



Quarterly report
Nr 1 – 2013

First quarter report 2013





Improvement from last quarter –strong order backlog

First quarter 2013

- **Over all underlying operational performance in line with Q1 last year**
- **Strong order backlog**
- **Strong growth in Nordic market with improved top line and earnings**
- **Reduced top line and earnings in Chile, Canada and Scotland**
- **Important steps taken in Export segment - 59 MNOK contract with NPC in Saudi Arabia**
- **Acquisition of 70% of the shares in Plastsveis AS completed in March - strengthening AKVA group's position in the land based segment**

Revenues and profits for the Group

(Figures in brackets = 2012 unless other is specified)

Operations and profit

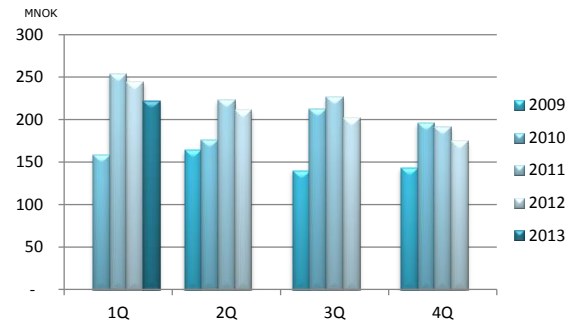
There has been strong growth in Nordic market with improved top line and earnings in Q1. At the same time there has been reduced top line and earnings in Chile, Canada and Scotland. Over all the underlying operational performance is in line with Q1 2012.

Total revenues in Q1 were 222.1 MNOK (243.7) with an EBITDA of 10.4 MNOK (39.7). EBIT was 2.3 MNOK (31.1).

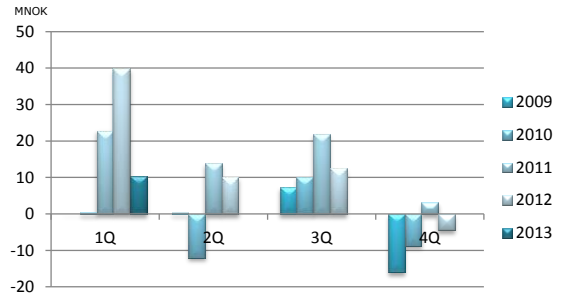
Net financial cost in Q1 was 2.3 million (3.2), resulting in a profit before tax of 0.0 MNOK (27.9). Net profit was -0.0 MNOK (20.5) after allowing for taxes of 0.0 MNOK (7.5).

The Q1 2012 revenue and margins are affected by the one of gain related to the sale of the Norwegian Maritech business in this quarter. The gain was 29 MNOK.

Quarterly revenue



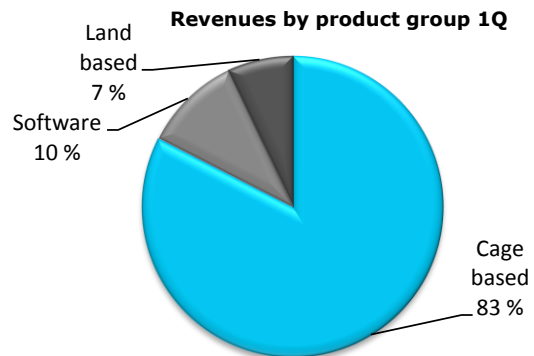
Quarterly EBITDA



Business segments

AKVA group has organized its business into three technology segments;

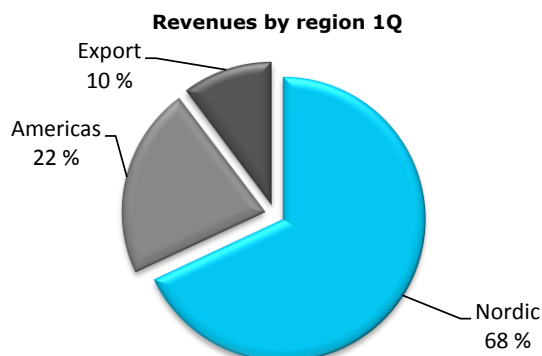
- Cage based technologies (CBT): Includes cages, barges, feed systems and other operational technologies and systems for cage based aquaculture,
- Land based technologies (LBT): Includes recirculation systems and technologies for land based aquaculture, and
- Software (SW): Includes software solutions and professional services.



AKVA group also has organized its business into three geographical segments;

- Nordic: Includes the Nordic countries,

- Americas: Includes Americas and Oceania, and
- Export: Includes the rest of the world.



The following information is divided into the three technology segments. Comments on the geographical segments are included if and when relevant.

Cage based technologies (CBT)

CBT had revenues in Q1 of 183.3 MNOK (177.6). Revenue in the Nordic region was 117.2 MNOK (55.0), in the Americas region 43.7 MNOK (83.8) and in the Export region 22.4 MNOK (38.8).

EBITDA for CBT in Q1 was 6.7 MNOK (10.9) resulting in an EBITDA margin of 3.6% (6.2%). EBIT in Q1 was 0.0 MNOK (4.2) representing an EBIT margin of 0.0% (2.4%).

AKVA experienced strong growth in the Nordic segment in Q1 despite slow start in service & after sales. Service & aftersales improved significantly in February and March.

There was a decline in revenues in Chile in Q1 as expected. The decline is explained by low prices on salmon, trout and coho as well as increased

financial and biological uncertainty in Chile.

Canada and Scotland had a slow start of the year, impacted by local fish health issues.

Delivery and revenue recognition of large Export projects is shifted into the second quarter of 2013. This gives a lower than expected result in Q1, but the positive outlook for the rest of the year is maintained.

Software (SW)

Software continues to deliver stable revenues and solid margins.

Revenue for SW in Q1 was 23.3 MNOK (51.3). The EBITDA in Q1 was 3.8 MNOK (32.4) resulting in an EBITDA margin of 16.3% (58.6%) and an EBIT of 2.6 MNOK (30.8) representing an EBIT margin of 11.0% (55.7%).

AKVA group AS and Wise ehf. in Island have good performance in Q1, while Wise Dynamics in Canada does not have satisfactory performance in Q1. Wise Dynamics is a marginal share of the total software business for AKVA group.

Q1 2012 financials includes one month of revenue in the Norwegian Maritech business and the gain related to the sale of this business in February 2012 of 29 MNOK. Q1 2013 is slightly better than Q1 2012 adjusted for this effect.

Software continues to invest in new product modules to be launched throughout 2013. It is expected that new product modules will further strengthen the financial performance of the SW segment throughout the year.

Land Based Technologies (LBT)

LBT had revenues in Q1 of 15.5 MNOK (10.8) with an EBITDA of 0.0 MNOK (-3.6) and an EBIT of -0.2 MNOK (-3.9).

LBT experienced significant improvement in Q1 2013 compared to previous years, caused by improved margins and reduced cost base.

Recirculation technology is on its way of becoming a mature technology. Growing prospect mass gives signals of increased interest in the market.

The Land Based Technology segment is positioned for future profitable growth and significantly strengthened through acquisition of 70% of Plastsveis AS in March 2013.

Balance sheet and cash flow

Q1 is high season for production, impacting cash, total balance sheet equity ratio.

Plastsveis AS is included from March 31st, 2013. In Q1 2013 this gives no P&L effect, but impact on the balance sheet.

The working capital in the group balance sheet, defined as non-interest bearing current assets less non-interest bearing current liabilities was 162.4 MNOK at the end of Q1, up from 161.7 MNOK at the end of Q1 2012, i.e. on same level year on year.

Net interest-bearing debt was 121.9 MNOK at the end of Q1 compared to 91.3 MNOK at the end of Q1 2012. Gross interest bearing debt was at the end of Q1 177.0 MNOK versus 145.1 MNOK at the end of Q1 2012. The increase is explained by increased long term debt of 10 MNOK related financing part of the Plastsveis AS

acquisition and increased short term debt due to increased usage of the credit facility.

Cash and unused credit facilities amounted to 63.0 MNOK at the end of Q1 versus 79.0 MNOK at the end of Q1 2012. The total credit facility at Sandnes Sparebank is 90 MNOK.

Total assets and total equity amounted to 762.2 MNOK and 337.9 MNOK respectively, resulting in an equity ratio of 44.3% vs 46.4% at the end of Q1 2012.

Investments in Q1 2013 amounted to 10.0 MNOK of which 5.5 MNOK was capitalized R&D expenses in accordance to IFRS. Investments in 2012 were 39.8 MNOK whereof 15.8 MNOK is capitalized R&D expenses in accordance with IFRS.

AKVA group was slightly above the NIBD/EBITDA covenant at the end of Q1 2013. This deviation is expected to be back to normal during Q2 2013. The bank has accepted this short term deviation without further actions.

Shareholder issues

Earnings per share for Q1 were 0.00 NOK (0.79). The calculation is based on 25,834,303 (25,834,303) shares average.

On December 3rd, 2012 Egersund Group AS exceeded the 50% ownership threshold in AKVA group ASA. Pursuant to the Norwegian Securities Trading Act chapter 6, the acquisition triggered a mandatory offer for the remaining shares.

The offer period for the mandatory offer on shares in AKVA group ASA expired Friday January 18th, 2013.

Egersund Group AS owned 13,043,447 prior to the mandatory offer. At the expiry of the offer period, Egersund Group AS had received acceptances for in aggregate representing 9.540.208 shares in AKVA group. Consequently, as of January 18th 2013, Egersund Group AS own 22.583.655 shares in AKVA Group representing 87,42 % of the shares and voting rights in AKVA group.

Statement from AKVA group ASA’s largest shareholder

Egersund Group issued a statement on February 27th, 2013 outlining their view on the investment in AKVA group ASA short and long term:

"Reference made to statement of January 25th, 2013, with regards to final outcome of mandatory offering process in AKVA group ASA.

Through the mandatory offering process ending January 18th 2013, Egersund Group AS received acceptances for in aggregate 9.540.208 shares in AKVA group. Consequently, effective from January 24th, 2013, Egersund Group AS owns in aggregate 22.583.655 shares in AKVA group ASA, representing 87,42 % of the shares and voting rights in the company.

Egersund Group AS holds a history back to 1952 as being a long term industrial owner and leading provider in the international technology and service industry for fisheries and aquaculture. Egersund Group AS aims to continue developing this role in a long term industrial perspective.

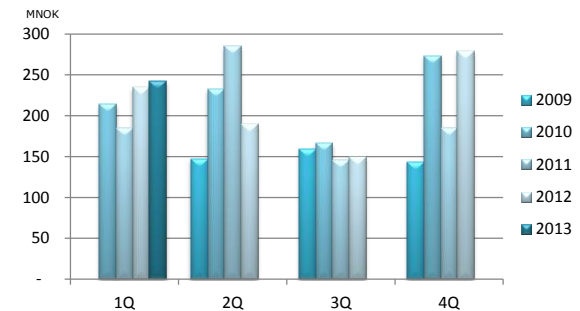
Egersund Groups investment in AKVA group ASA reflects a long term commitment as an industrial majority shareholder in the company. The aim

is to participate in the continued development of AKVA group ASA as a leading technology and service partner to the international aquaculture industry, to the benefit of all shareholders.

Egersund Group ASA holds no intention of increasing its shareholdings in AKVA group ASA nor to delist the company from Oslo Stock Exchange. Assumed the expected continued development of the values of AKVA group ASA, Egersund Group AS intends, in due time, to float a larger portion of the shares to increase attractiveness for all shareholders."

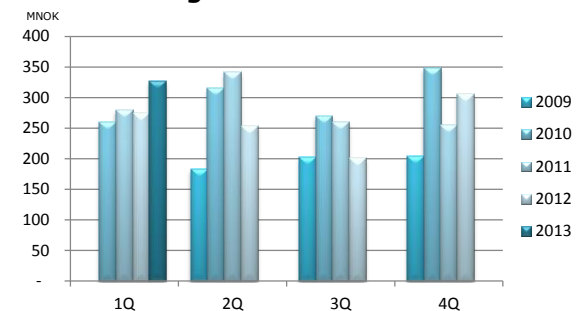
Market and future outlook

Order inflow



The order backlog at the end of Q1 was 327 MNOK (275). The order inflow in Q1 was 242 MNOK (235). The order backlog is significantly improved compared to same quarter in previous years.

Order backlog



We maintain our positive outlook in the Nordic market for the coming quarters. Significant growth in salmon prices into 2013 drives demand for technology and services.

We see some positive signals in Chile after significant decline in volumes of sales and deliveries in Q1 compared to 2012. Industry and investments are influenced by financial and biological uncertainty, but strong increase in salmon prices is easing the situation. We are monitoring the Chilean market closely and adjusting according to the development.

There are moderate expectations in 2013 in the UK and Canada markets due to fish health issues.

Performance in Export is expected to be good in the next quarters due to deliveries of large projects (NPC and Russian Sea, contracts previously announced in the market) and due to an interesting prospect mass.

Effort to build service and aftersales as a key business element in all markets and segments continues and starts to pay off.

Acquisition of Plastsveis AS

AKVA group ASA has purchased 70 percent of the shares in Plastsveis AS for a price of NOK 20 million, with a mutual option to buy / sell the remaining 30% of the shares from January 1st, 2016 onwards. The transaction was completed on March 15th, 2013.

Plastsveis AS was established in 1988 and provide PE equipment, installation and services to the fish farming, agriculture and other industries. The

company is located in Sør-Helgeland and has around 40 employees.

Plastsveis AS is a leading player of operational installment of land based facilities in Norway. The company also holds significant capability and activity on generic pipeline installment in Mid and North of Norway.

Plastsveis AS fits well with AKVA group's existing recirculation competence in AKVA group Denmark as well as with our generic PE pipe production at Helgeland Plast AS.

Selected disclosure notes

Note 1 General information and basis for preparation

AKVA group consists of AKVA group ASA and its subsidiaries. There have been no significant changes in the Group's legal structure since year-end 2011.

The condensed consolidated interim financial statements are unaudited. As a result of rounding differences, numbers or percentages may not add up to the total. The consolidated financial statements for the Group for the year ended 31 December 2011 are available upon request from the company's registered head office at Nordlysveien 4, 4340 Bryne, Norway or at www.akvagroup.com.

These interim financial statements are prepared in accordance with International Financial Reporting Standards and interpretations (IFRS), as issued by the International Accounting Standards Board (IASB) and as adopted by EU (EU-IFRS), including International Accounting Standard 34, Interim Financial

Reporting. The quarterly report does not include all information and disclosures required in the annual financial statements and should be read in conjunction with the Group's Annual Report for 2011.

Note 2 Business segments

AKVA group is organized in three business segments; Cage based technologies, Software and Land based technologies.

The same accounting principles as described for the Group financial statements have been applied for the segment reporting. Inter-segment transfers or transactions are entered into under normal commercial terms and conditions, and the measurement used in the segment reporting is the same as used for the actual transactions.

Note 3 Recognition and measurement of assets and liabilities in connection with the Plastsveis AS acquisition

The recognition and measurement of assets and liabilities in connection with the Plastsveis AS acquisition is not final in the consolidated financial statement as of March 31st, 2013. IFRS 3 permits adjustments to items recognized in the original accounting for business combination, for a maximum of one year after the acquisition date, if and when new information about facts and circumstances existing at the acquisition date is obtained. AKVA group will make a final assessment when this one year period comes to an end.

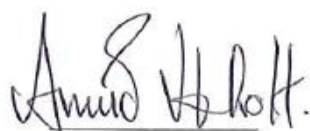
Note 4 Top 20 shareholders March 31st, 2013

Shareholders	Citizenship	Number of shares held	Ownership
EGERSUND GROUP AS	NOR	22 583 655	87,42
MOLAUG KNUT	NOR	404 838	1,57
MP PENSJON PK	NOR	380 000	1,47
OLE MOLAUG EIENDOM A	NOR	338 692	1,31
KLUGE GUNNAR	NOR	173 150	0,67
MOLAUG OLE	NOR	167 192	0,65
HAVBRUKSCONSULT AS	NOR	166 000	0,64
UBS AG ZURICH A/C OM NOM	CHE	111 000	0,43
NEDREBØ ANNE HELGA	NOR	101 750	0,39
HAVREVOLL INGRID	NOR	99 750	0,39
SKJÆVELAND ODD	NOR	75 750	0,29
GILJE BERGLJOTMOLAUG	NOR	67 644	0,26
MOLAUG INGRID	NOR	66 950	0,26
GJØVIK JAN ARVE	NOR	63 961	0,25
KIELLAND BERNHARD	NOR	52 079	0,2
QUINTER THOMAS FIDEL	CHE	50 220	0,19
BLYTH PETER JOHN	AUS	48 593	0,19
MOLAUG GUNHILD HELEN	NOR	48 300	0,19
KVERNELAND AKSEL	NOR	40 164	0,16
REINKIND AS	NOR	40 000	0,15
20 largest shareholders		25 079 688	97,08
Other shareholders		754 615	2,92
Total shares		25 834 303	100,00

Statement from the Board and Chief Executive Officer

We confirm that, to the best of our knowledge, the condensed set of financial statements for the period 1 January to 31 March 2013, which have been prepared in accordance with IAS 34 Interim Financial Statements gives a true and fair view of the Company's consolidated assets, liabilities, financial position and results of operations, and that the interim management report includes a fair review of the information required under the Norwegian Securities Trading Act section 5-6 fourth paragraph.

Bryne, May 14th, 2013
Board of Directors, AKVA group ASA



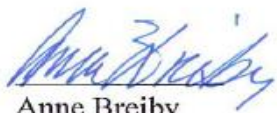
Amund Skarholt
(chairperson)




Aino Olaisen



Hans Kristian Mong



Anne Breiby
(Deputy chairperson)



Frode Teigen



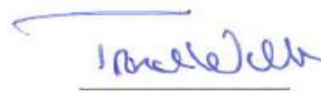
Tore Obrestad



Kjell Arne Corneliussen



Eivind Brendryen



Trond Williksen
(CEO)



INCOME STATEMENT			
(NOK 1 000)	2013	2012	2012
	1Q	1Q	Total
OPERATING REVENUES	222 144	243 706	831 530
Operating costs ex depreciations	211 703	204 011	773 714
OPERATING PROFIT BEFORE DEPR.(EBITDA)	10 441	39 695	57 816
Depreciation	8 092	8 549	31 112
OPERATING PROFIT (EBIT)	2 349	31 146	26 704
Net interest expense	-1 511	-2 205	-8 172
Other financial items	-812	-1 028	-1 154
Net financial items	-2 324	-3 233	-9 325
PROFIT BEFORE TAX	25	27 913	17 379
Taxes	7	7 461	7 105
NET PROFIT	18	20 453	10 274
Earnings per share	0,00	0,79	0,40
Average number of shares outstanding (in 1 000)	25 834	25 834	25 834

BALANCE SHEET			
(NOK 1 000)	2013	2012	2012
	31.3.	31.3.	31.12.
Intangible fixed assets	220 087	203 124	201 247
Fixed assets	48 970	41 684	45 763
Long-term financial assets	30 186	30 307	31 493
FIXED ASSETS	299 243	275 115	278 503
Stock	170 189	188 735	161 736
Trade receivables	185 610	184 313	163 133
Other receivables	52 030	34 419	32 407
Cash and cash equivalents	55 112	53 879	36 797
CURRENT ASSETS	462 941	461 346	394 073
TOTAL ASSETS	762 185	736 461	672 576
Paid in capital	355 549	355 549	355 549
Retained equity	-20 377	-14 015	-30 275
Equity attributable to equity holders of AKVA group ASA	335 172	341 534	325 274
Non-controlling interests	2 757	-	-
TOTAL EQUITY	337 929	341 534	325 274
Other long term debt	1 816	4 024	2 329
Long-term interest bearing debt	70 337	76 975	67 435
LONG-TERM DEBT	72 153	80 999	69 765
Short-term interest bearing debt	106 670	68 162	75 925
Other current liabilities	245 434	245 766	201 612
SHORT-TERM DEBT	352 104	313 928	277 537
TOTAL EQUITY AND DEBT	762 185	736 461	672 576

CHANGES IN EQUITY			
(NOK 1 000)	2013	2012	2012
	1Q	1Q	YTD
Book equity at the beginning of the period	325 274	323 771	323 771
The period's net profit	18	20 453	10 274
Capital increase	-	-	-
Share issue costs	-	-	-
Gains/(losses) on cash flow hedges (fair value)	359	-	1 839
Utbytte/Dividend	-	-	-
Change in pension liability recorded against equity	-	-	10
Recording of option agreement	-	-	31
Translation differences	9 520	-2 689	-10 650
Equity before non-controlling interests	335 172	341 534	325 274
Non-controlling interests	2 757	-	-
Book equity at the end of the period	337 929	341 534	325 274



CASH FLOW STATEMENT (NOK 1 000)	2013 1Q	2012 1Q	2012 YTD
Net cash flow from operations	7 945	7 560	16 995
Net cash flow from change in working capital	-9 665	20 910	24 648
Net cash flow from operational activities	-1 720	28 470	41 642
Net cash flow from investment activities	-9 995	23 671	-3 221
Net cash flow from financial activities	30 030	-35 495	-38 857
Net cash flow	18 315	16 647	-435
Cash and cash equivalents at the beginning of the period	36 797	37 232	37 232
Cash and cash equivalents at the end of the period	55 112	53 879	36 797

BUSINESS SEGMENTS (NOK 1 000)	2013 1Q	2012 1Q	2012 YTD
Cage based technologies			
Nordic operating revenues	117 175	54 995	264 766
Americas operating revenues	43 704	83 792	302 690
Export operating revenues	22 401	38 812	89 528
TOTAL OPERATING REVENUES HARDWARE	183 280	177 599	656 984
Operating costs ex depreciations	176 617	166 676	636 357
OPERATING PROFIT BEFORE DEPRECIATIONS (EBITDA)	6 663	10 923	20 627
Depreciation	6 639	6 679	26 494
OPERATING PROFIT (EBIT)	24	4 244	-5 866
Software			
Nordic operating revenues	19 604	51 289	102 505
Americas operating revenues	3 301	3 580	18 324
Export operating revenues	410	391	1 613
OPERATING REVENUES	23 315	55 260	122 443
Operating costs ex depreciations	19 514	22 878	79 717
OPERATING PROFIT BEFORE DEPRECIATIONS (EBITDA)	3 801	32 382	42 726
Depreciation	1 231	1 587	2 189
OPERATING PROFIT (EBIT)	2 570	30 795	40 537
Land based technologies			
Nordic operating revenues	14 371	10 179	40 268
Americas operating revenues	1 178	668	11 835
Export operating revenues	-	-	-
OPERATING REVENUES	15 549	10 847	52 103
Operating costs ex depreciations	15 572	14 457	57 640
OPERATING PROFIT BEFORE DEPRECIATIONS (EBITDA)	-23	-3 609	-5 537
Depreciation	222	283	2 429
OPERATING PROFIT (EBIT)	-245	-3 893	-7 966

AKVA group ASA,
 Nordlysvn.4
 P.O. Box 271,
 N-4349 Bryne
 Norway

Tel +47 51 77 85 00.
 Fax +47 51 77 85 01.

E-mail: info@akvagroup.com
www.akvagroup.com

Other AKVA group offices:

AKVA group, Oslo	Tel (+47) 51 77 85 00
AKVA group, Trondheim	Tel (+47) 73 84 28 00
AKVA group, Brønnøysund	Tel (+47) 75 00 66 00
AKVA group, Sandstad	Tel (+47) 72 44 11 00
AKVA group, Mo i Rana	Tel (+47) 75 13 95 00
AKVA group Denmark, Copenhagen	Tel (+45) 755 13 211
AKVA group Denmark, Fredericia	Tel (+45) 755 13 211
AKVA group Chile, Puerto Montt.	Tel (+56) 65 250 250
AKVA group UK, Inverness.	Tel (+44) 1463 221 444
AKVA group North America, Campbell River, Canada	Tel (+1) 250 286 8802
AKVA group North America, Halifax, Canada	Tel (+1) 902 482 2663
AKVA group Australia, Tasmania	Tel (+61) 0404714461
AKVA group Turkey, Bodrum	Tel (+90) 252 374 6434
