producers in the UK in 2007, with an EBIT/kg gwt sold fish of NOK 9.0. In the 3rd quarter of 2008, Lakeland generated some NOK 7.4/kg gwt sold fish, which is NOK 1.1 lower than the year before. The drop is mainly due to a 13% drop in GBP currency compared to NOK. For the first 9 months of 2008, Lakeland generated an EBIT/kg gwt salmon of NOK 7.9. Lakeland is experiencing higher productions costs due to higher feed prices.

Historic development

NOK mill	2005	2006*	2007	3.Q		YTD		4.Q	
				2007	2008	2007	2008	2008e	2009e
Sale of own salmon (gwt tonnes)	7 674	9 264	10 212	2 446	2 648	7 193	8 137	3 200	12 200
Sale of 3rd party salmon (gwt tonnes)	-	872	1 014	325	128	749	378	150	600
Total sale of salmon (gwt tonnes)	7 674	10 136	11 226	2 771	2 776	7 942	8 515	3 350	12 800
Revenue Lakeland Group	231,6	388,7	456,0	105,0	111,4	330,3	345,2		
EBIT before fair value adjustment (1)	45,4	93,6	91,7	20,7	19,5	68,9	64,4		
EBIT/kg gwt own fish sold (NOK)	5,9	10,1	9,0	8,5	7,4	9,6	7,9		

(1) EBIT = EBIT before fair value adjustments, extraordinary items and provisions.

* Pro forma figures include SPoS Ltd and MP Ltd, which was acquired 100% and 80% respectively 01.09.06

NOK/GBP 11,71 11,77 11,69 11,64 10,14 11,91 10,23

Lakeland has an annual production capacity averaging approximately 12,000 tonnes. Due to a fallowing regime in Scotland, however, Lakeland's production capacity can vary between 11,500 tonnes gwt and 12,500 tonnes gwt any given year. For 2008, Lakeland expects to sell approximately 11.300 gwt salmon. For 2009, estimates are 12.200 tonnes gwt salmon.

Seabass/seabream (Culmarex)

Culmarex was founded in 1986 and commenced 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 300 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.

The Culmarex group was the largest and most profitable seabass/seabream producers in Spain in 2007, with an EBIT/kg sold fish of approximately NOK 9.1. In the 3rd quarter of 2008, Culmarex obtained an EBIT/kg sold fish of NOK 0.9, which is NOK 9.4 lower compared to the same period in 2007. The difference is mainly due to historically low seabream prices as well as increased production costs.

For the first nine months of 2008, Culmarex group obtained an EBIT/kg sold fish of NOK -3.7. The “old” business of Culmarex Group (excluding the three companies acquired in 2007) obtained an EBIT/kg sold fish of approximately NOK 4 in the same period.

Historic development

<i>NOK mill</i>	2005	2006 *	2007	3.Q 2007	3.Q 2008	YTD 2007	YTD 2008	4.Q 2008e	2009e
Sale of own seabass/seabream (tonnes)	2 239	4 112	4 925	1 443	1 479	3 350	3 245	1 500	6 400
Sale of 3rd party seabass/seabream (tonnes)	1 051	622	485	18	108	369	344	100	500
Total sale of seabass/seabream (tonnes)	3 291	4 734	5 410	1 461	1 587	3 719	3 589	1 600	6 900
Revenue - Culmarex Group	179,3	246,8	279,6	76,0	74,9	200,3	170,6		
EBIT before fair value adj (1)	24,6	46,7	44,8	14,8	1,3	34,0	(11,9)		
EBIT/kg own fish sold (NOK)	11,0	11,3	9,1	10,3	0,9	10,2	-3,7		
<i>(1) EBIT = EBIT before fair value adjustments, extraordinary items and provisions.</i>									
<i>* Pro forma figures include PIAGUA which was acquired 1st of July 2006.</i>									
<i>NOK/EUR</i>	7,98	8,08	8,00	7,91	8,06	8,04	7,93		

For 2008, Culmarex is planning to sell approximately 4,800 tonnes of own produced seabass and seabream. In 2009, volumes are estimated to increase to roughly 6,400 tonnes. The group has currently a production capacity of approximately 12,000 tonnes.

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 has operated a cobia hatchery in Florida since 2002 and is in the process of building up fully integrated operations for cobia in Belize in Central America (for export to the American market) and in Vietnam (for export to the Asian market). First priority is to develop operations in Belize. The experience gained in Belize will then be used to fully develop Vietnam.

The cobia operation in Belize continues to develop according to plan. The company continues to harvest twice a week for shipments of fresh cobia into the US market. The response in the market is good. MF Vietnam also has shipments once or twice a week of fresh cobia into Taiwan and trial shipments into Europe. So far there has been a “pull” for cobia in the market and the demand for our fish has been higher than what we have could supply.

The company is in the process of finishing the construction of a new marine hatchery in Belize, which should be up and running in time for the hatching season starting in spring 2009. Read more about Marine Farms Belize on www.marinefarmsbelize.com.

For 2008 the plan is to harvest approximately 400 tonnes gwt cobia. Current production capacity is estimated to be around 8,000 in Belize and in Vietnam. The company is awaiting approval for new licenses in Belize.

Balance sheet and capital structure

Total assets per 30.09.08 amounted to NOK 1 238 mill, which is NOK 176 mill higher than per 31.12.2007. Biomass amounted to NOK 535 mill, an increase of NOK 85 mill compared year end 2007. Net interest-bearing debt per 30.09.2008 amounted to NOK 452 mill, a NOK 134 mill increase compared to year end 2007.

As pr 30.09.2008, the group had approximately NOK 270 mill in free cash and available credit facilities, including new facilities with DnB NOR Bank.

Equity per 30.09.2008 was NOK 490 mill (39.6% equity ratio), compared to NOK 475 mill (44.7%) at year end 2007.

Share information

On the 12th of October 2006 Marine Farms ASA was listed on the Oslo Stock Exchange, trading under the "MAFA" ticker. At 30.09.2008, total number of shares outstanding was 36,618,628 and the share price was NOK 23.0/share.

Events after the balance sheet date

Reference is made to the press release dated the 3rd of July 2008, where it was announced that the wholly-owned subsidiary Lakeland Marine Farms Ltd had entered into an agreement with Lighthouse Caledonia ASA to purchase 2 salmon licences, including equipment. On the 2nd of October 2008 the final agreement was signed. The two new licences will increase annual production capacity by approximately 1,500 tonnes gwt salmon (+ 15%). The Licences are located only 1-3 km from Lakeland Marine Farms existing sites in Argyle, west of Glasgow, and there should be significant synergies in operating the sites together. Lakeland's operation in the Argyle has historically generated excellent results, both production and earnings wise. In addition to the two licenses, applications for two new sites in the same area has been transferred to Lakeland Marine Farms Ltd. Pending approval from the Scottish authorities, annual production capacity may increase by an additional 1,300 tonnes gwt salmon. Final approval is not given. The increased production will be utilised to satisfy the continuing increased demand from Lakeland's customer base, strengthening Lakeland's position as a producer of high quality products for a discerning market segment. The transaction is valued at GBP 2.45 mill. Following the acquisition of the two new licenses, Lakeland now has an annual production capacity averaging approximately 12,000 tonnes gwt salmon.

Going forward

Lakeland has a strong strategic position in the UK, being the largest independent producer of ova and smolt. In addition, Lakeland is recognised for its high quality salmon, being reflected in premium prices in the market. Production costs increased in the first half of 2008, mainly due to increased feed and transportation costs. We expect salmon being harvested in the 4th quarter 2008 to have higher production costs than the salmon being harvested in 4th quarter 2007. We also expect salmon prices in 4th quarter 2008 to be higher than in the same period last year. Lakeland has sold close to 50% of its volumes in the 4th quarter 2008 on fixed price contracts. Lakeland's freshwater business has experiencing increase

transportation costs in 2008, having a negative impact on profitability. Prices on freshwater products have increased in 2008, partly mitigating these increased costs. It is still uncertain as to how the turbulent economic climate will affect demand for salmon going forward. However, demand for fresh salmon in the UK has increased quite substantially over the past few years. Supply of Scottish salmon is expected to increase moderately in 2009. Based on what we know today, we expect the market for Lakeland's salmon in 2009 to be similar to what we have seen so far in 2008.

Culmarex has built up a unique strategic position in Spain, being the largest and most profitable producer of seabass and seabream. Three strategic acquisitions in 2007 coupled with increased concessions on existing farms have resulted in room for significant organic growth going forward. Currently seabream prices are at a historic low resulting in all producers selling at a loss. Consumption of seabass/seabream in Spain is relatively high, as supply has increased recently, believed to be driven by the need for cash among producers and increased import from Greece. Coupled with the current credit crisis, limiting availability of both new equity and new debt funding, the industry is experiencing difficulties. In the short run, this might result in higher volumes and more pressure on prices. However, in the medium to long run we expect to see a drop in supply, having a positive effect on prices. Due to the current crisis in the sector, Culmarex will reduce its organic growth in 2009. The focus will be on improving Culmarex's already unique strategic position in Spain, the ambition being to become stronger and more competitive than prior to the crisis.

Marine Farms is in the forefront when it comes to developing farming of cobia. We have so far invested approximately NOK 120 mill in our cobia operations in Belize and in Vietnam, of which approximately 80% has been invested in Belize. The two operations have close to 90 employees, of which local people from Belize and Vietnam represents the majority share. It is a constant challenge for management to employ the right people, train and educate them and at the same time build up infrastructure from scratch. But so far it has worked out very well. The bottleneck for growth going forward is access to high quality cobia juveniles. In 2007 we therefore started the construction of our own marine hatchery in Belize, with a capacity for 1-2 mill cobia juveniles. Focus now is on getting this new hatchery up and running in time for the cobia spawning season, starting in spring 2009. As to demand for cobia, so far there has been a "pull" in the market and the demand for our fish has been higher than what we have could supply. We expect our cobia operations to generate negative profits in the 4th quarter 2008 and also in 2009.

Bergen, 17th of November 2008

The Board of Directors
Marine Farms ASA

MARINE FARMS GROUP CONSOLIDATED

Income statement

Figures in NOK 1 000	3Q 2008 IFRS	3Q 2007 IFRS	YTD 2008 IFRS	YTD 2007 IFRS	Yr 2007 IFRS
Total operating revenues	191 437	181 325	528 819	530 830	735 420
Change in inventory (cost of production)	53 536	52 129	85 101	78 246	92 477
Cost of materials	-141 218	-119 752	-312 711	-289 566	-388 291
Salaries and personal expenses	-36 015	-35 364	-103 154	-99 800	-138 146
Other operating expenses	-48 273	-44 492	-137 602	-124 730	-165 111
EBITDA before fair value adj. biomass	19 467	33 846	60 453	94 980	136 349
Depreciations	-11 780	-10 308	-33 823	-29 919	-41 740
EBIT before fair value adj. biomass	7 687	23 538	26 630	65 061	94 609
Fair value aquired companies	0	0	0	-3 822	-3 822
Fair value adjustment on biomass (Note 3)	20 137	32 368	-3 640	6 120	-10 926
OPERATING PROFIT (EBIT)	27 824	55 906	22 990	67 359	79 861
Income from associates	0	0	0	0	0
Write down on financial assets	0	0	0	0	0
Finance revenue	414	489	1 596	1 652	1 211
Interest costs	-7 314	-3 549	-18 754	-9 457	-13 273
Other finance costs	13 214	-11 017	4 047	-9 294	-6 878
Profit before tax	34 138	41 829	9 879	50 260	60 921
Taxes	-6 337	-16 934	-5 625	-23 442	-30 328
Net profit from continued operations	27 801	24 895	4 254	26 818	30 593
Net profit/(-) loss from asset held for sale	0	0	0	1 913	1 913
Net profit (loss)	27 801	24 895	4 254	28 731	32 506
Majority interest	29 438	24 464	6 424	27 225	27 766
Minority interest	-1 637	431	-2 170	1 506	4 740
<i>Earnings per share</i>	<i>0,80</i>	<i>0,67</i>	<i>0,18</i>	<i>0,75</i>	<i>0,76</i>
<i>Diluted earnings per share</i>	<i>0,80</i>	<i>0,67</i>	<i>0,18</i>	<i>0,75</i>	<i>0,76</i>

Balance sheet

Figures in NOK 1 000	30.09.08	30.09.07	31.12.07
ASSETS			
Licences	76 738	63 067	75 018
Goodwill	29 602	31 564	28 732
Total intangible assets	106 340	94 631	103 750
Total tangible assets	358 031	261 042	280 340
Total financial assets	2 263	2 311	2 469
Total non-current assets	466 634	357 984	386 559
Non-current assets discontinued operations	0	0	0
Biomass (Note 3)	534 846	449 958	449 769
Other inventories	21 052	17 146	17 829
Total inventories	555 898	467 104	467 598
Total receivables	176 822	146 620	159 871
Cash and cash equivalents	38 448	6 991	47 933
Total current assets	771 169	620 715	675 402
TOTAL ASSETS	1 237 803	978 699	1 061 961
EQUITY AND LIABILITIES			
Total equity	489 748	467 794	474 828
Liabilities to financial institutions	343 547	102 540	259 307
Other non-current liabilities	59 433	72 563	59 405
Total non-current liabilities	402 980	175 103	318 712
Non-current liabilities discontinued operations	0	0	0
Liabilities to financial institutions	146 527	147 718	106 318
Other current liabilities	198 549	188 084	162 103
Total current liabilities	345 076	335 802	268 421
Total liabilities	748 056	510 905	587 133
TOTAL EQUITY AND LIABILITIES	1 237 804	978 699	1 061 961

Key figures

Figures in NOK 1 000	3Q 2008	3Q 2007	YTD 2008	YTD 2007	Yr 2007
	IFRS	IFRS	IFRS	IFRS	IFRS
EBITDA before fair value adjustment	19 467	33 846	60 453	94 980	136 349
EBITDA after fair value adjustment	39 604	66 214	56 813	97 278	121 601
EBIT before fair value adjustment	7 687	23 538	26 630	65 061	94 609
EBIT	27 824	55 906	22 990	67 359	79 861
EBITDA margin before fair value adjustment	10 %	19 %	11 %	18 %	19 %
EBITDA margin after fair value adjustment	21 %	37 %	11 %	18 %	17 %
EBIT margin before fair value adjustment	4 %	13 %	5 %	12 %	13 %
EBIT margin	15 %	31 %	4 %	13 %	11 %
Earnings per share	0,80	0,67	0,18	0,75	0,76
Diluted earnings per share	0,80	0,67	0,18	0,75	0,76
Equity ratio			40 %	48 %	45 %
Net interest bearing debt			451 626	243 267	317 692

Consolidated statements of cash flow

Figures in NOK 1 000	3Q 2008	3Q 2007	YTD 2008	YTD 2007	Yr 2007
	IFRS	IFRS	IFRS	IFRS	IFRS
Net profit before income taxes	34 138	41 829	9 879	50 260	60 921
Fair value adjustment on biomass	-20 137	-27 772	3 640	2 298	7 104
Tax paid	-8 073	-11 874	-15 369	-22 942	-37 260
Deprec. and amortisation, including gain/loss on disposal	11 780	10 308	33 823	29 919	41 740
Interest paid	-7 314	4 322	-18 754	9 457	13 273
Income from associates and other investments	0	0	0	0	0
Change in inventories, trade receivables and trade acc. p.	-93 650	6 009	-72 445	-6 897	-55 438
Change in other accruals	11 170	-3 967	15 397	-4 939	0
Net cash flow from operating activities	-72 086	18 855	-43 829	57 156	30 340
Sales of fixed assets	0	0	0	0	0
Investments in fixed assets	-37 287	-31 505	-101 778	-90 589	-130 947
Net purchase and proceeds from other investments	0	0	0	0	0
Net cash flow from investing activities	-37 287	-31 505	-101 778	-90 589	-130 947
Net down payment/proceeds of interest-bearing debt	64 738	9 741	124 449	-17 766	97 601
Interest paid	7 314	-6 352	18 754	-9 457	-13 273
Issuance of share capital (share issue and sale of own shares)	0	0	0	57 658	57 658
Net cash flow from financing activities	72 052	3 389	143 203	30 435	141 986
Net foreign exchange difference and other adj.	-6 505	-14 206	-12 081	-31 000	-34 435
Net change in cash and cash equivalents	-43 826	-23 467	-14 485	-33 998	6 944
Cash and cash equivalents at beginning of period	77 274	30 458	47 933	40 989	40 989
Net change in cash and cash equivalents	-43 826	-23 467	-14 485	-33 998	6 944
Cash and cash equivalents at end of period	33 448	6 991	33 448	6 991	47 933

Equity statement

Figures in NOK 1 000	30.09.08	30.09.07	31.12.07
Equity 01.01.	474 828	405 243	405 243
Profit for the period	4 254	28 731	32 506
Share issue, net after expenses	0	57 658	57 658
Purchase of own shares	0	0	0
Dividend	0	0	0
Effect of business combinations achieved in stages	0	1 081	1 393
Foreign currency translation differences	10 666	-24 919	-21 972
Total equity at the end of period	489 748	467 794	474 828

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 the 3rd quarter 2008 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 31 December 2006 and at 31 December 2007.

Norwegian accounting standards have for the most part been in accordance with IFRS, but for Marine Farms the transition to IFRS has particular significance with respect to the value of the biomass (stocks of live fish), since the new standards state that the biomass must, as a rule, be recorded at fair value in the balance sheet. Further information about the transition from NGAAP to IFRS can be read in the Group's annual financial statements as at 31 December 2006 and at 31 December 2007 based on IFRS. 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	30.09.08	30.09.07	31.12.07
Biomass at cost	473 289	370 321	385 799
Excess fair value year end	61 557	79 636	63 970
	<i>Spain: 31 153</i>	<i>61 991</i>	<i>46 981</i>
	<i>UK: 30 404</i>	<i>17 645</i>	<i>16 989</i>
Biomass at fair value	534 846	449 957	449 769

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. Note that the figures have been prepared in accordance with IFRS.

3Q 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	111,4	33,6	-2,3	-5,3	25,9	6,5				
Seabass/bream Spain	74,9	7,3	-4,1	-1,0	2,3	23,0				
Other i.e. Cobia + MFt Ltd	5,8	-11,0	0,0	0,0	-10,9	8,0				
Mother Company Norway	1,0	-2,1	12,7	-0,1	10,5	0,0				
Eliminations/group adjustments	-1,7	0,0	0,0	0,0	0,0	-0,1				
Total continued operations	191,4	27,8	6,3	-6,4	27,8	37,3				
Discontinued operations/assets held for sale	0,0	0,0	0,0	0,0	0,0	0,0				
Total	191,4	27,8	6,3	-6,4	27,8	37,3				

3Q 2007

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	104,9	21,2	-2,7	-5,2	13,3	-2,2				
Seabass/bream Spain	76,0	41,9	-1,3	-11,8	28,8	29,0				
Other i.e. Cobia + MFt Ltd	0,8	-1,6	0,0	0,0	-1,6	6,0				
Mother Company Norway	0,8	-5,6	-10,0	0,0	-15,6	-0,3				
Eliminations/group adjustments	-1,2	0,0	0,0	0,0	-0,1	-1,1				
Total continued operations	181,3	55,9	-14,0	-17,0	24,8	31,4				
Discontinued operations / assets held for sale	0,0	0,0	0,0	0,0	0,0	0,0				
Total	181,3	55,9	-14,0	-17,0	24,9	31,4				

YTD 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	344,8	77,9	-7,8	-17,3	52,8	21,5	154,2	215,2	479,7	309,5
Seabass/bream Spain	170,6	-29,0	-9,8	11,2	-27,5	61,1	243,5	312,9	643,1	468,2
Other i.e. Cobia + MFt Ltd	15,0	-18,1	-0,4	0,5	-18,0	19,6	67,2	27,8	113,1	70,3
Mother Company Norway	2,4	-7,8	4,8	-0,1	-3,1	0,2	289,9	0,1	293,9	85,3
Eliminations/group adjustments	-4,0	0,0	0,0	0,0	0,0	-0,7	-288,0	0,0	-292,0	-185,3
Total continued operations	528,8	23,0	-13,1	-5,6	4,2	101,8	466,8	555,9	1 237,8	748,1
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	528,8	23,0	-13,1	-5,6	4,2	101,8	466,8	555,9	1 237,8	748,1

YTD 2007

Figures in NOK mill	Revenue	Operating profit	Net financial items	Income taxes	Net profit (loss)	Investments	Non-current assets	Inventories	Total assets	Total liabilities
Salmon UK	329,9	61,9	-8,0	-15,4	38,5	15,0	136,1	187,0	386,6	260,8
Seabass/bream Spain	200,3	30,5	4,2	-8,1	26,6	60,3	176,1	261,8	516,1	320,8
Other i.e. Cobia + MFt Ltd	2,0	-6,3	0,0	0,0	-6,3	16,6	44,0	18,1	88,9	96,2
Mother Company Norway	3,1	-18,7	-13,2	0,0	-31,9	0,0	273,1	0,3	274,1	59,2
Eliminations/group adjustments	-4,6	-0,1	0,0	0,0	-0,1	-1,3	-271,4	0,0	-287,1	-226,1
Total continued operations	530,7	67,3	-17,0	-23,5	26,8	90,6	357,9	467,2	978,6	510,9
Discontinued operations / assets held for sale	0,7	0,0	0,0	0,0	1,9	0,0	0,0	0,0	0,0	0,0
Total	531,4	67,3	-17,0	-23,5	28,7	90,6	357,9	467,2	978,6	510,9

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	3Q 2008		3Q 2007		YTD 2008		YTD 2007		Yr 2007	
Operating revenue	NOKm	Share	NOKm	Share	NOKm	Share	NOKm	Share	NOKm	Share
UK	111,9	58 %	104,9	58 %	345,7	65 %	329,9	62 %	456,0	62 %
Spain	74,9	39 %	76,0	42 %	170,6	32 %	200,3	38 %	279,5	38 %
Belize / Vietnam (cobia)	5,3	3 %	0,3	0 %	14,1	3 %	0,5	0 %	1,8	0 %
Norway	1,0	1 %	0,8	0 %	2,4	0 %	3,1	1 %	3,9	1 %
Other / Elimination	-1,7	-1 %	-0,7	0 %	-4,0	-1 %	-3,1	-1 %	-5,8	-1 %
Total rev. cont. oper.	191,4	100 %	181,3	100 %	528,8	100 %	530,7	100 %	735,4	100 %

NOTE 5: ASSETS HELD FOR SALE

In May 2007, the Board of Directors made a decision to put its 51% ownership in Machrihanish Marine Farms Ltd (the cod hatchery in Scotland) up for sale. As a consequence, Machrihanish Marine Farms Ltd is now held as assets for sale in the accounts pr 30.09.2008. Historic results in this report have been adjusted accordingly. Based on conservative estimates, the market value of the shares in Machrihanish Marine Farms Ltd was set to be NOK 3.3 mill higher than the accumulated losses related to the investment pr 30.06.2007, i.e. this was reported as profit from assets held for sale in the 2nd quarter 2007 accounts.

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.

In a General meeting in Marine Farms ASA, held on 6th September 2006 it was decided to merge two shares into one share in Marine Farms ASA, i.e. the face value per share is increased from NOK 1 to NOK 2 (two old shares is equal to one new share).

Figures in NOK 1 000	3Q 2008	3Q 2007	YTD 2008	YTD 2007	Yr 2007
Majority's share of net profit	29 438	24 464	6 424	27 225	27 766
Number of outstanding ordinary shares end of period ('000)	36 619	36 619	36 619	36 619	36 619
Average number of outstanding shares ('000)	36 619	36 619	36 619	36 247	36 344
Earnings per share	0,80	0,67	0,18	0,75	0,76
Earnings per share (diluted)	0,80	0,67	0,18	0,75	0,76