

Best quarter & best first half ever – improved performance and growth continues



Second Quarter 2015 – HIGHLIGHTS

- **Best Second Quarter and best Quarter ever**
- **All business segments and regions with good performance and positive development**
- **Chile – good profitability in Second Quarter – well underway in adjusting for challenges ahead**
- **Land based profitable and in positive development**
- **Possible strategic M&A on land based technology – LOI signed with Aquatec Solutions A/S. The transaction is subject to due diligence and final SPA**
- **High market activity resulting in the best order backlog after a Second Quarter ever – 493 MNOK**

YTD 2015 - HIGHLIGHTS

- **Best First Half ever – growth in revenues and earnings**
- **Strong financial position**

Revenues and profits for the Group

(Figures in brackets = 2014 unless other is specified)

Operations and profit

AKVA group had a good Q2. All parts of the Group have contributed positive to the Q2 result.

The cage based segment in Nordic continues with good performance, though with a different product mix compared to first half 2014. Our operations in Chile, Canada, UK and Turkey had their best first half ever with high revenues and good margins.

Software continues with steady good performance and now with even better margins than previous quarters.

The land based segment had a good recovery in Q2.

Continued good market activity during Q2 has materialized in the highest second quarter order backlog ever for AKVA group.

Balance sheet continues to be strong with all our KPIs in line or slightly improved compared to previous quarters.

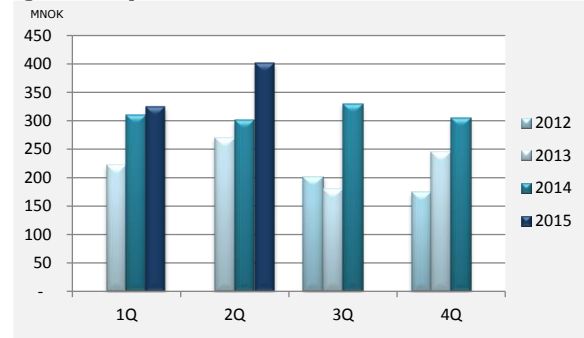
Total revenues in Q2 was 401.5 MNOK (300.9) with an EBITDA of 40.9 MNOK (24.0). EBIT was 30.1 MNOK (15.1).

Net financial items in Q2 was -3.0 MNOK (-0.6), resulting in a profit before tax of 27.0 MNOK (14.6). Net profit was 19.5 MNOK (12.0) after allowing for taxes of -7.5 MNOK (-2.5).

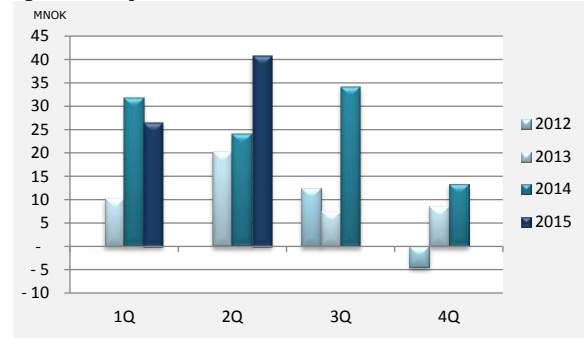
YTD revenues for the first half of 2015 was 726.5 MNOK (611.3) with an EBITDA of 67.5 MNOK (55.8). YTD EBIT

for the first half of 2015 was 46.2 MNOK (38.6).

Quarterly revenue



Quarterly EBITDA

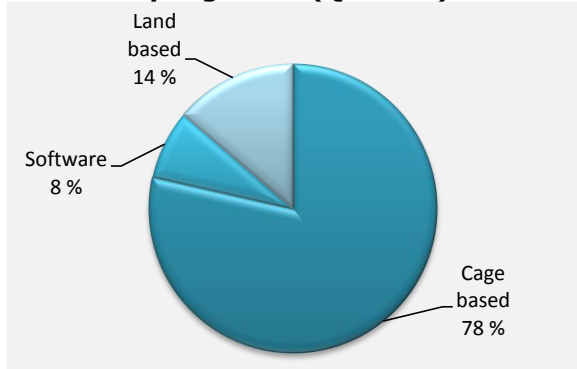


Business segments

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.

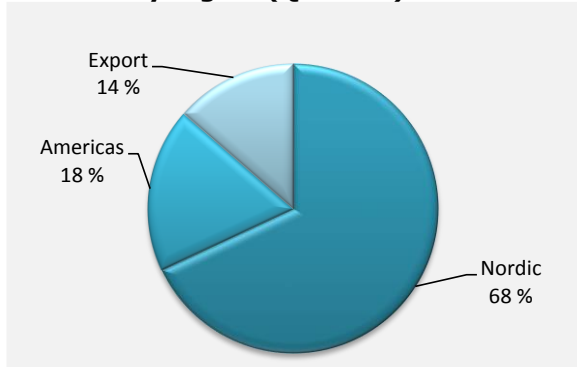
Revenue by segments (Q2 2015)



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.

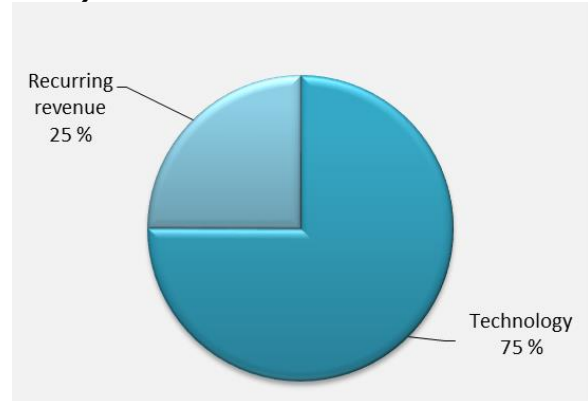
Revenue by region (Q2 2015)



AKVA group also divide its business between recurring and non-recurring business;

- Technology: Revenue based on one-off sales
- Recurring: Revenue based on a recurring revenue streams

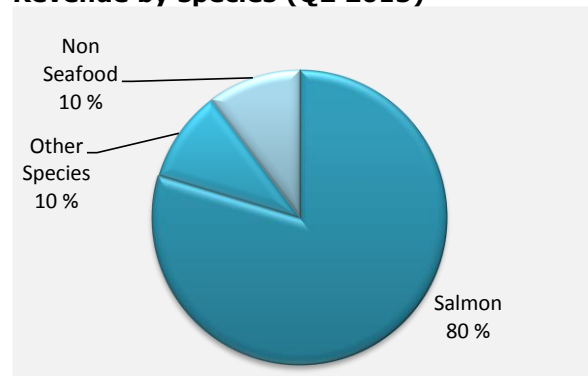
Revenue by technology and recurring (Q2 2015)



AKVA group business may also be divided between revenue from equipment and services to salmon, other species and non-seafood;

- Salmon: Revenue from technology and services sold to production of salmon
- Other species: Revenue from technology and services sold to production of other species than salmon
- Non Seafood: Revenue from technology and services sold to non seafood customers

Revenue by species (Q2 2015)



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 revenues in Q2 was 315.3 MNOK (238.1). Revenue in the Nordic region was 195.5 MNOK (159.6), in the Americas region 65.8 MNOK (46.6) and in the Export region 54.1 MNOK (32.0).

EBITDA for CBT in Q2 was 32.7 MNOK (20.3) resulting in an EBITDA margin of 10.4% (8.5%). EBIT in Q2 was 24.8 MNOK (13.5) representing an EBIT margin of 7.9% (5.7%).

Nordic

Nordic had a good start of the year, but with slightly different product mix compared to 2014. Sales of sensors and cameras are all time high, deliveries of plastic cages is slightly down year on year and sales of barges continues to be very good.

Americas

Chile had a good start of the year with record high activity both in the technology and services segment. However, we are now facing a slow down in line with the local industry.

Number of employees and cost base are reduced in Q2 to be prepared for expected reduced market activity in the second half of 2015.

Canada continues the good performance in Q2 with the best 1H ever with a high order backlog.

Export

Our UK operation continues the good performance in Q2 resulting in the best first half with a high order backlog.

Turkey had a very good Q2 and first half.

There was low activity in Export to emerging markets in the second quarter. This area is dominated by few but large contracts and this gives

variations in the P&L quarter by quarter.

YTD revenues for CBT for the first half of 2015 was 574.2 MNOK (479.2) with an EBITDA of 55.7 MNOK (46.5). EBIT was 40.1 MNOK (33.7) after depreciations of 15.6 MNOK (12.8).

Software (SW)

Revenue for SW in Q2 was 31.0 MNOK (25.9). The EBITDA was 4.8 MNOK (3.3) resulting in an EBITDA margin of 15.4% (12.9%) and an EBIT of 2.5 MNOK (1.6) representing an EBIT margin of 8.2% (6.2%).

AKVA group Software AS continues to deliver stable and high margins with improved revenue and margins year on year.

Wise lausnir ehf had a good first half with improved performance compared to first half last year.

Software continues to invest in new product modules, which are expected to strengthen the financial performance of the software segment further.

YTD operating revenues for SW was 61.8 MNOK (52.1) with an EBITDA of 9.1 MNOK (6.3). EBIT was 4.5 MNOK (2.8) after depreciation of 4.5 MNOK (3.5).

Land based technologies (LBT)

LBT had revenues in Q2 of 55.3 MNOK (36.9) with an EBITDA of 3.4 MNOK (0.4) and an EBIT of 2.7 MNOK (0.0).

Land based has experienced improved performance year on year and quarter on quarter. It has been a good recovery in the second quarter for AKVA group Denmark A/S after a slow start of the

year. Plastsveis AS is on track with a profitable first half. Both companies ends the second quarter with a good order backlog.

YTD operating revenues was 90.6 MNOK (80.0) and YTD EBITDA was 2.7 MNOK (3.0). The YTD EBIT was 1.5 MNOK (2.1).

Balance sheet and cash flow

The balance sheet remains strong.

The working capital in the Group balance sheet, defined as non-interest bearing current assets less non-interest bearing current liabilities was 145 MNOK at the end of Q2 2015, compared to 129 MNOK at the end of Q2 2014. Working capital in percentage of 12 months rolling revenue has improved YoY from 12.4% to 10.4%. We are able to maintain a low working capital despite record high activity during this 12 month period.

Cash and unused credit facilities amounted to 157 MNOK at the end of Q2 2015 versus 144 MNOK at the end of Q2 2014. The total credit facility at Danske Bank is 90 MNOK.

Net interest-bearing debt was 76 MNOK at the end of Q2 2015 compared to 92 MNOK at the end of Q2 2014.

Next possible dividend pay-out will according to the new dividend policy be in Q4 2015.

Gross interest-bearing debt was at the end of Q2 2015 142.9 MNOK versus 145.7 MNOK at the end of Q2 2014. The short term interest bearing debt at the end of Q2 2015 is the next 12 months installments on the long term debt. This is in accordance to current IFRS requirements.

Investments in Q2 2015 amounted to 16.0 MNOK of which 2.0 MNOK was capitalized R&D expenses in accordance to IFRS. Investments YTD were 27.0 MNOK whereof 4.1 MNOK is capitalized R&D expenses in accordance to IFRS. Total investments in 2014 were 49.8 MNOK whereof 17.9 MNOK was capitalized R&D expenses in accordance with IFRS.

Return on capital employed (ROCE) was 15.2% in Q2 2015 compared to 8.3% in Q2 2014.

Total assets and total equity amounted to 1.007 MNOK and 417 MNOK respectively, resulting in an equity ratio of 41.5% (45.8%) at the end of Q2 2015.

Shareholder issues

Earnings per share in Q2 2015 was 0.74 NOK (0.47). The calculations are based on 25,834,303 (25,834,303) shares average.

The 20 largest shareholders are presented in note 4 in this report.

New product launches during Aqua Nor

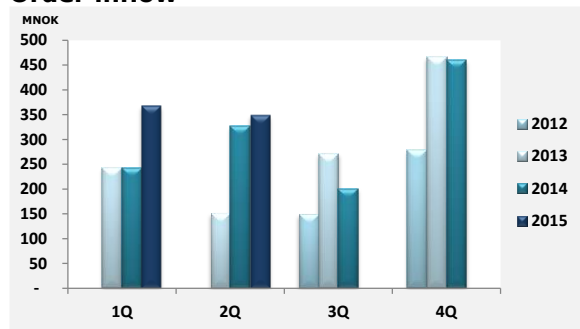
AKVA will have several releases of new technologies and products during Aqua Nor, among them are AKVAconnect Feeding and AKVA Subsea Feeder.

AKVAconnect Feeding is a new software solution for feeding control and management, replacing AKVAControl. There is integration into the AKVAconnect automation platform, enabling a complete and dynamic feed control and management system. This gives vast opportunities for customization of setups tailoring customer needs.

AKVA Subsea Feeder is a New technology for underwater feeding, avoiding concentration of fish in upper part of water column in cages. This solution is developed by Nærøysund Aquaservice AS and gives fast and efficient underwater feeding with good distribution. Large scale tests show promising results with significant reduction in sea lice levels in cages. There is integration to existing AKVA feeding technology and automation.

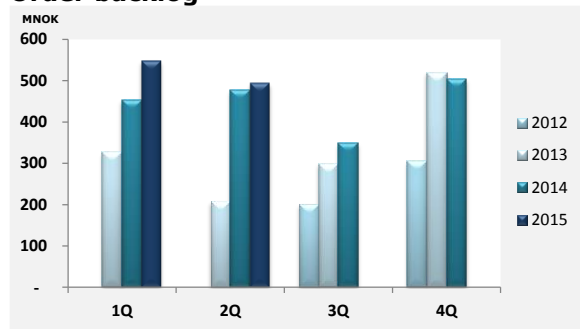
Market and future outlook

Order inflow



We have experienced continued good market activity in Q2. The order inflow in Q2 was 348 MNOK (327). The order backlog at the end of Q2 was 493 MNOK (478). This is the highest second quarter order backlog ever for AKVA group.

Order backlog



We have a strong overall short term outlook due to high market activity and order backlog. Our target remains to outperform 2014.

The strong demand in the Nordic market is expected to continue, with a shift towards more investment in land based technology.

Both UK and Canada are expected to continue to perform well in the next quarters with a significant order backlog and a large portion of recurring business.

We have low expectations in Chile. Majority of our Chilean customers struggle with loss making operations and a need to restructure the industry. The situation is expected to last and we are well underway to adjust our resources, costs and activity level to the situation.

The land based segment is expected to have a positive development with a growing order backlog and prospect mass. There is historically high market interest for Land Based Technology.

Exports to emerging markets will continue to fluctuate short term, but improved project activity is expected in second half of the year.

We continue our effort to build service and after sales as a key business element in all markets and segments.

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 2014.

The condensed consolidated interim financial statements are unaudited. Because of rounding differences,

numbers or percentages may not add up to the total. The consolidated financial statements for the Group for the year ended December 31st, 2014 are available upon request from the company's registered head office at Nordlysveien 4, 4340 Bryne, Norway or at <http://ir.akvagroup.com/investor-relations/financial-info-/annual-reports>.

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 connection with the Group's Annual Report for 2014.

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 Top 20 shareholders as of June 30th, 2015


Shareholders	Citizenship	Number of Ownership	
		shares held	percentage
EGERSUND GROUP AS	NOR	13 203 105	51,11
WHEATSHEAF INVESTMEN	GBR	3 900 000	15,10
VERDIPAPIRFONDET ALF	NOR	722 158	2,80
MP PENSJON PK	NOR	693 800	2,69
VERDIPAPIRFONDET DNB	NOR	496 270	1,92
VERDIPAPIRFONDET EIK	NOR	489 417	1,89
STATOIL PENSJON	NOR	400 652	1,55
ROGALAND SJØ AS	NOR	343 550	1,33
OLE MOLAUG EIENDOM A	NOR	338 692	1,31
VPF NORDEA KAPITAL	NOR	301 700	1,17
MERTOUN CAPITAL AS	NOR	300 000	1,16
SIX SIS AG	CHE	270 000	1,05
VERDIPAPIRFONDET EIK	NOR	208 100	0,81
DAHLE BJØRN	NOR	196 300	0,76
VPF NORDEA AVKASTNIN	NOR	180 000	0,70
MOLAUG KNUT	NOR	172 624	0,67
MOLAUG OLE	NOR	167 192	0,65
HAVBRUKSCONSULT AS	NOR	166 000	0,64
UBS (LUXEMBOURG) S.A	LUX	146 537	0,57
KLUGE GUNNAR	NOR	135 579	0,52
20 largest shareholders		22 831 676	88,38
Other shareholders		3 002 627	11,62
Total shares		25 834 303	100,00

An updated overview of the 20 largest shareholders is available on AKVA group's investor relations webpage, <http://ir.akvagroup.com/investor-relations/the-share/largest-shareholders>.

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 January 1st to June 30th 2015, 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.

Trondheim, August 19th, 2015
Board of Directors, AKVA group ASA



Hans Kristian Mong
(chairperson)



Nils Viga



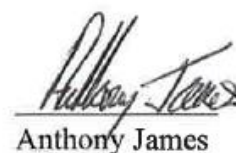
Evy Vikene Kallelid



Anne Breiby
(Deputy chairperson)



Frode Teigen



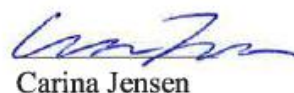
Anthony James




Aino Olaisen



Tore Obrestad



Carina Jensen



Henrik A. Schultz



Trond Williksen
(CEO)



INCOME STATEMENT (NOK 1 000)	2015		2014		2014 Total
	Q2	Q2	Q2 YTD	Q2 YTD	
OPERATING REVENUES	401 530	300 947	726 527	611 345	1 246 058
Operating costs ex depreciations	360 675	276 903	659 062	555 569	1 142 694
OPERATING PROFIT BEFORE DEPR.(EBITDA)	40 855	24 044	67 465	55 775	103 364
Depreciation	10 792	8 900	21 315	17 150	35 729
OPERATING PROFIT (EBIT)	30 063	15 144	46 150	38 625	67 635
Net interest expense	-1 473	-1 374	-2 781	-2 867	-4 784
Other financial items	-1 540	807	-9	-634	43
Net financial items	-3 013	-567	-2 791	-3 501	-4 741
PROFIT BEFORE TAX	27 050	14 577	43 359	35 125	62 894
Taxes	7 535	2 542	12 437	7 459	8 394
NET PROFIT	19 515	12 035	30 922	27 666	54 499
Net profit (loss) attributable to:					
Non-controlling interests	445	-204	528	-65	-580
Equity holders of AKVA group ASA	19 070	12 239	30 394	27 731	55 079
Earnings per share equity holders of AKVA group ASA	0,74	0,47	1,18	1,07	2,13
Average number of shares outstanding (in 1 000)	25 834	25 834	25 834	25 834	25 834

BALANCE SHEET (NOK 1 000)	2015		2014		2014 Total
	Q2	Q2	Q2 YTD	Q2 YTD	
Intangible fixed assets			266 461	262 868	278 083
Fixed assets			82 699	65 151	74 009
Long-term financial assets			2 202	1 819	1 896
FIXED ASSETS			351 362	329 838	353 988
Stock			203 415	129 206	167 238
Trade receivables			284 825	202 580	210 755
Other receivables			99 926	80 505	117 905
Cash and cash equivalents			67 150	54 073	53 935
CURRENT ASSETS			655 316	466 363	549 833
TOTAL ASSETS			1 006 678	796 201	903 821
Paid in capital			355 549	355 549	355 549
Retained equity			59 564	7 156	32 027
Equity attributable to equity holders of AKVA group ASA			415 113	362 706	387 577
Non-controlling interests			2 204	2 190	1 676
TOTAL EQUITY			417 317	364 896	389 252
Other long term debt			2 840	2 379	2 677
Long-term interest bearing debt			127 201	130 142	128 667
LONG-TERM DEBT			130 041	132 521	131 344
Short-term interest bearing debt			15 743	15 590	13 779
Other current liabilities			443 576	283 194	369 446
SHORT-TERM DEBT			459 319	298 784	383 225
TOTAL EQUITY AND DEBT			1 006 678	796 201	903 821

CHANGES IN EQUITY (NOK 1 000)	2015		2014		2014 Total
	Q2	Q2	Q2 YTD	Q2 YTD	
Book equity before non-controlling interests at the beginning of the period	401 724	344 475	387 577	336 601	336 601
The period's net profit	19 070	12 239	30 394	27 731	55 079
Capital increase	-	-	-	-	-
Share issue costs	-	-	-	-	-
Gains/(losses) on cash flow hedges (fair value)	7 837	-547	3 489	-79	5 150
Utbytte/Dividend	-	-	-	-	-25 834
Change in pension liability recorded against equity	-	-	-	-	-
Recording of option agreement	-	-	-	-	-1 344
Translation differences	-13 517	6 539	-6 348	-1 548	17 925
Equity before non-controlling interests	415 113	362 706	415 113	362 706	387 577
Non-controlling interests	2 204	2 190	2 204	2 190	1 676
Book equity at the end of the period	417 317	364 896	417 317	364 896	389 252



CASH FLOW STATEMENT (NOK 1 000)	2015 Q2	2014 Q2	2015 Q2 YTD	2014 Q2 YTD	2014 Total
Net cash flow from operations	34 448	25 819	61 312	54 246	98 590
Net cash flow from change in working capital	-11 858	-15 145	-22 642	-27 383	-12 501
Net cash flow from operational activities	22 591	10 674	38 671	26 862	86 088
Net cash flow from investment activities	-15 774	-26 114	-26 118	-36 993	-66 190
Net cash flow from financial activities	2 904	7 510	662	5 874	-24 294
Net change in cash and cash equivalents	9 721	-7 930	13 215	-4 257	-4 395
Cash and cash equivalents at the beginning of the period	57 429	62 003	53 935	58 330	58 330
Cash and cash equivalents at the end of the period	67 150	54 073	67 150	54 073	53 935

BUSINESS SEGMENTS (NOK 1 000)	2015 Q2	2014 Q2	2015 Q2 YTD	2014 Q2 YTD	2014 Total
Cage based technologies					
Nordic operating revenues	195 468	159 582	351 181	314 401	640 075
Americas operating revenues	65 761	46 579	129 556	70 437	174 432
Export operating revenues	54 056	31 957	93 459	94 345	158 078
TOTAL OPERATING REVENUES HARDWARE	315 286	238 118	574 196	479 183	972 584
Operating costs ex depreciations	282 563	217 850	518 521	432 726	884 812
OPERATING PROFIT BEFORE DEPRECIATIONS (EBITDA)	32 723	20 268	55 676	46 457	87 773
Depreciation	7 951	6 718	15 619	12 763	26 701
OPERATING PROFIT (EBIT)	24 772	13 550	40 057	33 694	61 072
Software					
Nordic operating revenues	24 097	20 403	49 579	42 000	86 530
Americas operating revenues	6 361	5 071	11 040	9 177	18 302
Export operating revenues	522	423	1 143	948	1 906
OPERATING REVENUES	30 980	25 898	61 762	52 125	106 737
Operating costs ex depreciations	26 220	22 565	52 682	45 808	91 444
OPERATING PROFIT BEFORE DEPRECIATIONS (EBITDA)	4 760	3 333	9 080	6 317	15 293
Depreciation	2 219	1 723	4 532	3 473	7 087
OPERATING PROFIT (EBIT)	2 541	1 610	4 548	2 844	8 206
Land based technologies					
Nordic operating revenues	53 676	35 658	88 144	77 083	157 320
Americas operating revenues	1 589	1 273	2 424	2 954	9 417
Export operating revenues	-	-	-	-	-
OPERATING REVENUES	55 265	36 931	90 568	80 037	166 736
Operating costs ex depreciations	51 892	36 488	87 860	77 036	166 438
OPERATING PROFIT BEFORE DEPRECIATIONS (EBITDA)	3 372	443	2 709	3 002	298
Depreciation	623	459	1 163	915	1 941
OPERATING PROFIT (EBIT)	2 750	-16	1 545	2 087	-1 642

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