

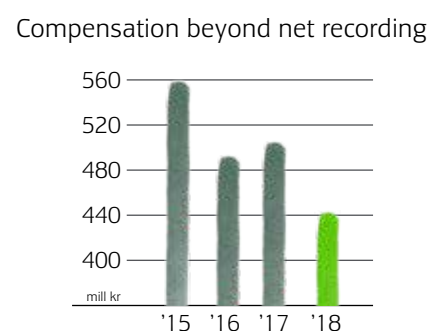
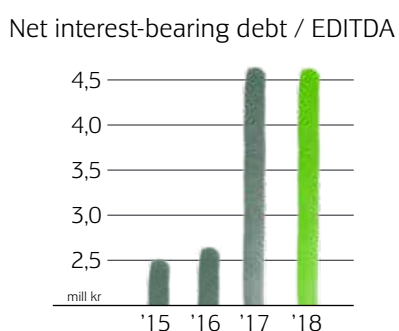
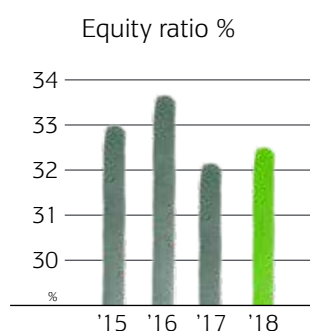
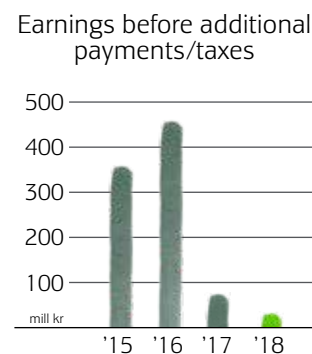
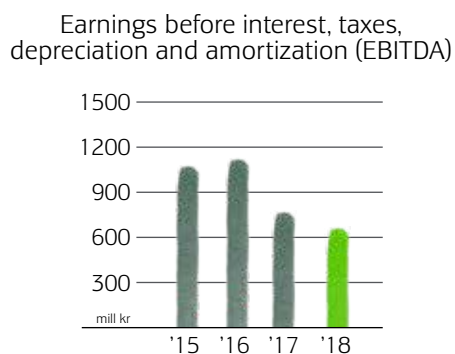
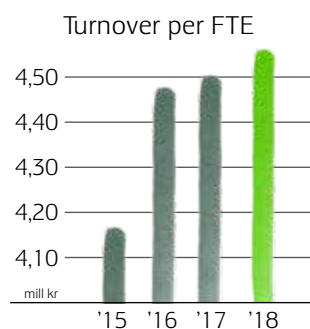
Nortura SA

Annual report 2018



Nortura

Key figures



Figures in million NOK

	2015	2016	2017	2018
Turnover	22 218	23 153	23 545	23 449
Turnover per FTE	4,15	4,47	4,50	4,55
Earnings before interest, taxes, depreciation and amortization (EBITDA)	1 044	1 121	725	629
Earnings before interest and taxes (EBIT)	437	546	153	88
Earnings before additional payments/taxes	359	461	70	26
Total assets	9 051	9 205	9 569	9 476
Equity	2 985	3 081	3 122	3 068
Net interest-bearing debt	2 658	2 961	3 356	2 897
Equity ratio %	33,0	33,5	32,1	32,4
Return on total assets %	5,5	6,5	2,3	1,8
Equity return %	12,5	15,2	2,3	0,8
Net interest-bearing debt/EDITDA	2,5	2,6	4,6	4,6
Debt-equity ratio	2,0	2,0	2,1	2,0
Compensation beyond net recording	557	488	508	441
Slaughter volume - metric tons	271 805	267 619	268 780	264 170
Active owners with rights	19 000	18 800	18 900	18 300
Number of FTEs	5 353	5 179	5 231	5 151
Presence %	92,6	92,6	93,4	94,6
H-value	26	25	21	21
Number of injuries with sick leave	219	208	194	214



Nortura SA is Norway's leading supplier of meat and eggs. We supply the country's major brands. Nortura ensures that consumers all over the country have the same selection of quality products to choose from.

The group has a turnover of NOK 23 billion. We have over 5 000 employees and more than 30 production facilities all over the country. The group is organized as a cooperative owned by around 18 300 Norwegian farmers.

The group's purpose is to sell the members' slaughtered animals, eggs, live animals and wool in the best possible manner. The group shall through its operations contribute to the members, receiving the best possible financial result from their livestock production.

It is sought to attain the objectives through the group's core operations which include slaughtering, cutting, processing, egg packing, sales, marketing, trade of hatching eggs, trade of live animals, trade of wool and advisory services.

The group may otherwise participate in or operate enterprises that have a natural business relation to the group's core operations and which support the group's objectives.

The group shall work towards improving general terms for Norwegian meat and poultry producers. Further, the group shall contribute to develop and maintain the set of values and principles for Nortura SA.

Nortura SA

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Group management



Hans Thorn Wittussen (54)
Acting CEO



Lisbeth Svendsen (54)
Acting Group Vice President
and Deputy CEO
Nortura Production



Mads Bendixby (46)
Group Vice President
Nortura HR



Harald Ullevoldsæter (55)
Group Vice President
Nortura Control, Finance and IT



Ellen Flø Skagen (52)
Group Vice President
Nortura Corporate communication,
Food safety & CSR



Karin Marie Røhne (48)
Acting Group Vice President
Nortura Members, Egg and Incubation



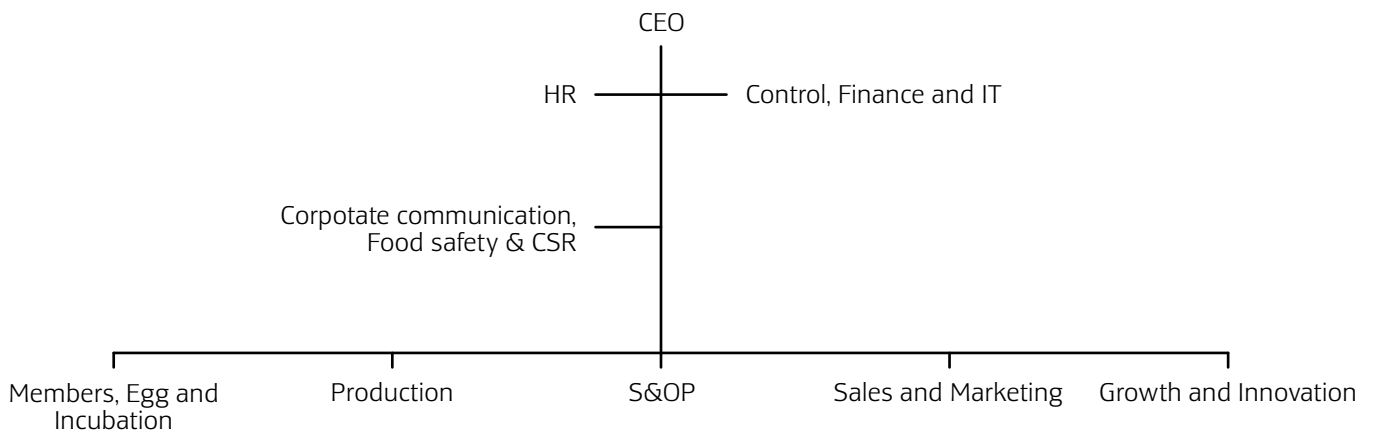
Harald Bjerknæs (48)
Group Vice President
Nortura Sales and Marketing



Robert Bekkhus (40)
Group Vice President
Nortura S&OP



Torleif Bjella (62)
Group Vice President
Nortura Growth and Innovation



Income statement

	<i>Figures in 1 000 NOK</i>		Group 2018	Group 2017	Parent company 2018	Parent company 2017
Operating Income						
Revenue			20 799 108	21 048 482	16 417 973	16 776 173
Other operating income			2 650 218	2 496 241	2 505 796	2 493 931
Total operating revenues			23 449 326	23 544 723	18 923 769	19 270 104
Operating expenses						
Raw materials and consumables used			16 742 694	16 928 375	13 512 027	13 736 119
Payroll expenses			3 905 063	3 815 864	3 339 575	3 345 349
Depreciation / amortization of tangible fixed assets			493 822	525 028	388 139	412 380
Depreciation / amortization of intangible assets			46 691	46 676	15 058	8 802
Other operating expenses			2 172 833	2 075 308	1 747 150	1 794 217
Total operating costs			23 361 104	23 391 251	19 001 949	19 296 867
Operating profit			88 222	153 472	-78 180	-26 763
Financial income and expenses						
Income from investment in subsidiaries					106 624	123 571
Profit from investment in associates company			75 974	42 045	78 753	41 790
Other financial income			79 903	59 599	76 092	54 715
Other financial expenses			218 546	185 259	195 338	164 582
Net financial items			-62 668	-83 615	66 131	55 495
Profit before income tax			25 555	69 857	-12 049	28 732
Taxes			24 390	25 215	-5 372	-2 198
Net profit for the year			1 165	44 643	-6 677	30 930
Minority share of profit			29 398	29 539		
The Board proposes the following allocation of net income:					Parent company 2018	Parent company 2017
Transfer to reserve for valuation variances					-1 115	11 944
Transfer to / from subsequent payment fund						18 986
Transfer to / from other equity					-5 562	
Total allocated					-6 677	30 930

Balance sheet

ASSETS

FIXED ASSETS	<i>Figures in 1 000 NOK</i>	Group	Group	Parent company	Parent company
Intangible assets		31.12.18	31.12.17	31.12.18	31.12.17
Deferred tax assets		292 463	273 020	235 015	215 044
Trademarks and similar rights		636 946	417 862	624 353	405 685
Goodwill		140 945	169 097	0	0
Total intangible assets		1 070 354	859 980	859 369	620 728
Fixed assets					
Buildings, land and other real estate		2 354 969	2 525 604	1 836 247	1 967 352
Machinery		671 579	742 697	441 191	519 819
Fixtures and fittings o.l.		423 758	492 555	400 598	464 173
Total fixed assets		3 450 307	3 760 856	2 678 037	2 951 344
Financial fixed assets					
Investments in subsidiaries		0	0	863 929	834 159
Loans to group companies		0	0	366 029	400 295
Investments in associates		263 510	278 803	244 738	255 649
Loans to associates		1 259	7 500	1 259	7 500
Investments in shares		4 204	3 998	1 203	1 368
Equity in pension fund		530 550	470 550	530 550	470 550
Pension funds		1 742	2 330	0	1 076
Other long term debts		50 834	45 594	45 794	40 436
Total financial assets		852 099	808 775	2 053 502	2 011 033
Total fixed assets		5 372 761	5 429 611	5 590 907	5 583 106
CURRENT ASSETS					
Stocks					
Stocks		2 178 518	2 099 755	1 776 909	1 743 961
Total stocks		2 178 518	2 099 755	1 776 909	1 743 961
Short-term receivables					
Accounts receivable		1 114 855	1 281 663	584 348	729 116
Other current receivables		105 798	186 698	191 038	266 600
Total current receivables		1 220 654	1 468 361	775 386	995 716
Cash and bank deposits					
Cash and bank deposits		703 663	570 987	634 878	482 343
Total cash and bank deposits		703 663	570 987	634 878	482 343
Total current assets		4 102 834	4 139 103	3 187 173	3 222 020
TOTAL ASSETS		9 475 595	9 568 714	8 778 080	8 805 126

Balance sheet

EQUITY AND DEBT

EQUITY	Tall i 1 000 kr	Group	Group	Parent company	Parent company
Paid in capital	Note	31.12.18	31.12.17	31.12.18	31.12.17
Obligatory share capital	18	227 966	230 858	227 966	230 858
Voluntary share capital	18	264	264	264	264
Total paid in capital		228 230	231 122	228 230	231 122
Retained earnings					
Retained earnings	18	0	0	1 862 830	1 901 007
The group's reserve	18	1 928 680	1 994 898	0	0
Revaluation reserve	18	0	0	127 382	128 497
Member capital account	18	520 149	523 190	520 149	523 190
Subsequent payment fund	18	228 985	228 985	228 985	228 985
Minority interests	18	162 268	143 696	0	0
Total retained earnings		2 840 082	2 890 771	2 739 346	2 781 680
Total equity		3 068 312	3 121 893	2 967 576	3 012 802
LONG TERM DEBT					
Provisions for liabilities					
Pension obligations	7	54 206	54 755	54 206	54 755
Long-term financial liabilities	8, 16	727	727	0	0
Provisions for liabilities	10	189 955	79 307	189 955	79 307
Deferred tax	17	3 429	1 433	0	0
Total provisions for liabilities		248 318	136 222	244 162	134 062
Other long-term debt					
Liabilities to credit institutions	14, 15, 16	617 125	1 226 375	598 167	1 207 775
Bond	16	2 206 000	2 368 000	2 206 000	2 368 000
Subordinated hybrid callable bond	16	500 000	0	500 000	0
Other long term debt	14, 16	55 324	42 225	47 324	32 391
Total other long term debt		3 378 449	3 636 600	3 351 491	3 608 166
Total long term debt		3 626 767	3 772 823	3 595 653	3 742 228
CURRENT LIABILITIES					
Liabilities to credit institutions	16	45 929	68 024	0	0
Accounts payable	14	1 244 922	1 176 413	976 173	912 033
Tax payable	17	23 477	24 768	5 000	5 013
Official taxes and duties	15	201 964	233 812	161 415	187 303
Other current liabilities	14, 16, 20, 22	1 264 224	1 170 982	1 072 263	945 748
Total current liabilities		2 780 516	2 673 998	2 214 851	2 050 096
TOTAL LIABILITIES AND EQUITY		9 475 595	9 568 714	8 778 080	8 805 126

Oslo, 13th of February 2019

Trine Hasvang Vaag
Trine Hasvang Vaag
Chairman of the Board

Per Heringstad
Per Heringstad
Deputy Chairman

Hans Thom Wittussen
Hans Thom Wittussen
Acting CEO

Olav Håkon Ulfvåg
Olav Håkon Ulfvåg

Johan Narum
Johan Narum

Inger Lise Aarrestad Rettedal
Inger Lise Aarrestad Rettedal

Bente M. Roer
Bente Roer

Merete Sund
Merete Sund

Jon Lilleslett
Jon Lilleslett

Jan Erik Fløtre
Jan Erik Fløtre

Kenneth Johansen
Kenneth Johansen

Ken Ove Sletthaug
Ken Ove Sletthaug

Erlend Renning
Erlend Renning

Viggo Sennesvik
Viggo Sennesvik

Tove Berit Berg
Tove Berit Berg