



Q2 - 2015
Interim Financial Report
EWOS Group

The Global Innovator in Aquafeed

TABLE OF CONTENTS

Disclaimer.....	3
Presentation of the group.....	3
Comments by the CEO.....	4
Key financial figures.....	5
Market conditions.....	5
Operating and financial review.....	6
Condensed interim financial statements.....	11
Responsibility statement.....	19

DISCLAIMER

EWOS Group AS is providing the following consolidated financial results for the second quarter of 2015 to holders of its NOK 1,040,000,000 Senior Subordinated Floating Rate Notes due 2021, and, on behalf of EWOS Holding AS to holders of its EUR 225,000,000 6.75% Senior Secured Notes due 2020 and NOK 1,810,000,000 Senior Secured Floating Rate Notes due 2020.

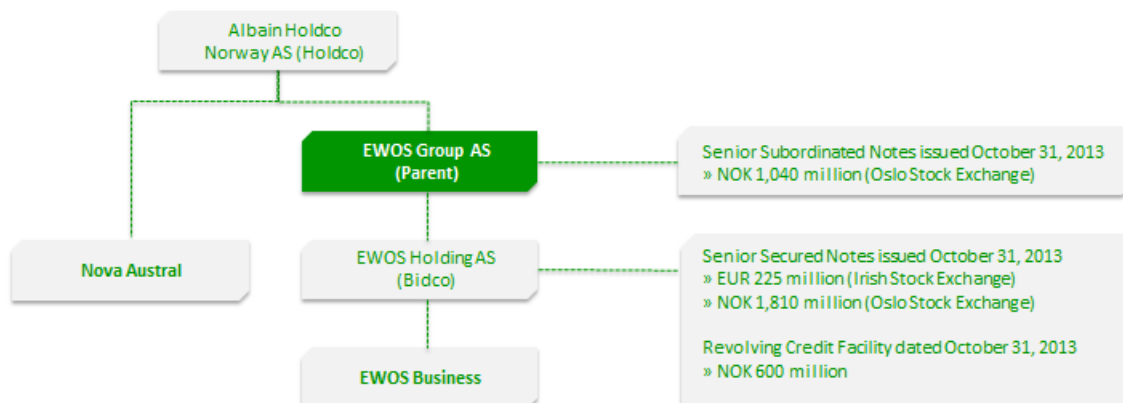
This report is for information purposes only and does not constitute an offer to sell or the solicitation of an offer to buy the notes or any other security.

This report may include forward-looking statements which are based on our current expectations and projections about future events. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. You should not place undue reliance on these forward-looking statements. In addition any forward-looking statements are made only as of the date of this notice, and we do not intend and do not assume any obligation to update any statements set forth in this notice.

PRESENTATION OF THE GROUP

EWOS is a leading supplier of feed and nutrition for the international aquaculture industry. EWOS has produced fish feed for decades and today the Group operates in all four of the world's major salmon farming regions: Norway, Chile, Canada and Scotland. In addition, EWOS has entered the feed market for other species through our operation in Vietnam. EWOS continuously invests in research and development in order to maintain innovation leadership in its field.

EWOS Group is owned by Albain Holdco Norway AS. The following illustrates the Group structure from Norwegian holding company level:



On October 22, 2014 Albain Holdco Norway AS, through a directly owned subsidiary other than EWOS Group AS, completed the acquisition of the Chilean fish farming company Nova Austral. This acquisition is made outside of the listed bond group, and Nova Austral's operation is not consolidated into the financial reporting of either the EWOS Group or EWOS Holding, the two companies with listed bonds on either the Oslo Stock Exchange or the Irish Stock Exchange.

On August 16, 2015 Albain Holdco Norway AS entered into an agreement with Cargill Incorporated to sell all of its shares in EWOS Group AS. The transaction, which is subject to regulatory approvals, is expected to close before the end of the calendar year. For further information see note 8 Events after the reporting period on page 18.

If not explicitly mentioned otherwise, the financial information contained herein relates to the unaudited financial information on a consolidated basis at EWOS Group AS level for the second quarter of 2015 compared to the second quarter of 2014.

For further information, please refer to the Annual Reports 2014 as published on www.reporting.ewos.com

COMMENTS BY THE CEO



Highlights in the second quarter 2015

- Cargill announces acquisition of EWOS
- 5.4% increase in Adjusted EBITDA
- 7.3% increase in revenues
- Significant positive currency impact
- Progress on operational efficiency
- Lower share in Norway

I am proud to announce that Cargill has entered into an agreement with Altor and Bain to acquire EWOS. This is testament to our employees' hard work, to the unique R&D and production capabilities of the company and to the bright future of the Salmon and aquaculture industries. As part of the acquisition, Cargill intends to retire all outstanding EWOS bonds after closing. We are grateful to the bond investors who have supported us through this phase of the company.

EWOS results for the quarter were satisfactory despite significantly lower volumes in Norway compared to Q2 2014. Our cost savings measures, health and performance feed contribution and strong market growth in Canada mostly offset the Norway volume decline. This resulted in an Adjusted EBITDA decline of 16.6% after adjusting for exchange rate differences, while Adjusted EBITDA increased 5.4% in nominal terms from NOK 155.6 million to NOK 163.9 million due to the weakening of the Norwegian Kroner.

Sales volume was 239 thousand tonnes in the second quarter of 2015 compared to 272 thousand tonnes for the same period in 2014, a reduction of 33 thousand tonnes. The main volume decline of 30 thousand tonnes in Norway was due to a temporary market share decline resulting from reductions in share in a key customer. However, in the second quarter contract negotiation period we have managed to regain our target share thanks to increases in volumes at important customers.

Volume increased in Canada and Vietnam, was nearly flat in Chile while it decreased in Scotland. In Chile, low prices for salmon have led to working capital challenges for our customers, and we have worked hard to support them while managing our own credit risk. For the Group, operating revenues increased by 7.3% to NOK 2,733.9 million for the second quarter in 2015 compared to NOK 2,547.2 million in the second quarter in 2014 driven by a weakening Norwegian Kroner.

Overall, we are pleased with the progress we have made this year as we have begun to execute on several pillars of our strategy. We see efficiency gains in our freight fleet in Norway, raw material savings, improvement in our technical quality and continued good outcomes from our customers using our health and performance feeds.

We also have high expectations from our current investment program. Our new capacity is now in place in Vietnam, our factory in Canada is under modernisation and our industry-leading Fish Health Centre in Chile is under construction and will be finished in Q1 2016.

With our new partners at Cargill, we intend to continue our dedication to serving customers, investing in R&D and developing our people.

Einar Wathne
CEO EWOS Group

KEY FINANCIAL FIGURES

NOK million	2nd quarter		1st half year		Year
	2015	2014 (restated)	2015	2014 (restated)	2014
Operating revenues	2,733.9	2,547.2	5,434.7	4,791.3	11,598.5
Adjusted EBITDA ¹⁾	163.9	155.6	337.1	284.4	724.5
Adjusted EBITDA margin	6.0 %	6.1 %	6.2 %	5.9 %	6.2 %
Net cash flow from operating activities	194.2	57.2	176.0	55.7	347.6
Capital expenditures ²⁾	(57.4)	(37.5)	(98.2)	(77.4)	(153.6)
Net interest bearing debt	3,576.9	3,891.5	3,576.9	3,891.5	3,705.1

1) Adjusted EBITDA represents EBITDA as adjusted for certain non-recurring and/or non-cash costs. Adjusted EBITDA is presented because it may be a relevant measure for assessing underlying performance for a given period. This measure is not a defined financial indicator under IFRS.

2) Capital expenditures reported represent the cash effects of purchases of property, plant and equipment.

MARKET CONDITIONS

Feed markets

According to Kontali the global market was 860 thousand tonnes in the second quarter of 2015, the same as in the second quarter of 2014.

In Norway there was a contraction in the market of 5% in the second quarter of 2015 compared to the same period last year, mainly due to low water temperatures hampering growth. Kontali now expects the market in 2015 in Norway to be flat. In Chile there was growth of 1% in the quarter compared to same period last year. Despite growth in the second quarter, Kontali's expectations for the full year market in Chile is a decline of 4% compared to 2014, which may be explained by a combination of biological challenges, low prices for Atlantic salmon in the US market, and financial constraints among several players in the industry.

In the UK market growth was 4% in the second quarter of 2015 compared to the second quarter of 2014. In North America the increase in the feed market in the quarter was 11% as farmers are increasing their production as biological conditions have improved. We estimate that market growth was even higher in Western Canada.

For the full year, Kontali forecasts the global salmonid feed market to be flat, with a 0.3% growth compared to 2014.

Raw material markets

Marine raw material prices continued to fall in Peru during the second quarter as this fishing season's anchoveta quota of 2.58 million tonnes was almost fully harvested. In Europe, prices of marine raw materials were relatively low due to high production the first half of the year. Marine raw material prices in Peru continue to fall into the third quarter but may meet the bottom as the Asian fish meal purchasers are becoming more active and El Niño cause uncertainties related to the second season of the anchoveta fisheries towards the end of the year. In Europe, prices have likely reached a low point as inventories gradually will be reduced from the large aqua demand in the second half of the year. Prices for most vegetable raw materials continued at lower levels during the second quarter, but vegetable oils and wheat gluten prices increased due to shifting currency exchange rates.

Competitive situation

Continued competition is expected for feed contracts in all the markets in which EWOS operates. Margins in Norway remain below levels appropriate to support long term research and capacity increases. In this environment, EWOS is focused on defending its historical share of the non-insourced market while delivering the most innovative feed solutions to customers. Through the negotiations in the second quarter, EWOS has succeeded in gaining share of wallet at important customers and thereby returning to its historical share of the non-insourced market. In Chile, the salmon farming market remains dynamic with continued signs of potential consolidation among salmon farmers. We continue to assess the implications of this for our feed business.

OPERATING AND FINANCIAL REVIEW

Results of operations

The table below sets forth certain line items from the unaudited consolidated income statement of the EWOS Group.

NOK million	2nd quarter		1st half year		Year
	2015	2014	2015	2014	2014
Operating revenues	2,733.9	2,547.2	5,434.7	4,791.3	11,598.5
Cost of materials	(2,181.9)	(2,022.3)	(4,330.0)	(3,793.9)	(9,333.7)
Personnel expenses	(131.7)	(106.3)	(258.3)	(209.2)	(443.9)
Other operating expenses	(265.5)	(273.3)	(530.0)	(528.5)	(1,178.2)
Other income and expenses	28.9	1.3	28.9	1.3	11.6
Depreciations and amortisations	(95.3)	(81.0)	(190.0)	(164.4)	(337.0)
Operating results before fair value adjustments of biological assets	88.4	65.5	155.3	96.6	317.3
Fair value adjustments of biological assets	(5.8)	5.6	(22.5)	(4.3)	6.7
Operating result	82.6	71.1	132.8	92.2	324.0

Sales volume and operating revenues

Operating revenue increased by NOK 186.7 million, or 7.3%, from NOK 2,547.2 million in the second quarter 2014 to NOK 2,733.9 million in the second quarter 2015. This increase was primarily due to currency translation effects from a decline in the Norwegian Kroner versus the US Dollar.

Sales volumes (thousands of tonnes)	2nd quarter		1st half year		Year
	2015	2014	2015	2014	2014
Norway	96.5	126.4	192.4	223.9	596.6
Chile	83.4	84.6	175.9	183.9	370.0
Canada	19.9	17.0	38.1	28.2	64.8
Scotland	25.7	31.6	43.2	51.5	119.3
Vietnam	15.1	14.3	31.3	27.6	61.4
(Eliminations/other)	(1.5)	(1.7)	(2.7)	(2.5)	(9.4)
Total	239.1	272.2	478.1	512.7	1,202.7

Operating revenues (NOK million)	2nd quarter		1st half year		Year
	2015	2014	2015	2014	2014
Norway	1,086.1	1,229.4	2,110.7	2,141.6	5,820.6
Chile	978.3	763.2	2,076.7	1,687.1	3,534.7
Canada	243.6	155.4	469.0	263.7	652.1
Scotland	339.9	353.4	572.5	573.4	1,358.0
Vietnam	79.3	51.2	170.9	104.0	255.3
(Eliminations/other)	6.7	(5.6)	34.9	21.4	(22.2)
Total	2,733.9	2,547.2	5,434.7	4,791.3	11,598.5

Operating revenue in Norway decreased by NOK 143.3 million, or 11.7%, from NOK 1,229.4 million in the second quarter 2014 to NOK 1,086.1 million in the second quarter 2015. This decrease was primarily due to lower sales volume which was partly offset by the pass through of higher raw material costs. Volumes in Norway were down compared to the same period last year by 29.9 thousand tonnes mainly due to lower market share resulting from a reduction in volume share from a key customer and lower market volumes.

Operating revenue in Chile increased by NOK 215.0 million, or 28.2%, from NOK 763.2 million in the second quarter 2014 to NOK 978.3 million in the second quarter 2015. Underlying revenues in local currency in this period were slightly down by 1.1% due to reduction in sales volume by 1.4% from 84.6 thousand tonnes in the second quarter 2014 to 83.4 thousand tonnes in the second quarter 2015. This reduction corresponds to the general market development in Chile caused by biological challenges, low prices for Atlantic salmon in the US market, and financial constraints among several customers. However, the revenue reduction was more than offset by a favourable currency translation of the US Dollar to the reporting currency Norwegian Kroner.

Operating revenue in Canada increased by NOK 88.2 million, or 56.7%, from NOK 155.4 million in the second quarter 2014 to NOK 243.6 million in the second quarter 2015. This was due to an increase in sales volume of 16.9% resulting from improved biological conditions in Western Canada and a favourable currency translation of the Canadian Dollar to the reporting currency Norwegian Kroner.

Operating revenue in Scotland decreased by NOK 13.5 million, or 3.8%, from NOK 353.4 million in the second quarter 2014 to NOK 339.9 million in the second quarter 2015. This was mainly due to a decrease in sales volume of 18.5%, partly offset by currency translation effect from the increase of the British Pound versus the Norwegian Kroner.

Operating revenue in Vietnam increased significantly by NOK 28.1 million, or 54.8%, from NOK 51.2 million in the second quarter 2014 to NOK 79.3 million in the second quarter 2015. A favourable currency translation of the Vietnam Dong to the reporting currency Norwegian Kroner was the most significant contributor to growth. This increase was also due to continued sales growth, which was mainly limited by capacity constraints before the new line became operational in the third quarter.

Cost of materials

Cost of materials increased by NOK 159.5 million, or 7.9%, from NOK 2,022.3 million in the second quarter 2014 to NOK 2,181.9 million in the second quarter 2015. This increase was primarily due to the impact of currency translation effects from the increase of the US Dollar versus the Norwegian Kroner.

Personnel expenses

Personnel expenses increased by NOK 25.4 million, or 23.9%, from NOK 106.3 million in the second quarter 2014 to NOK 131.7 million in the second quarter 2015. This change was primarily due to increases related to new corporate functions, including assumption of the IT organisation from Cermaq after the expiration of the transition service agreement. Currency translation effects from the stronger US Dollar versus the Norwegian Kroner also have led to an increase in personnel expenses.

Other operating expenses

Other operating expenses decreased by NOK 7.9 million, or 2.9%, from NOK 273.3 million in the second quarter 2014 to NOK 265.5 million in the second quarter 2015. On a fixed currency basis operating expenses decreased by 14.1%, mainly due to reduction in customer freight and energy cost in Norway and Chile as well as reduction in third party cost partly related to the assumption of IT from Cermaq mentioned above. This decrease in cost was partly offset by the impact of currency translation effects from the stronger US Dollar versus the Norwegian Kroner.

Other income and expenses

Other income and expenses in the second quarter of 2015 includes a gain of NOK 34.0 million related to the sale of aquaculture licenses (see note 7 on page 18), severance packages related to downsizing and management change in EWOS Norway and adjustment of provision for a special tax issue (see note 5 on page 17).

Operating results

Operating results increased by NOK 11.5 million from a profit of NOK 71.1 million in the second quarter 2014 to a profit of NOK 82.6 million in the second quarter 2015. The main reason for this increase is a positive impact from currency translation effects from the stronger US Dollar versus the Norwegian Kroner.

Adjusted EBITDA

Adjusted EBITDA increased by NOK 8.4 million, or 5.4%, from NOK 155.5 million in the second quarter 2014 to NOK 163.9 million in the second quarter 2015. A major part of the increase in adjusted EBITDA is caused by currency translation effects from the stronger US Dollar versus the Norwegian Kroner. On a constant currency basis, Adjusted EBITDA decreased by 16.6% in the second quarter 2015. This decrease is mainly due to the lower volumes in Norway which have been partially offset by operational savings and good results in Chile and Canada.

The following table reconciles EBITDA to Adjusted EBITDA:

NOK million	2nd quarter		1st half year		Year
	2015	2014	2015	2014	2014
EBITDA	188.6	150.7	356.4	269.3	674.6
Expected savings from fleet improvement (a)	-	1.3	-	2.6	2.6
Non-cash effects relating to currency derivatives (b)	2.9	(25.8)	3.5	(27.9)	(13.0)
Provision for tax claim (c)	1.0	-	1.0	-	14.6
Transition related costs (d)	1.4	22.9	6.1	33.8	71.1
Change in deferred consideration to Cermaq net of					
Acuinova losses (e)	-	-	-	-	(43.8)
Exit cost (f)	-	-	-	-	12.0
Gain sale of commercial farming licenses (g)	(34.0)	-	(34.0)	-	-
Other non-recurring items (h)	4.0	6.5	4.0	6.5	6.6
Adjusted EBITDA	163.9	155.6	337.1	284.4	724.5

- (a) Gives pro forma effect to quarterly cost savings associated with replacing on-and-off loading of salmonid feed using big bags by direct delivery of salmonid feed in bulk to salmonid farms ("silos-to-silos delivery").
- (b) Represents non-cash effects on derivatives used to hedge currency risk related to the acquisition of raw materials. In 2014 an unrealised fair value gain on derivatives used to hedge currency risk related to acquisition of raw materials of NOK 13 million was recognised in cost of raw materials compared to a loss of NOK 3 million in 2013.
- (c) A provision was recognised in the second quarter 2013 and an increase was recognised in fourth quarter 2014 and second quarter 2015 in connection with a claim by the Norwegian tax authorities that the Norwegian operations have benefitted from certain tax refunds in connection with fuel deliveries in violation of Norwegian tax laws. See note 5 to the Condensed Interim Financial Statements.
- (d) Costs incurred in connection with the establishment of permanent corporate functions and initial corporate strategy review.
- (e) In October 2014 EWOS Group and Cermaq have agreed on a settlement of the contingent consideration arising from the purchase of the EWOS Business from Cermaq in 2013 and a net gain has been recognised which represents the net effect of the reduction in the liability towards Cermaq and the expected losses related to the debt collection case in Chile against Acuinova.
- (f) Termination fee paid in relation to certain time charter agreements for old vessels in order to secure fleet efficiency.
- (g) EWOS owned two commercial fish farming licences in Norway which have been operated in cooperation with an external party. In February 2015 an agreement was entered into to sell these licenses and the transaction has been closed in May 2015.
- (h) Other non-recurring items include net loss for exceptional inventory obsolescence after compensation received from suppliers, loss from sale and scrapping of fixed assets as well as severance packages related to downsizing and change in management.

EBITDA

EBITDA increased by NOK 37.9 million, or 25.2%, from NOK 150.7 million in the second quarter 2014 to NOK 188.6 million in the second quarter 2015 mainly driven by currency translation effects from the stronger US Dollar versus the Norwegian Kroner, reduced special items in 2015 such as transition related costs, and the gain related to sale of commercial farming licenses (see table above).

Capital expenditures

Capital expenditures increased by NOK 19.9 million, or 52.9%, from NOK 37.5 million in the second quarter 2014 to NOK 57.4 million in the second quarter 2015. The expenditures in 2015 mainly relate to investments regarding the EWOS Fish Health Centre in Chile, expansion investments in Vietnam, modernisation in Canada and efficiency investments in Scotland and Norway.

Cash flow

NOK million	2nd quarter		1st half year		Year
	2015	2014	2015	2014	2014
		(restated)		(restated)	
Net cash flow from operating activities	194.2	57.2	176.0	55.7	347.6
Net cash flow from investing activities	70.6	(32.5)	75.1	(69.6)	(181.9)
Net cash flow from financing activities	(141.2)	(125.3)	(199.7)	(187.5)	(568.6)
Foreign exchange effect	(10.8)	12.8	5.9	5.3	43.6
Net change in cash and cash equivalents for the period	112.8	(87.8)	57.3	(196.1)	(359.3)
Cash and cash equivalents at the beginning of the period	362.2	668.7	417.7	777.0	777.0
Cash and cash equivalents at the end of the period	475.0	580.9	475.0	580.9	417.7

Cash flow from operating activities in the second quarter 2015 was NOK 194.2 million. During the second quarter of 2015 there was a positive change in net operating working capital due to decrease in inventory and decrease in accounts receivables partly offset by decrease in current liabilities

Net cash inflow from investing activities in the second quarter 2015 was NOK 70.6 million primarily due to proceeds from sale of aquaculture licenses (see note 7 to the Condensed Interim Financial statements), offset by capital expenditures of NOK 57.4 million.

Cash outflow from financing activities in the second quarter was NOK 141.2 million, primarily due to payment of interest.

Cash and cash equivalents increased by NOK 57.3 million during first half of 2015 from NOK 417.7 million per December 31, 2014 to NOK 475.0 million as of June 30, 2015.

Financial position

Net interest bearing liabilities

Net interest bearing debt of the EWOS Group and its subsidiaries, including EWOS Holding, on a consolidated basis was NOK 3,579.4 million as of June 30, 2015, compared to NOK 3,705.1 million as of December 31, 2014 and NOK 3,891.4 as of June 30, 2014. Currency translation effect from the improvement in the Norwegian Kroner versus Euro from year end has led to a decrease in the value of the Euro senior secured notes. In addition, interest bearing receivables increased due to accrued unpaid interest and cash and cash equivalents has increased during the period, ref cash flow comments above.

Capitalisation

The following table sets forth the cash and cash equivalents and capitalisation of the EWOS Group and its subsidiaries, including EWOS Holding, on a consolidated basis. The change in equity from December 31, 2014 to June 30, 2015 is due to positive total comprehensive income, ref the Condensed Interim Financial Statements at the end of this report.

	As of June 30, 2015		As of December 31, 2014		As of June 30, 2014	
	(mNOK)	(mEUR) ⁽¹⁾	(mNOK)	(mEUR) ⁽¹⁾	(mNOK)	(mEUR) ⁽¹⁾
Cash and cash equivalents	475.0	54.0	417.7	46.2	580.9	69.1
Indebtedness:						
RCF - Ancillary Multi Option Facility	-	-	-	-	-	-
EUR Senior Secured Notes	1,978.0	225.0	2,035.4	225.0	1,890.8	225.0
NOK Senior Secured Notes	1,810.0	205.9	1,810.0	200.1	1,810.0	215.4
Senior Subordinated Notes	1,040.0	118.3	1,040.0	115.0	1,040.0	123.8
Finance leases	3.5	0.4	1.7	0.2	2.2	0.3
Total third-party indebtedness	4,831.5	549.6	4,887.1	540.2	4,743.0	564.5
Total equity	2,466.7	280.6	2,236.8	247.3	1,927.1	229.3
Total capitalization	7,298.1	830.2	7,123.9	787.5	6,670.1	793.8

(1) Amounts denominated in Norwegian Kroner have been converted from Norwegian Kroner to Euro using an exchange rate of EUR 1 = NOK 8.7910 as of June 30, 2015, EUR 1 = NOK 9.0462 as of December 31, 2014 and EUR 1 = NOK 8.4035 as of June 30, 2014.

The capitalisation of the Group will be highly affected by change in control as Cargill is purchasing the shares in EWOS Group AS, ref note 8 Events after the reporting period on page 18.

Update of material risk factors

With the exception of the updates below, no significant changes in risk factors have been identified which will affect the Group through the coming quarter. For additional explanations regarding risks and uncertainties, please refer to the Board of Directors Report section Risk and Risk Management and Note 22 Financial Risk Management in the 2014 Annual Report.

Increased credit risk in Chile

There are challenging market conditions for Chilean salmon farmers caused by low prices on Chilean salmon. In addition, Chilean farmers are challenged by stronger competition from Norwegian salmon due to reduced demand from Russia and the strong USD compared to Norwegian Kroner. EWOS's customers in Chile are facing financial constraints and are asking for longer credit on their feed payables. In some cases, EWOS is supporting customers with longer terms while mitigating this risk by increasing non-recourse factoring and credit insurance.

Change in control

Cargill's acquisition of the EWOS Group is not expected to have any adverse effect on the Group despite increase in liquidity risk, see below. For more information see note 8 Events after the reporting period on page 18.

Material changes in liquidity and capital resources

The liquidity and capital resource situation will be significantly affected by Cargill acquiring the EWOS Group. When the sale of shares is completed, there the Senior Subordinated Notes will be redeemed, there is an intention to redeem the Senior Secured Notes and new long term financing of the Group needs to be arranged. In addition, the super senior revolving credit facility will be withdrawn as a consequence of change in control. Cargill is committed to facilitate the refinancing of the Group and the change in control is not expected to have significant adverse effect on the liquidity of the Group. For more information see note 8 Events after the reporting period on page 18.

Differences between EWOS Group and EWOS Holding

The table below sets out material differences between consolidated financial statements for EWOS Group and EWOS Holding. The main differences are related to the Senior Subordinated Notes in EWOS Group and related interest expenses.

NOK million	2nd quarter				1st half year				Year	
	2015		2014 (restated)		2015		2014 (restated)		2014	
Income statement	EWOS Group	EWOS Holding	EWOS Group	EWOS Holding	EWOS Group	EWOS Holding	EWOS Group	EWOS Holding	EWOS Group	EWOS Holding
Net income (loss)	(2.8)	16.4	(39.1)	(17.2)	32.5	65.6	(84.7)	(41.0)	(226.5)	(136.0)

NOK million	As of June 30, 2015		As of December 31, 2014		As of June 30, 2014 (restated)	
	EWOS Group	EWOS Holding	EWOS Group	EWOS Holding	EWOS Group	EWOS Holding
Financial position						
Total assets	9,881.5	10,018.7	9,692.6	9,785.5	9,228.9	9,258.6
Total equity	2,466.7	3,583.3	2,236.8	3,320.3	1,927.1	2,963.6
Total non-current liabilities	5,031.5	4,070.8	5,120.7	4,149.6	4,872.7	3,886.0
Total current liabilities	2,383.4	2,364.6	2,335.1	2,315.6	2,429.0	2,409.0
Total equity and liabilities	9,881.5	10,018.7	9,692.6	9,785.5	9,228.9	9,258.6

CONDENSED INTERIM FINANCIAL STATEMENTS

Consolidated income statement

EWOS Group

	2nd quarter		1st half year		Year
	2015	2014 (restated)	2015	2014 (restated)	2014
<i>NOK million</i>					
Operating revenues	2,733.9	2,547.2	5,434.7	4,791.3	11,598.5
Cost of materials	(2,181.9)	(2,022.3)	(4,330.0)	(3,793.9)	(9,333.7)
Personnel expenses	(131.7)	(106.3)	(258.3)	(209.2)	(443.9)
Other operating expenses	(265.5)	(273.3)	(530.0)	(528.5)	(1,178.2)
Other income and expenses	28.9	1.3	28.9	1.3	11.6
Depreciations and amortisations	(95.3)	(81.0)	(190.0)	(164.4)	(337.0)
Operating result before fair value adjustments of biological assets	88.4	65.5	155.3	96.6	317.3
Fair value adjustments of biological assets	(5.8)	5.6	(22.5)	(4.3)	6.7
Operating result	82.6	71.1	132.8	92.2	324.0
Share of net income from associates	0.6	0.5	1.3	0.9	0.2
Financial items, net	(91.1)	(128.4)	(103.0)	(218.5)	(629.1)
Income (loss) before taxes	(7.9)	(56.8)	31.0	(125.4)	(304.9)
Income taxes	5.2	17.8	1.5	40.7	78.4
Net income (loss)	(2.8)	(39.1)	32.5	(84.7)	(226.5)

The interim financial information has not been subject to audit.

Consolidated statement of comprehensive income

EWOS Group

	2nd quarter		1st half year		Year
	2015	2014 (restated)	2015	2014 (restated)	2014
<i>NOK million</i>					
Net income (loss)	(2.8)	(39.1)	32.5	(84.7)	(226.5)
Other comprehensive income, net of tax:					
<i>Items to be reclassified to profit or loss in subsequent periods:</i>					
Currency translation differences	(99.4)	93.3	197.3	40.7	676.1
<i>Items not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	(14.6)
Other comprehensive income	(99.4)	93.3	197.3	40.7	661.5
Total comprehensive income	(102.1)	54.2	229.8	(43.9)	435.0
Attributable to:					
Shareholders of EWOS Group AS	(102.1)	54.2	229.7	(43.9)	434.7
Non-controlling interests	(0.0)	0.0	0.1	0.0	0.3

The interim financial information has not been subject to audit.

Consolidated statement of financial position

EWOS Group

	June 30, 2015	December 31, 2014	June 30, 2014 (restated)
<i>NOK million</i>			
ASSETS			
Deferred tax assets	8.6	6.6	6.7
Goodwill	2,489.5	2,408.2	2,146.1
Intangible assets	703.4	729.9	775.0
Property, plant and equipment	2,199.1	2,184.9	2,102.0
Investments in associated companies	10.0	9.1	9.8
Other non-current financial assets	549.0	478.5	202.9
Total non-current assets	5,959.5	5,817.4	5,242.4
Inventories	1,700.7	1,379.3	1,511.4
Trade and other receivables	1,746.4	1,984.3	1,894.1
Assets held for sale	-	94.0	-
Cash and cash equivalents	475.0	417.7	580.9
Total current assets	3,922.0	3,875.2	3,986.4
Total Assets	9,881.5	9,692.6	9,228.9
EQUITY AND LIABILITIES			
Equity attributable to shareholders of EWOS Group AS	2,465.9	2,236.1	1,926.7
Non-controlling interests	0.8	0.7	0.4
Total equity	2,466.7	2,236.8	1,927.1
Pension liabilities	48.9	47.7	27.2
Deferred tax liabilities	249.7	310.8	348.7
Interest bearing non-current liabilities	4,607.7	4,644.2	4,489.3
Other non interest bearing non-current liabilities	125.1	118.0	7.4
Total non-current liabilities	5,031.5	5,120.7	4,872.7
Trade and other payables	2,383.4	2,335.1	2,429.0
Total current liabilities	2,383.4	2,335.1	2,429.0
Total equity and liabilities	9,881.5	9,692.6	9,228.9

The interim financial information has not been subject to audit.

Consolidated statement of cash flow

EWOS Group

	2nd quarter		1st half year		Year
	2015	2014 (restated)	2015	2014 (restated)	2014
<i>NOK million</i>					
Net income(loss) before taxes	(7.9)	(56.8)	31.0	(125.4)	(304.9)
Depreciations and amortisations	95.3	81.0	190.0	164.4	337.0
Net interest expense and other financial income	95.1	104.5	186.7	216.3	417.1
Income taxes paid	(42.5)	(5.8)	(67.0)	(25.1)	(59.8)
Change in inventory, accounts receivable and payable	55.2	(11.8)	(90.0)	(56.9)	(96.7)
Change in other financial assets and liabilities	0.2	10.7	(65.0)	(3.0)	169.1
Change in other current operating assets and liabilities	(1.2)	(64.6)	(9.6)	(114.7)	(114.1)
Net cash flow from operating activities	194.2	57.2	176.0	55.7	347.6
Proceeds from sale of property, plant, equipment	128.0	5.1	128.0	5.2	7.4
Purchases of property, plant, equipment	(57.4)	(37.5)	(98.2)	(77.4)	(153.6)
Net payments loans to related parties	(0.0)	-	42.6	-	(40.8)
Net payments shares and other investments	0.0	(0.0)	2.7	2.5	5.0
Net cash flow from investing activities	70.6	(32.5)	75.1	(69.6)	(181.9)
Net proceeds from borrowing and drawing facilities	(5.8)	(0.2)	1.8	(0.4)	(1.0)
Net interest paid and other financial items	(135.4)	(125.1)	(201.5)	(187.0)	(398.4)
Repayment of equity to owner of EWOS Group AS	-	-	-	-	(169.2)
Net cash flow from financing activities	(141.2)	(125.3)	(199.7)	(187.5)	(568.6)
Foreign exchange effect	(10.8)	12.8	5.9	5.3	43.6
Net change in cash and cash equivalents for the period	112.8	(87.8)	57.3	(196.1)	(359.3)
Cash and cash equivalents at the beginning of the period	362.2	668.7	417.7	777.0	777.0
Cash and cash equivalents at the end of the period	475.0	580.9	475.0	580.9	417.7

The interim financial information has not been subject to audit.

Consolidated statement of changes in equity

EWOS Group

<i>NOK million</i>	Attributable to equity holders of EWOS Group AS					Non-controlling interests	Total equity
	Paid in Capital	Actuarial gains and losses Reserve	Retained Earnings	Foreign Currency Translation Reserve	Total		
Equity as of December 31, 2013	1,640.7	(1.8)	(105.8)	52.0	1,585.0	0.4	1,585.5
Net income (loss) for the period	-	-	(226.7)	-	(226.7)	0.2	(226.5)
Other comprehensive income	-	(14.6)	-	676.0	661.4	0.1	661.5
Total comprehensive income	-	(14.6)	(226.7)	676.0	434.7	0.3	435.0
Conversion of debt	385.6	-	-	-	385.6	-	385.6
Distribution to shareholders	(169.2)	-	-	-	(169.2)	-	(169.2)
Net losses charged to Paid in Capital	(103.9)	-	103.9	-	-	-	-
Equity as of December 31, 2014	1,753.2	(16.5)	(228.6)	728.0	2,236.1	0.7	2,236.8
Net income (loss) for the period	-	-	32.4	-	32.4	0.1	32.5
Other comprehensive income	-	-	-	197.3	197.3	0.0	197.3
Total comprehensive income	-	-	32.4	197.3	229.7	0.1	229.8
Equity as of June 30, 2015	1,753.2	(16.5)	(196.2)	925.3	2,465.9	0.8	2,466.7

<i>Unaudited NOK million</i>	Attributable to equity holders of EWOS Group AS					Non-controlling interests	Total equity
	Paid in Capital	Actuarial gains and losses Reserve	Retained Earnings	Foreign Currency Translation Reserve	Total		
Equity as of December 31, 2013	1,640.7	(1.8)	(105.8)	52.0	1,585.0	0.4	1,585.5
Net income (loss) for the period (restated)	-	-	(84.7)	-	(84.7)	0.0	(84.7)
Other comprehensive income	-	-	-	40.7	40.7	0.0	40.7
Total comprehensive income	-	-	(84.7)	40.7	(43.9)	0.0	(43.9)
Conversion of debt	385.6	-	-	-	385.6	-	385.6
Equity as of June 30, 2014 (restated)	2,026.3	(1.8)	(190.5)	92.7	1,926.7	0.4	1,927.1

The interim financial information has not been subject to audit.

Notes to the consolidated financial statements

EWOS Group

Note 1 – General accounting principles

The interim condensed consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim condensed consolidated financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the Annual Reports 2014. The condensed consolidated interim financial statements have not been audited or subject to a review by the auditors.

Accounting principles applied in the preparation of these condensed consolidated interim financial statements for the second quarter 2015 are consistent with those applied in the annual consolidated financial statements for 2014. For information about the standards and interpretations effective from January 1, 2015, please refer to Note 1 in the annual consolidated financial statements for 2014. The standards and interpretations effective from January 1, 2015 did not have an impact on the Group's consolidated interim financial statements.

Note 2 – Correction of 2014 interim financial statements

As disclosed in note 4 in the 2014 Annual Report, the financial statements for 2013 were restated to reflect a gain and a receivable that were not recognised when issuing the 2013 Annual Report. The financial statements for interim periods in 2014 are being restated accordingly. The restatement is related to the following transaction:

On September 11, 2013, prior to the closing of the acquisition of the EWOS Business on October 31, 2013, the Group entered into deal contingent currency forward contracts with Albain Finco S.À R.L. The currency forward contracts were closed on October 31, 2013 with a gain of NOK 173.6 million, but not settled by cash, and the Group earned a receivable on Albain Finco S.À R.L.

<i>NOK million</i>	2nd quarter 2014			1st half year 2014		
	As previously reported	Effect of restatement	Restated	As previously reported	Effect of restatement	Restated
Consolidated income statement:						
Financial income	(133.6)	5.2	(128.4)	(228.9)	10.3	(218.5)
Income taxes	19.2	(1.4)	17.8	43.5	(2.8)	40.7
Net income (loss)	(42.9)	3.8	(39.1)	(92.2)	7.5	(84.7)
Consolidated statement of financial position:						
Other non-current financial assets	15.4	187.5	202.9	15.4	187.5	202.9
Equity attributable to equity holders of EWOS Group AS	1,789.9	136.8	1,926.7	1,789.9	136.8	1,926.7
Deferred tax liabilities	298.1	50.6	348.7	298.1	50.6	348.7

Note 3 – Financial items

<i>NOK million</i>	2nd quarter		1st half year		Year
	2015	2014	2015	2014	2014
Interest expenses	(99.6)	(96.9)	(197.1)	(192.6)	(396.1)
Net foreign exchange gains (losses)	2.7	(20.6)	59.3	2.3	(197.7)
Net change in fair value on financial instruments	1.2	(3.3)	24.4	(4.5)	(14.2)
Other net financial income (expenses)	4.5	(7.7)	10.4	(23.7)	(21.0)
Net financial income (expenses)	(91.1)	(128.4)	(103.0)	(218.5)	(629.1)

Note 4 – Interest bearing liabilities

The EUR Senior Secured Notes was listed on the Irish Stock Exchange January 9, 2014 while the NOK Senior Secured Notes and NOK Senior Subordinated Notes were listed on the Oslo Stock Exchange March 26, 2014. Fair value of interest bearing liabilities recognised at amortised cost:

<i>NOK million</i>	As of June 30, 2015		As of December 31, 2014		As of June 30, 2014	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Interest bearing non-current liabilities	4,607.7	4,835.9	4,644.2	4,380.0	4,489.3	4,831.3

The fair value of the Senior Notes has increase in August due to the redemption of the notes that is likely to take place shortly after the completion of Cargill's acquisition of the EWOS Group, see more information in note 8 Events after the reporting period on page 18.

Note 5 – Provisions

Included in Trade and other payables is a provision for a liability related to a claim by the Norwegian tax authorities that the Norwegian operations have benefitted from certain tax refunds in violation of Norwegian tax laws in connection with fuel deliveries. As of June 30, 2015 the provision was NOK 34.3 million based on the agreed settlement of the claim with the Norwegian Customs Agency in July 2015. As of December 2014 the provision was NOK 33.1 million and as of June 30, 2014 NOK 18.5 million. For further details see note 31 in the 2014 Annual Report.

Note 6 – Segment table

Specification of segment information:

<i>NOK million</i>	2nd quarter		1st half year		Year
	2015	2014	2015	2014	2014
Operating revenue					
Salmon feed	2,633.1	2,494.1	5,202.8	4,650.9	11,294.7
Other	104.5	64.3	242.9	154.8	339.6
Eliminations	(3.7)	(11.2)	(11.1)	(14.4)	(35.8)
Group	2,733.9	2,547.2	5,434.7	4,791.3	11,598.5
Gross profit					
Salmon feed	535.3	513.8	1,063.4	963.2	2,193.2
Other	16.6	11.0	40.5	33.9	72.5
Eliminations	0.1	(0.1)	0.8	0.3	(0.9)
Group	552.0	524.8	1,104.6	997.4	2,264.9
Capital expenditures ¹⁾					
Salmon feed	(41.1)	(35.6)	(77.1)	(71.6)	(131.2)
Other	(16.3)	(1.9)	(21.0)	(5.8)	(22.4)
Eliminations	-	0.0	-	-	-
Group	(57.4)	(37.5)	(98.2)	(77.4)	(153.6)
Total assets	June 30, 2015	December 31, 2014	June 30, 2014 (restated)		
Salmon feed	9,308.3	9,002.6	8,590.4		
Other	573.3	690.0	638.5		
Eliminations	(0.0)	0.0	0.0		
Group	9,881.5	9,692.6	9,228.9		

1) Capital expenditures reported represent the cash effects of purchases of property, plant and equipment.

Note 7 - Asset held for sale

EWOS owned two commercial fish farming licences in Norway which have been operated in cooperation with an external party. In February 2015 an agreement was entered into to sell these licenses and the transaction has been closed in May 2015 with a gain of NOK 34 million which is recognised as Other income in the second quarter of 2015. The licenses were classified as Assets held for sale in the Statement of financial position as of December 31, 2014. The final sales agreement as amended at closing also included the sale of EWOS's share in the biomass that has been jointly owned and operated with an external party together with the licenses.

Note 8 – Events after the reporting period

The shareholder of the EWOS Group, Albain Holdco Norway AS, has on August 16, 2015 entered into a share purchase agreement with Cargill Inc. to sell the EWOS Group with all its subsidiaries. Cargill is one of the world's largest, privately-owned businesses, providing food, agricultural, risk management, financial, and industrial products and services around the globe. This acquisition gives Cargill entry into the salmon market and will make Cargill's animal nutrition business a leading player in the growing salmon feed industry, one of the most advanced and professionally managed segments in global aquaculture. The closing of the sale of shares is subject to customary regulatory requirements and approvals and is expecting to take place before year end.

The parties have agreed in the share purchase agreement that the NOK 1,040,000,000 Senior Subordinated Floating Rate Notes due 2021 issued by EWOS Group AS are redeemed in full shortly after the closing of the Acquisition in accordance with the indenture governing the Senior Subordinated Notes. Cargill has also communicated its intention to redeem shortly after the closing of the acquisition the EUR 225,000,000 6.75% Senior Secured Notes due 2020 and the NOK 1,810,000,000 Senior Secured Floating Rate Notes due 2020 issued by EWOS Holding AS in accordance with the indenture governing the Senior Secured Notes. In the event that Cargill does not redeem the Senior Secured Notes, the issuer would pursuant to the indentures be required to offer all holders of the Senior Secured Notes to repurchase the notes at a purchase price equal to 101% of their principal amount, plus accrued and unpaid interest.

Gain or loss on redemption of the Senior Subordinated and Secured Notes will be recognised in the income statement. The gain or loss will be impacted by the settlement amounts payable to holders of the notes at redemption. The settlement amounts are still uncertain as they are dependent on circumstances such as current interest and currency exchange rates and potential equity injections.

In addition the transaction fees incurred at inception of the notes in 2013 will be fully amortised due to the redemption of the notes and will be charged to profit and loss as part of the gain or loss on redemption. As of June 30, 2015 remaining capitalised transaction fees amounted to NOK 28.2 million in EWOS Group AS and NOK 194.5 million in EWOS Holding AS.

Interest rate swaps and interest rate caps entered into to reduce the interest rate risk of the Notes may be terminated as a consequence of the redemption of the Notes. Fair value of these derivatives recognised in the Statement of Financial Position as of June 30, 2015 was a net liability of NOK 6.4 million.

The super senior revolving credit facility will be cancelled as a consequence of change in control which is a mandatory repayment event according to the credit facility agreement. As of June 30, 2015 no funds have been drawn on the revolving credit facility.

Cargill is committed to facilitate the refinancing of the Group and the change in control is not expected to have any adverse effect on the liquidity of the Group.

Prior to completion of the sale of shares, the long term loan owed by Albain Finco S.À R.L. to EWOS Holding AS and the long term loan owed by Nova Austral S.A to EWOS Chile is being sold to Albain Holdco Norway AS. As of June 30, 2015 the loan to Albain Finco S.À R.L. and Nova Austral S.A amounted to NOK 216.0 million and NOK 304.4 million respectively, including accrued interest.

RESPONSIBILITY STATEMENT

We confirm that, to the best of our knowledge, the condensed financial statements for the first half of 2015 which have been prepared in accordance with IAS 34 Interim Financial Reporting give a true and fair view of the Group's consolidated assets, liabilities, financial position and results of operations, and that the interim report includes a fair review of the information under the Norwegian Securities Trading Act section 5–6 fourth paragraph.

August 26, 2015

Hugo Lund Maurstad
Chairman of the Board
(*sign.*)

Stuart J. A. Gent
Director
(*sign.*)

Edward John Han
Director
(*sign.*)

Klas Erik Johansson
Director
(*sign.*)

Yngve Myhre
Director
(*sign.*)

Dwight Mac Vicar Poler
Director
(*sign.*)

Eivind Kristofer Reiten
Director
(*sign.*)

Dean Zuzic
Director
(*sign.*)

Einar Wathne
Chief Executive Officer
(*sign.*)

Published by EWOS Group AS
N- 5803 Bergen, Norway
Phone: +47 55 69 70 00

Contacts:

Christina Hæraas
Communication Advisor
Email: Christina.haraas@ewos.com

Brent Baumbusch
CFO EWOS Group
Tel: +47 55 69 70 00

www.ewos.com
www.reporting.ewos.com