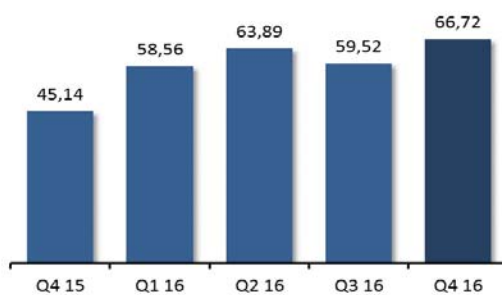


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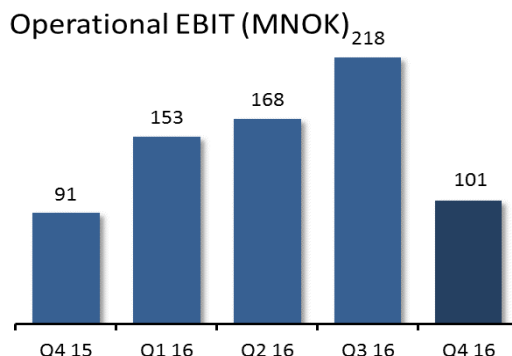
Q4-16



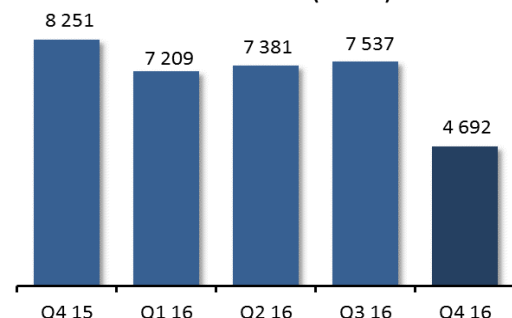
Salmon Price (NASDAQ) (NOK/kg)



Operational EBIT (MNOK)



Harvested volume (HOG)



HIGHLIGHTS Q4 2016

- Operational EBIT of NOK 101 million
 - Operational EBIT before contracts per kg of NOK 35.65 in Region North
 - Operational EBIT before contracts per kg of NOK 31.26 in Region South
 - Return on average capital employed for the last four quarters is 49.6 per cent
- Harvested volume decreased with 43 per cent and sold volume with 14 per cent compared with the corresponding period last year
- Record high result before tax and fair value adjustments of NOK 280 million
- Net profit 2016 of NOK 1 billion, which gave NOK 19.87 in earnings per share before fair value adjustments
- Good fish health and sea lice situation for NRS
- Strong salmon market driven by good demand and low supply growth
 - High salmon price in the quarter
 - Expect low long-term global supply growth, which continue to provide good price expectations
 - Signed fixed-price contracts of 8 100 tonnes for 2017
- The Board proposes a dividend of NOK 9.50 per share

NORWAY ROYAL SALMON - KEY FIGURES (NOK '000)	Q4 2016	Q4 2015	FY 2016	FY 2015
Operating revenues	1 183 735	990 338	4 224 340	3 210 548
Operational EBITDA	117 169	105 778	701 676	255 591
Operational EBIT	100 870	90 850	640 613	201 894
Income from associates	10 733	12 515	71 865	22 754
EBIT	342 823	168 522	876 628	249 065
EBT	494 699	214 391	1 172 421	270 081
EPS (NOK) – before fair value adjustments	6,05	3,22	19,87	4,99
ROCE ¹⁾			49,6 %	15,4 %
Net cash flow from operating activities	43 050	132 766	628 302	340 196
Investments in tangible fixed assets/licences	67 208	51 541	121 423	212 750
Net interest-bearing debt			282 160	498 541
Equity ratio			55,1 %	41,3 %
Volume harvested (HOG)	4 692	8 251	26 819	27 903
Operational EBIT per kg ²⁾	26,83	12,63	27,06	9,64
Volume sold - Sales	17 711	20 558	66 808	69 971

1) ROCE: Return on average capital employed based on 4-quarters rolling EBIT

aligned for fair value adjustments / average (NIBD + Equity - Financial assets)

2) Operational EBIT for segments before non-recurring items incl margin from sales

FINANCIAL PERFORMANCE

(Figures in brackets = 2015, unless otherwise specified)

Revenues and results

Norway Royal Salmon posted operating revenues of NOK 1 183.7 million (NOK 990.3 million) in the fourth quarter of 2016, an increase of 19.5 per cent from the corresponding prior-year period. The Group achieved an operational EBIT of NOK 100.9 million (NOK 90.9 million), an increase of NOK 10.0 million. The increase in revenues and operational EBIT is due to higher prices. The Group recognised positive fair value adjustments of NOK 231.2 million (NOK 65.2 million), an increase of NOK 166.1 million because of higher biomass and higher forward prices. In connection with the verdict against Nord Senja Laks AS, operational EBIT has been reduced with a non-recurring item of NOK 1.1 million. The non-recurring item has not been allocated to the segments. Due to the significant increase in the company's share price in the quarter, unallocated costs have increased by NOK 15.7 million in share options costs.

The farming business harvested 4 692 tonnes (8 251 tonnes) gutted weight in the quarter, a decrease of 43 per cent from the corresponding quarter last year. Harvested volume is 192 tonnes higher than estimated by the end of the third quarter due to better than expected production in the quarter. Including allocated margins from sales, Farming achieved an operational EBIT per kg of NOK 26.83 (NOK 12.63). The increase is due to higher prices. The Sales business sold 17 711 tonnes (20 568 tonnes), a decrease of 14 per cent.

Financial items and share of profit from associates

Result from associates totalled NOK 10.7 million (NOK 12.5 million) in the fourth quarter. NRS' share of fair value adjustments of the biomass after tax amounted to NOK 8.8 million (NOK 4.7 million). Associated farming companies harvested 3 077 tonnes, 544 tonnes less than last year. NRS share of the above figure amounts to 1 076 tonnes, a decrease of 234 tonnes.

A gain of NOK 154.9 million (NOK 50.3 million) on TRS agreements on own shares was posted in the quarter. Net interest expenses for the period were NOK 2.6 million (NOK 4.1 million), a decrease of NOK 1.5 million because of lower interest bearing debt in the period.

Balance sheet

At the end of the reporting period, total assets amounted to NOK 3 713 million, an increase of NOK 503 million from the prior quarter end. The change in total assets is attributable to several factors. Fair value adjustments of the biomass increased by NOK 186.7 million, while inventories and biomass at cost increased by NOK 211.2 million. The net increase in inventories and biological assets was NOK 398.0 million. Financial assets increased with NOK 308.3 million, mainly as a result of the investment in Arctic Fish. The Group's receivables increased by NOK 50.0 million, while bank deposits decreased by NOK 304.2

The Group's net interest-bearing debt increased by NOK 295.3 million, from NOK 13.1 million as net bank deposit at the end of the previous quarter to NOK 282.2 at 31 December 2016. The increase was mainly attributable to an increased working capital of NOK 75.6 million, the investment in Arctic Fish of NOK 269.5 and investments in fixed assets of NOK 67.2 million. An operational EBITDA of NOK 117.2 million, received cash settlements from forward contracts on Fish Pool of NOK 10.3 million had the opposite effect on the net interest-bearing debt. At the end of the quarter, the Group had an unused long-term credit facility of NOK 350 million and NOK 306 million in unused overdraft. The Group has restricted bank deposits of NOK 68 million.

As of 31 December, the Group's equity totalled NOK 2 047 million, an increase of NOK 442 million from the end of the previous quarter. The increase is mainly attributable to a total comprehensive income of NOK 426.1 million. At the end of the quarter, the equity ratio was 55.1 per cent.

Statement of cash flow

The Group's operating activities generated a positive cash flow of NOK 43.1 million during the quarter, which represents a decrease of NOK 89.7 million compared with the corresponding prior-year quarter. The positive cash flow is attributable to an operational EBITDA of NOK 117.2 million, an increase in accounts payables of NOK 76.2 million, a decrease in accounts receivables of NOK 40.8 million, a decrease in other receivables of NOK 30.8 million and a positive cash settlement on forward contracts of NOK 10.3 million. An increase in inventories at cost of NOK 211.2 million and a reduction in other short-term liabilities of NOK 12.3 million had an adverse effect on the cash flow.

Net cash outflows related to investing activities in the fourth quarter amounted to NOK 335.7 million (NOK 67.9 million), and is related to the payment of NOK 269.5 million for the investment in Arctic Fish and the payments of NOK 67.2 million for investments in fixed assets.

The net cash outflows from financing activities totalled NOK 11.5 million (inflow of NOK 21.7 million) in the fourth quarter. Interests paid and instalments amounted to NOK 2.6 million and NOK 12.1 million respectively. Leasing liabilities rose by NOK 41.9 million and the bank overdraft facility decreased by NOK 38.7 million.

SEGMENT INFORMATION

The Group is organised into two business areas; Farming and Sales. The performance of the two business areas is monitored with the overall objective of maximising Operational EBIT per kg and margins.

The Farming business is divided into two geographical segments; Region North and Region South. Norway Royal Salmon monitors overall value creation from operations based on the salmon's source of origin. Consequently, external reporting focuses on measuring the overall profitability of the harvested volume based on source of origin (Operational EBIT/kg). For this reason, the contribution from the sales operations is allocated to Region North and Region South based on the volume harvested in the respective segments.

The Group owns 35 licences to produce farmed salmon, divided between 29 licences in Region North, located in Troms and western Finnmark, and 6 licences in Region South, located in the area around Haugesund.

The business posted sales revenues of NOK 1 182.3 million in the fourth quarter (NOK 993.3 million), an increase of 19 per cent. The spot price (NASDAQ) for superior quality during the quarter was NOK 66.72 per kg gutted weight, an increase of 12 per cent from the third quarter of 2016 and an increase of 48 per cent compared with the fourth quarter of 2015. The sales operations experienced a reduction in sales volumes of 14 per cent compared with the corresponding prior-year period. 17 711 tonnes (20 558 tonnes) were sold in the fourth quarter. The Sales business achieved an operational EBIT before open fixed-price contracts of NOK 14.6 million (NOK 7.5 million), which equates to NOK 0.82 (NOK 0.36) per kg sold volume in the period. The loss on open fixed-price contracts was NOK 32.2 million (NOK 0.0) in the quarter.



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The Farming operations harvested 4 692 tonnes (8 251 tonnes) gutted weight in the fourth quarter, a decrease of 43 per cent from the corresponding period last year. The estimated harvest volume for 2017 is 34 000 tonnes gutted weight. 10.1 million smolts were released in 2016, of which 2.7 million were sterile smolts.

REGION NORTH

Operational EBIT came in at NOK 75.2 million (NOK 98.9 million), a decrease of NOK 23.8 million compared with the same quarter last year. Operational EBIT (ex. contracts) per kg amounted to NOK 35.65 (NOK 14.54). Loss on fixed-price contracts of NOK 6.87 per kg contributed to an operational EBIT per kg of NOK 28.77 (NOK 14.54).

2 612 tonnes (6 806 tonnes) were harvested in the region in the fourth quarter, a decrease of 61.6 per cent. The achieved price for the Farming operations was NOK 22.17 per kg higher than in the corresponding period last year. Good quality and high average weight of harvested fish have contributed positively to the price achievement, while the timing of the harvest volume contributed negatively.

Production costs for harvested fish was NOK 2.74 higher than in the third quarter of 2016 and NOK 3.27 higher than in the corresponding period last year. The reason for the increase in production costs is the start-up of harvesting fish from the 2015-generation. Region North achieved expected growth in the quarter. The fish health and sea lice situation is good in the region.

The estimated harvest volume for 2017 is 27 300 tonnes gutted weight.

KEY FIGURES (NOK '000)	Q4 2016	Q4 2015	FY 2016	FY 2015
Operating revenues	658 186	819 733	3 279 605	2 607 395
Operational EBITDA	88 496	110 838	683 531	286 009
Operational EBIT	75 163	98 948	634 401	244 110
Investment in tangible and intangible assets	66 314	50 491	116 276	203 339
Volume harvested (tonnes)	2 612	6 806	21 667	22 971
Operational EBIT per kg (ex contracts)	35,65	14,54	32,08	10,63
Loss on open fixed price contracts	-6,87	0,00	-2,80	0,00
Operational EBIT per kg	28,77	14,54	29,28	10,63

REGION SOUTH

Operational EBIT came in at NOK 50.7 million (NOK 5.2 million), an increase of NOK 45.5 million. Operational EBIT (ex. contracts) per kg amounted to NOK 31.26 (NOK 3.63). Loss on fixed-price contracts of NOK 6.87 per kg contributed to an operational EBIT per kg of NOK 24.39 (NOK 3.63).

2 080 tonnes (1 445 tonnes) were harvested in the region in the fourth quarter, an increase of 44.0 per cent from the corresponding prior-year period. The Farming operations achieved a price of NOK 20.82 per kg higher than in the corresponding prior-year period. The quality of the harvested fish has been good.

The production costs for harvested fish is NOK 1.25 per kg higher than in the third quarter of 2016 and NOK 4.60 lower than in the corresponding period last year. Region South had good

production and achieved higher than expected growth in the quarter. The fish health and sea lice situation is satisfactory in the region.

Estimated harvest volume for 2017 is 6 700 tonnes gutted weight.

KEY FIGURES (NOK '000)	Q4 2016	Q4 2015	FY 2016	FY 2015
Operating revenues	524 083	173 903	939 925	568 585
Operational EBITDA	53 694	8 280	103 291	36 655
Operational EBIT	50 729	5 242	91 358	24 933
Investment in tangible	2 754	45	5 144	7 909
Volume harvested (tonnes)	2 080	1 445	5 151	4 932
Operational EBIT per kg (ex contracts)	31,26	3,63	21,86	5,05
Loss on open fixed price contracts	-6,87	0,00	-4,13	0,00
Operational EBIT per kg	24,39	3,63	17,74	5,05

SHARES

As of 31 December 2016, Norway Royal Salmon ASA had 43 572 191 shares, allocated among 1 944 shareholders, an increase of 301 from the end of the previous quarter. At the end of the quarter, the group had 98 279 treasury shares. The share price increased from NOK 141.00 at the end of September 2016 to NOK 207.00 at the end of December 2016. 4 860 635 shares were traded during the quarter.

EVENTS IN OR SUBSEQUENT TO THE QUARTER

Contractual rights and TRS agreements for own shares

Norway Royal Salmon has an TRS (Total Return Swap) agreement. Including this agreement Norway Royal Salmon owns or has a contractual right to 2 452 970 shares, which equates 5.63 per cent of the company's share capital.

Sickness absence

At 4.7 per cent, the Group's sickness absence rate increased by 2.1 per cent from the previous quarter. The long-term absenteeism represents a substantial part of the absence.

Supreme court verdict in the appeal case against Nord Senja Laks AS

The Norwegian Supreme Court passed a sentence on December 9. 2016 in the criminal case against Nord Senja Laks AS. Nord Senja Laks AS is a wholly owned subsidiary of Norway Royal Salmon ASA. The summary of the verdict is the following:

- Nord Senja Laks AS is sentenced to pay a fine of NOK 6.0 million.
- Nord Senja Laks AS is not sentenced to loss of rights.

Consequently, the verdict has no effect on the licenses held by Nord Senja Laks AS and future operations.

Two sites approved in Troms

The farming operations in Troms have received approval for two new sites in Karlsøy municipality in Troms with MAB of 5 470 tonnes and 3 600 tonnes. With the new sites, the NRS's operations in Troms will have a new operational area, which improve the opportunities for generation separation and further growth in Troms.

NRS establishes wholly owned hatcheries company

NRS has purchased land in Karlsøy, Troms where a new hatchery will be built. The company has applied for permission to produce 10 million smolts in a RAS (recirculating aquaculture system) plant. NRS has established the company NRS Settefisk AS that will run the production. This is NRS's first wholly owned hatchery. The project is important for NRS and will provide the company with predictable planning and control of smolts. The construction is planned to start in 1.5 to 2 years, when all necessary approvals are in place.

Acquisition of 50 per cent of Arctic Fish ehf on Island

On the 23th August 2016, Norway Royal Salmon entered into an agreement to acquire 50 per cent of Arctic Fish ehf. through a directed private placement in the amount of EUR 29 million. The transaction was financed through existing cash and loan facilities. The remaining 50 per cent ownership in Arctic Fish is owned by Bremesco Holding Ltd and Novo ehf, with 47.5 per cent and 2.5 per cent respectively.

The Board of Arctic Fish consist of two directors elected by Norway Royal Salmon ASA and two chosen by Bremesco Holding. In addition, the parties have appointed an independent Chair of the Board so that the Board consists of five members. The investment in Arctic Fish is considered to be an associated company accounted for by the equity method. The transaction was recognised in the accounts at 3. October 2016, when all the necessary approvals associated with the transaction were met.

Through the transaction, NRS enters the salmon farming industry on Iceland. NRS considers Iceland to be an exciting area with great growth potential, and will, through the transaction, take an active role in the development and consolidation of the industry. Through the transaction, Arctic Fish will be able to capitalize on NRS' competence in salmon farming and sales. The goal is to build the leading fish farming company on Iceland.

Since the establishment of Arctic Fish in 2011, the company has positioned itself as one of the leading fish farming companies on Iceland. Arctic Fish's operations are concentrated in the Westfjords, which is a very attractive area for farming, with many similar characteristics to Finnmark. Arctic Fish currently has licenses for a total allowed annual production of 9 000 tonnes fish. Arctic Fish is currently building its own hatchery for smolt. Following completion, the hatchery will have an annual capacity of around 7 million smolt. The hatchery is strategically located in near proximity to the farm sites of Arctic Fish.

MARKET CONDITIONS

The total value of salmon exported from Norway in the fourth quarter was NOK 17.9 billion. This is the highest export value in a quarter ever. The increase of 3.9 billion from the fourth quarter of 2015 represents an increase of 28 per cent. Exported volumes from Norway was 6 per cent lower than last year, which means the increase in value was due to significantly higher prices. Spot price (NASDAQ) in the fourth quarter of 2016 was NOK 66.72 per kg superior quality salmon (delivered Oslo). This is the highest spot price recorded in a quarter in the past 20 years. In the same period last year, the spot price was NOK 45.14. The strong price growth is largely driven by higher prices in local currency. The Norwegian krone was slightly stronger in the fourth quarter of 2016 compared with 2015. In EUR, the prices of

Norwegian salmon increased by 53 per cent from EUR 4.83 per kg in the fourth quarter last year to EUR 7.38 per kg in the fourth quarter this year. Lower volume combined with good underlying market development for Norwegian salmon in most markets has contributed greatly to the high prices of salmon in the fourth quarter.

Although import of Norwegian salmon decreased by 7.8 per cent in the quarter, the demand from EU has been good. The reduction in volume from Norway to the EU is slightly bigger than the general decline in volume from Norway and some markets purchase less volume than before. At the same time, most markets used significantly more money on salmon in the fourth quarter of 2016 compared to the same quarter last year. This indicates a good underlying demand. The price level has had varying effects on the different markets throughout the quarter. Poland had the most positive development with a growth of 1 per cent. Denmark, Belgium and Greece was among the markets that increased their import volumes in the quarter. France, Spain, Sweden and Lithuania fell somewhat due to the high price level. In the fourth quarter Poland was the biggest importer with a market share of 16 per cent, followed by France with 13 per cent.

Eastern Europe has had a clear decline in imports of Norwegian salmon in the recent quarters and compared to last year the volumes fell by 17 per cent in the fourth quarter. The main reason for the reduction is lower exports to Belarus and Turkey. The other countries in Eastern Europe had in the fourth quarter stable to some growth. After many years of declining volumes to Ukraine, the volumes stabilised in the fourth quarter. This is the first time since 2012 that the volumes to Ukraine do not show a significant decline. The import levels of Ukraine in the fourth quarter is still only 26 per cent of the level in the peak year of 2012. Eastern Europe has a market share of Norwegian salmon at 2.5 per cent in the fourth quarter.

Demand for Norwegian Salmon in Asia has had a good development for a long time, and the import in Asia increased by 2 per cent in the fourth quarter. It was particularly the strong development in South-East Asia at 8.4 per cent which contributed to the growth in the fourth quarter. Countries that developed favourably were Thailand, Vietnam, Malaysia and Indonesia. Trade problems with China has continued in the fourth quarter. On December 19. 2016, China and Norway agreed on a normalization of diplomatic relations and will resume the negotiations on a free trade agreement. This is very positive as the long-term potential in this area is very good. Increased volumes and high prices shows the strong demand for salmon in the region. Asia has a market share of Norwegian salmon at 15 per cent.

Demand for salmon in North America continues the positive trend. Imports of Norwegian salmon increased by 4 per cent compared to the same period last year, driven by strong demand for Norwegian salmon in the US and Canada. North America represents 5 per cent of Norwegian salmon exports.

The NRS' Sales operations had good profitability in the quarter and significantly better than the fourth quarter last year. A good price achievement and better margins contributed positively to the profitability of the sales operations. 64 per cent of the harvested fish were sold in the spot market in the fourth quarter, while 36 per cent were sold at fixed prices. The fixed price contracts resulted in a loss of NOK 32.2 million compared to the level of spot prices. Total sales volumes were, as expected, 14 per cent lower than the fourth quarter last year. There were large differences between the different markets. The export to Eastern Europe continues to fall and fell by 36 per cent in the fourth quarter, while the export to Western Europe fell by 12 per cent. The volumes to Asia and Norway increased in the fourth quarter. In the fourth quarter, Western Europe accounted for 75 per cent of the export volumes, Asia 18 per cent, Eastern Europe 7 per cent and the USA accounted for 1 per cent. Domestic volume amounts to 11 per cent of the total sold volume.

OUTLOOK

Harvested volume for the quarter was 4 692 tonnes, because of better than expected production, this was 192 tonnes more than estimated at the end of the last quarter. The estimated volume for 2017 is 34 000 tonnes, an increase of 27 per cent from 2016. The farming operations has hedged prices for 8 112 tonnes for 2017 to a Nasdaq-equivalent price of above NOK 69.00 per kg.

In the fourth quarter, the supply of salmon to the global market was 11 per cent lower than the year before. Export volumes from Norway were 7 per cent lower than last year, while the reduction from Chile was 24 per cent. Lower volumes and good underlying demand contributed to the price of salmon increase of 53 % in EUR in the fourth quarter compared with the corresponding period last year. For 2016, the global volumes were 7 per cent lower than in 2015, volumes from Norway were 5 per lower and 16 per cent lower from Chile.

We expect that the global decline in volume to continue through the first quarter of 2017. In the first quarter a reduction between 7 and 11 per cent is expected globally. In the next 3 quarters a global growth between 4 and 8 per cent is expected. For the whole of 2017 we expect an increase to the world markets between 1 and 3 per cent. A continued low supply growth and good work in the markets provides the basis for a positive market outlook for the industry.

NRS was awarded 10 licenses in 2014. This increases the production capacity with approximately 40 per cent and gives the possibility for a more sustainable production. The company has a strong focus on exploiting the growth potential. Overall smolt releases for 2016 were 10.1 million smolts, of which 2.7 million were sterile smolts. Given the positive market outlook in the coming years, with low supply growth, NRS expects that the new licenses will contribute positively to the Group's results. NRS is satisfied that the farming operations primarily are located in Troms and Finnmark, where there are good conditions for the production of salmon at low production costs.

Trondheim, 13 February 2017

Helge Gåsø
Chair

Kristine Landmark
Vice Chair

Marianne E. Johnsen

Inge Kristoffersen

Lars Måsøval

Trude Olafsen

Charles Høstlund
CEO



INTERIM REPORT

Q4 2016

INTERIM REPORT

INCOME STATEMENT

(NOK '000)	Q4 2016	Q4 2015	FY 2016	FY 2015
Operating revenues	1 183 735	990 338	4 224 340	3 210 548
Cost of goods sold	972 427	823 296	3 230 927	2 707 071
Salaries	49 553	34 910	155 468	113 268
Depreciation	16 298	14 928	61 063	53 697
Other operating costs	44 585	26 355	136 269	134 618
Operational EBIT	100 870	90 850	640 613	201 894
Fair value adjustments	231 220	65 157	164 151	24 416
Income from associates	10 733	12 515	71 865	22 754
EBIT	342 823	168 522	876 628	249 065
Gain/loss on financial assets	155 070	50 252	311 650	45 200
Other net financial items	-3 194	-4 382	-15 857	-24 184
EBT	494 699	214 391	1 172 421	270 081
Tax	-52 692	-18 853	-167 707	-32 498
Net profit/loss	442 006	195 538	1 004 713	237 582
Profit attributable to:				
Parent company shareholders	438 122	184 806	988 007	229 633
Minority interests	3 884	10 732	16 706	7 950
Earnings per share (NOK)	10,08	4,25	22,72	5,28
Earnings per share - diluted	10,08	4,25	22,72	5,28

EXTENDED INCOME STATEMENT

(NOK '000)	Q4 2016	Q4 2015	FY 2016	FY 2015
Net profit/loss	442 006	195 538	1 004 713	237 582
Items to be reclassified to profit or loss:				
Translation differences and OCI posts from associated companies	12 896	0	21 429	0
Cash Flow hedges (net)	-27 414	5 219	21 429	-362
Items not to be reclassified to profit or loss:				
Actuarial gains on defined benefit plans (net)	-1 361	4 749	-1 361	4 749
Total comprehensive income	426 128	205 506	1 046 211	241 970
Total comprehensive income attributable to:				
Parent company shareholders	422 244	194 774	1 029 505	234 020
Minority interests	3 884	10 732	16 706	7 950

BALANCE SHEET

(NOK '000)	31.12.2016	30.09.2016	31.12.2015
Intangible assets	648 887	648 887	648 887
Property, plant and equipment	417 496	366 589	357 948
Non-current financial assets	547 898	239 647	190 385
Non-current assets	1 614 281	1 255 122	1 197 221
Inventory and biological assets	1 307 035	909 078	870 559
Receivables	722 810	672 785	601 126
Bank deposits, cash	69 257	373 419	201 339
Current assets	2 099 101	1 955 282	1 673 024
TOTAL ASSETS	3 713 382	3 210 405	2 870 245
Share capital	43 473	43 474	43 502
Other equity	1 970 509	1 531 949	1 070 287
Non-controlling interests	33 034	29 151	72 730
Equity	2 047 017	1 604 574	1 186 519
Pensions	11 383	12 480	12 480
Deferred tax	394 786	431 387	303 485
Provisions	406 169	443 867	315 965
Long-term interest-bearing debt	303 781	277 616	653 361
Short-term interest-bearing debt	47 635	82 681	46 519
Trade payables	646 515	570 282	530 430
Tax payable	79 350	5 764	3 180
Other current liabilities	182 916	225 621	134 271
Current liabilities	956 416	884 348	714 400
TOTAL EQUITY AND LIABILITIES	3 713 382	3 210 405	2 870 245



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STATEMENT OF EQUITY

31.12.2016	<u>Equity allocated to parent company shareholders</u>				Non-controlling interests	Total equity
	Share capital	Treasury shares	Retained earnings	Total		
(NOK '000)						
Equity at 01.01.2016	43 572	-71	1 070 288	1 113 791	72 731	1 186 519
Total comprehensive income	0	0	1 020 972	1 020 972	16 706	1 037 678
Transactions with shareholders						
Dividend	0	0	-111 773	-111 773	0	-111 773
Share based payment	0	0	-10 702	-10 702	0	-10 702
Purchase/sale of treasury shares	0	-27	-1 540	-1 567	0	-1 567
Purchase minority interest	0	0	-13 598	-13 598	-56 402	-70 000
Other changes associated companies	0	0	16 862	16 862	0	16 862
Total transactions with shareholders	0	-27	-120 752	-120 779	-56 402	-177 181
Equity at 31.12.2016	43 572	-98	1 970 509	2 013 984	33 035	2 047 017

31.12.2015	<u>Equity allocated to parent company shareholders</u>				Non-controlling interests	Total equity
	Share capital	Treasury shares	Retained earnings	Total		
(NOK '000)						
Equity at 01.01.2015	43 572	-34	905 587	949 126	64 781	1 013 907
Total comprehensive income	0	0	234 020	234 020	7 950	241 970
Transactions with shareholders						
Dividend	0	0	-65 353	-65 353	0	-65 353
Share based payment	0	0	-1 249	-1 249	0	-1 249
Purchase/sale of treasury shares	0	-37	-2 552	-2 589	0	-2 589
Other changes associated companies	0	0	-165	-165	0	-165
Total transactions with shareholders	0	-37	-69 319	-69 356	0	-69 356
Equity at 31.12.2015	43 572	-71	1 070 287	1 113 791	72 731	1 186 519



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STATEMENT OF CASH FLOW

(NOK '000)	Q4 2016	Q4 2015	FY 2016	FY 2015
Operational EBIT	100 870	90 850	640 613	201 894
Adjusted for:				
Tax paid	-3 180	0	-3 180	-2 031
Depreciation	16 298	14 928	61 063	53 697
Gains (-)/ losses (+) on disposal of non-current assets	-10	-2	0	-1
Share based payment	189	430	-10 703	-1 249
Pension costs with no cash effect	-2 887	78	-2 887	78
Change in inventory / biomass	-211 202	-12 477	-242 359	-24 423
Change in debtors and creditors	117 058	-24 282	138 560	25 101
Change in other current assets and other liabilities	25 913	63 241	47 195	87 130
Net cash flow from operating activities	43 050	132 766	628 302	340 196
Cash flow from investing activities				
Proceeds from sale of property, plant and equipment	13	90	813	157
Payments for purchase of PPE and licenses	-67 208	-51 541	-121 423	-212 750
Proceeds from investments in non-current financial assets	0	5 555	173 787	127 999
Payments for investments in non-current financial assets	0	-2 000	0	-4 641
Payments for acquisition of minority interest in subsidiary	0	0	-70 000	0
Change in loans to associates and others	1 000	-20 000	4 000	-18 200
Net cash flow from investing activities	-335 682	-67 896	-282 311	-107 435
Cash flow from financing activities				
Receipts from new long-term debt	41 904	43 107	52 212	185 259
Long-term debt repayments	-12 064	-12 808	-400 674	-43 681
Net change in overdraft	-38 720	-3 799	0	-142 576
Sale and purchase of treasury shares	0	0	-1 567	-2 589
Interest paid	-2 649	-4 834	-16 270	-23 976
Dividend payment	0	0	-111 773	-65 353
Net cash flow from financing activities	-11 530	21 666	-478 073	-92 916
Net increase (+)/ decrease (-) in cash & cash equivalents	-304 162	86 535	-132 082	139 845
Cash and cash equivalents - opening balance	373 419	114 804	201 339	61 494
Cash and cash equivalents - closing balance	69 257	201 339	69 257	201 339

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: Accounting principles

These condensed, consolidated interim financial statements have been drawn up in accordance with International Financial Reporting Standards (IFRSs) and such interpretations as are determined by the EU and published by the International Accounting Standards Board, including the interim reporting standard (IAS 34). The interim financial statements do not include all the information required of an annual financial report and must therefore be read in conjunction with the consolidated financial statements for the 2015 financial year.

The condensed consolidated interim financial statements have not been audited. 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 2015 are available upon request from the company's head office at Ferjemannsveien 10, Trondheim or at www.norwayroyalsalmon.com.

The Group's accounting principles in this interim report are the same as described in the annual financial report for 2015.



NOTE 2: Segment information

The Group's business areas are divided into the Sales and Fish farming. The Sales segment includes the purchase and sale of salmon. The fish farming business includes salmon farming and harvesting activities. The fish farming business is divided into two regions: Region North, which consists of the fish farming business in Troms and West Finnmark; and Region South, which consists of the fish farming business in the area around Hugesund. Transactions between the segments are made at market terms. Group management reviews monthly reports in connection with the segments. Performance is evaluated based on operating results (EBIT) per segment.

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 3: Biomass

In accordance with IAS 41, the biomass is recognised at fair value. Adjustments to the fair value of the biomass are presented on a separate line in the income statement. The technical model for calculating fair value has been changed from a growth model to a net present value model. Present value is calculated for the biomass at each site/project by estimating the future sales value less the remaining production costs discounted to present value at the balance sheet date. Market prices, based on externally quoted forward prices from Fish Pool for the period when the fish are expected to be harvested, are used when calculating fair value. Sales prices are adjusted for sales costs, harvesting costs and costs of transportation to Oslo. The estimated size and quality distribution of the fish are also considered when estimating the value. Price is set per site.

Book value of inventory:

(NOK '000)	31.12.2016	30.09.2016	31.12.2015
Raw materials	35 512	33 859	27 034
Biological assets (biomass)	1 205 399	861 935	829 928
Finished goods	66 123	13 285	13 596
Total inventory	1 307 035	909 078	870 559

Specification of the biomass:

(NOK '000)	31.12.2016	30.09.2016	31.12.2015
Biomass at cost	813 888	657 179	632 534
Fair value adjustments of the biomass	391 511	204 756	197 394
Book value of the biomass	1 205 399	861 935	829 928

Specification of biological assets - tonnes	Q4 2016	Q4 2015	FY 2016	FY 2015
Opening balance biological assets	17 584	22 318	22 407	23 537
Increase due fish put in the sea	210	290	1 298	865
Increase due to production in the period	11 290	10 045	33 714	33 614
Reduction due to mortality in the period	-438	-410	-2 269	-1 637
Reduction due to harvesting in the period	-5 586	-9 834	-31 955	-33 258
Non-recurring items and sold biomass	0	0	-135	-714
Closing balance biological assets	23 060	22 407	23 060	22 407

Specification of changes in book value of biological assets:

(NOK '000)	Q4 2016	Q4 2015	FY 2016	FY 2015
Biological assets as of 1 January	861 935	757 115	829 928	808 674
Increase due to production in the period	310 258	250 663	967 416	853 256
Extraordinary event at cost	0	0	-19 158	-25 000
Reduction due to harvesting in the period	-153 548	-230 582	-766 904	-804 194
Fair value adjustments of the biological assets	186 754	52 732	194 117	-2 808
Fair value adj. of the biological assets due to extraordinary event	0	0	0	0
Biological assets as of 31 December	1 205 399	829 928	1 205 399	829 928

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3: Biomass cont.

Groups of biological assets, status pr 31.12.2016	Number of fish (1000)	Biomass (tonnes)	Acquisition costs	Fair value adjustments	Accounted value
Smaller than 1 kg	7 098	4 575	255 803	109 784	365 587
1-4 kg	4 950	13 027	412 823	171 133	583 956
Larger than 4 kg	1 162	5 458	145 262	110 594	255 856
Biological assets	13 210	23 060	813 888	391 511	1 205 399

Groups of biological assets, status pr 30.09.2016	Number of fish (1000)	Biomass (tonnes)	Acquisition costs	Fair value adjustments	Accounted value
Smaller than 1 kg	7 029	3 532	212 687	0	212 687
1-4 kg	5 418	12 731	409 837	183 705	593 542
Larger than 4 kg	228	1 317	34 656	21 051	55 706
Biological assets	12 675	17 580	657 179	204 756	861 935

Groups of biological assets, status pr 31.12.2015	Number of fish (1000)	Biomass (tonnes)	Acquisition costs	Fair value adjustments	Accounted value
Smaller than 1 kg	5 172	2 376	143 001	0	143 001
1-4 kg	4 259	12 561	325 229	94 543	419 772
Larger than 4 kg	1 628	7 470	164 304	102 851	267 155
Biological assets	11 059	22 407	632 534	197 394	829 928

Fish Pool forward prices used in the calculation of the fair value of the biomass

31.12.2016	NOK/kg	30.09.2016	NOK/kg	31.12.2015	NOK/kg
Q1 17	74,00	Q4 16	63,75	Q1 16	51,80
Q2 17	71,80	Q1 17	63,40	Q2 16	47,50
Q3 17	64,70	Q2 17	63,58	Q3 16	44,10
Q4 17	64,50	Q3 17	55,32	Q4 16	44,60
Q1 + Q2 18	72,90	Q4 17	56,68	Q1 + Q2 17	49,65



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NOTES TO THE FINANCIAL STATEMENTS

NOTE 4: Extraordinary events

Extraordinary events	Q4 2016			Q4 2015		
	Cost	Fair value adjustments	Fair value	Cost	Fair value adjustments	Fair value
	0	0	0	0	0	0
Biological assets	0	0	0	0	0	0

Extraordinary events	FY 2016			FY 2015		
	Cost	Fair value adjustments	Fair value	Cost	Fair value adjustments	Fair value
Fish disease ISA, destruction required by the authorities	0	0	0	25 000	0	25 000
Destruction of fish with winter wounds Nor Seafood AS	11 186	0	11 186	0	0	0
Destruction of desmoltified fish NRS Finnmark AS	8 000	0	8 000	0	0	0
Biological assets	19 186	0	19 186	0	0	0

In addition, a fine of MNOK 6.3 to Nord Senja Laks was recognised as an extraordinary event in the Q3 2015.
In Q4 2016 was additional MNOK 1.1 recognised as an extraordinary event due to the final verdict against Nord Senja Laks AS.

NOTE 5: Fair value adjustments

Fair value adjustments which are a part of the Group's EBIT, is presented on a separate line in order to give a better understanding of the Group's operating profit from goods sold. The item consists of:

(NOK '000)	Q4 2016	Q4 2015	FY 2016	FY 2015
Change in fair value adjustments of the biomass	186 755	52 733	194 117	-2 808
Change in provision for onerous sales contracts	34 136	-25 417	-62 227	-22 241
Change in unrealised gains/losses on financial fish pool contracts	10 328	37 841	32 261	49 465
Total fair value adjustments	231 220	65 157	164 151	24 416

The fair value adjustments has the following effect in the balance sheet:

(NOK '000)	31.12.2016	30.09.2016	31.12.2015
Fair value adjustments biomass (inventory and biological assets)	391 511	204 756	197 394
Provision for onerous sales contracts (other current liabilities)	-89 994	-124 130	-27 767
Fair value of financial fish pool contracts (other receivables/other current liabilities)	94 547	84 219	62 286
Net fair value adjustments in the balance sheet	396 064	164 845	231 913

NOTE 6: Transactions with related parties

The Norway Royal Salmon Group undertakes transactions under ordinary terms and conditions with associates and fish farmers who are also NRS shareholders. This applies to the purchase of fish from fish-farming companies, as well as the purchase of harvesting services from two of the Group's associates. Smolts are also purchased from associated companies.

Wellboat services with a total value of KNOK 11 955 were purchased from enterprises controlled by the company's Chair Helge Gåsø in 2016. Services for TNOK 3 298 were purchased in Q4 2016. These services were priced at the market rate. In addition, has smolts from Nordland Akva AS, which is controlled by one of the largest shareholders of NRS, Egil Kristoffersen og Sønnen AS, been purchased for KNOK 16 396 in 2016. Smolts for TNOK 378 were purchased in Q4 2016.

Share-based incentive schemes

A new bonus programme based on synthetic options was introduced for the Group's management in 2014. The bonus programme gives entitlement to a cash bonus based on the NRS average share price over a period prior to respectively 29 March 2014 and 24 June 2014. Bonuses are calculated 12, 24 and 36 months after these dates, and the bonus programme includes an obligation to invest the net bonus after tax in Norway Royal Salmon ASA (NRS) shares at the market price on the relevant date. Shares purchased in accordance with the bonus programme will be subject to a 12-month lock-up period. All bonus payments are conditional on full-time employment in the company. The bonus is calculated based on the increase in value of the share in NRS from 29 March 2014 and 24 June 2014, and in relation to price increases during the period on the number of shares covered by the programme. After the execution of 150 000 options in Q3 2016, the scheme covers 370 000 shares allocated to the Group's management at the end of the year. In the fourth quarter of 2016 costs relating to the option scheme was recognised in the income statement in the amount of KNOK 15 764.

For further details of transactions with related parties, please see the description in the annual report.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7: Investments in associates

(NOK '000)	Shareholding	Book value 01.01.2016	Share of profit/loss in the period after tax	Other changes	Book value 31.12.2016	Share of volume harvested - tonnes HOG 31.12.2016*
Arctic Fish ehf.	50,00 %	0	-957	282 175	281 217	85
Wilsgård Fiskeoppdrett AS	37,50 %	64 733	52 949	16 862	134 544	1 943
Måsøval Fishfarm AS	36,10 %	16 731	617	-6 859	10 490	543
Hellesund Fiskeoppdrett AS	33,50 %	51 995	17 567	-2 529	67 033	633
Hardanger Fiskeforedling AS	31,10 %	8 542	1 361	0	9 903	
Espevær Laks AS	33,33 %	2 222	687	0	2 910	
Ranfjord Fiskeprodukter AS	37,75 %	20 689	1 125	0	21 814	
Skardalen Settefisk AS	30,00 %	5 032	-1 485	0	3 547	
Other		48	0	0	48	
Total associates 31.12.2016		169 992	71 865	289 649	531 504	3 204
Total associates 31.12.2015		150 155	22 756	-2 918	169 991	3 221

* The harvested volume comprises NRS's share of the harvested volume of associates

The Group's associates own a combined total of ten licences.

Some associates own shares in Norway Royal Salmon ASA. These are recognised at cost in the accounts of the companies. The fair value of the shares that the associated companies own is not included in the Group accounts.

Associates that own shares in NRS as of 31 December 2016:

	Shareholding	Number of shares	Cost	Fair value	Fair value adjustment	NRS' share of fair value adjustment
Måsøval Fishfarm AS	36,10 %	252 520	783	52 272	51 489	18 587
Hellesund Fiskeoppdrett AS	33,50 %	1 620 380	13 190	335 419	322 228	107 946
Total		1 872 900	13 973	387 690	373 717	126 534

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8 Investments in associated companies

On the 23th August 2016, Norway Royal Salmon entered into an agreement to acquire 50 per cent of Arctic Fish ehf. through a directed private placement in the amount of EUR 29 million. The transaction was financed through existing cash and loan facilities. The remaining 50 per cent ownership in Arctic Fish is owned by Bremesco Holding Ltd and Novo ehf, with 47.5 per cent and 2.5 per cent respectively.

The Board of Arctic Fish consists of two directors elected by Norway Royal Salmon ASA and two chosen by Bremesco Holding. In addition, the parties have appointed an independent Chair of the Board so that the Board consists of five members. None of the owners have through representation on the Board control and the company is considered to be an associated company accounted for by the equity method.

The transaction was recognised in the accounts at 3. October 2016, when Norway Royal Salmon ASA had the possibility to appoint the Board. The Board was formally registered on 24th October 2016.

Through the transaction, Norway Royal Salmon ASA is entering the salmon farming industry on Iceland. Norway Royal Salmon ASA considers Iceland to be an exciting area with great growth potential, and will, through the transaction, be able to take an active role in the development and consolidation of the industry.

Arctic Fish was founded in 2011 with fish farming in activities in the Westfjords.

Company	Currency	Acquisition date	Office	Shareholding	Voting share
Arctic Fish ehf	ISK	03.10.2016	Ísaafjörður	50 %	50 %

Book value (NOK '000)	Arctic Fish ehf
Book value 3. October 2016	269 487
Share of profit/loss in the period	-957
Translation differences	12 688
Book value 31.12.2016	281 217

Calculation of this year's share of profit/loss

	31.12.2016
Share of profit/loss	-957
Depreciation attributable added value	0
Depreciation goodwill	0
Share of profit/loss	-957
Depreciation rate attributable added value	0 %

Added value in the Arctic Fish ehf Group are linked to land property and fish farming licenses.

Approved farming licenses are considered an intangible asset. Applications for fish farming licenses are not considered an intangible asset as the asset are not controlled by the company before the licenses are approved.

Two types of licenses are required to run fish farming operations on Iceland: A production license issued by the Icelandic Food and Veterinary Authority (IFVA) and an operating license granted by the Environmental Agency of Iceland (EAI). An environmental survey must be completed before applying for the two licenses. The survey must be approved by Icelandic National Planning Agency.

Norway Royal Salmon ASA considers the fish farming licenses on Iceland as an intangible asset with an indefinite useful life that are not to be depreciated. Fish farming licenses are normally granted with a 10-year lifetime with a maximum average volume harvested per year. The license regulation on Iceland is new and under continuous development, it aims to ensure sustainable development. Arctic Fish ehf is therefore subject to the requirements, and the company is liable to penalties, sanctions or revocation of the licenses if the company fails to comply with the licensing requirements. The licensing requirements for the production licenses means that the company must, annually, report production volume for each site, location of the site, feeding, origin of the fish, diseases and other events affecting production or other conditions that the company sees relevant for the authorities to ensure its surveillance responsibilities to the Icelandic Food and Veterinary Authority (IFVA). A production diary shall always be available to the authorities.

The licensing requirements for an operating license means that the company is required to have established internal control related to environmental threats in the operations, such as pollution or emissions of chemicals. Information about the controls and possible incidents shall be recorded and be available for review by the Environmental Agency of Iceland (EAI).

The licenses require renewal after a certain period. On a general basis, has no assigned licenses on Iceland expired. The intention of the licensing regulation is that licenses will be renewed if there is not a specific reason to deny the extension. The licenses can therefore be renewed without significant costs to the company, as long as the company comply with the licenses requirements. Based on our understanding of the licensing regulations Norway Royal Salmon ASA has considered the licenses to have indefinite lives.



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NOTES TO THE FINANCIAL STATEMENTS

NOTE 8 Investments in associated companies cont.

Financial information converted to NOK for Arctic Fish ehf based on 100% numbers

(NOK '000)	Q4 201	31.12.2016	03.10.2016
Operating revenues	7 622	27 834	20 223
Cost of goods sold	-10 650	-28 974	-18 561
Operating costs	-3 851	-14 925	-11 061
Fair value adjustments	-2 559	-28 760	-25 770
Net interest costs	1 404	-2 357	-3 591
Other financial income	6 119	12 133	6 250
Tax	-	-	-
Loss from continued operations	-1 915	-35 049	-32 510
Total comprehensive income	-1 915	-35 049	-32 510
The group's share of the result (50 %)	-957	-957	
Non-current assets		209 233	187 380
Current assets excl. Cash		61 666	47 460
Cash		196 538	275 709
Total assets		467 437	510 548
Long-term liabilities		74 778	41 854
Short-term liabilities		26 612	112 129
Total liabilities		101 390	153 982
Reconciliation of equity against Norway Royal Salmon's share			
Equity in Arctic Fish Ehf (100 %)		366 046	356 566
Principle adjustment IFRS (100 %)		-12 331	-17 002
Total		353 715	339 563
The group's share of equity (50 %)		176 858	169 782
Value added connected to properties, licenses and goodwill		125 247	119 646
Deferred tax		-20 888	-19 941
Book value at 31.12.2016		281 217	269 487

Note 9 Treasury shares and TRS agreements

As at 31 December the company holds 98 279 treasury shares, corresponding to 0.23 % of the share capital of the company. Norway Royal Salmon ASA's total underlying exposures through TRS agreements is at 31 December 2 354 691 shares, representing 5.40 % of the share capital of the company. TRS agreements are recorded at fair value and changes in fair value are recognized as financial items in the income statement.

(NOK '000)	No. of shares	Exercise Price	Maturity	Market value 30.09.2016	Market value 31.12.2016	Change in market value Q4 2016
TRS	2 354 691	129,6229	15.03.2017	28 372	183 273	154 901
Sum				28 372	183 273	154 901

NOTE 10: Loans to credit institutions

The Group's main borrowing covenants is one requiring an equity ratio of at least 30 per cent and another requiring that the short-term credit facility shall not exceed 75 per cent of the carrying value of inventory and accounts receivables. At the end of the fourth quarter 2016 the Group is in compliance with the terms of its loan agreements.



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NOTES TO THE FINANCIAL STATEMENTS

NOTE 11: Alternative performance measures

The consolidated financial statements of Norway Royal Salmon ASA are prepared in accordance with the International Financial Reporting Standards (IFRS). In addition, the management prepares alternative performance measures to provide useful and relevant information to the users of the financial statements. Alternative performance measures are designed to increase the understanding of the underlying operational performance and is not a substitute for the consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRS). The performance measures are regularly reviewed by the Board. The alternative performance measures can be defined and used differently by other companies.

Net interest-bearing debt

Net interest-bearing debt is defined as the net of long-term debt, short-term debt and bank deposits. The measure is useful and necessary information to investors and other users of the financial statements to assess the net of the interest-bearing external capital used to finance the group. The measure is used to calculate return on capital employed and highlights the Group's ability to take on more debt.

(NOK '000)	31.12.2016	31.12.2015
Reported long-term interest-bearing debt	303 781	653 361
Reported short-term interest-bearing debt	47 635	46 519
Reported bank deposits, cash	69 257	201 339
Net interest bearing debt	282 160	498 541

Equity ratio

The equity ratio is defined as equity divided by total assets. The measure is expressed as a percentage. The measure is relevant to users of the financial statements to see how much of the assets are financed with equity, the measure also indicate something about the solvency of the group.

(NOK '000)	31.12.2016	31.12.2015
Reported equity	2 047 017	1 186 519
Reported total assets	3 713 382	2 870 245
Equity ratio	55,1 %	41,3 %

Operational EBIT per kg (Group)

Operational EBIT per kg is defined as an essential performance measure for Norway Royal Salmon ASA. The measure is used to evaluate the profitability of sold goods and the operations of the Group. The performance measure is useful to users of the financial statements to evaluate the profitability sold good and the production. The measure is calculated before unallocated costs and extraordinary events, fair value adjustments, income from associated companies, financial expenses and taxes. The measure is expressed per kg harvested volume.

Operational EBIT per kg (Group)

(NOK '000)	Q4 2016	Q4 2015	FY 2016	FY 2015
Operational EBIT	100 870	90 850	640 613	201 894
Unallocated expenses	-23 885	-13 340	-64 824	-35 849
Extraordinary events (note 4)	-1 136	0	-20 322	-31 300
Operational EBIT	125 892	104 190	725 759	269 043
Harvested volume	4 692	8 251	26 819	27 903
Operation EBIT per kg	26,83	12,63	27,06	9,64

Operational EBIT per kg (Group)

Operational EBIT per kg is defined as an essential performance measure for Norway Royal Salmon ASA. The measure is used to evaluate the profitability of sold goods and the operations of the segments. The performance measure is useful to users of the financial statements to evaluate the profitability of sold goods and the production. The measure is calculated before extraordinary events, fair value adjustments, income from associated companies, financial expenses and taxes. The measure is expressed per kg harvested volume. The measure is shown both before and after loss on open fixed-price contracts.

Operational EBIT per kg Region North

(NOK '000)	Q4 2016	Q4 2015	FY 2016	FY 2015
Operational EBIT (segment, note 2)	84 988	92 792	656 112	222 635
Share of operational EBIT Sales allocated to region North excl. Contracts	8 119	6 156	38 958	21 475
Operational EBIT excl. Contracts	93 107	98 948	695 070	244 110
Loss on open fixed-price contracts	-17 944	0	-60 669	0
Operational EBIT	75 163	98 948	634 401	244 110
Harvested volume	2 612	6 806	21 667	22 971
Operational EBIT per kg excl. Contracts	35,65	14,54	32,08	10,63
Operational EBIT per kg	28,77	14,54	29,28	10,63

Operational EBIT per kg Region South

(NOK '000)	Q4 2016	Q4 2015	FY 2016	FY 2015
Operational EBIT (segment, note 2)	58 553	3 936	101 914	19 846
Share of operational EBIT Sales allocated to region South excl. Contracts	6 466	1 306	10 717	5 087
Operational EBIT excl. Contracts	65 019	5 242	112 631	24 933
Loss on open fixed-price contracts	-14 290	0	-21 274	0
Operational EBIT	50 729	5 242	91 358	24 933
Harvested volume	2 080	1 445	5 151	4 932
Operational EBIT per kg excl. Contracts	31,26	3,63	21,86	5,05
Operational EBIT per kg	24,39	3,63	17,74	5,05

ROCE

Return on average capital employed (ROCE) is defined as 4-quarters rolling EBIT aligned for fair value adjustments divided by average net interest-bearing debt plus equity less financial assets. The performance measure is expressed as a percentage and is useful for users of Norway Royal Salmon ASA's financial information to evaluate its profitability.



NOTES TO THE FINANCIAL STATEMENTS

NOTE 12: Shareholders

Ownership structure – the 20 largest shareholders as at 31.12.2016:

Shareholder	No. of shares	Shareholding
GÅSØ NÆRINGSUTVIKLING AS	6 632 835	15,22 %
GLASTAD INVEST AS	5 347 862	13,24 %
MÅSØVAL EIENDOM AS	5 111 933	11,73 %
EGIL KRISTOFFERSEN OG SØNNER AS	4 679 382	10,74 %
HAVBRUKSINVEST AS	3 706 873	8,51 %
DNB NOR MARKETS, AKSJEHAND/ANALYSE	2 365 393	5,43 %
SPAREBANK 1 MARKETS AS	1 698 009	3,90 %
HELLESUND FISKEOPPDRETT A/S	1 620 380	3,72 %
LOVUNDLAKS AS	1 051 205	2,41 %
NYHAMN AS	1 012 457	2,35 %
STATE STREET BANK AND TRUST COMP	626 908	1,69 %
MORGAN STANLEY AND CO INTL PLC	510 462	0,98 %
J.P. MORGAN BANK LUXEMBOURG S.A.	437 274	0,79 %
HOLTA INVEST AS	344 368	0,66 %
THE BANK OF NEW YORK MELLON N.V.	301 389	0,65 %
J.P. MORGAN SECURITIES LLC	261 000	0,60 %
MP PENSJON FK	254 086	0,58 %
MÅSØVAL FISHFARM AS	252 520	0,50 %
HENDEN FISKEINDUSTRI AS	233 808	0,49 %
STATE STREET BANK AND TRUST COMP	201 843	0,48 %
Total 20 largest shareholders	36 649 987	84,11 %
Total other shareholders	6 922 204	15,89 %
Total no. of shares	43 572 191	100,00 %