



Press release / Pressemelding

Our ref.: 0086AUSSM

Date: 23.03.2011

Austevoll Fisk AS, a wholly owned subsidiary of Austevoll Seafood ASA (AUSS) has entered into a merger plan for integration of Austevoll Seafood ASA's North Atlantic pelagic businesses for human consumption with Norway Pelagic

Reference is made to the stock exchange notice dated 1 February 2011 regarding the potential integration (the "Integration") of the North Atlantic pelagic businesses for human consumption of Austevoll Seafood ASA ("AUSS") into Norway Pelagic ASA ("NPEL").

On 22 March 2011, following completion of satisfactory due diligence investigations, the parties resolved to proceed with the implementation of the Integration by executing a merger plan. Pursuant to the merger plan, which has been entered into by the boards of NPEL, its wholly owned subsidiary Norway Pelagic AS ("NPAS") and Austevoll Fisk AS ("Austevoll Fisk"), the Integration shall be carried out as a statutory merger (the "Merger") in which all assets, rights and liabilities of Austevoll Fisk, including its ownership interests in Shetland Catch Ltd., shall, upon completion, be transferred to NPAS, in exchange for a consideration consisting of 2,768,954 new shares to be issued by NPEL to AUSS.

The consideration in the Merger is based on an exchange ratio between Austevoll Fisk and NPEL of 15:85. The exchange ratio is based on an equity value of NOK 704.7 million for NPEL (presumes a share price of NOK 45) and of NOK 124.6 million for Austevoll Fisk. Through the Merger, AUSS will increase its shareholding in NPEL from approximately 33% to approximately 43% of the share capital in NPEL.

AUSS' North Atlantic pelagic businesses mainly comprise purchase, production and sale of pelagic fish and are operated through its ownership interests in Austevoll Fisk. Austevoll Fisk carries out its pelagic business activities through its subsidiaries and minority shareholdings. Austevoll Fisk owns 60% of Sir Fish AS located at Sirevåg, 100% of Austevoll Fiskeindustri AS located at Austevoll, 66% of Modolv Sjøset AS located at Træna, 50% of North Capelin Honningsvåg AS located at Honningsvåg, 25% of Shetland Catch Ltd. located at Lerwick, Shetland, with an option to increase the shareholding up to 50% of the share capital, and 100% of Atlantic Pelagic AS located at Storebø. Austevoll Fiskeindustri AS' business related to slaughtering and processing of salmon shall be carved-out prior to completion of the Merger.



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Austevoll Fisk has the following board members: Helge Singelstad (Chairman), Arne Møgster and Britt Kathrine Drivenes. Arne Møgster is also the CEO of the company. The company has 4 employees.

The completion of the Merger is subject to customary conditions, including but not limited to the approval of the merger plan and the share capital increase required to issue the consideration shares by the annual general meeting of NPEL to be held on 15 April 2011, approval of the merger plan by the general meetings of NPAS and Austevoll Fisk scheduled for the same date, completion of a pre-merger restructuring of Austevoll Fisk, all required regulatory approvals, no material adverse change and all necessary third party consents.

The Merger is currently expected to be completed in the beginning of July 2011.

Through this Merger, the combined entity will strengthen its position as the leading player in the Norwegian industry for pelagic fish. In addition, the participating parties will be able to realize synergies as the combined entity will be positioned to utilize capacity more efficiently through coordination of activities. This is a major step in the ongoing consolidation and restructuring of the pelagic industry in Norway which will benefit both customers and suppliers and increase the added value for the fish landed in Norway.

No agreements have been, or will be, entered into in connection with the Merger for the benefit of the parties' board members or management.

For the purpose of the Merger, Austevoll Fisk has prepared audited consolidated financial statements for the financial year ended 31 December 2010 including comparable figures for the financial year ended 31 December 2009.

The table below sets out selected financial information for the years ended and as of 31 December 2010 and 2009 for Austevoll Fisk.



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Condensed Consolidated Income Statement

NOK 1,000	2010	2009
Operating income	1,436,173	1,111,347
Operating expenses	1,372,861	1,045,556
EBITDA	63,312	65,741
Depreciation and amortization	21,874	21,916
Operating profit	41,438	43,875
Net interest expenses	-20,058	-18,127
Net other financial items (incl agio/disagio)	-1,213	2,386
Profit before tax	20,167	28,134
Income tax expenses	-4,975	-3,492
Net profit	15,192	24,642

Condensed Consolidated Statement of Financial Position

NOK 1,000	2010	2009
Intangible assets	44,043	47,255
Fixed assets	181,804	187,023
Financial assets	53,913	51,624
Inventories	159,588	127,949
Receivables	216,916	179,080
Bank balance	17,852	9,524
Total Assets	674,116	602,455
Total equity	74,145	59,462
Provisions for commitments	3,993	3,938
Other long term liabilities	92,285	113,238
Current liabilities	503,693	425,817
Total Equity and Liabilities	674,116	602,455
Equity ratio	11%	10%
Net interest bearing debt (NIBD)	364,580	352,887



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The selected financial information does not reflect the internal restructuring of the Austevoll Fisk group to be completed prior to completion of the Merger, including the transfer of ownership interests in Shetland Catch Ltd., comprising 25% of the current share capital with an option to increase the shareholding up to 50% of the share capital, from AUSS to Austevoll Fisk and the carve out of Austevoll Fiskeindustri AS' business related to slaughtering and processing of salmon to AUSS.

The selected financial information does not reflect the reduction of interest bearing debt, as agreed in the Merger, in an amount of NOK 60 million to be completed prior to the completion of the Merger.

This information is obligatory pursuant to the Norwegian Securities Trading Act Section 5-12.

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