Fourth Quarter and preliminary Full Year 2010 Results

24 February 2011

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Highlights 2010

- In 2010 both a moderate "El Niño" and "La Niña" occurred, which significantly reduced volumes by around 40% when compared to an average year (3,245,602 MT vs. 5,500,000 MT) since these phenomenons resulted in a late start and a reduced quota of the first fishing season and triggered a high presence of juveniles and consequently a suspension of the second fishing season before quotas were caught.
- Copeinca has increased its quality of fishmeal production as well as increased its total yield. In 2010, 85% of the total fishmeal production was Steam Dried (SD), compared to 70% in 2009 (82,325 MT and 123,016 MT respectively).
- Out of the USD 55 million CAPEX budget, USD 54.8 million were executed. USD 21 million were used in the construction of 3 new vessels and USD 32.8 million were mainly used for the conversion of all Flame Dried (FD) processing lines to modern Steam Dried (SD) processing lines and USD 1 million in other business areas.
- As a result of the CAPEX invested and the restructuration of the utilization of assets, Copeinca will fully take advantage of the benefits under the Individual Transferable Quota (ITQ) law. In 2011 the Company will operate with 27 vessels, 5 plants and 1,200 employees as opposed to 64, 12 and 2,200 respectively in 2008. This will allow the Company to obtain better yields, produce 100% SD fishmeal, and therefore sell at higher prices.
- In line with the restructuring of the utilization of assets, Copeinca decided to close plants and write-off vessels, which will result in savings on fixed costs such as plant workers and maintenance. Along with this, the Company recognized an impairment loss of USD 20.6 million on plants and USD 21.8 million on vessels.
- EBITDA increased by 29% and reached USD 76.2 million on revenues of USD 233 million compared to an EBITDA of USD 59 million on revenues of USD 203.2 million in 2009 despite significantly lower sales volume (166,871 MT vs. 232,662 MT).
- EBITDA per ton improved from USD 254/MT in 2009 to USD 457/MT in 2010 due to the favorable price trends of fishmeal and fish oil linked to a sustained demand and a limited supply for these products.
- Gross profit increased from USD 58.5 million (29%) in 2009 to USD 86.8 million (37%) in 2010.

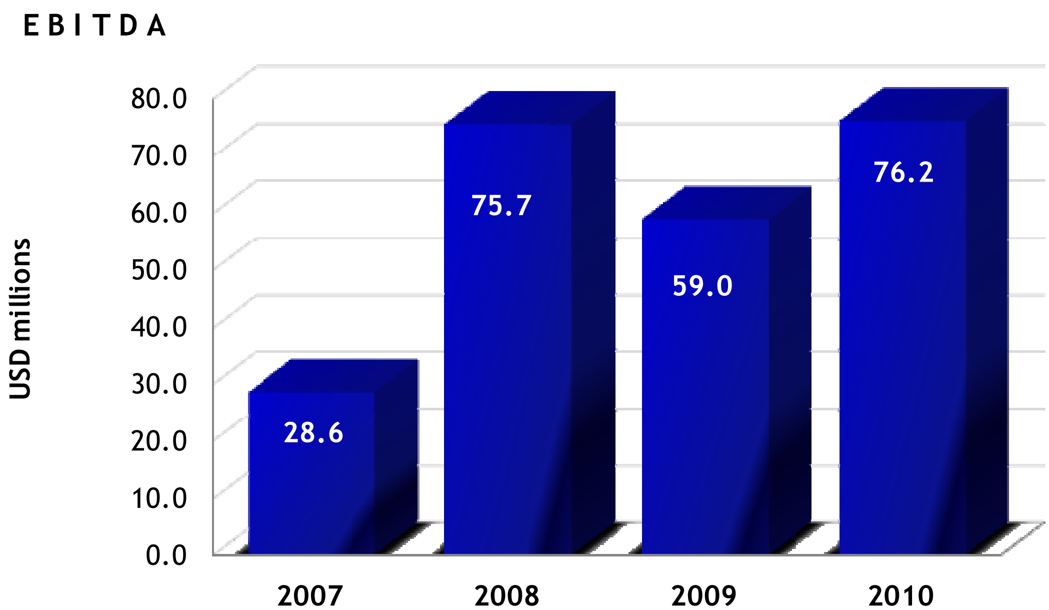
Key figures

USD Thousand	For the year ended December 31, 2010 (unaudited)	For the year ended December 31, 2009 (restated)	For the quarter ended December 31, 2010 (unaudited)	For the quarter ended December 31, 2009 (unaudited)
Sales	233,042	203,161	15,505	37,713
Gross profit	86,804	58,546	300	8,041
Operating loss (profit)	(1,540)	6,431	(27,625)	(1,957)
Loss (profit) before Income Tax	(17,125)	3,315	(33,531)	220
Loss (profit) for the year/quarter	(6,493)	255	(20,961)	(450)
EBITDA	76,227	59,003	(8,173)	7,504

- Negative operating profit of USD 1.5 million as a result of the recognition of impairment losses of non-operating fixed assets amounting to USD 42.4 million, crew layoffs expenses amounting to USD 12.8 million, the write-off of the costs of vessels amounting to USD 9 million and non-fishing period expenses of USD 14.1 million charged to the P/L.

EBITDA evolution

At the end of 2010, Copeinca reached an EBITDA of USD 76.2 million, which represents a 29% increase over the USD 59 million at year end 2009.



	2007	2008	2009	2010
TOTAL SALES	134,977 MT	247,705 MT	232,662 MT	166,871 MT
TOTAL CATCH	598,944 MT	754,494 MT	818,613 MT	400,648 MT

- In 2008 Copeinca sold 247,705 MT, which is the highest volume in the last 4 years.
- In 2009 prices reached lowest levels of USD 779/MT in Q1'09 and the sales volume was lower than in 2008(232,662 MT).
- In 2010 sales volume was the lowest in the last 4 years (166,871 MT), but highest in prices reaching USD 1,397/MT.

2010 Fishing Results - Second Season fishing results

On 28 October, the Peruvian Ministry of Production´s Fishing Vice Ministry (PRODUCE), the entity that executes and directs the sector´s policies to guarantee the rational management of fishing resources and preservation of the environment, authorized the start of the second fishing season on 20 November in the center-north area of Peru (North of 16th parallel).

Once the fishing season started a high presence of juveniles and by catch was noted. Therefore PRODUCE suspended fishing activities and only 36% of the total quota was caught.

It is noteworthy that the company believes the measures taken by PRODUCE during 2010 were adequate and ensured the sustainability of the biomass.

Copeinca finished second in the year processing 12.34% of the total Peruvian quota of 3,245,602 MT, of which 10.11% came from own catch. Copeinca produced 94,300 MT of fishmeal and 25,600 MT of fish oil. It is noteworthy that almost 85% of fishmeal produced was Steam Dried (SD); fish oil production had a 6.17% yield, fishmeal production had a 23.5% yield and the total yield was 30.2%.

For the second fishing season of the year (November-January) Copeinca processed 9.84% of the total Peruvian quota of 779,366 MT, of which 7.79% came from own catch. Total production for the second fishing season was 18,000 MT of SD fishmeal and 3,000 MT of fish oil.

2010 was a very special year, during which both moderate "El Niño" event and "La Niña" occurred, reducing quotas and catch by almost half the volumes of a normal year. Despite that, cash flow generation was strong. In 2011, Copeinca is ready to fully take advantage of the benefits of the ITQ (Individual Transferable Quota) law. This will be achieved thanks to the successful completion of the first part of our CAPEX plan (USD 55 million) and to the restructuring of the utilization of our plants and vessels which will allow us to obtain better yields and quality. Copeinca is starting the year with over 75% of our fleet with RSW (Refrigeration System) and all of our plants ready to produce 100% high quality SD fishmeal.

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Market Overview

Fishmeal

Fishing seasons 2010-I and 2010-II have been the shortest fishing seasons in Peru in the last years reaching only 3,245,602 MT of catches (40% less than fishing seasons 2009). At the same time, according to reports, the world fishmeal export was the lowest in the last 12 years.

The total quota for first fishing season 2010 was reduced from 3.5 millions of MT to 2.5 millions of MT to preserve the biomass. In the same period, aquaculture season in China was delayed by about 3 months starting in July 2010, reducing slightly the demand in the main market. The second fishing season 2010 was strongly affected by “La Niña” phenomena which came after “El Niño” causing several fishing bans during the season, due the high presence of juveniles and the earlier summer spawning process of the anchovy. These anomalies caused suspension of the fishing before the end of the season, scheduled initially to January 31st. Progress of the fishing of the total quota by January 18th (the closing date), was approximately 38% (779,366 MT caught vs. 2,070,000 MT of total fishing quota).

Fishmeal average price for 2010 was USD 1,596/MT FOB Peru for Super Prime quality vs. USD 1,146/MT FOB Peru in 2009 for the same quality (USD 450/MT higher than in 2009). For Q4’10 Super Prime fishmeal had an average FOB Peru price of USD 1,439/MT compared to FOB Peru USD 1,475/MT for same period last year (USD 36/MT lower than in Q4’09).

Two main events during last fishing seasons impacted on prices during 2010. First, the earthquake in Chile in February 2010 leads prices to trading levels of USD 1,900-2,000/MT FOB Peru; and second, the current scarcity of fishmeal due to poor fishing seasons in Peru and Chile being so close to the beginning of the aquaculture season in China, although there was still a high stock at main China ports (approx.150,000 MT). In addition, fishing quotas in Chile have been significantly reduced for year 2011, affecting the total offer for the next months.

Current fishmeal/soybean meal ratio is about 3.83:1 in China and 3.5:1 in Europe.

Fish oil

Fish oil average prices for Aqua grade rose from FOB Peru USD 635/MT during 2009 to FOB Peru USD 1,007/MT for 2010 (USD 372/MT higher than in 2009). During Q4'10, average price rose from FOB Peru USD 742/MT in Q4'09 to FOB Peru USD 1,269/MT for the same quarter in 2010 (USD 527/MT higher than in 2009).

Omega 3 Profile (30%) average price increased from FOB Peru USD 1,048/MT in 2009 to FOB Peru USD 1,604/MT in 2010 (556/MT higher than in 2009). During Q4'10 average price continued its rising trend, increasing from FOB Peru USD 1,131/MT in Q4'09 to FOB Peru USD 1,805/MT in Q4'10 (674/MT higher than in Q4'09).

Current FOB Peru price level for aquafeed grade is USD 1,500/MT while price for omega 3 profile is trading at levels between USD 2,000/MT and USD 2,100/MT FOB Peru. There are small transactions if any due to low production and scarcity of the product. However, the reduced fish oil production in Peru this season is having good Omega profiles: even though EPA+DHA >30 is not always exactly 18/12. Main producers are consequently focused on the Omega market and are not willing to supply the aqua oil sector, which is not paying any premium for the omega profiles.

Current ratio in Europe is fish oil / soybean oil at 1.23:1 and fish oil / rapeseed oil at 1.20:1.

CAPEX Plan update

Out of the USD 55 million CAPEX budget, USD 54.8 million were executed. USD 21 million was spent on the construction of 3 new vessels and USD 32.8 million on the conversion and renewal of plant technology to improve yields, quality and efficiencies.

The 3 vessels under construction are now 95% advanced. One of them INCAMAR I, has already been successfully tested in the sea and all 3 vessels are expected to operate during the first fishing season of 2011.

By the end of the year 2010, all FD processing lines in the Bayovar, Chimbote and Chicama plants were converted to modern SD (Steam drying) processing lines, whilst the capacity of the Chicama plant was increased by 40 MT/hour and is now 160 MT/hour of SD fishmeal capacity.

Total amount invested in the plants during 2010 was USD 17.5 million. The remaining USD 15.3 million was spent on projects such as the improvement of recovery systems for reducing environmental impact, freshwater recirculation to unload fish, fish oil recovery and treatment plants, more efficient boilers and others.

Other developments

Fishmeal production and quality improvement

Copeinca has increased its quality of fishmeal production as well as increased its fishmeal, fish oil and total yield. As can be seen in the chart below, operating under the ITQ regime has allowed the company to process fresher raw material and produce higher quality SD fishmeal and fish oil. By the end of the year 2010, all FD processing lines were converted to modern SD processing lines, which will ensure that from the next fishing season all of the production will be SD yielding not only higher quality but also better yield and higher prices.

	2010		2009		2008	
First Fishing Season						
FD	14,682	19%	47,007	39%	53,962	52%
SD	61,457	81%	72,895	61%	49,344	48%
Fish Oil	22,626		30,694		22,694	
Second Fishing Season						
FD	-	0%	6,701	10%	35,433	54%
SD	18,157	100%	61,462	90%	30,734	46%
Fish Oil	2,997		7,419		13,173	
Full Year						
FD	14,682	16%	53,708	29%	89,395	53%
SD	79,614	84%	134,357	71%	80,078	47%
Fish Oil	25,623		38,113		35,867	
Total Fishmeal Production	**94,296**		**188,065**		**169,473**	
Total Yield	**30.2%**		**27.8%**		**27.2%**	

FD (Flame Dried)

SD (Steam Dried)

Plants and Fleet optimization program

As of 31 December 2010, Copeinca operated 6 fishmeal plants; 5 in the North zone and 1 in the South zone. Copeinca still owns 3 additional non-operating plants which were closed in 2009 and which have been adjusted for impairment during 2010 in the amount of USD 7.6 million reflecting their recoverable value. Non-operating vessels were tested for impairment in September 2010 and showed an impairment of USD 22.6 million.

During 2010, it was decided to increase the capacity of the Chimbote and Chancay plants to 250 MT/hour and 168 MT/hour, respectively. This increase was performed by transferring the operating license from other Copeinca plants to the Chimbote Plant and, in the case of the Chancay plant, Copeinca acquired a plant with license from Pesquera Diamante, a Peruvian fishing company.

In December 2010, it was decided to deactivate the Huarmey plant. The plant finished operations in late January 2011 and almost all workers were laid-off as of February. The financial effect of this close-down is already included in the Q4'10 Financial Statements, representing USD 11.9 million of additional impairment and USD 0.4 million of workers lay-off benefits.

In 2011, Copeinca will operate only 5 plants; 4 in the North and 1 in the South, and a total of 27 vessels in average.

Costs incurred in the lay-off of crew and plant workers

During the year, Copeinca laid-off 237 crew members and 52 plant workers. This represented a disbursement of USD 12.8 million.

After this reorganization, Copeinca has a total staff of 1,600.

Dividend Policy

In April 2010, the Board of Directors of Copeinca ASA approved the following dividend policy:

The company expects future dividend proposals to have a base amount of around 50% of consolidated net income, subject to the adjustments explained below.

The proposal on dividend payments will be prepared by the board every year after taking into account the revenues, net income, cash flow, financial position and strategic investment opportunities of the company. As the financial conditions and investment opportunities for the company will vary from year to year, the future dividend proposals will have to be adjusted accordingly. The future dividend proposals will also have to take into consideration the legal requirements necessary for a dividend payment in Copeinca ASA and its subsidiaries.

Dividend Payment

On 3 June 2010, Copeinca ASA distributed its first dividend payment of USD 50 million or USD 0.85 per share, equivalent to NOK 4.94 per share.

Profit/loss and operations for the fourth quarter 2010

EBITDA for the fourth quarter 2010 totaled negative USD 8.2 million compared to USD 7.5 million for the same period last year.

Fishmeal and fish oil revenues were USD 15.5 million in the fourth quarter of 2010 compared to USD 37.7 million in the same period of 2009. Volume sold was 10,563 MT in Q4'10, down from 32,909 MT in Q4'09. Average price per ton of product (fishmeal and fish oil) was USD 1,468/MT in Q4'10, up USD 322/MT from USD 1,146/MT in Q4'09.

Costs of goods sold (COGS) in the fourth quarter 2010 was USD 1,440/MT (USD 15.2 million), up from USD 902/MT (USD 29.7 million) in the corresponding period of 2009.

The increase in costs (USD 1,440/MT- USD 902/MT= USD 538/MT) can be explained as follows:

- Raw materials costs increased by USD 5 per MT.
- Non-fishing period expenses increased by USD 229 per MT
- Other expenses of production increased by USD 281 per MT.
- Write-off of supplies by USD 23 per MT

Non-fishing period expenses increased due to the lower production in Q4'10. Other expenses of production which include fixed costs such as plant workers' payroll and maintenance, increased by USD 281 per MT also because of lower production in Q4'10. Third party raw material purchase prices remained almost static increasing by USD 5 per MT since last quarter.

Cash Costs of Production FM & FO comparison chart - North Zone

		II F. Season 2010	II F. Season 2009	I F. Season 2010	I F. Season 2009
Own Fleet RM		79.0%	71.0%	72.0%	69.0%
Third Party RM		21.0%	29.0%	28.0%	31.0%
Production (MT)					
Fishmeal		18,157	70,464	76,139	121,590
Fishoil		2,999	7,776	22,624	30,898
Total Production		21,156	78,240	98,763	152,488
Production Yield (FM & FO)		29.9%	26.5%	30.5%	28.5%
Production Cost Own Fleet	USD	860	601	465	360
Production Cost Third Party	USD	1,465	1,265	1,289	677
Total Production Cost	USD	986	794	679	458

The table above shows complete production of the second fishing season. Note that as the second fishing season was delayed, 10,912 MT were produced in January 2011. Those volumes are not reflected on the 2010 financial statements.

As shown in the table above, cash costs for the second fishing season 2010 were significantly higher due to the lower production as a result of “La Niña”, which triggered a high presence of juveniles and therefore the suspension of the fishing activities. The Company allocatedall of the non-fishing period fixed expenses of the second fishing season production in the fourth quarter results.

Administrative Expenses	Q4-2010 Actual (1) USD(000)	Q4-2009 Actual (2) USD(000)	Q4-2009 Pro-forma (3) USD(000)	Variation 2010-2009 (1)-(2) USD(000)	(1)-(3) USD(000)
Personnel	1,496	1,253	1,487	243	9
Services rendered by third parties	1,721	1,648	2,254	73	(533)
Taxes	92	82	125	10	(33)
Depreciation	(179)	46	1,057	(225)	(1,236)
Amortization	285	51	62	234	223
Other management charges	638	222	282	416	356
	4,053	3,302	5,267	751	(1,214)
Workers' profit sharing	(4,010)	203	148	(4,213)	(4,158)
Total	**43**	**3,505**	**5,415**	**(3,462)**	**(5,372)**

The main differences in administrative expenses in Q4’10 compared to Q4’09 Pro-forma* is a decrease in Depreciation of USD 1.2 million as a result of an adjustment in the cost of fixed assets after an impairment test that reduced its useful life. Services rendered by third parties decreased by USD 0.5 million for the higher allocation of surveillance expenses and insurance of non-operative assets in 2009.

Workers’ profit sharing shows a large decrease due to the lower sales and profits obtained in Q4’10, as these items depends directly from the profits of the Company. A higher workers profit sharing was expected in previous half-year projections.

* Note that the company has reclassified expenses and depreciation from non-operating plants and vessels to administrative expenses and costs of goods sold, respectively; 2009 comparatives have been restated accordingly. For further detail please refer to Note 7.

	Selling Expenses	10,562 MT Q4 - 2010 Actual (1) USD(000)	32,909 MT Q4 - 2009 Actual (2) USD(000)	32,909 MT Q4 - 2009 Proforma (3) USD(000)	Variation 2010-2009 (1)-(2) USD(000)	Variation 2010-2009 (1)-(3) USD(000)
(1)	Freight	-	820	-	(820)	-
	Shipment expenses and certification	842	1,979	1,979	(1,137)	(1,137)
	Payroll	173	182	182	(9)	(9)
	Assorted expenses	489	317	266	172	223
	Transportation	66	324	324	(258)	(258)
(2)		1,570	2,802	2,751	(1,232)	(1,181)
(1) + (2)	Total selling expenses	**1,570**	**3,622**	**2,751**	**(2,052)**	**(1,181)**
(1)	**Freight / MT**	**-**	**25**	**-**	**(25)**	**-**
(2)	**SE excluding Freight / MT**	**149**	**85**	**84**	**64**	**65**
(1) + (2)	**Total SE / MT**	**149**	**110**	**84**	**39**	**65**

During the last quarter 2010, 10,562 MT were sold, all of them where shipped through the Callao port in containers with an average weight per shipment of 266 MT and a shipment expenses ratio of USD 79.7/MT. During the same period in 2009, Copeinca shipped 32,909 MT, out of which 43% were shipped in bulk cargo vessels leaving from the Paita and Chimbote ports with an average weight per shipment of 434/MT, and a shipment expenses ratio of only USD 60.1/MT.

The ratio difference is mainly explained by two reasons:

-The absence of bulk cargo vessel shipments during the last quarter of 2010. The expense gap between regular container liners shipments and cargo vessel shipments averages USD 23.5/MT.

-The 39% decrease on the average weight of shipments (434 MT vs. 266 MT), increased the average fixed expenses per MT.

Other income of USD 4.8 million in Q4'10 reflects mainly USD 4 million of reversion of legal lawsuits, USD 0.3 million of sale of supplies and USD 0.5 million of sale of unused materials.

Other expenses of USD 31.1 million are mainly explained by USD 12.1 million from the impairment of Huarmey Plant, USD 9 million of write-off of thirty three vessels no longer in use, employee severance payments in the amount of USD 7.3 million and USD 2.2 million of cost of sale for the disposal of fleet machinery.

Financial expenses in Q4’10 were USD 5 million, up USD 2.2 million from USD 2.8 million in Q4’09. This increase is mainly explained by the interest expenses of USD 3.9 million related to the 7 year bond issue and USD 1 million related to interest from leasebacks and other operations.

The exchange difference was negative by USD 1.2 million and corresponds to the depreciation of the PEN against the US dollar in Q4’10.

Income tax provision was reversed in Q4’10 since profits were lower than expected. Non-fishing period expenses of USD 9 million could not be absorbed by the lower production impacting the profit and loss statement in December. Other tax effects, such as the write-off of thirty three vessels and an extraordinary pension fund contribution of USD 2 million related to a labor trial were made effective in Q4’10 lowering revenue and therefore reducing the taxable income.

Profit/loss and operations for the year ended 31 December 2010

As of year end, EBITDA totaled USD 76.2 million on revenues of USD 233 million compared to an EBITDA of USD 59 million on revenues of USD 203.2 million for the last year despite significantly lower sales volume (166,871 MT vs. 232,662 MT).

As of 31 December 2010, revenue per ton was USD 1,397/MT, up USD 524/MT from USD 873/MT at the end of 2009. EBITDA per ton was USD 457/MT compared to USD 254/MT in 2009 due to favourable price trends of fishmeal and fish oil linked to a sustainable demand and a reduced offer for these products. Costs of goods sold (COGS) for the year was USD 876/MT (USD 146.2 million), up from USD 622/MT (USD 144.6 million) in the corresponding period of 2009.

The increase in costs (USD 876/MT- USD 622/MT= USD 254/MT) can be explained as follows:

- Raw materials costs increased by USD 117 per MT.
- Non-fishing period expenses increased by USD 23 per MT.
- Other expenses of production increased by USD 67 per MT.
- Non-fishing period expenses charged directly to P/L USD 47 per MT.

Third party raw material purchase prices increased from an average of USD 194/MT in 2009 to USD 311/MT in 2010. Independent vessel owners negotiated prices for their catch ahead of the fishing seasons, increasing their negotiating power and being able to obtain substantially higher prices for their quota especially during the first half of the year.

Non-fishing period expenses increased from USD 109/MT in 2009 to USD 132/MT in 2010.

Other expenses of production increased from USD 156/MT in 2009 to USD 223/MT in 2010.

These increases were mainly due to the lower production and the allocation of expenses on significantly fewer MT. (121,642 MT vs 213,544 MT).

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Administrative Expenses	December 2010 Actual (1) USD(000)	December 2009 Actual (2) USD(000)	December 2009 Pro-forma (3) USD(000)	Variation 2010-2009 (1)-(2) USD(000)	(1)-(3) USD(000)
Personnel	6,469	4,863	5,097	1,606	1,372
Services rendered by third parties	5,391	4,797	5,403	594	(12)
Taxes	649	389	432	260	217
Depreciation	637	335	1,346	302	(709)
Amortization	452	183	194	269	258
Other management charges	1,529	804	864	725	665
	15,127	11,371	13,336	3,756	1,791
Workers' profit sharing	523	1,569	3,063	(1,046)	(2,540)
Total	**15,650**	**12,940**	**16,399**	**2,710**	**(749)**

Administrative expenses excluding workers' profit sharing for the year were USD 15.1 million compared to USD 13.3 million in 2009. Personnel expenses increased by USD 1.4 million mainly explained by the USD 0.3 million increase in the stock option program expense, bonuses related to the bond issue project and increase of personnel salaries from acquired companies in the amount of USD 0.6 million and the USD 0.3 million increase in directors' fees and others. Depreciation was reduced from USD 1.3 million to USD 0.6 million as a result of the impairment of the closed plants in 2010, that reduced its useful life.

Workers' profit sharing decreased by USD 2.5 million as this item is directly tied to the income tax calculation. Income tax decreased by two main effects:

- The use of tax deductible benefits from the write-off of 33 vessels.
- Non-fishing period expenses of the second season which were recorded in costs of goods sold (also deductible for income tax purposes) instead of being allocated to inventories as lower volume of fishmeal was produced in the Q4'10.

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	Selling Expenses	166,871 MT December 2010 Actual (1) USD(000)	232,662 MT December 2009 Actual (2) USD(000)	232,662 MT December 2009 Proforma (3) USD(000)	Variation 2010-2009 (1)-(2) USD(000)	Variation 2010-2009 (1)-(3) USD(000)
(1)	Freight	-	3,816	-	(3,816)	-
	Shipment expenses and certification	7,624	9,816	9,816	(2,192)	(2,192)
	Payroll	845	750	750	95	95
	Assorted expenses	1,785	1,956	1,527	(171)	258
	Transportation	1,177	1,565	1,565	(388)	(388)
(2)		11,431	14,087	13,658	(2,656)	(2,227)
(1) + (2)	Total selling expenses	**11,431**	**17,903**	**13,658**	**(6,472)**	**(2,227)**
		-	-	-	-	-
(1)	**Freight / MT**	**-**	**16**	**-**	**(16)**	**-**
(2)	**SE excluding Freight / MT**	**69**	**61**	**59**	**8**	**10**
(1) + (2)	**Total SE / MT**	**69**	**77**	**59**	**(8)**	**10**

The key figures for 2010 are: 166,871 MT sold, 25.6% (39,696 MT) of which were shipped in bulk cargo vessels with an average shipment weight of 378 MT. In 2010, the shipment expenses ratio was USD 45.7/MT whilst in 2009 it was USD 42.2/MT. The USD 3.5/MT difference is explained by he fact that during 2009, 40% of the sales (87,232 MT) were shipped in bulk cargo vessels through the Chimbote and Chicama ports, with a difference in cost of USD 23.5/MT between both shipment methods (bulk cargo vessels USD 52.9/MT vs. container liners USD 29.4/MT).

Other income of USD 12.3 million for the year ended 31 December 2010 reflects mainly USD 5.3 million from a reversion of provision of legal lawsuits, USD 2.2 million of a recovery of a doubtful account relating to a third party vessel owner and others, USD 2.8 million from the sale of diesel to third party vessel owners, USD 0.9 million of sale of unused materials and USD 0.5 million from rent of quota.

Other expenses of USD 73.6 million are mainly explained by a USD 42.4 million provision for impairment of fixed assets, vessels and plants, USD 12.8 million of severance payments, USD 9 million of write-off of thirty three vessels no longer in use, USD 3 million of machinery and other equipment no longer in use, and USD 0.4 million provision of doubtful accounts related to third party vessel owners.

Financial expenses for the year increased to USD 23.5 million up from USD 14.6 million in 2009 as a result of a higher interest expense of USD 14.1 million related to the 7 year bond compared to the lower interest expenses of USD 7.9 million related to the medium term syndicated loan effective in 2009, an additional bank fee of USD 1.8 million for the pre-payment of the syndicated loan and USD 0.9 million of other financial expenses.

Income tax expense of USD 10.6 million was a positive in 2010 and decreased from USD 3.1 million in 2009, because the effect of the deferred income tax of USD 12.1 million that offset the Income tax expense of USD 1.5 million calculated for the year. The deferred income tax was higher due to the effect of the provision for impairment of non-operating assets of USD 42.4 million

Balance Sheet, cash flow and liquidity as of 31 December 2010

Copeinca ASA's total assets were USD 669.5 million as of 31 December 2010, decreased by USD 9.8 million from year end 2009 as a result of the decrease in the level of inventories in the amount of USD 24.5 million, the decrease on trade and accounts receivable of USD 21.5 million and the decrease on property plant and equipment of USD 8.3 million, offset by the increase in cash of USD 21.7 million, an increase in intangibles of USD 8 million, the increase on goodwill of USD 6.3 million and other assets of USD 8.5 million.

The Company's net fixed assets decreased from USD 244.4 million to USD 236.1 million as a result of additions to investments of USD 58.6 million and the exchange rate difference from the translation of PEN to USD of USD 7.6 million, offset by a depreciation of USD 15 million, and disposal of assets of USD 17.4 million and a provision for impairment of assets of USD 42.1 million.

Licenses increased by USD 8 million as a result of the acquisition of a license amounting to USD 2.2 million and USD 5.9 million as a result of the exchange rate difference of the translation from PEN to USD. From 31st of December 2009 thru 31st December 2010 the PENS´s exchange rate has decreased from PEN 2.888 per 1 USD to 2.808 per 1 USD.

Current assets decreased, from USD 94.4 million at the end of 2009, to USD 77.3 million at the end of December 2010 as inventories decreased by USD 24.5 million and trade accounts receivable decreased by USD 21.5 million, both reduced as a consequence of lower production during the fourth quarter of 2010, offset by an increase of cash and cash equivalents by USD 21.7 million and increase in other accounts receivable by USD 7.3 million explained by the income tax and VAT credit..

Total liabilities increased by USD 36.9 million from USD 300.1 million to USD 337.8 million as a result of the increase in long-term debt by USD 95.9 million from the USD 175 million bond issue and USD 1 million in short-term borrowings offset by the decrease in deferred income tax of USD 9.4 million explained in note 6, a decrease in the current portion of long-term debt of USD 23.2 million, Trade accounts payable for USD 12.6 million, other accounts payable of USD 9.5 million and a decrease in long-term provisions of USD 5.3 million as a result of the reversion of legal lawsuits

Non-current liabilities increased by USD 81 million while current liabilities decreased USD 44.1 million as the USD 175 million principal of the bonds is due year 2017 without amortization.

The Company had a working capital of USD 36.9 million as of December 2010 compared to USD 9.9 million as of December 2009, as there is a substantial decrease in current portion of long-term borrowings and an increase in cash and cash equivalents.

Cash flow from operations for the year 2010 was a positive of USD 62.3 million representing an increase of USD 35.6 million from year 2009. During year 2010 cash flow from operations increased by USD 22 million from sales and collection of trade accounts receivable compared to year 2009.

Cash flow from investments was a negative of USD 58.1 million, reflecting USD 58.6 million of our CAPEX plan and USD 4.3 million of purchase of intangible assets partially offset by USD 4.8 million from sales of fixed assets.

Cash flow from financing was a positive of USD 17.5 million which includes new inventory financing of USD 10.5 million, bonds financing of USD 175 million and USD 52.5 million from sale and leasebacks financing, offset by the payment of long-term borrowings of USD 161 million, payment of inventory financing of USD 9.5 million and payment of USD 50 million of dividends.

As of 31 December 2010 total cash was USD 34.2 million.

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

STATEMENT OF INCOME

	Note	For the year ended December 31, 2010 (unaudited) US$000	For the year ended December 31, 2009 (restated) US$000	For the quarter ended December 31, 2010 (unaudited) US$000	For the quarter ended December 31, 2009 (unaudited) US$000
TOTAL		**166,871**	**232,662**	**10,563**	**32,909**
FISHMEAL SD		**118,529**	**123,020**	**9,845**	**27,066**
FISHMEAL FD		**17,367**	**76,468**	**-**	**2,204**
FISH OIL		**30,975**	**33,174**	**718**	**3,639**
Sales		233,042	203,161	15,505	37,713
Cost of goods sold		(146,238)	(144,615)	(15,205)	(29,672)
Gross profit		**86,804**	**58,546**	**300**	**8,041**
Selling expenses		(11,431)	(13,658)	(1,570)	(2,751)
Administrative expenses		(15,650)	(16,399)	(43)	(5,415)
Other income	5	12,325	9,692	4,811	1,767
Other expenses	5	(73,588)	(31,750)	(31,123)	(3,599)
Operating profit		**(1,540)**	**6,431**	**(27,625)**	**(1,957)**
Financial expenses		(23,457)	(14,601)	(4,972)	(2,754)
Financial income		502	1,428	256	331
Exchange differences, net		7,370	10,057	(1,190)	4,600
Profit/Loss before Income tax		**(17,125)**	**3,315**	**(33,531)**	**220**
Income tax expense		10,632	(3,060)	12,570	(670)
Profit/Loss for the period/year		**(6,493)**	**255**	**(20,961)**	**(450)**
Operating Profit (*)		60,246	40,735	(10,642)	4,025
Depreciation and Amortization		15,981	18,268	2,469	3,479
EBITDA		**76,227**	**59,003**	**(8,173)**	**7,504**

(*) excludes other income & expenses (Non-recurring items)
and current workers' profit sharing of US$(000) 523

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CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

STATEMENT OF COMPREHENSIVE INCOME

For the year ended	**31 December 2010 (Unaudited) US$000**	**31 December 2009 (Restated) US$000**
Net loss (income)	(6,493)	255
Currency translation differences	9,285	32,523
Comprehensive income for the year	**2,792**	**32,778**
Attributable to:		
Equity holders of the parent	2,792	32,778

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

BALANCE SHEET

	As of December 31,		As of December 31,
	2010	2009	2008
	(unaudited)	(restated)	(audited)
	US$000	US$000	US$000
ASSETS			
Non-current Assets			
Property, Plant and Equipment	236,074	244,377	261,695
Licenses	213,964	205,938	189,592
Other Intangible Assets	3,196	1,845	1,971
Goodwill	138,996	132,738	121,364
	592,230	584,898	574,622
Current Assets			
Prepaid Expenses	28	235	4,897
Inventories	15,528	40,009	41,840
Trade Accounts Receivable	7,732	29,225	18,507
Other Accounts Receivable	19,800	12,437	8,750
Held-to-maturity investments	-	-	24,790
Cash and cash equivalents	34,201	12,478	22,949
	77,289	94,384	121,733
Total assets	**669,519**	**679,282**	**696,355**
EQUITY			
Share Capital	55,717	55,717	55,717
Share Premium	254,990	304,990	304,990
Stock options	1,432	812	432
Minority Interest	-	91	105
Other Reserves	-	-	5,644
Cummulative Translation Adjustment	(2,962)	(14,083)	(44,770)
Retained Earnings	29,053	30,634	37,162
Profit for the Year	(6,493)	255	(8,364)
Total equity	331,737	378,416	350,916
LIABILITIES			
Non-current Liabilities			
Long-Term Borrowings	201,500	105,580	143,141
Deferred Income Tax	86,038	95,425	92,403
Long-Term Provisions	9,784	15,113	13,386
Deferred income	74	225	-
	297,396	216,343	248,930
Current Liabilities			
Short-term borrowings	1,010	-	21,631
Trade Accounts Payable	17,142	29,786	22,297
Other Accounts Payable	7,070	16,156	11,802
Current Portion of deferred income	132	342	-
Current Portion of Long-term Borrowings	15,032	38,239	40,779
	40,386	84,523	96,509
Total liabilities	337,782	300,866	345,439
Total equity and liabilities	**669,519**	**679,282**	**696,355**

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CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

CASH FLOW STATEMENT

USD Million	Q4 2010	Q4 2009	31 Dec 2010	31 Dec 2009
CF from operations	12.2	(26.3)	62.3	26.7
CF from investment	(14.7)	24.8	(58.1)	24.5
CF from financing	(6.8)	(10.3)	17.5	(61.7)
Net change in cash	(9.3)	(11.8)	21.7	(10.5)
Cash and short-term investments opening balance	43.5	24.3	12.5	23.0
Cash and short-term investments closing balance	**34.2**	**12.5**	**34.2**	**12.5**

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Minority interest	Other reserves	Cumulative translation adjustment	Retained earnings	Total Equity
	US$000	US$000	US$000	US$000	US$000	US$000	US$000
Balances as of 1 January 2009	55,717	304,990	105	5,644	(44,770)	29,230	350,916
Transfer to reserves	-	-	-	(5,644)	5,644	-	-
Exchange difference	-	-	-	-	31,692	-	31,692
Minority interest	-	-	(14)	-	-	-	(14)
Adjustment					(4,813)		(4,813)
Share options	-	-	-	-	-	380	380
Net income for the year	-	-	-	-	-	255	255
Balances as of 31 December 2009	55,717	304,990	91	-	(12,247)	29,865	378,416
Balances as of 1 January 2010	55,717	304,990	91	-	(12,247)	29,865	378,416
Transfer to reserves							-
Exchange difference					9,285		9,285
Dividends relating to 2009		(50,000)					(50,000)
Sale of minority interest			(91)				(91)
Share options						620	620
Loss for the year						(6,493)	(6,493)
Balances as of 31 December 2010	55,717	254,990	-	-	(2,962)	23,992	331,737

February 2011 - Largest Shareholders

Investor	Shares	%
Dyer Coriat Holding	19,098,000	32.65%
Andean Fishing LLC	8,118,075	13.88%
ETVE Veramar Azul S.L.	6,032,970	10.31%
Weilheim Investments S.L.	4,326,159	7.40%
State Street Bank & Trust	2,884,777	4.93%
South Winds AS	1,489,750	2.55%
DNB NOR SMB	1,392,247	2.38%
State Street Bank & Trust	1,367,395	2.34%
GMO Emerging Illiquid Fund	1,145,350	1.96%
State Street Bank & Trust	1,106,400	1.89%
Alfred Berg Gambak	1,065,292	1.82%
JP Morgan Clearing Corp.	738,160	1.26%
Verdipapirfondet Handelsbanken	690,000	1.18%
JP Morgan Chase Bank	493,712	0.84%
Fidelity Funds Latin America	470,386	0.80%
Alfred Berg Norge +	452,846	0.77%
DERIS SA	400,000	0.68%
MP Pensjon	383,850	0.66%
Alfred Berg AKTIV	348,983	0.60%
VPF Nordea Kapital	309,800	0.53%
Top 20	**52,314,152**	**89.43%**
OTHERS	6,185,848	10.57%
TOTAL	**58,500,000**	**100.00%**

Selected disclosure notes

Note 1: Basis of presentation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as approved by the European Union.

Note 2: Significant accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2009, as described in those annual financial statements. Income taxes in the interim periods are accrued using the effective tax rate that would be applicable to the expected total annual earnings.

Note 3: Segment information

The chief operating decision-maker has been identified as the Chief Executive Officer. The CEO reviews the Company's internal reporting in order to assess performance and allocate resources. Management has determined one operating segment based on these reports.

Management considers the business from both a geographic and product perspective. From a product perspective, management assesses the performance of fishmeal and fish oil in a consolidated basis. These products are sold in worldwide markets. Other products sold by the Company include raw material (anchovy) and other minor fish.

The CEO assesses the performance of the operating segments based on a measure of adjusted earnings before interest, tax, depreciation and amortization (EBITDA). This measurement basis excludes the effects of non-recurring expenditures from the operating segments, such as deferred income taxes. Interest income and expenditures are not included in the result for each operating segment that is reviewed by the CEO.

Note 4: Borrowings and loans

During the Q4'10 Copeinca recorded a provision of USD 3.9 million corresponds to the second coupon of the USD 175 million seven year bonds.

The company paid a Leaseback for USD 3.7 million and USD 4 million for warrant financing (1 million during Q4 2010).

The movement of the borrowings is analyzed as follows:

Borrowings and loans		**As at**
	31 December 2010	**31 December 2009**
	US$(000)	**US$(000)**
Non-current	201,500	105,580
Current	16,042	38,239
	217,542	143,819

Movements in borrowings are analysed as follows:

Twelve months ended 31 December 2009	
Opening amount as at 1 January 2009	205,551
Bank overdrafts and loans obtained	62,604
Repayments of borrowings	(124,336)
Closing amount as at 31 December 2009	**143,819**
Opening amount as at 1 January 2010	143,819
Bank overdrafts and loans obtained	10,523
Payment of bank overdrafts and loans	(9,513)
Finance lease liabilities obtained and bond issue	52,449
Bonds	181,125
Repayments of borrowing	(160,861)
Closing amount as at 31 December 2010	**217,542**

Note 5: Other income and Other expenses

OTHER EXPENSES	2010 USD(000)	2009 USD(000)	2008 USD(000)
CASH	**20,519**	**12,571**	**7,684**
Layoffs	12,820	3,282	1,165
Extraordinary pension fund contribution	2,812	284	628
Cost of sale of diesel	2,572	3,619	-
Net loss on sale of fixed assets	1,754	3,448	3,681
Others	561	1,938	2,210
NON - CASH	**53,069**	**19,179**	**37,804**
Impairment of vessels	22,560	2,567	749
Impairment of plants	19,523	14,450	15,397
Impairment of Goodwill	-	-	14,031
Written-off of vessels	9,038	95	-
Provision for legal lawsuits	-	-	3,541
Provision for bad debts	360	48	2,052
Others	1,588	2,019	2,034
TOTAL OTHER EXPENSES	**73,588**	**31,750**	**45,488**

OTHER INCOME	2010 USD(000)	2009 USD(000)	2008 USD(000)
CASH	**6,342**	**5,336**	**1,934**
Recovery of provisions for bad debts	1,712	-	548
Recovery of insurance	-	-	935
Sale of supplies	2,750	3,788	-
Others	1,880	1,548	451
NON - CASH	**5,983**	**4,356**	**6,687**
Reversion of impairment of vessels	-	782	-
Reversion of impairment of plants	-	2,952	-
Recovery of provisions	5,256	-	5,386
Others	727	622	1,301
TOTAL OTHER INCOME	**12,325**	**9,692**	**8,621**

The provision for impairment of fixed assets recorded as of 30 September 2010 amounting to USD 30.2 million corresponds to the non-operating vessels that are not nominated to catch fish during 2010. Copeinca holds 27 operative vessels and 38 non-operative vessels. These parked vessels quotas are transferred to the operating vessels allowing these to catch instead of the parked ones. As a result of the ITQ law efficiencies Copeinca is allowed to operate at the same level with fewer assets. The provision also include those non-operating plants that were closed last year and as the time passes by, the recoverable value is decreasing due to the usage of spare parts and the decrease of the value of the plants as a result of the impairment resulting from the environment. Huarmey plant was closed in February 2011. A USD 11.9 million additional impairment provision was recognized in Q4’10.

Note 6: Deferred workers' profit sharing adjustment

The International Accounting Standard Board Committee (IASB) noted that although a statutory workers´ profit sharing arrangement calculates amounts to be payable to employees in accordance with tax law, it meets the definition in IFRSs of an employee benefit and is required to be accounted for in accordance with IAS 19.

The Committee observed that any amounts that will be payable to, or receivable from, employees, relating to temporary differences between accounting and taxable profit, similar to those defined in IAS 12 Income Taxes, relate to future services to be provided by the employee. However, the Committee noted that the objective of IAS 19 is that an entity is only required to recognize a liability when an employee has provided service. According to this conclusion Copeinca has decided to reverse the calculation of the deferred portion of the workers' profit sharing, recording an adjustment to Goodwill of USD 23 million. Deferred Income taxes were calculated at a combined 37% tax rate (30% income tax plus 10% workers profit sharing), and after this change will be calculated at 30% on temporary differences, which resulted in a decrease of the deferred income tax liability. 2009 comparative financial statements have been restated.

Note 7: Pro-forma financial information

The Company has prepared pro-forma financial statements in order to present the information consistent with year 2010 in which the reclassifications and adjustments took place. The following adjustments have been made to retained earnings or comparative information:

Deferred Workers' profit sharing.- According to note 6 above goodwill affected by the deferred workers' profit sharing has been adjusted.

Freights.- Freight costs were incurred and subsequently invoiced to customers, so no balance affected the Profit and Loss statement. For year 2010 the Company decided to offset this account, changing 2009 comparative information.

Expenses from non-operating vessels.- The company has reclassified expenses and depreciation from non-operating vessels to cost of goods sold, 2009 comparatives have been restated accordingly.

Expenses from non-operating plants.- The company has reclassified expenses and depreciation from non-operating plants to Administrative expenses, 2009 comparatives have been restated accordingly.

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About Copeinca ASA
Copeinca ASA is one of the largest fishmeal and fish oil producers in Peru. The Company produces its fishmeal and fish oil from anchovy harvested off the coast of Peru, and most of its production is exported. Key countries for export are China, Japan, Germany, Canada, Chile and Denmark. Typical customers are fish and animal feed producers as well as refineries for omega-3 products. Copeinca ASA runs its operations out of Lima and has its own fleet. Copeinca ASA operates 6 plants located in strategic locations all around the Peruvian coast line. The company has around 1,600 part and full time employees.

Please visit www.copeinca.com.pe and/or www.copeinca.pe