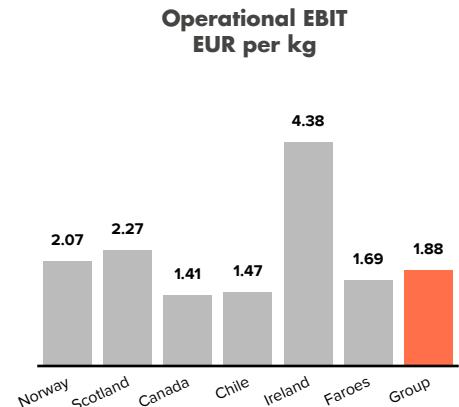
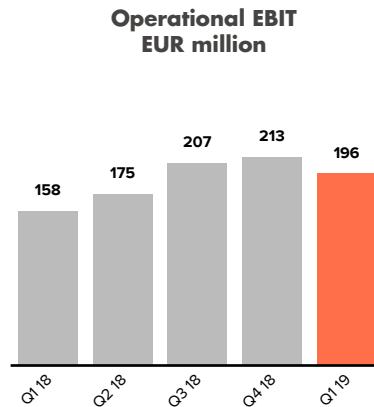
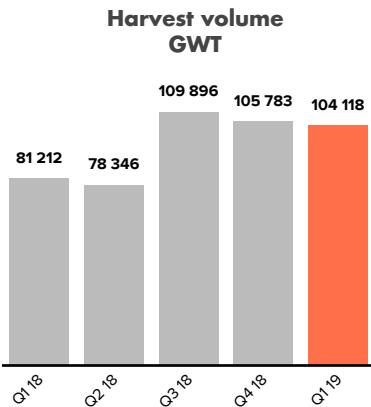




## Q1 2019

- Q1 Operational EBIT of EUR 196 million. Financial EBIT of EUR 249 million
- High achieved prices in all markets on strong demand
- Cost per kg harvested volume decreased compared with Q4
- Seasonally record high volumes
- All-time high earnings in Chile
- 7-year EUR 120 million Schuldschein loan with coupon EURIBOR + 170 bps
- Quarterly dividend of NOK 2.60 per share



## HIGHLIGHTS - FIRST QUARTER 2019

- Operational EBIT of EUR 196.1 million. Financial EBIT of EUR 249.2 million.
- High achieved prices in all markets on strong demand.
- Blended Farming cost decreased from Q4 on reduced costs in Norway, Scotland, Chile and Ireland.
- Seasonally record high harvest volumes at 104 118 GWT, somewhat above the guidance for the first quarter.
- All-time high Operational EBIT in Chile at EUR 29.2 million on strong volumes and increased prices.
- Strong sales volumes in Consumer Products at 43 832 tonnes end product weight (43 213 tonnes). Earnings negatively impacted by phasing of the Easter season and fierce competition in the European value-added market.
- Sales volumes for Feed seasonally record high at 60 552 tonnes (54 440 tonnes).
- MOWI brand launched in Poland.
- 7-year EUR 120 million Schultschein loan with coupon of EURIBOR + 170 bps.
- A quarterly dividend of NOK 2.60 per share will be paid out to the shareholders as ordinary dividends.

Main figures <sup>1)</sup> EUR million	Q1 2019	Q1 2018	2018
Operational revenue <sup>2)</sup>	<b>979.4</b>	862.1	3 814.5
Operational EBIT <sup>3)</sup>	<b>196.1</b>	157.6	752.8
Operational EBITDA <sup>4)</sup>	<b>233.2</b>	194.8	906.2
EBIT	<b>249.2</b>	269.6	925.4
Net financial items	<b>-0.4</b>	-37.8	-193.2
Profit or loss for the period	<b>193.9</b>	179.1	567.2
Cash flow from operations	<b>265.8</b>	191.8	620.9
Total assets	<b>5 564.0</b>	4 415.9	5 145.1
NIBD <sup>5)</sup>	<b>1 014.8</b>	856.5	1 037.2
Basic EPS (EUR)	<b>0.38</b>	0.36	1.15
Underlying EPS (EUR) <sup>6)</sup>	<b>0.28</b>	0.24	1.11
Net cash flow per share (EUR) <sup>7)</sup>	<b>0.31</b>	0.21	0.51
Dividend declared and paid per share (NOK)	<b>2.60</b>	2.60	10.40
ROCE <sup>8)</sup>	<b>23.8%</b>	25.3%	24.9%
Equity ratio	<b>53.7%</b>	53.1%	56.0%
Covenant equity ratio <sup>9)</sup>	<b>57.5%</b>	53.1%	56.0%
Harvest volume (GWT)	<b>104 118</b>	81 212	375 237
Operational EBIT per kg (EUR) - Total <sup>10)</sup>	<b>1.88</b>	1.94	2.01
Norway	<b>2.07</b>	2.26	2.37
Scotland	<b>2.27</b>	1.85	2.00
Canada	<b>1.41</b>	1.10	1.16
Chile	<b>1.47</b>	1.36	1.40
Ireland	<b>4.38</b>	4.37	3.16
Faroes	<b>1.69</b>	1.44	2.05

1) This interim report is unaudited. Please refer to part 4 of the Annual Report and the appendix to this quarterly report (available on-line on our web site) for detailed descriptions and reconciliations of Alternative Performance Measures (non-IFRS measures) including definitions of key figures and reconciliation to IFRS figures.

2) Operational revenue: Revenue and other income, including realized gain/loss from currency derivatives related to contract sales of Norwegian origin, and excluding change in unrealized salmon derivatives and sales tax in the Faroes.

3) Operational EBIT: Calculated by excluding the following items from financial EBIT: Change in unrealized internal margin, change in unrealized gains/losses from salmon derivatives, net fair value adjustment on biomass, onerous contract provisions, restructuring costs, income from associated companies, impairment losses of fixed assets/intangibles, sales tax in the Faroes and other non-operational items.

Operational EBIT also includes realized gain/loss from currency derivatives related to contract sales of Norwegian origin. A reconciliation between Operational EBIT and financial EBIT is provided on the next page, and we also refer to the appendix to this quarterly report (available on-line) for further information. The largest individual difference between Operational EBIT and financial EBIT is usually the net fair value adjustment on biomass according to IFRS (and the related onerous contracts provision), which is a volatile figure impacted by estimates of future salmon prices as well as other estimates.

4) Operational EBITDA: Operational EBIT plus depreciations. Effects related to IFRS 16 (leasing) are excluded.

5) NIBD: Total non-current interest-bearing financial debt, minus total cash, plus current interest-bearing financial debt and plus net effect of currency derivatives on interest-bearing financial debt. Effects related to IFRS 16 (leasing) are excluded.

6) Underlying EPS: Operational EBIT adjusted for accrued interest payable, with estimated weighted tax rate - per share. Effects related to IFRS 16 (leasing) are excluded.

7) Net cash flow per share: Cash flow from operations and investments (capex), net financial items paid and realized currency effects - per share. Effects related to IFRS 16 (leasing) are excluded.

8) ROCE: Annualized return on average capital employed based on EBIT excluding net fair value adjustment on biomass, onerous contract provisions and other non-operational items / Average NIBD + Equity, excluding net fair value adjustment on biomass, onerous contract provisions and net assets held for sale, unless there are material transactions in the period. Effects related to IFRS 16 (leasing) are excluded.

9) Covenant equity ratio: Book equity ratio excluding effects related to IFRS 16 (leasing).

10) Operational EBIT per kg including allocated margin from Feed and Sales & Marketing.

## PROFIT - Financial results in the quarter

The Group's profits hinge on its ability to provide customer value from healthy, tasty and nutritious seafood, farmed both cost-effectively and in an environmentally sustainable way that maintains a good aquatic environment and respects the needs of wider society.

(Figures in parenthesis refer to the same quarter previous year.)

(EUR million)	Q1 2019	Q1 2018
<b>Operational EBIT</b>	<b>196.1</b>	<b>157.6</b>
Change in unrealized margin	5.9	4.4
Gain/loss from derivatives	0.2	6.3
Net fair value adjustment on biomass including onerous contracts	40.5	89.4
Restructuring costs	0.0	-0.9
Other non-operational items	-0.5	0.1
Income from associated companies	7.1	12.6
Impairment losses on fixed assets/intangibles	0.0	0.1
<b>EBIT</b>	<b>249.2</b>	<b>269.6</b>

Operational EBIT amounted to EUR 196.1 million. The increase of EUR 38.5 million compared with the first quarter of 2018 is mainly related to higher volumes and prices in Farming, partly offset by lower earnings in Consumer Products and also somewhat higher costs in Farming. The contribution from Feed was EUR -2.4 million (EUR -4.3 million), and Farming contributed EUR 184.1 million (EUR 136.5 million). Markets contributed EUR 14.1 million (EUR 9.2 million) and Consumer Products contributed EUR 5.8 million (EUR 21.9 million).

Earnings before financial items and taxes (EBIT) came to EUR 249.2 million (EUR 269.6 million). EBIT is positively impacted by net fair value adjustment on biomass including onerous contracts of EUR 40.5 million (EUR 89.4 million) on higher forward prices.

## Financial items

(EUR million)	Q1 2019	Q1 2018
Interest expenses	-13.9	-10.3
Net currency effects	11.0	4.1
Other financial items	2.5	-31.5
<b>Net financial items</b>	<b>-0.4</b>	<b>-37.8</b>

The Group has implemented the new accounting standard regarding leases (IFRS 16) from 2019. Accordingly, interest expenses in Q1 2019 include costs of MEUR 2.9 related to lease liabilities, and net currency effects include costs of MEUR 6.2 related to IFRS 16.

Other financial items are mainly explained by positive development in other financial instruments.

## Cash flow and NIBD

(EUR million)	Q1 2019	Q1 2018
<b>NIBD beginning of period*</b>	<b>-1 037.2</b>	<b>-831.9</b>
Operational EBITDA*	233.2	194.8
Change in working capital	51.0	38.5
Taxes paid	-53.1	-50.5
Other adjustments	5.5	8.9
<b>Cash flow from operations*</b>	<b>236.5</b>	<b>191.8</b>
Net Capex	-65.1	-76.7
Other investments and dividends received	-2.2	-8.7
<b>Cash flow to investments</b>	<b>-67.3</b>	<b>-85.3</b>
Net interest and financial items paid*	-10.6	-6.9
Other items	4.3	8.4
Dividend / return of paid in capital	-137.9	-132.5
Currency effect on interest-bearing debt	-2.6	-0.1
<b>NIBD end of period*</b>	<b>-1 014.8</b>	<b>-856.6</b>

\*Excluding effects of IFRS 16

Cash flow from operations (excluding effects of IFRS 16) amounted to EUR 236.5 million (EUR 191.8 million). During the first quarter, there was a seasonal release of working capital, which was more than offset by tax payments.

Net Capex was EUR 65.1 million (EUR 76.7 million).

Other investments and dividends received include the EUR 15 million payment of Mowi's remaining share of the capital increase in DESS Aquaculture Shipping, as described in the previous quarterly report. This amount was partly offset by dividends from Nova Sea of EUR 13.2 million.

Currency effects on interest-bearing debt of EUR -2.6 million (EUR -0.1 million) during the quarter is related to appreciation of NOK, USD and GBP versus EUR.

A quarterly dividend of EUR 137.9 million (EUR 132.5 million), as announced in the previous quarterly report, has been distributed as ordinary dividend.

NIBD at the end of the period was EUR 1 014.8 million (EUR 856.6 million), excluding the effects of IFRS 16. The value per the end of the first quarter of 2019 was EUR 1 379.7 million including the effects of IFRS 16.



### GUIDING PRINCIPLE

### AMBITION

### ACHIEVEMENT

Profitability

ROCE exceeding 12%

Q1 23.8%

YTD 23.8%

Solidity

Long term NIBD target:  
EUR 1 400 million  
Farming NIBD / kg EUR 2.2

March 31, 2019

EUR 1 015 million

Farming NIBD / kg EUR 1.4

## PROFIT - Operational performance and analytical data

EUR million	Feed		Farming		Sales & Marketing				Other		Group <sup>1)</sup>	
	Markets				Consumer Products							
	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018
External revenue	5.1	1.2	15.7	22.9	408.3	315.0	544.1	523.0	0.0	0.0	973.2	862.1
Internal revenue	68.0	60.4	623.9	469.4	286.5	247.5	6.1	10.2	6.3	4.4	6.2	0.0
Operational revenue	73.2	61.6	639.5	492.4	694.8	562.5	550.2	533.2	6.3	4.4	979.4	862.1
<b>Operational EBIT</b>	<b>-2.4</b>	<b>-4.3</b>	<b>184.1</b>	<b>136.5</b>	<b>14.1</b>	<b>9.2</b>	<b>5.8</b>	<b>21.9</b>	<b>-5.5</b>	<b>-5.7</b>	<b>196.1</b>	<b>157.6</b>
Change in unrealized margin	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5.9	4.4
Gain/loss from derivatives	0.0	0.0	-3.0	-7.1	0.3	-2.5	3.5	9.9	-0.7	6.1	0.2	6.3
Net fair value adjustment on biomass, onerous contract provisions	0.3	0.1	40.2	89.3	0.0	0.0	0.0	0.0	0.0	0.0	40.5	89.4
Restructuring costs	0.0	0.0	0.0	-0.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.9
Other non-operational items	0.0	0.0	-0.3	0.0	0.0	0.0	-0.2	0.1	0.0	0.0	-0.5	0.1
Income from associated companies	0.0	0.0	7.0	12.7	0.0	0.0	0.0	0.0	0.1	-0.1	7.1	12.6
Impairment losses of fixed assets	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.0	0.0	0.0	0.1
<b>EBIT</b>	<b>-2.1</b>	<b>-4.2</b>	<b>227.9</b>	<b>230.5</b>	<b>14.5</b>	<b>6.7</b>	<b>9.2</b>	<b>32.0</b>	<b>-6.1</b>	<b>0.3</b>	<b>249.2</b>	<b>269.6</b>
Operational EBIT %	-3.2%	-6.9%	28.8%	27.7%	2.0%	1.6%	1.0%	4.1%	na	na	20.0%	18.3%

<sup>1)</sup> Group figures adjusted for eliminations.

Mowi monitors the overall value creation of the operations based on the salmon's source of origin. For this reason Operational EBIT related to our Feed (currently only Norway) and Sales & Marketing operations is allocated back to the country of origin.

The table below and upcoming performance review provide information consistent with the value creation methodology.

Other units reported Operational EBIT of EUR -5.5 million in the quarter (EUR -5.7 million in the comparable quarter).

EUR million	SOURCES OF ORIGIN						Other	Group
	Norway	Scotland	Canada	Chile	Ireland	Faroes		
<b>Operational EBIT</b>								
Farming	111.7	28.4	12.6	23.8	6.0	1.7		184.1
Sales & Marketing								
Markets	6.2	3.9	1.3	2.5	0.0	0.2	-0.1	14.1
Consumer Products	-1.4	3.5	0.0	2.8	0.3	0.0	0.6	5.8
<b>Subtotal</b>	<b>116.5</b>	<b>35.8</b>	<b>13.9</b>	<b>29.2</b>	<b>6.2</b>	<b>1.9</b>	<b>0.5</b>	<b>204.0</b>
Feed	-0.4						-2.0	-2.4
Other entities <sup>1)</sup>							-5.5	-5.5
<b>Total</b>	<b>116.1</b>	<b>35.8</b>	<b>13.9</b>	<b>29.2</b>	<b>6.2</b>	<b>1.9</b>	<b>-7.0</b>	<b>196.1</b>
Harvest volume (GWT)	56 135	15 787	9 838	19 810	1 422	1 126		104 118
Operational EBIT per kg (EUR) <sup>2)</sup>	2.07	2.27	1.41	1.47	4.38	1.69		1.88
- of which Feed	-0.01	0.00	0.00	0.00	0.00	0.00		-0.02
- of which Markets	0.11	0.25	0.13	0.13	0.01	0.21		0.14
- of which Consumer Products	-0.02	0.22	0.00	0.14	0.19	0.00		0.06
<b>Analytical data</b>								
Price achievement/reference price (%)	97%	106%	99%	101%	na	96%		99%
Contract share (%)	36%	50%	0%	21%	94%	0%		32%
Quality - superior share (%)	91%	96%	88%	90%	90%	86%		91%
<b>Guidance</b>								
Q2 2019 harvest volume (GWT)	48 000	17 500	15 000	14 000	1 500	2 000		98 000
2019 harvest volume (GWT)	236 000	62 000	55 000	62 500	7 000	7 500		430 000
Q2 2019 contract share (%)	45%	45%	0%	24%	95%	0%		35%

<sup>1)</sup> Corporate and Holding companies

<sup>2)</sup> Including Corporate and Holding companies

# MARKET OVERVIEW

## Industry

Demand for salmon remained strong in the quarter as the value of salmon consumed globally continued to increase. Global consumption increased by 5% in the quarter on somewhat higher blended prices.

Global harvest of Atlantic salmon amounted to 541,800 tonnes in the first quarter, an increase of 5% compared to the same quarter in 2018. The increase in global harvest volumes was in line with expectations.

Supply	Q1 2019	Change vs	12 month	Q4 2018
	GWT	Q1 2018	change	GWT
Norway	266 900	2.0%	3.1%	321 000
Scotland	37 500	24.6%	-5.3%	40 600
Faroe Islands	19 600	21.7%	-6.6%	21 500
Ireland	3 400	21.4%	-14.0%	3 900
<b>Total Europe</b>	<b>327 400</b>	<b>5.4%</b>	<b>1.4%</b>	<b>387 000</b>
Chile	158 800	1.7%	12.1%	169 200
North America	32 900	6.8%	3.8%	40 100
<b>Total Americas</b>	<b>191 700</b>	<b>2.6%</b>	<b>10.4%</b>	<b>209 300</b>
Australia	13 200	0.8%	-1.1%	16 500
Other	9 500	53.2%	5.3%	5 300
<b>Total</b>	<b>541 800</b>	<b>4.8%</b>	<b>4.3%</b>	<b>618 100</b>

Supply from Norway increased by 2% compared to the first quarter of 2018. Supported by increased feed sales, favorable sea-water temperatures and Q1 harvest volumes in the low end of the guided range, the biomass has grown from 2% to 5% year-over-year during the quarter.

Harvest in Scotland increased by 25% compared to the first quarter of 2018 which was in line with guidance. The current biomass in Scotland supports growth going forward. Volumes from the Faroe Islands increased by 22% in the quarter compared to the same quarter in 2018 which was in line with guidance.

Volumes from Chile increased by 2% compared to the first quarter of 2018 which was in the low end of the guidance. Increased smolt stockings and improved biological performance suggest higher growth going.

In North America volumes increased by 7% which was also in line with guidance.

Reference prices	Q1 2019 Market	Change Q1 2018	Q1 2019 EUR	Change Q1 2018
Norway <sup>1)</sup>	EUR 6.34	1.4%	EUR 6.34	1.4%
Chile <sup>2)</sup>	USD 5.20	1.6%	EUR 4.58	9.9%
Chile, GWE <sup>3)</sup>	USD 6.18	2.7%	EUR 5.44	11.1%
North America West Coast <sup>4)</sup>	USD 3.54	-4.2%	EUR 3.12	3.7%
North America East Coast <sup>5)</sup>	USD 3.66	-11.3%	EUR 3.22	-4.0%
North America, GWE, blended <sup>3)</sup>	USD 7.41	-7.3%	EUR 6.52	0.2%

In the market currency, EUR, prices in Europe increased by 1% compared to the first quarter of 2018. In USD terms, salmon prices

increased by 2% in Miami and declined by 4% in Seattle and 11% in Boston/New York, respectively.

Market distribution	Q1 2019 GWT	Change vs Q1 2018	12 month change
EU	224 100	4.4%	3.7%
Russia	18 100	-14.6%	10.1%
Other Europe	22 600	6.1%	2.9%
<b>Total Europe</b>	<b>264 800</b>	<b>3.0%</b>	<b>4.1%</b>
US	111 200	2.9%	6.4%
Brazil	26 500	8.2%	8.6%
Other Americas	31 600	9.7%	12.3%
<b>Total Americas</b>	<b>169 300</b>	<b>4.9%</b>	<b>7.8%</b>
China/Hong Kong	29 200	17.3%	13.0%
Japan	13 100	2.3%	-3.9%
South Korea/Taiwan	13 700	-7.4%	10.0%
Other Asia	19 300	-9.0%	-15.7%
<b>Total Asia</b>	<b>75 300</b>	<b>2.2%</b>	<b>0.6%</b>
All other markets	31 300	13.0%	9.2%
<b>Total</b>	<b>540 700</b>	<b>4.0%</b>	<b>4.9%</b>

Global consumption increased by 4% in the first quarter compared with the same period in 2018.

Consumption in EU increased by 4% in the quarter. The volume growth in the UK and Spanish markets continued to be favorable. Reduced prices are driving consumption growth in the German market. Italian consumption growth continued mainly driven by the sushi segment.

US consumption increased by 3% compared with the same quarter in 2018. The market growth was good as additional shelf space was allotted to seafood and salmon. The segment of E-commerce pick-up at store level showed promising growth potential and demand was met by pre-packaged products. The strong growth in the Brazilian market continued to be driven by the food service segment.

Consumption in Asia increased by 2% in the quarter compared to the same period last year. The consumption growth in China/Hong Kong was strong and mainly driven by the food service segment. In addition, fast growing retailers are challenging the existing value chain and offer more pre-packed products. Availability of large fish was good during the quarter which facilitated growth in the Asian market.

Source: Kontali and Mowi

Notes to the reference price table:

<sup>1)</sup> NASDAQ average superior GWE/kg (gutted weight equivalent)

<sup>2)</sup> Urner Barry average D trim 3-4 lbs FOB Miami

<sup>3)</sup> Reference price converted back-to-plant equivalent in GWE/kg

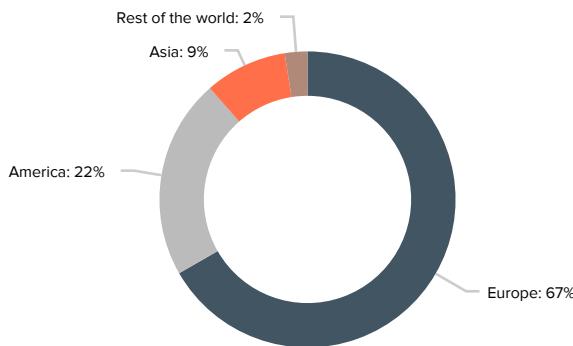
<sup>4)</sup> Urner Barry average GWE 10-12 lbs FOB Seattle

<sup>5)</sup> Urner Barry average GWE 10-12 lbs FOB Boston/New York

## Geographic market presence

Revenues in the first quarter were distributed as shown in the graph below. Europe is by far the largest market for Mowi with its 67% (69%) revenue share. France, Germany and the UK are the main markets for our products in this region.

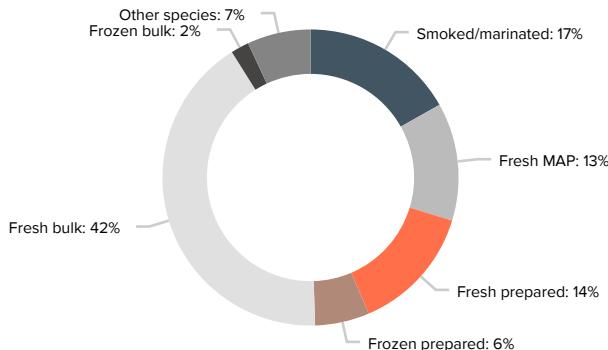
Sales by Geography Q1 2019



## Sales by product

The Group's main species is Atlantic salmon. Revenues for our external sales channels in Sales & Marketing were distributed across product categories as follows:

Sales by product Q1 2019



Fresh bulk salmon represented 42% (35%). Smoked/marinated and elaborated salmon together accounted for 50% in the first quarter of 2019, compared with 53% in the first quarter of 2018. The reduction is due to the phasing of the Easter season and challenging market conditions due to fierce competition in the value-added segment.

## Branding and product development efforts

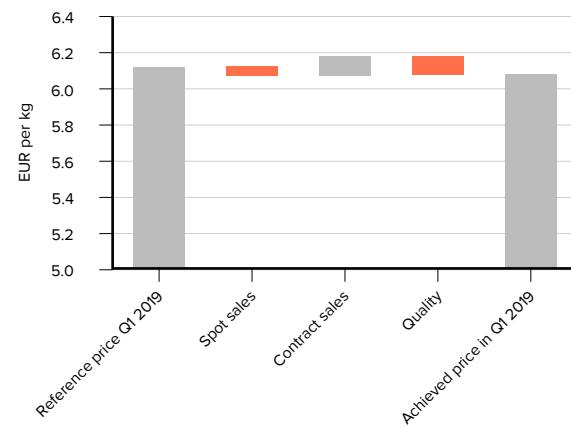
In the first quarter, the MOWI Pure range was launched in Poland. MOWI Pure is our finest high-quality salmon, and comes in different cuts and sizes. The product range consists of fresh, cold smoked and hot smoked products. The launch of MOWI products in other selected markets will continue this year.

We have also launched a new brand web site [mowisalmon.com](http://mowisalmon.com), as well as a new traceability tool. The traceability tool can be accessed through QR codes on the packaging of MOWI-branded salmon. When the customers scan the QR code on a MOWI product, they are directed to our app which provides key information about the salmon such as birthplace, lifespan, feed diets, harvest date and where it was processed.

## Price achievement

The combined global price achieved was 1% below the reference price in the first quarter of 2019 (2% below). Achieved prices were positively impacted by contract prices.

Global Price Achievement  
Q1 2019



Reference price for salmon of superior quality vs. price achieved in Norway, Scotland, Canada, Chile and Faroes.

Markets				
Q1 2019	Norwegian	Scottish	Canadian	Chilean
Contract share	36%	50%	0%	21%
Quality - superior share	91%	96%	88%	90%
Price achievement	97%	106%	99%	101%

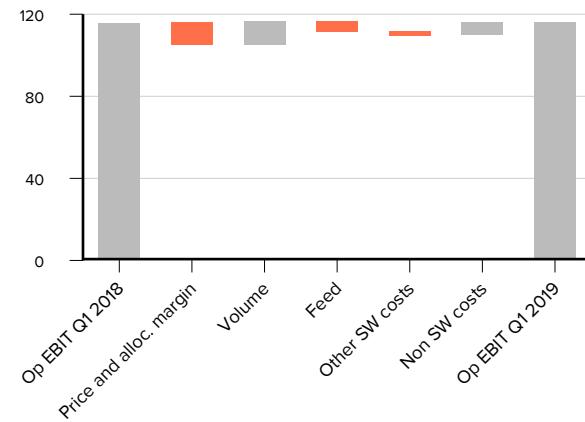
Average price achievement is measured against reference prices in all markets (NASDAQ for Norwegian, Scottish and Faroese salmon, and Urner Barry for Chilean and Canadian salmon).

# PROFIT - Operational performance

## Salmon of Norwegian origin

EUR million	Q1 2019	Q1 2018
<b>Operational EBIT</b>	<b>116.1</b>	<b>115.6</b>
<b>EBIT</b>	<b>133.8</b>	<b>178.9</b>
Harvest volume (GWT)	56 135	51 050
<b>Operational EBIT per kg (EUR)</b>	<b>2.07</b>	<b>2.26</b>
- of which Feed	-0.01	-0.06
- of which Markets	0.11	0.09
- of which Consumer Products	-0.02	0.25
Price achievement/reference price	97%	97%
Contract share	36%	40%
Superior share	91%	92%

Operational EBIT Salmon of Norwegian Origin  
Q1 2019 vs Q1 2018



### Financial results

Operational EBIT amounted to EUR 116.1 million (EUR 115.6 million) in the first quarter. Compared with the first quarter of 2018, the effects of increased volumes and improved non-seawater costs were offset by reduced allocated margin from Consumer Products and increased seawater costs. Operational EBIT per kg was EUR 2.07 per kg (EUR 2.26 per kg).

Financial EBIT amounted to EUR 133.8 million (EUR 178.9 million).

### Price and volume development

The reference price of EUR 6.34 for salmon of Norwegian origin in the first quarter was 1% higher than in the first quarter of 2018.

The overall price achieved was 3% below the reference price in the first quarter of both 2019 and 2018. Contribution from contracts relative to the reference price was positive in the first quarter of 2019, but negative in the comparable quarter. Mowi Norway had a contract share of 36% in the first quarter, compared with 40% in the first quarter of 2018.

Harvested volume in the first quarter was 56 135 tonnes gutted weight (51 050 tonnes gutted weight). The increase was mainly due to improved biology in Region North.

### Costs and operations

As biological costs<sup>1)</sup> per kg harvested increased somewhat more than the reduction in non-seawater costs, the cost level was marginally higher than in the first quarter of 2018. The main drivers behind the increased biological costs were higher feed prices and early harvest in Region Mid.

Sea lice mitigation costs are still at a high level. This cost item developed favorably in 2018, with reduced health costs per kg harvested every quarter compared to the year before. However, in the first quarter of 2019, health costs per kg were marginally up from the corresponding quarter.

Incident based mortality losses amounting to EUR 3.1 million were recognized in the quarter, mainly related to CMS, PD and wounds in Region Mid and wounds in Region North. Losses from incident-based mortality in the first quarter of 2018 amounted to EUR 2.8 million.

<sup>1)</sup> See the Annual Report 2018, section "Analytical information" p. 248: Total of feed cost and other seawater costs, before transportation to the processing plant.

## Salmon of Norwegian origin by region

Regions	South	Mid	North	Total
EUR million	Q1 2019	Q1 2019	Q1 2019	Q1 2019
<b>Operational EBIT</b>	<b>27.4</b>	<b>43.5</b>	<b>45.2</b>	<b>116.1</b>
Harvest volume (GWT)	12 419	25 381	18 335	56 135
<b>Operational EBIT per kg (EUR)</b>	<b>2.21</b>	<b>1.71</b>	<b>2.47</b>	<b>2.07</b>
Superior share	92 %	90 %	92 %	91 %

Regions	South	Mid	North	Total
EUR million	Q1 2018	Q1 2018	Q1 2018	Q1 2018
<b>Operational EBIT</b>	<b>21.3</b>	<b>60.6</b>	<b>33.7</b>	<b>115.6</b>
Harvest volume (GWT)	11 477	26 194	13 379	51 050
<b>Operational EBIT per kg (EUR)</b>	<b>1.86</b>	<b>2.31</b>	<b>2.52</b>	<b>2.26</b>
Superior share	92 %	91 %	93 %	92 %

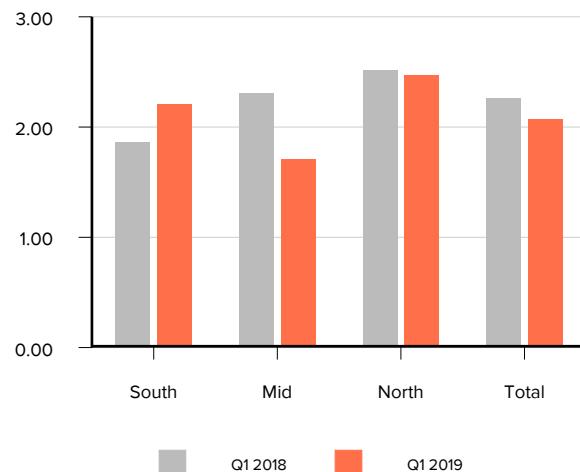
### Region South

- Operational EBIT totaled EUR 27.4 million in the first quarter (EUR 21.3 million), or EUR 2.21 per kg (EUR 1.86 per kg).
- The cost level per kg harvested biomass improved by 4% in the first quarter of 2019 compared with the first quarter of 2018, as reduced non-seawater costs more than offset the 5% increase in biological costs. Biological costs increased as a consequence of higher feed prices and treatments.
- A total of 12 419 tonnes gutted weight (11 477 tonnes) was harvested. The increase is due to improved production.
- There was no incident based mortality in the quarter (EUR 1.7 million) but a gain of EUR 0.3 million was recognized related to additional insurance income on incidents in previous years.
- Seawater production was higher than in the first quarter of 2018 due to higher opening biomass and a better performing generation.
- The biological status is generally good, and the overall sea lice situation improved in the first quarter of 2019 compared with the first quarter of 2018, although the level of sea lice as per the end of the quarter developed negatively.

### Region Mid

- Operational EBIT totaled EUR 43.5 million in the first quarter (EUR 60.6 million), or EUR 1.71 per kg (EUR 2.31 per kg).
- The cost level per kg harvested biomass increased by 6% from the first quarter of 2018. This was in its entirety related to biological costs, mainly as a consequence of increased feed prices, high treatment costs and early harvest of small fish related to detection of PD SAV3 north of Hustadvika.
- A total of 25 381 tonnes gutted weight (26 194 tonnes) was harvested. The reduction from the comparable quarter is due to lower opening biomass, partly offset by early harvest.
- Incident based mortality amounting to EUR 1.9 million (EUR 0.9 million) was recognized in the quarter related to CMS, PD and wounds.
- Seawater production was lower than in the first quarter of 2018 due to lower opening biomass and early harvest.
- The overall sea lice situation was at the same level as in the comparable quarter. However, the level of sea lice as per the end of the quarter was somewhat higher compared with the first quarter of 2018, and there is an ongoing process of improving treatment capacity and utilizing new methods. CMS is also a challenge in this region.

Operational EBIT per kilo per region  
Q1 2019 vs Q1 2018 incl. sales margin



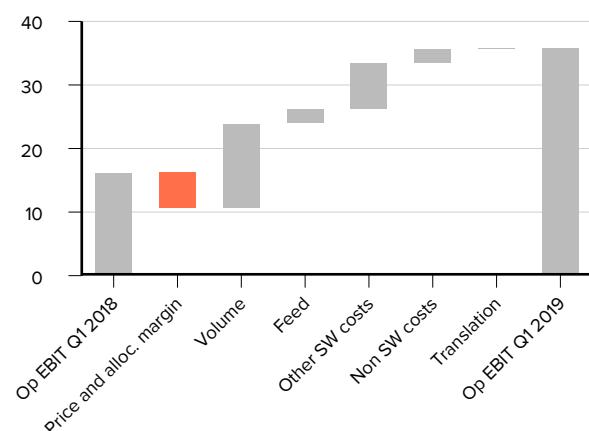
### Region North

- Operational EBIT totaled EUR 45.2 million in the first quarter (EUR 33.7 million), or EUR 2.47 per kg (EUR 2.52 per kg).
- Biological costs per kg harvested biomass in the first quarter increased by 6% from the first quarter of 2018, mainly due to higher feed prices. This effect was partly offset by decreased non-seawater costs, and the overall increase in the cost level per kg harvested biomass was 4%.
- A total of 18 335 tonnes gutted weight (13 379 tonnes) was harvested. The increase was due to improved biology.
- Incident based mortality amounting to EUR 1.5 million was recognized in the quarter mainly due to wounds (no incident based mortality in the first quarter of 2018).
- Seawater production was higher than in the first quarter of 2018 mainly due to higher opening biomass.
- The level of sea lice as per the end of the quarter was stable compared with the first quarter of 2018. The fish health situation in the region is generally satisfactory.

## Salmon of Scottish origin

EUR million	Q1 2019	Q1 2018
<b>Operational EBIT</b>	<b>35.8</b>	<b>16.1</b>
<b>EBIT</b>	<b>45.2</b>	<b>14.7</b>
Harvest volume (GWT)	15 787	8 691
<b>Operational EBIT per kg (EUR)</b>	<b>2.27</b>	<b>1.85</b>
- of which Markets	0.25	0.23
- of which Consumer Products	0.22	0.34
Price achievement/reference price	106%	112%
Contract share	50%	67%
Superior share	96%	96%

Operational EBIT Salmon of Scottish Origin  
Q1 2019 vs Q1 2018



### Financial results

Operational EBIT amounted to EUR 35.8 million in the first quarter (EUR 16.1 million), the equivalent of EUR 2.27 per kg (EUR 1.85 per kg). Increased volumes and decreased costs more than offset the effects of lower prices and allocated margin from Consumer Products from the same quarter in 2018.

Financial EBIT amounted to EUR 45.2 million (EUR 14.7 million).

### Price and volume development

The overall price achieved was 6% above the reference price in the quarter (12% above). Contribution from contracts relative to the reference price was positive in the first quarter of both 2019 and 2018. The contract share was 50% in the quarter compared to 67% in the first quarter of 2018.

The first quarter harvest volume was 15 787 tonnes gutted weight (8 691 tonnes). The increase was due to increased opening biomass and improved biology.

### Costs and operations

Full cost per kg decreased compared with the first quarter of 2018 on improved biology and increased volumes.

Biological costs per kg decreased by 13% from the corresponding quarter of 2018, particularly related to feed costs and health costs. Non-seawater costs decreased by 19% on cost reductions and positive scale effects.

Incident based mortality losses in the amount of EUR 0.2 million were recognized in the quarter, compared to EUR 1.0 million in the first quarter of 2018.

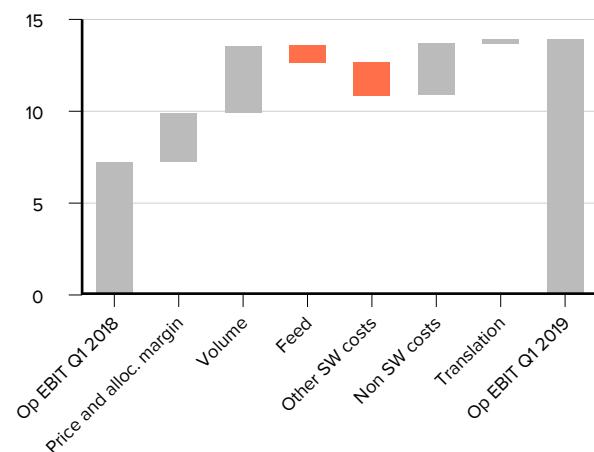
Sea lice levels at the end of the quarter were lower than at the end of the corresponding quarter in 2018.

Production has been higher than in the first quarter of 2018 on increased opening biomass, improved survival rate and favorable temperatures.

## Salmon of Canadian origin

EUR million	Q1 2019	Q1 2018
<b>Operational EBIT</b>	<b>13.9</b>	<b>7.2</b>
<b>EBIT</b>	<b>24.4</b>	<b>19.4</b>
Harvest volume (GWT)	9 838	6 592
<b>Operational EBIT per kg (EUR)</b>	<b>1.41</b>	<b>1.10</b>
- of which Markets	0.13	0.17
- of which Consumer Products	0.00	0.00
Price achievement/reference price	99%	97%
Contract share	0%	0%
Superior share	88%	86%

Operational EBIT Salmon of Canadian Origin  
Q1 2019 vs Q1 2018



### Financial results

Operational EBIT for Mowi Canada amounted to EUR 13.9 million in the first quarter (EUR 7.2 million), the equivalent of EUR 1.41 per kg (EUR 1.10 per kg). The increase from the corresponding quarter in 2018 was EUR 6.7 million, mainly related to Mowi Canada East.

Financial EBIT amounted to EUR 24.4 million (EUR 19.4 million).

### Price and volume development

Notwithstanding falling market prices, Mowi Canada achieved higher prices in the first quarter of 2019 compared with the first quarter of 2018. Prices were positively affected by the size distribution of the harvested fish and favorable prices for sales performed by Mowi Canada East. The combined price achievement for our Canadian operations was 1% below the reference price in the first quarter of 2019 (3% below).

There were no contracts for salmon of Canadian origin in the first quarter of 2019 or 2018.

The first quarter harvest volume was 9 838 tonnes gutted weight (6 592 tonnes). The increase compared with the same quarter in 2018 is due to the acquisition of Northern Harvest.

### Costs and operations

The cost level in the first quarter of 2019 was stable compared with the first quarter of 2018.

No incident based mortality was recognized in the quarter (EUR 1.1 million).

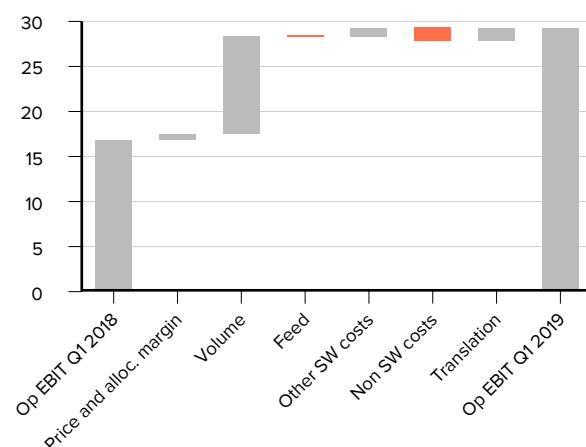
Production in Canada West was higher than in the first quarter of 2018 on increased opening biomass, good appetite and favorable environmental factors. However, production in Canada East was impacted by seasonal low water temperatures.

In the first quarter, the wellboat "Aqua Tromøy" was delivered to Mowi Canada West. Aqua Tromøy will be used to transport fish and to provide environmentally friendly fish health treatments. This is expected to have a positive effect on sea lice levels in Canada West going forward.

## Salmon of Chilean origin

EUR million	Q1 2019	Q1 2018
<b>Operational EBIT</b>	<b>29.2</b>	<b>16.8</b>
<b>EBIT</b>	<b>26.9</b>	<b>25.8</b>
Harvest volume (GWT)	19 810	12 392
<b>Operational EBIT per kg (EUR)</b>	<b>1.47</b>	<b>1.36</b>
- of which Markets	0.13	0.09
- of which Consumer Products	0.14	0.38
Price achievement/reference price	101%	94%
Contract share	21%	20%
Superior share	90%	87%

Operational EBIT Salmon of Chilean Origin  
Q1 2019 vs Q1 2018



### Financial results

Operational EBIT amounted to EUR 29.2 million in the first quarter (EUR 16.8 million), which is all-time high. The increase was mainly related to improved volumes. The effect of increased prices was partly offset by reduced contribution from Consumer Products. Operational EBIT per kg was EUR 1.47 per kg (EUR 1.36 per kg).

Financial EBIT amounted to EUR 26.9 million (EUR 25.8 million).

### Price and volume development

North America remains the most important market for salmon of Chilean origin. Volumes to Brazil also increased in the quarter.

The Urner Barry reference price for Chilean salmon was up by 2% compared with the first quarter of 2018. The average price per lb fillet in the quarter (Urner Barry D-trim 3-4 lb) was USD 5.20. Price achievement for Chilean salmon was 1% above the reference price in the quarter (6% below in the first quarter of 2018). Contribution from contracts relative to the reference price was positive in the first quarter of both 2019 and 2018. The contract share was 21% in the quarter (20%).

Harvested volume was 19 810 tonnes gutted weight in the first quarter. This was significantly higher than the 12 392 tonnes in the first quarter of 2018 due to increased smolt stocking.

### Costs and operations

Biological costs decreased by 1% on generally reduced costs and positive scale effects. However, full costs per kg harvested in the quarter increased by 1% from the corresponding quarter of 2018. This was mainly related to the development of non-seawater costs which includes incident-based mortality. In the first quarter of 2019, incident based mortality of EUR 1.0 million was recognized due to SRS at the Rodado Notable site in Region XI. In the comparable quarter, a gain of EUR 1.2 million related to insurance income on previous incidents was recognized.

Sea lice levels at the end of the first quarter decreased compared with last year.

Production volume has been higher in the first quarter of 2019 compared with the first quarter of 2018 due to higher opening biomass and improved biology.

## Salmon of Irish origin

EUR million	Q1 2019	Q1 2018
<b>Operational EBIT</b>	<b>6.2</b>	<b>6.4</b>
<b>EBIT</b>	<b>12.1</b>	<b>11.3</b>
Harvest volume (GWT)	1 422	1 457
<b>Operational EBIT per kg (EUR)</b>	<b>4.38</b>	<b>4.37</b>
- of which Markets	0.01	0.00
- of which Consumer Products	0.19	0.30
Price achievement/reference price	na	na
Contract share	94%	84%
Superior share	90%	93%

Operational EBIT amounted to EUR 6.2 million in the first quarter (EUR 6.4 million), which was EUR 4.38 per kg (EUR 4.37 per kg). The effect of higher prices was offset by increased costs and reduced allocated margin from Consumer Products.

Financial EBIT amounted to EUR 12.1 million (EUR 11.3 million).

Harvest volume was 1 422 tonnes gutted weight in the first quarter, (1 457 tonnes).

Achieved prices including allocated margin from Sales & Marketing were 7% higher in the first quarter of 2019 than in the first quarter of 2018 as a consequence of strong market conditions for organic salmon. Earnings were also positively impacted by sales of eggs.

Costs per kg harvested biomass increased by 13% compared with the first quarter of 2018 mainly due to PD.

Costs are expected to increase in the second quarter of 2019 due to harvesting of sites with a higher cost level.

## Salmon of Faroese origin

EUR million	Q1 2019	Q1 2018
<b>Operational EBIT</b>	<b>1.9</b>	<b>1.5</b>
<b>EBIT</b>	<b>4.5</b>	<b>7.2</b>
Harvest volume (GWT)	1 126	1 030
<b>Operational EBIT per kg (EUR)</b>	<b>1.69</b>	<b>1.44</b>
- of which Markets	0.21	0.71
- of which Consumer Products	0.00	0.00
Price achievement/reference price	96%	113%
Contract share	0%	0%
Superior share	86%	89%

Operational EBIT amounted to EUR 1.9 million (EUR 1.5 million), which was EUR 1.69 per kg (EUR 1.44 per kg). The increase from the first quarter of 2018 is due to higher prices.

Starting from the first quarter of 2019, Operational EBIT and Operational revenue for Mowi Faroes exclude the sales tax which was implemented in the Faroes in 2016. Comparison figures for Mowi Faroes have been re-presented accordingly. The sales tax amounts to EUR 0.4 million in the first quarter of 2019 (EUR 0.3 million), which is equivalent to EUR 0.32 per kg harvested (EUR 0.26).

Financial EBIT amounted to EUR 4.5 million (EUR 7.2 million).

Harvest volume was 1 126 tonnes gutted weight in the first quarter (1 030 tonnes).

The majority of Mowi's salmon of Faroese origin was sold to customers in Eastern Europe. Achieved prices for Mowi Faroes including allocated margin from Sales & Marketing increased by 5% from the corresponding quarter of 2018.

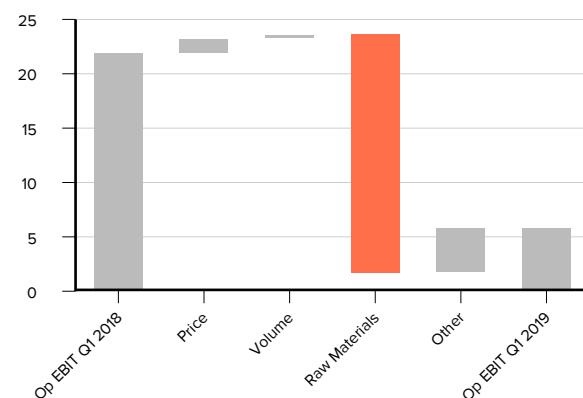
Costs per kg harvested biomass was stable compared with the first quarter of 2018.

## Consumer Products

EUR million	Q1 2019	Q1 2018
Operating revenues <sup>1)</sup>	550.2	533.2
<b>Operational EBIT <sup>2)</sup></b>	<b>5.8</b>	<b>21.9</b>
Operational EBIT %	1.0%	4.1%
<b>EBIT <sup>3)</sup></b>	<b>5.6</b>	<b>22.1</b>
Volume sold (tonnes product weight)	43 832	43 213

<sup>1)</sup> The reporting segment includes Consumer Products in Europe, Asia and Americas.  
<sup>2)</sup> Operational EBIT for salmon in Consumer Products is also included in the results per country of origin.  
<sup>3)</sup> After elimination of unrealized gain/loss on group-internal hedging contracts.

Operational EBIT Consumer Products  
Q1 2019 vs Q1 2018



## Financial results

Operational EBIT for Consumer Products was EUR 5.8 million (EUR 21.9 million). The Operational EBIT margin was 1.0% (4.1%). Adjusted for trading and bulk activities, the Operational EBIT margin was 1.6% (4.5%).

Financial EBIT<sup>3)</sup> amounted to EUR 5.6 million (EUR 22.1 million).

## Price, volume and operations

Consumer Products' operating revenues were EUR 550.2 million (EUR 533.2 million) in the quarter. Total volume sold was 43 832 tonnes product weight (43 213 tonnes), which is seasonally all-time high.

### Consumer Products Europe

In Fresh, volumes increased by 8% compared with the first quarter of 2018. The increase is partly explained by bulk volumes. Earnings were significantly reduced due to margin pressure, particularly in France and Central Europe.

In our Chilled operations, volumes decreased by 12%. Earnings were also significantly reduced compared with the first quarter of 2018. These effects are the result of the phasing of the Easter season which traditionally is a high season for our Chilled operations (the comparable quarter included Easter), and fierce competition in the Chilled segment in Europe. The competition in the Chilled segment in Europe will also negatively impact earnings in the second quarter.

### Consumer Products Asia

Volumes and margins were somewhat down from the first quarter of 2018. Our operations in Japan were impacted by challenging market conditions due to increased salmon prices and one-offs related to write-down of frozen goods.

### Consumer Products Americas

Starting from the first quarter of 2019, Consumer Products Americas also include bulk sales, as this category includes value-added products in this region. Comparison figures have been represented accordingly. The Operational EBIT effect related to bulk sales was EUR -0.6 million in the first quarter of 2019 (EUR 0.9 million). The reason for the negative impact related to bulk sales in the first quarter of 2019 is losses on frozen portions.

Volumes and earnings for Fresh in the Americas, excluding bulk sales, developed favorably compared with the corresponding quarter in 2018 driven by strong demand for our value-added products.

Earnings in Chilled in Americas were somewhat lower than in the first quarter of 2018 due to the phasing of the Easter season.

Consumer Products - Categories		Q1 2019		
EUR million		Fresh	Chilled	Total
Volume sold (tonnes prod wt)	32 036	11 796	43 832	
Operational revenues	369.5	180.7	550.2	
Operational EBIT	8.0	-2.2	5.8	
Operational EBIT %	2.2%	-1.2%	1.0%	

Consumer Products - Categories		Q1 2018		
EUR million		Fresh	Chilled	Total
Volume sold (tonnes prod wt)	29 843	13 370	43 213	
Operational revenues	324.0	209.3	533.2	
Operational EBIT	14.0	7.9	21.9	
Operational EBIT %	4.3%	3.8%	4.1%	

Consumer Products - Regions		Q1 2019		
EUR million		Europe	Americas	Asia
Volume sold (tonnes prod wt)	34 528	6 993	2 310	43 832
Operational revenues	414.0	98.4	37.8	550.2
Operational EBIT	1.4	2.7	1.7	5.8
Operational EBIT %	0.3%	2.8%	4.4%	1.0%

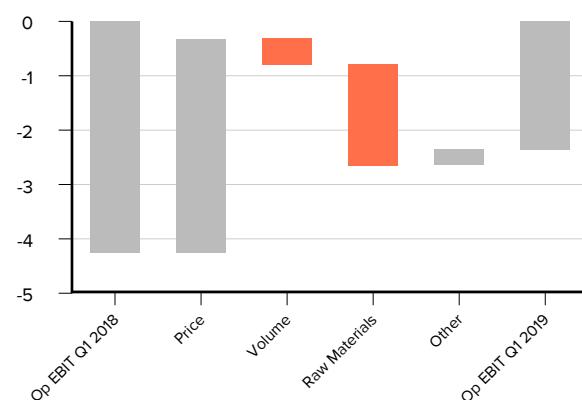
Consumer Products - Regions		Q1 2018		
EUR million		Europe	Americas	Asia
Volume sold (tonnes prod wt)	34 381	6 174	2 657	43 213
Operational revenues	419.0	37.4	76.9	533.2
Operational EBIT	15.2	4.2	2.5	21.9
Operational EBIT %	3.6%	5.5%	6.6%	4.1%

## Feed

EUR million	Q1 2019	Q1 2018
Operating revenues	73.2	61.6
<b>Operational EBIT</b>	<b>-2.4</b>	<b>-4.3</b>
Operational EBIT %	-3.2%	-6.9%
<b>EBIT</b>	<b>-2.1</b>	<b>-4.2</b>
Feed sold volume (tonnes)	60 552	54 440
Feed produced volume (tonnes)	61 755	72 224

*Operational EBIT for Feed is also included in the results per country of origin (currently only Norway).*

Operational EBIT Feed  
Q1 2019 vs Q1 2018



## Financial results

Operational EBIT was EUR -2.4 million (EUR -4.3 million) in the first quarter of 2019. Operational EBIT margin was -3.2% (-6.9%). The first quarter is traditionally a low season for our feed operations. Furthermore, Operational EBIT was adversely impacted by construction and commissioning of the new feed plant in Scotland.

Financial EBIT amounted to EUR -2.1 million (EUR -4.2 million).

## Price and volume development

Operating revenues were EUR 73.2 million in the first quarter (EUR 61.6 million).

Produced volume in the first quarter was 61 755 tonnes (72 224 tonnes). Volumes sold in the first quarter reached a seasonal all-time high, at 60 552 tonnes (54 440 tonnes).

The volume delivered from Feed accounted for 94% of total feed delivered to Mowi Norway, compared with 90% in the first quarter of 2018.

Feed prices have improved in the first quarter of 2019 compared with the first quarter of 2018. Feed prices are set at market terms and benchmarked against third parties.

## Costs and operations

Raw material costs have increased compared with the first quarter of 2018, mainly related to fish oil. Costs were also negatively impacted by EUR 2.0 million (EUR 1.0 million) related to new feed plant in Scotland.

Following our self-sufficiency strategy on feed, Mowi Feed continues to develop its range of products, including fresh water, organic and cleaner fish diets.

Our new feed plant in Scotland started trial production in May.

Earnings are expected to be reduced in the second quarter of 2019 as a result of the start-up of the new feed plant in Scotland and strong competition in the feed market in Europe with pressure on margins.

## PLANET - Sustainable and responsible development

Our operations and long-term profitability ultimately depend on sustainable and environmentally responsible interactions with the natural environment. We rely on qualified personnel to maintain fish health, avoid escapes and minimize the environmental impact of our operations.

### Escape prevention

Mowi has a target of zero fish escapes and is constantly striving to prevent escapes and improve methods, equipment and procedures that can minimize or eliminate escapes. Unfortunately, there was one escape incident in the first quarter. This incident occurred in Norway Region South, with 1 fish escaped during lice counting. In the first quarter of 2018 there were three escape incidents with 106,755 escaped fish.

### Fish health

Pancreas Disease (PD): 7 new sites were diagnosed with PD in the first quarter (8 sites in the corresponding quarter of 2018); 5 in Norway and 2 in Ireland.

Infectious Salmon Anaemia (ISA): No new sites were diagnosed with ISA in the first quarter of 2019 and 2018. Our monitoring and surveillance continue and we maintain strict measures to harvest out sites with ISA immediately according to regulatory requirements.

Cardio Myopathy Syndrome (CMS): CMS is a concern in our farming operations in Norway, Scotland and Ireland. CMS is in principle a heart disease and currently there is no vaccine. Control is achieved by applying biosecurity measures to prevent transmission or early harvest of fish.

### Lice management

Mowi is actively working to reduce the sea lice load in all farming units. Employment of non-medicinal solutions has increased in the operating units, and extensive development and testing of non-medicinal tools and methods continues in collaboration between Mowi's Global R&D and Technical department and the operating units.

As per the end of the first quarter, the share of fish having undergone medicinal treatments against sea lice was stable in Norway Region North and Scotland compared to the first quarter of 2018, and decreased in Norway Region Mid, Canada, Chile and Ireland. In Norway Region South and the Faroes, the share increased. Mowi is working to reduce its overall dependency on medicinal treatments.

### SRS in Chile

SRS (Salmonid Rickettsial Septicaemia) is caused by an intracellular bacterium which occurs mainly in Chile. Mortality caused by SRS is still a challenge in Chilean salmon farming, and reported mortality due to SRS at the end of the first quarter was at a higher level than in the same period last year. This was due to SRS outbreaks in Region XI.

### Medicine use

Mowi focuses on preventing the development and spread of infectious diseases. If fish get infected, they are treated with approved medicines. In the first quarter, our use of antibiotics was 60.7 grams per ton biomass produced, which is down from 81.3 grams in the first quarter of 2018. Our use of antibiotics in the first quarter was mainly related to treatment of SRS in Chile and mouth infection (Mouth Myxo) in Canada.

Grams antibiotics per ton biomass produced	Q1 2019	Q1 2018
Norway	—	—
Scotland	—	41.8
Canada	72.6	30.3
Chile	263.7	389.1
Ireland	13.8	—
Faroes	—	—
<b>Group</b>	<b>60.7</b>	<b>81.3</b>

### ASC certification

As of the close of the first quarter of 2019 we had 76 sites certified: 47 in Norway, 22 in Canada, 4 in Ireland, 2 in Chile and 1 in the Faroes. This represents 33% of the total number of sites to be certified.

Several additional sites have been audited and are expected to be certified in 2019. Mowi is taking the lead in ASC implementation and we are committed to demonstrating an environmentally responsible development in our organization.

For further information regarding sustainability and biological risk management, reference is made to the Annual Report.

GUIDING PRINCIPLE	AMBITION	ACHIEVEMENT
		PLANET
Ensure sustainable wild-farmed interaction in the farming activity	Zero escapes	One escape incidents and 1 fish lost (three incidents with 106 755 fish lost in the first quarter of 2018)
Ensure healthy stocks minimizing diseases and losses in the farming activities	Monthly survival rate of at least 99.5% within 2022	Average monthly survival rate in the quarter of 98.9% (98.8% in the first quarter of 2018)

## PEOPLE - Safe and meaningful jobs

The safety, self-respect and personal pride of our employees cannot be compromised if Mowi is to succeed as a company and maintain good relationships with local communities.

### Employee Health and Safety

There was one fatality at a subcontractor during the first quarter of 2019. The tragic incident occurred while mooring a barge in Canada West, and has led to a full review of operating practices in this region. Furthermore, the Group recorded 37 Lost Time Incidents (LTIs) in the first quarter, which is an increase from 30 in the comparable quarter of 2018.

Measured in LTIs per million hours worked (rolling average), the figure has improved to 5.40 from 6.22 in the first quarter of 2018.

Absenteeism was stable at 5.3% (5.2%).

PEOPLE	GUIDING PRINCIPLE	AMBITION	ACHIEVEMENT
	Safe jobs	No lost time incidents (LTI)	LTIs per million hours worked was 5.40. Programs are in place to reduce the number.
	Healthy working environment	Absenteeism < 4%	Absenteeism of 5.3% in the quarter.

## PRODUCT - Tasty and healthy seafood

We aim to continually deliver healthy, tasty and responsibly produced seafood to our customers to deliver long-term financial profitability.

### Global brand launched in Poland

In the first quarter our MOWI Pure range was made available to consumers in Poland. The initial launch was successfully performed in some of the world's largest retailer chains and we are continuing to launch our brand in more and more retailers in Poland.

MOWI Pure is our finest salmon for an everyday treat. We offer this high-quality salmon in different cuts and sizes: Fresh, cold smoked and hot smoked products, which are all easy to prepare and enjoy. We can proudly state that our MOWI salmon has 20% more omega-3 due to our unique feed which is rich in marine ingredients, and our careful selection process. The MOWI-branded salmon comes from our very own Mowi breed originating from the river of Vosso in Western Norway. This is a strong and robust breed of salmon which we have been caring for since 1964.

In today's digital world, people are often going online to find information about products they are interested in. As a service for consumers, we have launched a new brand web site [mowisalmon.com](http://mowisalmon.com) and a traceability tool. We will use the web site as an important tool to communicate with potential customers about the MOWI brand. As an extension of the web site we have

our new traceability tool. This tool can be accessed through QR codes on the packaging of all the new MOWI-branded salmon. When the customers scan the QR code on the label, they are directed to our app. The app provides key information about the salmon such as birthplace, lifespan, feed diets, harvest date and where it was processed. Our goal is to take transparency to a whole new level.

The Polish retail launch is only the beginning of the MOWI adventure, which will continue with roll-outs in other selected markets in Europe and elsewhere.



Scan the QR code with your smart phone to view our film about the MOWI traceability tool.

PRODUCT	GUIDING PRINCIPLE	AMBITION	ACHIEVEMENT
	Food quality and safety	Supply seafood with valuable health benefits for its quality and documented safety	Health targets met
	Product innovation	Mowi wants to play an important role in the design and use of products to satisfy customer needs.	Launch of MOWI-branded products

## Events during and after the close of the quarter

### MOWI Pure launched in Poland

In the first quarter, MOWI Pure was launched in Poland through a comprehensive marketing campaign which included promotions, events, a large social media presence and commercials. MOWI Pure is the first part of the MOWI series, which also includes MOWI Signature and MOWI Supreme. The MOWI Pure series consists of seven different fresh, cold smoked and hot smoked products. The launch in Poland has so far been a success with strong demand, even leading to some sold-out stores.

### Launch of [mowisalmon.com](http://mowisalmon.com)

In March, Mowi published a new web site, [mowisalmon.com](http://mowisalmon.com), dedicated to the MOWI brand. The web site contains information about our business and our MOWI products, as well as inspiring recipes. In addition to the global version of the web site, it has also been launched in a Polish version following the launch of the MOWI brand in the Polish market. As the MOWI brand is rolled out in new markets, new local versions of the web site will be launched.

Furthermore, our company web site at [mowi.com](http://mowi.com) has been updated following the company name change and the launch of MOWI-branded products.

### Mowi Scotland acquires cleanerfish company

In April, Mowi Scotland entered into a share purchase agreement to acquire the company Ocean Matters, which has an aquaculture facility in North Wales for the production of cleanerfish. Ocean Matters will be an important addition to Mowi's cleanerfish program.

### Status for development licenses in Norway

Status for the different concepts:

- Mowi Norway has received a total of six licenses for the "Egg" concept, for the development of five units. Mowi and Hauge Aqua have applied for a change of building material. This request is not yet finally settled, as the initial rejection by the Directorate of Fisheries has been appealed.
- The "Donut" concept has received 2 licenses for 1,100 tonnes MAB. As the number of licenses received is significantly lower than the 8 licenses the company applied for, Mowi has not yet concluded whether or not to proceed with the project. The final decision will depend on the ongoing process of identifying a potential site.
- The application for the "AquaStorm" concept has been rejected by the Directorate, but this decision will be appealed to the Ministry of Fisheries.
- The rejection of the "Beck Cage" concept has been appealed to the Ministry of Fisheries.
- The "Ship" concept has been finally rejected by the Ministry of Fisheries.

### Mowi Feed UK has started trial production

On 3 May, trial production commenced at the new feed plant in Kyleakin, Scotland. On this day, pellets were produced for the very first time at the plant, and we congratulate Mowi Feed UK with this important milestone. In the coming weeks, the new plant will continue its tests and trials in order to prepare for the operation

phase. Full production is expected in the course of the third quarter.



The new feed plant in Kyleakin, Scotland.

### Mowi USA moved to its new Florida facility

In April-May, Mowi USA moved its Miami office, production plant and warehouse to the new 10 000 m<sup>2</sup> facility, which is one of the largest seafood facilities in the US. The new Miami operation represents the growing industry opportunities for Mowi USA, and after a year of planning, development and construction the move is an important milestone for the business unit.

### EUR 120 million Schuldchein loan

In May, Mowi entered into a EUR 120 million, 7-year senior unsecured loan in the German Schuldchein market. The loan is non-amortizing and consists of a floating tranche paying interest of 6-month EURIBOR + 170 bps p.a. maturing in May 2026.

### Chief Sustainability Officer appointed

As part of the company's efforts to improve sustainability across all areas of its operations, Mowi has appointed Dr. Catarina Martins as Chief Sustainability Officer. Dr. Martins has worked as Group Manager of Environment and Sustainability in the company for the past five years. Dr. Martins has a strong scientific background, holding a PhD in animal sciences from Wageningen University in the Netherlands and an MSc degree in marine biology from Lisbon University in Portugal. The Chief Sustainability Officer is part of the Group Management Team.

### Changes to the Group Management Team

In addition to the appointment of the Chief Sustainability Officer as described above, there have been two other changes to the Group Management Team:

Due to centralizing of the team to the headquarters in Bergen, Norway, US-based Chief Strategy Officer Glenn Flanders has stepped down from the Group Management Team. However, Flanders continues in his current role, including investor relations activities.

Furthermore, Kristine Gramstad Wedler has stepped down from the position as Group Communications Director. Wedler has decided to pursue new opportunities outside the company. We would like to thank her for her contributions to Mowi. Following this change and the appointment of the Chief Sustainability Officer, the role as Group Communications Director is no longer part of the Group Management Team.

## European Commission inspections

In February, the European Commission carried out unannounced inspections at selected premises of several salmon companies, including Mowi. The Commission was acting on concerns that the inspected companies may have violated EU antitrust rules. To the best of our knowledge there is no basis for the Commission's concerns, and the investigation comes as a surprise to us. Nonetheless, Mowi is cooperating fully with the Commission's investigation and is providing all information requested by them with full transparency.

## Class action complaints in the US

Mowi has been notified that the company is one of the salmon companies which are defendants in class action complaints in the US related to the European Commission inspections described above. As we believe that there is no basis for the Commission's concerns, we also strongly believe that the class action complaints against Mowi is unfounded.

## Supporting the F3 Fish Oil Challenge

Mowi was one of the contributors at the Future of Fish Feed (F3) Conference in San Francisco in February. F3 is a collaborative effort between NGOs, researchers and private partnerships to accelerate the commercialization of innovative, alternative aquaculture feed ingredients to replace wild-caught fish. Over the past decade, the aquaculture industry has become more efficient regarding the use of marine ingredients, and Mowi now utilizes 0.75 kg of wild fish to produce 1 kg of salmon. The F3 Fish Oil Challenge will award a prize to the contestant which develops and sells the greatest amount of a suitable fish oil alternative. Mowi Feed has committed to host a salmon trial with the winning product at one of our trial sites to further support this initiative.

## Global Cleanup Day

With plastics now a major concern for our planet, Mowi is committed to ensure we do our part to reduce plastic use and contribute to cleanup of local shorelines. On 3 May, Mowi arranged its Global Cleanup Day, with local events at many of our facilities around the world.



From the cleanup in Norway Region North.

## Mowi recognized in key investor survey

Institutional Investor recently published its 2019 All-Europe Executive Team winners. Mowi was amongst some companies being distinguished as "Most Honored" for its "corporate leadership and investor relations expertise". Mowi received several awards and top rankings within the "Consumer: Food Producers" sector.

## The Annual Report has been published

Mowi published its Annual Report for 2018 on 27 March 2019. Please refer to our web site at [mowi.com](http://mowi.com) for details.

## Dividend of NOK 2.60 per share

The Board of Directors has decided to pay out a quarterly dividend of NOK 2.60 per share to the shareholders as ordinary dividends.

## Outlook statement from the Board of Directors

Operational and financial results were good in the first quarter. The industry experienced a modest supply growth in the first quarter and, coupled with increased blended prices, the value of salmon consumed continued to grow strongly. The megatrends supporting the long-term outlook of further consumption growth remain solid and it is up to the industry players to capitalize on the many untapped market opportunities. Mowi continues to invest globally across its value chain to take advantage of these opportunities, and the recent launch of our own MOWI brand demonstrates our vision of Leading the Blue Revolution.

The overall result in the farming business unit was good and is explained by seasonally record high harvest volumes, good salmon prices and reduced farming costs. As expected, Consumer Products experienced headwinds in its European operations from increased competition and a late Easter this year. Feed had a seasonally slow quarter and was impacted negatively by incurred non-capitalized costs in relation to the new feed plant in Scotland.

Farming costs continued to trend down in the first quarter compared to the fourth quarter. The Board is pleased with the reduced global farming costs and based on increased biomass in sea year-on-year, the Board expects farming costs to trend down in 2019 compared to 2018. It is of strategic importance to Mowi to be the lowest-cost farmer over time and the ongoing cost improvement programs and cost-conscious decision-making support this strategy.

Results in the Farming segment were good in the quarter. Harvest volumes in each of the major farming regions (Norway, Scotland, Canada and Chile) increased compared to the same quarter last year. As prices increased in general and costs were controlled, the results significantly improved year-on-year. Although improved biological performance remains a top priority, in some areas biological conditions are challenging.

Results in Farming Ireland were solid in the quarter notwithstanding the modest harvest. Organic salmon is truly a unique product and Mowi is well positioned within this segment. Results in Farming Faroes were satisfactory in the quarter but were impacted by relatively low harvest volumes due to stocking pattern.

Operational performance in Feed was seasonally low in the quarter. Going forward feed production in Norway will increase significantly as feed requirements increase in line with the seasonal nature of the operations. The new plant in Kyleakin, Scotland is nearing completion and commenced trial production in the second quarter. Full production is expected in the course of the third quarter. This will mark a milestone achievement for Mowi as it becomes self-sufficient for its feed requirements in Europe, and cements the company's strategy of being a vertically integrated salmon farmer from feed-to-fork.

Performance in Consumer Products was, as expected, influenced by the late Easter and by fierce competition in the European Chilled segment. The Board expects this increased competition to continue into the second quarter and impact results negatively. Although we are continually looking to make operational improvements across our many plants, current market dynamics suggest that the processing industry will continue to face challenges at least into the next quarter.

To support further organic growth Mowi increased its financial flexibility in May by entering into a EUR 120 million, 7-year senior unsecured loan in the German Schuldschein market. The loan is non-amortizing and consists of a floating tranche paying interest of 6-month EURIBOR + 170 bps p.a. maturing in May 2026. The Board is pleased with the long tenor and attractive low financing cost.

The Board is very enthusiastic about the recent developments of Mowi's branded product strategy and the many untapped opportunities within this area. Mowi launched its MOWI Pure branded product range in Poland during the quarter. MOWI Pure is our finest high-quality salmon and comes in different cuts and sizes. MOWI salmon has 20% more omega-3 content due to our unique feed, which is rich in marine ingredients, and our careful selection process. The product range consists of fresh, cold smoked and hot smoked products. The products were made available in some of the world's largest retail chains and we will continue to launch our branded products in additional retail stores going forward. To reinforce the product-launch Mowi also published a new website, [mowisalmon.com](http://mowisalmon.com), dedicated to the MOWI brand.

The fundamentals for the salmon farming industry remain strong; demand is robust and supply is expected to be modest going forward. As such, the Board remains very positive about the outlook for the industry and for Mowi in particular. The positive stance is also supported by the forward price (Nasdaq at EUR 6.1/kg) and good contract prices.

A quarterly dividend of NOK 2.60 per share will be paid as ordinary dividends.

## Summary year to date

Please refer to Highlights from the first quarter of 2019 (page 2).

## RISKS

Mowi has not identified any additional risk exposure beyond the risks described in note 3 of this report and the 2018 Annual Report.

Reference is also made to the Planet section and the Outlook section of this report for other comments to Mowi's risk exposure.

Bergen, May 6, 2019

The Board of Directors of Mowi ASA

Ole-Eirik Lerøy

CHAIR OF THE BOARD

Lisbet K. Nærø

DEPUTY CHAIR OF THE BOARD

Cecilie Fredriksen

Paul Mulligan

Jean-Pierre Bienfait

Birgitte Ringstad Vartdal

Kristian Melhuus

Unni Sværen

Anders Sæther

Jørgen Wengaard

Alf-Helge Aarskog  
CHIEF EXECUTIVE OFFICER

# Interim financial statements

## Condensed Consolidated Statement of Comprehensive Income

Unaudited, in EUR million	Note	Q1 2019	Q1 2018	2018
<b>Revenue</b>	4, 5	<b>980.0</b>	<b>862.4</b>	<b>3 811.9</b>
Cost of materials		-444.4	-406.0	-1 812.2
Net fair value adjustment biomass	6	34.4	94.5	146.4
Salaries and personnel expenses		-135.6	-122.9	-505.0
Other operating expenses		-131.3	-128.0	-589.9
Depreciation and amortization	2	-66.9	-37.3	-153.4
Onerous contract provisions		6.1	-5.1	-6.1
Restructuring cost		0.0	-0.9	0.3
Other non-operational items		-0.2	0.1	-1.0
Income from associated companies and joint ventures		7.1	12.6	45.5
Impairment losses		0.0	0.1	-11.0
<b>Earnings before financial items (EBIT)</b>		<b>249.2</b>	<b>269.6</b>	<b>925.4</b>
Interest expenses	8	-13.9	-10.3	-50.0
Net currency effects	8	11.0	4.1	-17.7
Other financial items	8	2.5	-31.5	-125.5
<b>Earnings before tax</b>		<b>248.8</b>	<b>231.8</b>	<b>732.2</b>
Income taxes		-55.0	-52.8	-165.0
<b>Profit or loss for the period</b>		<b>193.9</b>	<b>179.1</b>	<b>567.2</b>
<b>Other comprehensive income</b>				
Currency translation differences		45.6	-20.9	1.7
Currency translation associated companies		4.8	2.0	-2.3
<b>Items to be reclassified to P&amp;L in subsequent periods:</b>		<b>50.5</b>	<b>-18.9</b>	<b>-0.6</b>
Actuarial gains (losses) on defined benefit plans, net of		0.0	0.0	0.2
Other gains and losses in comprehensive income		0.0	0.0	0.0
<b>Items not to be reclassified to profit and loss:</b>		<b>-0.1</b>	<b>0.0</b>	<b>0.2</b>
<b>Other comprehensive income, net of tax</b>		<b>50.4</b>	<b>-18.9</b>	<b>-0.4</b>
<b>Total comprehensive income in the period</b>		<b>244.3</b>	<b>160.2</b>	<b>566.9</b>
<b>Profit or loss for the period attributable to</b>				
Non-controlling interests		-0.2	0.2	0.6
Owners of Mowi ASA		194.0	178.8	566.6
<b>Comprehensive income for the period attributable to</b>				
Non-controlling interests		-0.2	0.2	0.6
Owners of Mowi ASA		244.4	159.9	566.3
Basic earnings per share (EUR)		0.38	0.36	1.15
Diluted earnings per share (EUR)		0.38	0.36	1.15
Dividend declared and paid per share (NOK)		2.60	2.60	10.40

## Condensed Consolidated Statement of Financial Position

Unaudited, in EUR million	Note	31.03.2019	31.12.2018	31.03.2018
<b>ASSETS</b>				
Licenses		794.1	781.4	627.0
Goodwill		290.6	289.3	255.4
Deferred tax assets		15.9	22.9	10.8
Other intangible assets		26.1	26.2	25.5
Property, plant and equipment		1 253.0	1 216.1	1 086.9
Right-of-use assets	2	357.2	0.0	0.0
Investments in associated companies		232.9	220.6	193.5
Other shares and other non-current assets		1.6	1.6	3.3
<b>Total non-current assets</b>		<b>2 971.3</b>	<b>2 558.1</b>	<b>2 202.3</b>
Inventory		336.1	285.5	327.7
Biological assets	6	1 585.8	1 559.3	1 287.5
Current receivables		581.1	636.9	510.1
Cash		89.7	105.3	88.4
<b>Total current assets</b>		<b>2 592.7</b>	<b>2 587.1</b>	<b>2 213.6</b>
Asset held for sale		0.0	0.0	0.0
<b>Total assets</b>		<b>5 564.0</b>	<b>5 145.1</b>	<b>4 415.9</b>
<b>EQUITY AND LIABILITIES</b>				
Equity		2 984.5	2 877.2	2 342.4
Non-controlling interests		1.6	1.7	1.4
<b>Total equity</b>		<b>2 986.1</b>	<b>2 879.0</b>	<b>2 343.8</b>
Deferred tax liabilities		417.3	413.6	368.9
Non-current interest-bearing debt		1 104.4	1 142.5	943.7
Non-current leasing liabilities		252.7	0.0	0.0
Other non-current liabilities		10.9	11.0	123.4
<b>Total non-current liabilities</b>		<b>1 785.3</b>	<b>1 567.1</b>	<b>1 436.0</b>
Current interest-bearing debt		0.1	0.1	1.2
Current leasing liabilities		112.2	0.0	0.0
Other current liabilities		680.4	699.1	634.9
<b>Total current liabilities</b>		<b>792.6</b>	<b>699.1</b>	<b>636.1</b>
<b>Total equity and liabilities</b>		<b>5 564.0</b>	<b>5 145.1</b>	<b>4 415.9</b>

## Condensed Consolidated Statement of Change in Equity

2019	Attributable to owners of Mowi ASA								
	Share capital	Other paid in capital	Shared based payment	Foreign currency translation reserve	Foreign currency translation reserve associated companies	Other equity reserves	Total	Non-controlling interests	Total equity
Unaudited, in EUR million									
<b>Equity 01.01.2019</b>	404.0	1 251.0	5.9	81.8	-7.5	1141.9	2 877.2	1.7	2 879.0
<b>Comprehensive income</b>									
Profit						194.0	194.0	-0.2	193.8
Other comprehensive income				19.7	4.8	25.9	50.4		50.4
<b>Transactions with owners</b>									
Share based payment			0.8			0.1	0.9		0.9
Dividend						-137.9	-137.9		-137.9
<b>Total equity end of period</b>	<b>404.0</b>	<b>1 251.0</b>	<b>6.7</b>	<b>101.5</b>	<b>-2.7</b>	<b>1 224.0</b>	<b>2 984.5</b>	<b>1.6</b>	<b>2 986.2</b>

2018	Attributable to owners of Mowi ASA								
	Share capital	Other paid in capital	Shared based payment	Foreign currency translation reserve	Foreign currency translation reserve associated companies	Other equity reserves	Total	Non-controlling interests	Total equity
Unaudited, in EUR million									
<b>Equity 01.01.2018</b>	383.9	931.5	5.4	51.3	-5.2	947.3	2 314.3	1.2	2 315.4
<b>Comprehensive income</b>									
Profit						566.6	566.6	0.6	567.2
Other comprehensive income				30.5	-2.3	-28.6	-0.4		-0.4
<b>Transactions with owners</b>									
Share based payment			0.5			-5.2	-4.7		-4.7
Dividend						-532.4	-532.4		-532.4
Bond conversion	20.1	319.5				194.2	533.8		533.8
<b>Total equity 31.12.2018</b>	<b>404.0</b>	<b>1 251.0</b>	<b>5.9</b>	<b>81.8</b>	<b>-7.5</b>	<b>1 141.9</b>	<b>2 877.2</b>	<b>1.7</b>	<b>2 879.0</b>

## Condensed Consolidated Statement of Cash Flow

Unaudited, in EUR million	Q1 2019	Q1 2018	2018
Earnings before taxes (EBT)	248.8	231.8	732.2
Interest expense	13.9	10.3	50.0
Currency effects	-11.0	-4.1	17.7
Other financial items	-2.5	31.5	125.5
Net fair value adjustment and onerous contracts	-40.5	-89.3	-140.2
Income/loss from associated companies	-7.1	-12.6	-45.5
Depreciation and impairment losses	66.9	37.2	164.4
Change in working capital	51.0	38.5	-147.7
Taxes paid	-53.1	-50.5	-129.8
Restructuring and other non-operational items	-0.1	-0.9	-2.4
Other adjustments	-0.5	-0.2	-3.4
<b>Cash flow from operations</b>	<b>265.8</b>	<b>191.8</b>	<b>620.9</b>
Proceeds from sale of fixed assets	0.5	2.0	6.5
Payments made for purchase of fixed assets	-65.7	-78.6	-346.2
Proceeds from associates and other investments	13.4	1.8	29.0
Purchase of shares and other investments	-15.6	-10.5	-253.1
<b>Cash flow from investments</b>	<b>-67.2</b>	<b>-85.4</b>	<b>-563.7</b>
Proceeds from new interest-bearing debt	0.0	37.9	534.8
Down payment of interest-bearing debt	-40.6	0.0	0.0
Down payment leasing debt	-26.9	0.0	0.0
Net interest and financial items paid	-13.6	-6.9	-38.4
Realized currency effects	1.8	4.0	14.1
Dividend paid to owners of Mowi ASA	-137.9	-132.5	-532.4
<b>Cash flow from financing</b>	<b>-217.3</b>	<b>-97.5</b>	<b>-22.0</b>
Change in cash in the period	-18.8	8.9	35.2
Cash - opening balance <sup>1)</sup>	93.9	59.1	59.1
Currency effects on cash - opening balance	0.7	-0.8	-0.4
<b>Cash - closing balance <sup>1)</sup></b>	<b>75.8</b>	<b>67.2</b>	<b>93.9</b>

<sup>1)</sup> Excluded restricted cash

## SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

### Note 1 GENERAL INFORMATION

Mowi (the Group) consists of Mowi ASA and its subsidiaries, including the Group's interests in associated companies.

These interim financial statements are prepared in accordance with International Accounting Standard 34 Interim Financial Reporting as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union (EU). The interim financial statements do not include all of the information and disclosures required by International Financial Reporting Standards (IFRSs) for a complete set of financial statements, and these interim financial statements should be read in conjunction with the annual financial statements. The interim report is unaudited.

### Note 2 ACCOUNTING PRINCIPLES

All significant accounting principles applied in the consolidated financial statements are described in the Annual Report for 2018 (as published on the Oslo Stock Exchange on March 27, 2019).

From 2019, Mowi has implemented the new accounting standard regarding leases (IFRS 16).

#### Leasing

The new standard requires capitalization of all leasing agreements with duration exceeding 12 months, whereas the previous regulations only required capitalization of financial leases. The right-of-use asset and liability to be recognized for each leasing agreement is the present value of the lease payments.

- The Group has implemented IFRS 16 using the modified retrospective approach, i.e. without restating comparative information, and by recognizing the same amount as right-of-use assets and lease liabilities per January 1 2019. Consequently, opening book value of equity has not been impacted.
- Total balance sheet value per March 31 2019 has increased by EUR 357 million related to the implementation of the new standard. The group's bank facility has a covenant of 35% book equity ratio, but the calculation of the ratio is to be adjusted for the effects of IFRS 16. Accordingly, the covenant equity ratio is 57.5% per March 31 2019.
- In the statement of profit and loss, leasing costs related to IFRS 16 has been replaced by depreciation costs of leasing assets and interest costs from lease liabilities. The positive EBIT effect (both Operational EBIT and Financial EBIT) related to this is EUR 1.4 million in the first quarter. In the statement of cash flow, cash outflows related to leases previously included in the cash flow from operations has been replaced by cash outflows related to repayment of lease liabilities included in the cash flow from financing.

#### RECONCILIATION OF RIGHT-OF-USE ASSETS AND LIABILITIES (IFRS 16)

EUR million	Right-of-use assets	Liabilities
<b>Closing balance 31.12.2018</b>	<b>0.0</b>	<b>0.0</b>
<b>Opening balance 01.01.2019 (implementation of IFRS 16)</b>	<b>373.3</b>	<b>373.3</b>
New contracts in Q1 2019	5.7	5.7
Extensions of existing agreements in Q1 2019	5.6	5.6
Depreciation and amortization in Q1 2019 <sup>1)</sup>	(28.4)	—
Lease payments (down payment and interests)	—	(29.7)
Interest expense	—	2.9
Currency effects in Q1 2019	1.0	7.2
<b>Closing balance 31.03.2019</b>	<b>357.2</b>	<b>364.9</b>

<sup>1)</sup> Included in the line item "Depreciation and amortization" in the consolidated statement of comprehensive income, which has a total amount of EUR -66.9 million in the first quarter of 2019.

Split current vs. non-current	Liabilities
Non-current leasing liabilities	252.7
Current leasing liabilities	112.2
<b>Closing balance 31.03.2019</b>	<b>364.9</b>

Significant fair value measurements in accordance with IFRS 13:

*Biological assets*

Biological assets are, in accordance with IAS 41, measured at fair value, unless the fair value cannot be measured reliably. Broodstock and smolt are measured at cost less impairment losses, as the fair value cannot be measured reliably. Fair value of biological assets is calculated based on a cash flow-based present value model, which does not rely on historical cost. Cash inflows are calculated as functions of estimated volume multiplied with estimated price. Fish ready for harvest (mature fish) is valued at expected sales price with a deduction of cost related to harvest, transport etc. Sales costs are not deducted. For fish not ready for harvest (immature fish), the model uses an interpolation methodology where the known data points are the value of the fish when put to sea and when recognized as mature fish.

In accordance with IAS 41.16, a provision for onerous contracts is recorded by assessing if there are contracts in which the unavoidable costs of meeting the Group's obligations under the contract (where fair value adjustment of biological assets is included in the unavoidable costs) exceed the economic benefits expected to be received.

*Derivative financial instruments and other shares*

Derivative financial instruments (including interest swaps, currency swaps and salmon derivatives) are valued at fair value on Level 2 of the fair value hierarchy, in which the fair value is calculated by comparing the terms agreed under each derivative contract to the market terms for a similar contract on the valuation date.

Basic Earnings per share:

Basic Earnings per share (EPS) is calculated on the weighted average number of shares outstanding during the period.

**Note 3 ESTIMATES AND RISK EXPOSURE**

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting principles and recognized amounts of assets, liabilities, income and expenses. The most significant estimates relate to the valuation of biological assets and intangible assets. Estimates and underlying assumptions are reviewed on an ongoing basis, and are based on the management's best assessment at the time of reporting. All changes in estimates are reflected in the financial statements as they occur.

Mowi is exposed to a number of risk factors: Operational risks, strategic risk, reporting risk and compliance risk. The Risk Management section in the Annual Report contains a detailed description of risks and mitigation actions.

#### Note 4 BUSINESS SEGMENTS

For management purposes, Mowi is organized into three Business Areas: Feed, Farming and Sales & Marketing. Feed and Farming are separate reportable segments. Sales & Marketing is divided in two reportable segments, Markets and Consumer Products.

The performance of the segments is monitored to reach the overall objective of maximizing the Operational EBIT per kg. Consequently, reporting is focused towards measuring and illustrating the overall profitability of harvested volume based on source of origin (Operational EBIT/kg).

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

Unrealized internal margin from sale of fish feed from Feed to Farming is eliminated in the Group financial statements until the fish that consumed the feed is sold. In the segment reporting the internal profit is included for Business Area Feed.

BUSINESS AREAS	Feed	Farming	Sales & Marketing		Other	Eliminations	TOTAL
	Markets <sup>1)</sup>	Consumer Products <sup>1)</sup>					
<b>Q1 2019</b>							
External revenue	5.1	15.7	408.3	544.1	0.0	0.0	973.2
Internal revenue	68.0	623.9	286.5	6.1	6.3	-984.6	6.2
Operational revenue	73.2	639.5	694.8	550.2	6.3	-984.6	979.4
Derivatives and other items	0.0	-3.3	0.3	0.6	0.0	3.0	0.6
<b>Revenue in profit and loss</b>	<b>73.2</b>	<b>636.2</b>	<b>695.1</b>	<b>550.8</b>	<b>6.3</b>	<b>-981.6</b>	<b>980.0</b>
<b>Operational EBITDA <sup>2)</sup></b>	<b>-0.9</b>	<b>213.5</b>	<b>14.2</b>	<b>11.1</b>	<b>-4.7</b>	<b>0.0</b>	<b>233.2</b>
<b>Operational EBIT</b>	<b>-2.4</b>	<b>184.1</b>	<b>14.1</b>	<b>5.8</b>	<b>-5.5</b>	<b>0.0</b>	<b>196.1</b>
Change in unrealized internal margin	0.0	0.0	0.0	0.0	0.0	5.9	5.9
Gain/loss from derivatives	0.0	-3.0	0.3	3.5	-0.7	0.0	0.2
Net fair value adjustment on biological assets	0.3	34.1	0.0	0.0	0.0	0.0	34.4
Onerous contract provisions	0.0	6.1	0.0	0.0	0.0	0.0	6.1
Restructuring cost	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other non-operational items	0.0	-0.3	0.0	-0.2	0.0	0.0	-0.5
Income from associated companies and joint ventures	0.0	7.0	0.0	0.0	0.1	0.0	7.1
Impairment losses and write-downs	0.0	0.0	0.0	0.1	0.0	0.0	0.0
<b>EBIT</b>	<b>-2.1</b>	<b>227.9</b>	<b>14.5</b>	<b>9.2</b>	<b>-6.1</b>	<b>5.9</b>	<b>249.2</b>
<b>Q1 2018</b>							
External revenue	1.2	22.9	315.0	523.0	0.0	0.0	862.1
Internal revenue	60.4	469.4	247.5	10.2	4.4	-791.9	0.0
Operational revenue	61.6	492.4	562.5	533.2	4.4	-791.9	862.1
Derivatives and other items	0.0	0.0	-2.5	2.7	0.0	0.2	0.3
<b>Revenue in profit and loss</b>	<b>61.6</b>	<b>492.4</b>	<b>560.0</b>	<b>535.9</b>	<b>4.4</b>	<b>-791.7</b>	<b>862.4</b>
<b>Operational EBITDA</b>	<b>-2.4</b>	<b>164.6</b>	<b>9.3</b>	<b>28.2</b>	<b>-4.9</b>	<b>0.0</b>	<b>194.8</b>
<b>Operational EBIT</b>	<b>-4.3</b>	<b>136.5</b>	<b>9.2</b>	<b>21.9</b>	<b>-5.7</b>	<b>0.0</b>	<b>157.6</b>
Change in unrealized internal margin	0.0	0.0	0.0	0.0	0.0	4.4	4.4
Gain/loss from derivatives	0.0	-7.1	-2.5	9.9	6.1	0.0	6.3
Net fair value adjustment on biological assets	0.1	94.4	0.0	0.0	0.0	0.0	94.5
Onerous contract provisions	0.0	-5.1	0.0	0.0	0.0	0.0	-5.1
Restructuring cost	0.0	-0.9	0.0	0.0	0.0	0.0	-0.9
Other non-operational items	0.0	0.0	0.0	0.1	0.0	0.0	0.1
Income from associated companies and joint ventures	0.0	12.7	0.0	0.0	-0.1	0.0	12.6
Impairment losses and write-downs	0.0	0.0	0.0	0.1	0.0	0.0	0.1
<b>EBIT</b>	<b>-4.2</b>	<b>230.5</b>	<b>6.7</b>	<b>32.0</b>	<b>0.3</b>	<b>4.4</b>	<b>269.6</b>

BUSINESS AREAS	Feed	Farming	Sales & Marketing		Other	Eliminations	TOTAL
			Markets <sup>1)</sup>	Consumer Products <sup>1)</sup>			
EUR million							
<b>2018</b>							
External revenue	15.5	119.5	1 454.2	2 225.2	0.0	0.0	3 814.5
Internal revenue	403.8	2 174.6	1 079.3	30.0	18.8	-3 706.6	0.0
Operational revenue	419.3	2 294.1	2 533.5	2 255.2	18.8	-3 706.6	3 814.5
Derivatives and other items	0.0	-0.5	-2.6	0.0	0.0	0.5	-2.6
<b>Revenue in profit and loss</b>	<b>419.3</b>	<b>2 293.6</b>	<b>2 530.9</b>	<b>2 255.2</b>	<b>18.8</b>	<b>-3 706.1</b>	<b>3 811.9</b>
<b>Operational EBITDA</b>	<b>17.1</b>	<b>742.9</b>	<b>51.0</b>	<b>112.8</b>	<b>-17.6</b>	<b>0.0</b>	<b>906.2</b>
<b>Operational EBIT</b>	<b>9.6</b>	<b>625.2</b>	<b>50.5</b>	<b>88.6</b>	<b>-21.0</b>	<b>0.0</b>	<b>752.8</b>
Change in unrealized internal margin	0.0	0.0	0.0	0.0	0.0	-5.9	-5.9
Gain/loss from derivatives	0.0	-0.5	-2.6	0.5	7.0	0.0	4.4
Net fair value adjustment on biological assets	0.5	145.8	0.0	0.0	0.0	0.0	146.4
Onerous contract provisions	0.0	-6.1	0.0	0.0	0.0	0.0	-6.1
Restructuring cost	0.0	-0.1	0.5	0.0	0.0	0.0	0.3
Other non-operational items	0.0	-0.8	0.0	-0.1	0.0	0.0	-1.0
Income from associated companies and joint ventures	0.0	45.7	0.0	0.0	-0.2	0.0	45.5
Impairment losses and write-downs	0.0	-2.8	0.0	-8.2	0.0	0.0	-11.0
<b>EBIT</b>	<b>10.2</b>	<b>806.3</b>	<b>48.3</b>	<b>80.8</b>	<b>-14.1</b>	<b>-5.9</b>	<b>925.4</b>

<sup>1)</sup> From the first quarter of 2019 the Consumer Products reporting segment includes additional value-added operations in Americas which were previously included in the Markets reporting segment. Comparison figures have been re-presented accordingly.

<sup>2)</sup> Operational EBITDA excludes the effects of IFRS 16.

## Note 5 DISAGGREGATION OF REVENUE

BUSINESS AREAS EUR million	Feed		Farming		Sales & Marketing		TOTAL	
	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018
<b>Geographical markets</b>								
Europe	4.9	1.0	12.1	12.3	623.7	590.4	640.7	603.8
Americas	0.0	0.0	0.6	0.8	210.6	154.6	211.2	155.4
Asia	0.0	0.0	0.0	0.0	88.0	80.0	88.0	80.0
Rest of the world	0.0	0.0	0.2	0.2	23.4	12.2	23.6	12.3
<b>Revenue from contracts with customers</b>	<b>4.9</b>	<b>1.0</b>	<b>12.9</b>	<b>13.3</b>	<b>945.8</b>	<b>837.2</b>	<b>963.6</b>	<b>851.5</b>
Other income	0.2	0.2	2.8	9.7	6.6	0.8	9.6	10.6
<b>External operational revenue</b>	<b>5.1</b>	<b>1.2</b>	<b>15.7</b>	<b>22.9</b>	<b>952.4</b>	<b>838.0</b>	<b>973.2</b>	<b>862.1</b>

BUSINESS AREAS EUR million	Feed		Farming		Sales & Marketing		TOTAL	
	2018 Full year	2018 Full year	2018 Full year	2018 Full year				
<b>Geographical markets</b>								
Europe	13.9		45.4		2 599.4		2 658.8	
Americas	0.0		50.0		644.6		694.6	
Asia	0.0		0.0		350.9		350.9	
Rest of the world	0.0		0.7		47.5		48.2	
<b>Revenue from contracts with customers</b>	<b>13.9</b>		<b>96.1</b>		<b>3 642.4</b>		<b>3 752.5</b>	
Other income	1.6		23.4		37.1		62.1	
<b>External operational revenue</b>	<b>15.5</b>		<b>119.5</b>		<b>3 679.5</b>		<b>3 814.5</b>	

### Source of revenue

The main source of revenue for the Group is sales of Atlantic salmon, including elaborated products.

The business area Sales & Marketing represents the majority of the Group's external revenue. The revenue distribution for Sales & Marketing according to product categories was as follows in the first quarter of 2019 (first quarter of 2018): Fresh bulk 42% (35%), smoked/marinated 17% (22%), fresh MAP 13% (13%), fresh prepared 13% (12%), frozen prepared 6% (5%), frozen bulk 2% (3%) and other 8% (10%).

The business area Feed sells some feed to external parties. In the first quarter of 2019 (first quarter of 2018), the business area Farming has external revenue of EUR 7.2 million (EUR 8.1 million) related to sales of Atlantic salmon, and also other revenue which includes insurance income and rental income from sales of surplus primary processing capacity.

**Note 6 BIOLOGICAL ASSETS**

EUR million	Norway	Scotland	Canada	Chile	Other	TOTAL
<b>Fair value adjustment on harvested fish in the statement of comprehensive income</b>						
Q1 2019	-128.6	-31.7	-19.1	-28.5	-5.1	<b>-212.9</b>
Q1 2018	-92.8	-11.3	-15.9	-11.8	-7.1	<b>-139.0</b>
2018	-480.7	-54.5	-80.9	-69.7	-32.0	<b>-717.8</b>
<b>Fair value adjustment on biological assets in the statement of comprehensive income</b>						
Q1 2019	142.8	36.2	29.6	26.6	14.7	<b>249.8</b>
Q1 2018	155.8	10.9	28.1	20.7	18.5	<b>234.0</b>
2018	574.8	95.2	83.6	87.3	32.7	<b>873.5</b>
<b>Fair value adjustment on incident based mortality in the statement of comprehensive income</b>						
Q1 2019	-1.7	0.0	0.0	-0.4	-0.5	<b>-2.5</b>
Q1 2018	-0.2	-0.2	0.0	0.0	-0.3	<b>-0.6</b>
2018	-3.9	-0.6	-2.9	0.0	-2.0	<b>-9.4</b>
<b>Net fair value adjustment biomass in the statement of comprehensive income</b>						
Q1 2019	12.5	4.6	10.5	-2.3	9.1	<b>34.4</b>
Q1 2018	62.8	-0.5	12.2	8.9	11.0	<b>94.5</b>
2018	90.2	40.2	-0.3	17.6	-1.3	<b>146.4</b>
<b>Volumes of biomass in sea (1 000 tonnes)</b>						
31.03.2019						<b>277.4</b>
31.12.2018						<b>305.0</b>
<b>Fair value adjustment on biological assets in the statement of financial position</b>						
<b>31.03.2019</b>						
Fair value adjustment on biological assets	290.5	66.6	82.3	36.5	23.2	<b>499.1</b>
Biomass at cost*						<b>1 086.7</b>
<b>Total biological assets</b>						<b>1 585.8</b>
<b>31.12.2018</b>						
Fair value adjustment on biological assets	278.0	60.0	69.0	38.1	14.0	<b>459.1</b>
Biomass at cost*						<b>1 100.2</b>
<b>Total biological assets</b>						<b>1 559.3</b>

\* Includes costs related to seawater, freshwater, broodstock and cleanerfish

**Reconciliation of changes in carrying amount of biological assets**

Carrying amount as of 31.12.2018		1 559.3
Cost to stock		332.1
Net fair value adjustment		34.4
Mortality for fish in sea		-6.2
Cost of harvested fish		-356.5
Currency translation differences		22.7
<b>Total carrying amount of biological assets as of 31.03.2019</b>		<b>1 585.8</b>

EUR million	Norway	Scotland	Canada	Chile	Other	TOTAL
<b>Price sensitivities effect on fair value</b>						
The sensitivities are calculated based on a EUR 0.1 change of the salmon price in all markets.	9.5	2.2	3.5	2.4	0.7	<b>18.3</b>
<b>Onerous contracts provision (included in other current liabilities in the statement of financial position)</b>						
31.12.2018						7.3
Change in onerous contracts provision in the statement of comprehensive income						-6.1
Currency translation differences						0.2
<b>31.03.2019</b>						<b>1.4</b>

## Note 7 EXCEPTIONAL ITEMS

EUR million	Q1 2019
Incident based mortality Mowi Norway	3.1
Incident based mortality Mowi Scotland	0.2
Incident based mortality Mowi Canada	0.0
Incident based mortality Mowi Chile	1.0
Incident based mortality Mowi Faroes	0.0
Incident based mortality Mowi Ireland	1.7
<b>Incident based mortality</b>	<b>5.9</b>
Exceptional sea lice mitigation Mowi Norway	20.3
<b>Sum exceptional items</b>	<b>26.2</b>

## Note 8 FINANCIAL ITEMS

EUR million	Q1 2019	Q1 2018	2018
Interest expenses	-11.0	-10.3	-50.0
Interest expenses leasing (IFRS 16)	-2.9	0.0	0.0
<b>Net interest expenses</b>	<b>-13.9</b>	<b>-10.3</b>	<b>-50.0</b>
Net currency effect on long term positions	5.9	2.0	-2.0
Net currency effects on short term positions	-3.0	-4.2	-11.9
Net currency effects on short term currency hedges	2.4	0.0	-4.2
Net currency effects on long term currency hedges	12.0	6.4	0.5
Currency effects on leasing (IFRS 16)	-6.2	0.0	0.0
<b>Net currency effects</b>	<b>11.0</b>	<b>4.1</b>	<b>-17.7</b>
Change in fair value financial instruments	2.3	3.7	14.6
Change in fair value conversion liability component of convertible bonds	0.0	-35.3	-142.3
Net other financial items	0.2	0.0	2.3
<b>Other financial items</b>	<b>2.5</b>	<b>-31.5</b>	<b>-125.5</b>
<b>Total financial items</b>	<b>-0.4</b>	<b>-37.8</b>	<b>-193.2</b>

## Note 9 SHARE CAPITAL

	No of shares	Share capital (EUR million)	Other paid in capital (EUR million)
<b>Share capital</b>			
Issued at the beginning of 2019	516 039 719	404.0	1 251.0
Changes during the period	0	0.0	0.0
Issued at the end of period <sup>1)</sup>	<b>516 039 719</b>	<b>404.0</b>	<b>1 251.0</b>

<sup>1)</sup> Per March 31 2019 Mowi ASA had a share capital of NOK 3,870,297,982.50 divided into 516,039,719 shares, each with a par value of NOK 7.50. The group did not hold any treasury shares during the reporting period.

## Note 10 SHAREHOLDERS

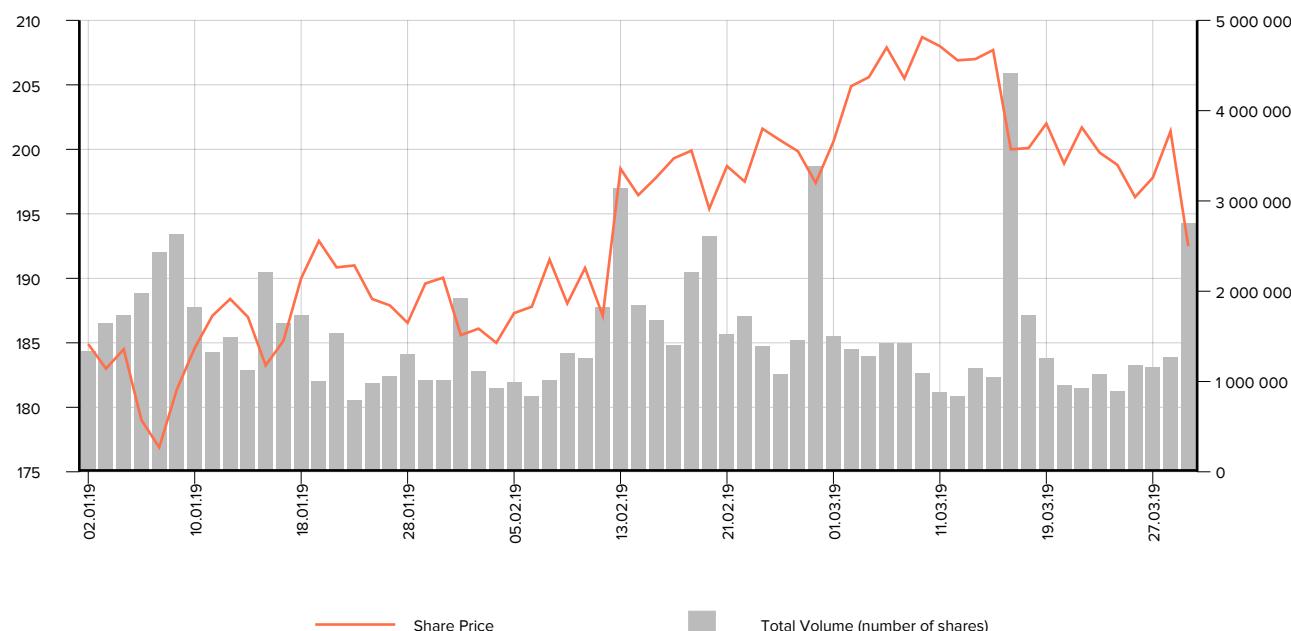
### Major shareholders as of 31.03.2019:

Name of shareholder	No. of shares	%
Geveran Trading Co Ltd <sup>1)</sup>	74 551 603	14.45%
Folketrygdfondet	41 928 945	8.13%
Clearstream Banking S.A.	24 446 017	4.74%
State Street Bank and Trust Comp	10 916 202	2.12%
Jupiter European Fund	10 495 670	2.03%
State Street Bank and Trust Comp	9 643 633	1.87%
Citibank, N.A.	8 278 030	1.60%
State Street Bank and Trust Comp	7 453 659	1.44%
State Street Bank and Trust Comp	7 119 883	1.38%
State Street Bank and Trust Comp	6 734 379	1.31%
J.P. Morgan Chase Bank, N.A., London	6 622 299	1.28%
Verdipapirfondet DNB Norge (IV)	6 213 960	1.20%
UBS Switzerland AG	6 170 250	1.20%
J.P. Morgan Chase Bank, N.A., London	6 090 682	1.18%
The Northern Trust Comp, London Br	5 764 431	1.12%
Euroclear Bank S.A./N.V.	5 562 962	1.08%
The Bank of New York Mellon SA/NV	5 413 118	1.05%
J.P. Morgan Bank Luxembourg S.A.	4 062 728	0.79%
KLP Aksjenorge Indeks	4 046 117	0.78%
Citibank, N.A.	4 000 000	0.78%
<b>Total 20 largest shareholders</b>	<b>255 514 568</b>	<b>49.51%</b>
Total other	260 525 151	50.49%
<b>Total number of shares 31.03.2019</b>	<b>516 039 719</b>	<b>100.00%</b>

<sup>1)</sup> In addition to the shares included above Geveran Trading Co Ltd have entered into a Total Return Swap ("TRS") agreement with underlying exposure to 4 000 000 shares in Mowi. Expiry date for the TRS agreement is June 6, 2019 and the TRS price is NOK 209.0247 per share.

## Note 11 SHARE PRICE DEVELOPMENT

Share price development at Oslo Stock Exchange (ticker MOWI)



## Forward looking statements

This report may be deemed to include forward-looking statements, such as statements that relate to Mowi's goals and strategies, salmon prices, ability to increase or vary harvest volume, production capacity, future capital expenditures and investments and the expected returns therefrom, trends in the seafood industry, restructuring initiatives, exchange rate and interest rate fluctuations, expected research and development expenditures, business prospects and positioning with respect to market, demographic and pricing trends, strategic initiatives, financial target (including ROCE and NIBD), planned operational expenses, product demand and trends, supply trends, expected price levels, and the effects of any extraordinary events and various other matters (including developments with respect to laws, regulations and governmental policies regulating the industry and changes in accounting policies, standards and interpretations) on Mowi's business and results. Forward-looking statements are typically identified by words or phrases, such as "believe," "expect," "anticipate," "intend," "estimate," "may increase," "may fluctuate," "plan," "goal," "target," "strategy," and similar expressions or future or conditional verbs such as "may," "will," "should," "would," and "could." Forward-looking statements are Mowi's current estimates or expectations of future events or future results. Actual results could differ materially from those indicated by these statements because the realization of those results is subject to many risks and uncertainties. Mowi ASA's annual report contains additional information about factors that could affect actual results, including: changes to the price of salmon including the value of our biological assets; hedging risks; risks related to fish feed; economic and market risks; environmental risks; operational risks; risks related to escapes, disease and sea lice; product risks; risks related to our acquisitions; financing risks; regulation risks including relating to food safety, the aquaculture industry, processing, competition and anti-corruption; trade restriction risks; litigation risks; tax and accounting risks; strategic and competitive risks; and reputation risks. All forward-looking statements included in this report are based on information available at the time of the release, and Mowi assumes no obligation to update any forward-looking statement.