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PESCANOVA

ANNUAL ACCOUNTS

2009

BALANCE SHEET AT 31 DECEMBER 2009 AND 2008

Thousands of Euros

ASSETS	Note	DECEMBER '09	DECEMBER '08
NON-CURRENT ASSETS		**205,236**	**198,416**
Intangible assets	(7)	**6**	**97**
Development expenses			86
Computer software		6	11
Tangible assets	(5)	**1,649**	**1,906**
Land and buildings		257	305
Technical installations and other tangible assets		1,392	1,601
Long-term investments in subsidiary and associated companies	(9)	**199,414**	**192,244**
Equity instruments		197,693	190,523
Loans to companies		1,721	1,721
Long-term financial investments	(9)	**147**	**147**
Equity instruments		132	132
Other investments		15	15
Deferred tax assets	(12)	**4,020**	**4,022**
CURRENT ASSETS		**405,935**	**350,833**
Inventories	(10)	**58,324**	**47,752**
Goods for resale		57,906	46,616
Raw materials and other supplies		418	1,136
Trade and other receivables		**228,622**	**165,112**
Trade receivables		28,718	5,565
Receivable from subsidiary and associated companies	(22)	199,143	159,055
Sundry debtors		83	103
Personnel		201	129
Current tax assets	(12)	2	26
Public Bodies		475	234
Short-term investments in subsidiary and associated companies	(9)	**28,295**	**9,562**
Loans to companies		28,295	9,562
Short-term investments	(9)	**529**	**2,786**
Loans to companies		529	331
Other investments		---	2,455
Short-term accruals and prepayments		**1,525**	**1,275**
Cash and cash equivalents		**88,640**	**124,346**
Cash and cash equivalents		88,640	124,346
TOTAL ASSETS		**611,171**	**549,249**

BALANCE SHEET AT 31 DECEMBER 2009 AND 2008

Thousands of Euros

SHAREHOLDERS' EQUITY + LIABILITIES	Note	DECEMBER '09	DECEMBER '08
SHAREHOLDERS' EQUITY		**229,163**	**125,929**
Shareholders' equity	**(9)**	**229,147**	**125,892**
Capital		**116,683**	**78,000**
Paid-up capital		116,683	78,000
Issue Premium		57,043	
Reserves		**44,015**	**36,234**
Legal reserves		15,600	15,600
Other reserves		28,415	20,634
Own shares		**(2,901)**	(1,936)
Result from previous years			
Retained earnings			---
Result for the year		**14,307**	**13,594**
Subsidies, donations and legacies	(18)	**16**	**37**
LONG-TERM LIABILITIES		**206,233**	**294,814**
Long-term provisions	(14)	**1,472**	1,437
Other provisions		1,472	1,437
Long-term debt	(9)	**204,761**	**293,377**
Debt with credit institutions		204,710	293,300
Other financial liabilities		51	77
CURRENT LIABILITIES		**175,775**	**128,506**
Short-term debt	(9)	**148,770**	**102,864**
Debt with credit institutions		148,770	102,864
Short-term debt with subsidiary and associated companies	(22)	**1,726**	**1,454**
Trade creditors and other amounts payable		**24,754**	**20,056**
Suppliers		12,966	13,162
Sundry creditors		3,796	2,436
Personnel (accrued salaries)		521	454
Other debt with Public Bodies		7,471	4,004
Short-term accrued expenses		**525**	**4,132**
TOTAL SHAREHOLDERS' EQUITY + LIABILITIES		**611,171**	**549,249**

INCOME STATEMENT AT 31 DECEMBER 2009 AND 2008

		Thousands of Euros	
CONTINUING OPERATIONS	Note	DECEMBER '09	DECEMBER '08
Net turnover	(24)	**527,985**	**479,470**
Sales		518,766	469,443
Services rendered		9,219	10,027
Supplies	(13)	**456,273**	**412,897**
Consumption of goods		450,638	407,600
Consumption of raw material and other consumables		5,635	5,297
Other operating income	(18)	**23**	**62**
Operating grants incorporated to the result for the year		23	62
Personnel expenses		**11,816**	**9,873**
Wages and salaries		10,241	8,518
Social security	(13)	1,575	1,355
Other operating expenses		**39,265**	**38,641**
External services	(8)	37,724	37,639
Taxes other than income tax	(12)	1,741	444
Losses, damages and change in provision for trade transactions		225	371
Other operating expenses		(425)	187
Annual amortisation/depreciation		**539**	**521**
Impairment of assets and result from disposal of assets		**---**	**---**
Result from disposal of assets and other			---
OPERATING RESULT		**20,115**	**17,600**
Financial income	(9)	**17,693**	**19,264**
From shares in equity instruments		1,051	3,131
In subsidiary and associated companies		1,050	3,121
In third parties		1	10
From negotiable securities and other financial instruments		16,642	16,133
From subsidiary and associated companies		15,800	15,677
From third parties		842	456
Financial expenses	(9)	**23,086**	**21,476**
On debt with subsidiary and associated companies		1,574	1,214
On debts with third parties		21,512	19,262
From provisions updating			1,000
Foreign exchange differences	(11)	**(173)**	**(1,397)**
FINANCIAL RESULT		**(5,566)**	**(3,609)**
INCOME BEFORE TAX		**14,549**	**13,991**
Corporate income tax		**(242)**	**(397)**
NET INCOME FOR THE YEAR FROM CONTINUING OPERATIONS		**14,307**	**13,594**
NET INCOME FOR THE YEAR		**14,307**	**13,594**

STATEMENT OF RECOGNISED INCOME AND EXPENSES FOR THE YEARS ENDED 31 DECEMBER 2009 AND 2008

	Note	*Thousands of Euros* 2009	2008
A) Net income for the year		**14,307**	**13,594**
III. Subsidies, donations and legacies	(18)	2	6
VIII. Subsidies, donations and legacies	(18)	(23)	(62)
TOTAL INCOME AND EXPENSES RECOGNISED IN THE YEAR		**14,286**	**13,538**

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEARS ENDED 31 DECEMBER 2009 AND 2008

Thousand of Euros	Capital		Issue Premium	Reserves	(Own shares)	Net income for the year	Subsidies, donations & legacies	TOTAL
	Issued	Uncalled						
BALANCE AT YEAR END 2007	**78,000**		**---**	**29,123**	**---**	**12,962**	**93**	**120,178**
ADJUSTED BALANCE, BEGINNING OF 2008	**78,000**		**---**	**29,123**	**---**	**12,962**	**93**	**120,178**
I. Total recognised income and expenses	---	---	---	---	---	13,594	(56)	13,538
II. Transactions with shareholders or owners	---	---	---	---	(1,936)	(5,851)	---	(7,787)
4. (-) Payment of dividends	---	---	---	---	---	(5,851)	---	(5,851)
5. Transactions with own shares (net)	---	---	---	---	(1,936)	---	---	(1,936)
III. Other changes in shareholders' equity	---	---	---	7,111	---	(7,055)	(56)	---
BALANCE AT YEAR-END 2008	**78,000**	**---**	**---**	**36,234**	**(1,936)**	**13,594**	**37**	**125,929**
BALANCE AT THE BEGINING OF 2009	**78,000**	**---**	**---**	**36,234**	**(1,936)**	**13,594**	**37**	**125,929**
I. Total recognised income and expenses	**---**	**---**	**---**	**---**	**---**	**14,307**	**(21)**	**14,286**
II. Transactions with shareholders or owners	**38,683**	**---**	**57,043**	**38**	**(965)**	**(5,851)**	**---**	**88,948**
1. Capital increase	38,683	---	61,894	---	---	---	---	100,577
2. Capital increase expenses	---	---	(4,851)	---	---	---	---	(4,851)
4. (-) Payment of dividends	---	---	---	38	---	(5,851)	---	(5,813)
5. Transactions with own shares (net)	---	---	---	---	(965)	---	---	(965)
III. Other changes in shareholders' equity	**---**	**---**	**---**	**7,743**	**---**	**(7,743)**	**---**	---
BALANCE AT YEAR END 2009	**116,683**	**---**	**57,043**	**44,015**	**(2,901)**	**14,307**	**16**	**229,163**

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2009 AND 2008

Thousands of Euros

A) CASH FLOW FROM OPERATING ACTIVITIES	Notes	2009	2008
1. Income before tax		14,549	**13,991**
2. Income Adjustments		**5,977**	**2,707**
a) Depreciation/amortisation (+)	(5)/(7)	539	519
b) Change in value for impairment (+/-)	(9)	---	1,000
c) Change in provisions (+/-)	(9)	35	34
d) Subsidies applied (-)	(18)	(24)	(57)
g) Financial income (-)	(9)	(17,692)	(15,264)
h) Financial expenses (+)	(9)	23,085	16,475
i) Foreign exchange differences (+/-)	(11)	(172)	(1,397)
k) Other income and expenses (-/+)		206	1,397
3. Change in current capital		**(89,441)**	**(38,025)**
a) Inventories (+/-)	(10)	(10,572)	(10,281)
b) Debtors and other receivables (+/-)		(63,512)	(19,842)
c) Other current assets (+/-)		(16,724)	(3,693)
d) Creditors and other payables (+/-)		4,972	(4,523)
e) Other current liabilities (+/-)		(3,607)	262
f) Other non-current assets and long term liabilities (+/-)		2	52
4. Other cash flow from operating activities		**(5,634)**	**(1,607)**
a) Interest payable (-)	(9)	(23,085)	(20,475)
b) Collection of dividends (+)	(9)	1,051	3,131
c) Interest receivable (+)	(9)	16,642	16,133
d) Collection (payment) of corporate income tax (+/-)	(12)	(242)	(396)
5. Cash flow from operating activities (+/-1+/-2+/-3+/-4)		**(74,549)**	**(22,934)**
B) CASH FLOW FROM INVESTING ACTIVITIES			
6. Payment of investments (-)		**(7,358)**	**(37,441)**
a) Subsidiary and associated companies	(9)	(7,170)	(36,404)
c) Tangible assets	(7)	(188)	(1,037)
7 Collection from divestments (+)		---	5,251
a) Subsidiary and associated companies	(9)		5,248
e) Other investments	(9)		3
8. Cash flow from investing activities (7-6)		(7,358)	(32,190)
C) CASH FLOW FROM FINANCING ACTIVITIES			
9. Collection and payments of equity instruments	(9)	**94,763**	**(1,936)**
a) Issue of equity instruments (+)		95,726	---
c) Acquisition of own equity instruments (-)		(965)	(1,936)
e) Subsidies, donations and legacies (+)		2	---
10. Collection and payments of financial liabilities instruments	(9)	**(42,711)**	**182,663**
a) Issuance		48,624	227,689
2. Debt with credit institutions (+)		48,624	227,689
b) Return and amortisation of:		(91,335)	(45,026)
2. Debt with credit institutions (-)		(91,308)	(45,000)
4. Other debt (-)		(27)	(26)
11. Payment of dividends and remuneration of other equity instruments	(9)	**(5,851)**	**(5,851)**
a) Dividends (-)		(5,851)	(5,851)
12. Cash flow from financing activities (+/-9+/-10-11)		**46,201**	**174,876**
E) CHANGE IN CASH AND CASH EQUIVALENTS (+/-5+/-8/+/-12+/-D)		**(35,706)**	**119,752**
Opening balance of cash and cash equivalents		124,346	4,595
Closing balance of cash and cash equivalents		88,640	124,346

ANNUAL REPORT 2009

NOTES TO THE 2009 FINANCIAL STATEMENTS

1) BUSINESS OF THE COMPANY

PESCANOVA, S.A., (hereinafter “the Company” or “Pescanova”), incorporated in June 1960, and with its place of business at Rúa de José Fernández López, s/n, Chapela (Pontevedra), is the Parent Company of an important industrial group, which includes Pescanova Group companies, as it is shown in Note 9.1.3; its activity being the industrial exploitation of all business activities relating to food for human or animal consumption, including its production, transformation, distribution and marketing, as well as development of supplementary activities of both an industrial and commercial nature, and the investment in national or foreign companies.

Both, the individual annual accounts of Pescanova, S.A. and the consolidated annual accounts of the Pescanova Group are filed with the Companies Registration Office in Pontevedra.

2) BASIS OF PRESENTATION OF THE ANNUAL ACCOUNTS

1) True and fair view

The financial statements for the financial year 2009 will be submitted to the approval of the shareholders at the Annual General Meeting of Shareholders and are expected to be approved without amendment.

All figures are shown in thousands of euros (except where noted).

The financial statements for 2009 were authorised for issue by the Board of Directors at the meeting held on 25 February 2010, and were prepared in accordance with the Commercial Code, the Spanish Companies Law, and other applicable dispositions and generally accepted accounting principles.

These financial statements give a true and fair view of the net equity, financial position and results of financial transactions of Pescanova at 31 December 2009, as well as of the cash flow shown in the Cash Flow Statement attached herewith.

The financial statements for 2009 were prepared from the accounting records kept by the Company, and in keeping with the current trading legislation and the standards set by the GAP, passed under Royal Decree 1514/2007, of 16 November, in order to give a fair view of the equity, financial position and results of the Company, as well as the truthfulness of the cash flow shown in the Cash Flow Statement.

There has been no exceptional reason for non applying legal dispositions of an accounting nature, in order to show and true and fair view.

2) Crucial aspects in the valuation and estimation of uncertainties

These Financial Statements have been prepared on a going concern basis. The Management of the Company is unaware of material uncertainties related to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern.

3) Comparison of information

For comparison purposes, and in accordance with mercantile law, the Directors present for each item in the Balance Sheet, Income Statement, Statement of Changes in Shareholders' Equity, and Cash Flow Statement, the figures for 2009 together with those of the previous year. In both years these items are uniform and comparable.

There has been no exceptional reason to justify changes in the structure of the Balance Sheet, Income Statement, Cash Flow Statement and Statement of Changes in Shareholders' Equity.

4) Grouping of items

The various Balance Sheet and Income Statement items are presented separately in keeping with prevailing legislation, and thus a special breakdown of these items was considered unnecessary.

5) Items recorded in more than one account

Each item is recorded in a single account, which exists for that purpose only.

6) Changes in accounting standards

During the year, there has been no adjustment resulting from changes in accounting standards.

7) Correction of errors

In 2008 there has been no significant adjustment due to correction of errors from previous years.

3) PROFIT DISTRIBUTION

As resolved at the Annual General Meeting of Shareholders held on 24 April 2009, the 2008 result was distributed as shown below together with the proposed distribution of 2009 results:

Income to be distributed	2009	2008
Net income for the year	14,307	13,594
TOTAL	**14,307**	**13,594**

Distribution	2009	2008
To legal reserve	1,431	---
To voluntary reserve	4,125	7,744
To dividends	8,751	5,850
TOTAL	**14,307**	**13,594**

The proposed distribution shows gross dividends to be paid at a rate of 0.45 euros per share (0.45 euros in 2008) for all the Pescanova shares.

Of the total resolved to be paid as dividend, the amount not paid as dividend for own shares held by the Company is recognised in Voluntary Reserves.

The Annual General Meeting of Shareholders shall determine the date on which the dividends will start to be paid.

No interim dividends were distributed during the year.

There are no limitations for dividends distribution other than those provided in articles 194, 213 and 214 of the Revised Wording of the Spanish Companies Act.

4) ACCOUNTING AND VALUATION STANDARDS

The principal accounting standards used in preparing the accompanying financial statements were as follows:

1) Intangible assets. These assets consist of:

Computer software

Computer software valued at acquisition cost and amortised on a straight-line basis over a three year period at most.

Development expenses

These expenses are related to two projects that the Company is involved in. These expenses are treated separately by project, and their cost is clearly determined so that it can be distributed over time. Furthermore, the management of the Company has founded reasons to believe in the technical success of these projects and their profitability.

These expenses are amortised over three years, and have been amortised in full this year.

There are no intangible assets with an indeterminate useful life.

2) Tangible assets

Tangible assets are carried at cost less any accumulated depreciation.

Non-current assets revaluation has been established by applying to the acquisition or production values and the corresponding annual depreciation provisions, which are considered as deductible expenses for tax purposes, certain rates in agreement with the acquisition and depreciation year of the respective items, in accordance with the published regulations that rule revaluation procedures, without any reduction.

The costs of any extension, modernization or improvement that enable an increase in productivity, capacity or efficiency or the lengthening of the useful life of an asset are included in the asset's carrying amount.

Replacements or renewals of complete items that lead to a lengthening of the useful life of the assets or to an increase in their economic capacity are recorded as additions to tangible assets, and the items replaced or renewed are derecognised.

Periodic maintenance, upkeep and repair expenses are recognised in the income statement on an accrual basis as incurred.

Tangible assets are depreciated on a straight-line basis over the years of estimated useful life of the assets, which constitute the period over which the Company expect to use them, according to the following:

	Term	Rate
Land and buildings	16/33 years	3/6.25%
Technical installations and machinery	4/10 years	10/25%
Tools, other installations and furniture	4/16 years	6.25/25%
Computer hardware, vehicles & other non-current assets	4/8 years	4/12.5%

3) Investment properties

The company has no record under this heading.

4) Leases

There are no financial lease contracts entered into for a significant amount. Operating contracts are accounted for on an accrual basis.

5) Exchange of Assets

During the year, there has been no transaction classified under this heading.

6) Financial instruments

a) Investment in subsidiary, multigroup and associated companies

Securities and equity investments are usually valued at acquisition cost. However, as the Company availed itself of the provisions of Law 9/1983, securities and equity investments instrumented in domestic or foreign currency acquired before January 1, 1983 were revalued in accordance with applicable legislation. Securities and shares in foreign currency were converted using the official exchange rate on the balance sheet date. If at year-end underlying book value is lower than said cost; a provision is recorded for the difference to adjust value accordingly.

b) Loans to companies

Loans to companies are recognised for the amount granted, if necessary, provisions are recorded according to the risk represented by probable uncollectability regarding the collection of the assets involved. Interest accrues on a monthly basis at market rates.

c) Other investments

These consist of several deposits made by the Company as part of its ordinary activity.

They are recognised for the amount paid which coincides with the amount to be repaid.

d) Shareholders' equity instruments held by the Company

These are recognised at acquisition cost, and on disposal are derecognised for their sale price.

7) Hedges

The Company has not entered into any significant arrangement classified as a hedge.

8) Inventories

Inventories are recognised at the lower of weighed average cost and net realisable value.

9) Transactions in foreign currency

Transactions in currencies other than euro are recorded in euros by applying the exchange rates prevailing at the date of the transaction. During the year, the differences that arise between the exchange rate prevailing at the date of the transaction and the exchange rate prevailing at the date of collection or payment are recorded as financial result in the income statement.

Also, balances receivable or payable at 31 December each year denominated in currencies other than euro are translated to euros at year-end exchange rates. The resulting translation differences are recognised as financial result in the income statement.

10) Corporate income tax

The Company declares taxes on a consolidated basis. Consequently, in application of the related legislation, taxes are paid on the total results of the tax group consisting of the parent and the companies included in the tax group, as determined in Note 12.

Annual income tax expenses are calculated based on the book result of the companies included in the above mentioned tax group, adding or subtracting, as necessary, any permanent differences from tax results, being this the taxable income.

11) Income and expenses

Income and expenses are recognised on an accrual basis, that is income is recorded when it is earned regardless of when it is actually received and expenses are reported when they are incurred regardless of when they are paid.

However, in agreement with the principle of prudence, the Company only recognises the profits realised at closing date, whilst expected risks and liabilities, even potential ones, are recognised as soon as the Company becomes aware of them.

Particularly, income from services rendered is only recognised when it can be reliably estimated and when it is probable that the economic benefits associated to the transaction will flow to the Company and by reference to the stage of completion.

12) Provisions, contingent liabilities and contingent assets,

Existing obligations at the Balance Sheet date arising from past events which could give rise to a loss for the Company which is uncertain as to its amount and timing are recognised as provisions in the balance sheet at the present value of the most probable amount that it is considered the Company will have to disburse to settle the obligation.

Provisions are quantified on the basis of the best information available at the date of preparation of the consolidated financial statements on the consequences of the event giving rise to them and are reviewed and adjusted at the end of each year.

13) Environmental elements

The Company has no assets and has not incurred in expenses to minimise the environmental impact and the protection and improvement of the environment. No provision has been made to cover risks and expenses related to the protection and improvement of the environment.

14) Criteria used for the recognition and valuation of personnel expenses

The Company recognises personnel expenses on an accrual basis, and therefore recognises under “Personnel (accrued salaries)”, the amounts accrued and not yet paid, not only for salaries but also any other possible indemnities to be paid.

The Company has not granted advances or loans nor has pension or life insurance obligations with Board members.

The Company has no pension obligations.

15) Payments based on shares

During the year, no payment based on shares has been made. The Company has no commitment based on this type of payments.

16) Subsidies, donations and legacies

During the year, the Company has not received any donation or legacy.

As regards to subsidies, these are classified under the corresponding heading in Shareholders’ equity. Non-refundable grants are recognised in the income statement as part of the operating result.

17) Business combinations

During the year, the Company has not entered into any transaction that could be classified under this heading.

18) Joint venture arrangements

During the year, the Company has entered a joint venture arrangement with Austral Fisheries, Pty. valued in proportion to its interest in the joint venture.

19) Criteria used for recognition of transactions with related parties

For the recognition of transactions with related parties the Company follows the general standard. It is noted that during the year there has been no business lien contribution nor mergers or splits.

20) Non-current assets held for sale

There are no assets or group of elements classified under this heading in the Balance Sheet.

21) Discontinued operations

During the year there has been no operation classified under this heading.

5) TANGIBLE ASSETS

1) The movements and depreciation relating to these accounts were as follows:

YEAR 2008	Balance at 01/01/2008	Acquisitions	Note	Disposals	Note	Balance at 31/12/2008
COST						
Land and buildings	1,715	---		---		1,715
Technical installations and other tangible assets	4,993	1,038	(1)	---	(2)	6,031
TOTAL	**6,708**	**1,038**		**---**		**7,746**
ACCUMULATED DEPRECIATION						
Land and buildings	(1,345)	(65)	(2)	---		(1,410)
Technical installations and other tangible assets	(4,116)	(314)	(2)	---	(2)	(4,430)
TOTAL	**(5,461)**	**(379)**		**---**		**(5,840)**
TANGIBLE ASSETS						
Land and buildings	370					305
Technical installations and other tangible assets	877					1,601
TOTAL	**1,247**					**1,906**

YEAR 2009	Balance at 01/01/2009	Acquisitions	Note	Disposals	Note	Balance at 31/12/2009
COST						
Land and buildings	1,715	17		---		1,732
Technical installations and other tangible assets	6,031	174	(1)	---		6,205
TOTAL	**7,746**	**191**		---		**7,937**

ACCUMULATED DEPRECIATION						
Land and buildings	(1,410)	(65)	(2)	---		(1,475)
Technical installations and other tangible assets	(4,430)	(383)	(2)	---		(4,813)
TOTAL	**(5,840)**	**(448)**		---		**(6,288)**
TANGIBLE ASSETS						
Land and buildings	**305**					**257**
Technical installations and other tangible assets	**1,601**					**1,392**
TOTAL	**1,906**					**1,649**

(1) Purchases
(2) Allowances

2) Disclosures related to tangible assets:

a) Depreciation rates used for each type of asset, the depreciation for the year and accumulated depreciation were as follows:

	Depreciation Rate	Depreciation for the Year		Accumulated Depreciation	
		2009	**2008**	**2009**	**2008**
Buildings	3/7	65	65	1,474	1,409
Machinery	25	---	---	---	92
Other installations	6/34	96	99	1,811	1,715
Tools	25	2	1	45	43
Furniture	10/25	57	55	1,017	960
Other tangible assets	12.5/25	228	159	1,941	1,621
TOTAL		**448**	**379**	**6,288**	**5,840**

Tangible assets are depreciated on a straight line basis.

b) There has been no change in residual vale, useful life or depreciation basis in respect of previous year.

c) During there year, no tangible assets were acquired from Subsidiary companies; on the tangible assets acquired last year, at an acquisition cost of 625 thousand euros, depreciation for the period was recorded for 53 thousand euros, and the carrying amount at 31 December 2009 was 541 thousand euros.

d) The Company has no tangible assets outside Spain.
e) During the year no financial expense has been capitalised.
f) During the year there has been no change in the carrying amount of tangible assets due to impairment.
g) During the year there has been compensation to third parties due to impairment or loss of tangible assets.
h) Tangible assets not directly used in operations is classified under "Buildings" recognised at an acquisition cost of 214 thousand euros, depreciation for the period reached 7 thousand euros and a carrying amount of 112 thousand euros at 31 December 2009.
i) At 31 December 2008, tangible assets fully depreciated and in use, are shown bellow:

	2009	2008
Buildings	228	228
Technical installations and machinery	92	92
Other installations, tools and furniture	2,312	2,242
Other tangible assets	1,452	1,310
TOTAL	**4,084**	**3,872**

j) During the year the Company has not received any significant subsidy, donation or legacy related to tangible assets.
k) There is no commitment related to the acquisition or sale of significant tangible assets.
l) There are no leases, litigations, restrictions or similar situations related to tangible assets.
m) The Company has contracted insurance policies to cover potential risks that could affect its tangible assets.
n) During the year there has been no disposal of tangible assets.
o) At year end no tangible assets were subject to mortgage guarantee.

6) INVESTMENT PROPERTIES

During the year, the Company did not own any asset that could be classified under this heading.

7) INTANGIBLE ASSETS

a) The movements and amortisation relating to these accounts were as follows:

YEAR 2008	01/01/2008	Acquisitions	Disposals	31/12/2008
Cost:				
Research and development expense	365	---	---	365
Software	421	---	---	421
TOTAL	**786**	**---**	**---**	**786**
Accumulated amortisation:				
Research and development expense	(158)	(121)		(279)
Software	(390)	(20)	---	(410)
TOTAL	**(548)**	**(141)**	**---**	**(689)**
Net Intangible assets	**238**			**97**

YEAR 2009	01/01/2009	Acquisitions	Disposals	31/12/2009
Cost:				
Research and development expense	365	---	---	365
Software	421	---	---	421
TOTAL	**786**	**---**	**---**	**786**
Accumulated amortisation:				
Research and development expense	(279)	(86)	---	(365)
Software	(410)	(5)	---	(415)
TOTAL	**(689)**	**(91)**	**---**	**(780)**
Net Intangible assets	**97**			**6**

b) There is no guarantee, reversion or restriction related to the ownership of intangible assets.

c) Development projects and software are amortised on a straight line basis over a three year period.

d) During the year there has been no acquisition of intangible assets from Subsidiary Companies.

e) During the year no financial expense has been capitalised.

f) There are no intangible assets not directly used in operations.

g) During the year the Company has not received any donation or legacy related to intangible assets. As to subsidies, the Company has received the amount corresponding to one of the projects annuity.

h) There is no firm commitment related to the purchase-sale of intangible assets.

i) There is no lease, litigation, restriction or similar situation related to intangible assets.

8) LEASES AND OTHER TRANSACTION OF SIMILAR NATURE

a) Financial Lease:

The Company does not hold, neither as lesser nor as lessee, any significant financial lease that should be included under this heading.

b) Operational Leases:

As lessee, the Company has incurred in the following expenses, by nature, in 2008 and 2009.

Description	2009	2008
Cold storage space lease	7,426	6,533
Office and sites leases	172	155
Other leases	259	273
Levies	55	50

Lease contracts are mainly entered into with Subsidiary Companies, and most of them are renewable on a one-year basis.

9) FINANCIAL INSTRUMENTS

9.1 Disclosure of financial instruments' relevance in the financial position and results of the Company:

9.1.1. Disclosures related to the Balance Sheet:

a) Financial assets other than equity investments in Subsidiary, Multigroup and Associated Companies, are classified as follows:

	Long-term		Short-term		Total	
	2009	2008	2009	2008	2009	2008
Held to maturity investments	147	147	---	2,455	147	2,602
Loans and amounts receivable	1,721	1,721	28,824	9,893	30,545	11,614
TOTAL	**1,868**	**1,868**	**28,824**	**12,348**	**30,692**	**14,216**

b) The Company's financial liabilities are classified as follows:

	Long-term		Short-term		Total	
Debt wtith credit institutions	2009	2008	2009	2008	2009	2008
Debt and amounts payable	204,710	293,300	148,770	102,864	353,480	396,164
TOTAL	**204,710**	**293,300**	**148,770**	**102,864**	**353,480**	**396,164**

c) Classification by maturity of the different financial assets and liabilities is shown below:

2009 ASSETS	Classification by maturity 2011	2012	2013 & onwards
Held to maturity investments	---	---	147
Loans	---	1,721	---
TOTAL	**---**	**1,721**	**147**

	Classification by maturity 2011	2012	2013
Debt and amounts payable	42,210	162,500	---
TOTAL	**42,210**	**162,500**	**---**

2008 ASSETS	Classification by maturity 2010	2011	2012 & onwards
Held to maturity investments	---	---	---
Loans	---	---	1,868
TOTAL	**---**	**---**	**1,868**

2008 LIABILITIES	Classification by maturity 2010	2011	2012
Debt and amounts payable	91,307	141,992	60,000
TOTAL	**91,307**	**141,992**	**60,000**

d) There are no financial instruments serving as guarantee. The Company does not hold third party assets serving as guarantee.

e) As regards to outstanding loans at year end, there has been no payment default of principal or interest or any other non-compliance granting the lender the right to demand early repayment.

f) The agreements ruling the financial debt of the Company contain the usual covenants for agreements of this nature.

9.1.2. Disclosures related to the Income Statement:

The detail of the main income and expense items related to the different categories of financial instruments is shown below:

Description	Expenses 2009	2008
Interest payable on loans from third parties	21,512	19,262
Interest payable on loans from subsidiary and associated companies	1,574	1,214

Description	Income 2009	2008
Interest receivable from loans to third parties	842	456
Interest receivable from loans to subsidiary and associated companies	15,800	15,677
Dividends from subsidiary and associated companies	1,050	3,121
Dividends from other companies	1	10

9.1.3. Other disclosures:

a) Shares held in Subsidiary, Multigroup and Associated Companies were as follows:

			Thousands of Euros			
			2009		2008	
Subsidiary companies	**Country**	**Activity**	**Investment**	**%**	**Investment**	**%**
Argenova, S.A.	Argentina	1	27,037	94.99	22,787	94.99
Camanica, S.A.	Nicaragua	4	3,047	46.21	3,047	46.21
Bajamar Séptima, S.A.	Spain	3	6,040	100.00	6,040	100.00
Camanica Zona Franca	Nicaragua	4	428	0.10	428	0.10
Corporación Novaperú, S.A.C.		1	5	0.01	---	---
Eiranova Fisheries Ltd.	Ireland	2	3,354	98.48	3,354	98.48
Frigodís, S.A.	Spain	5	8,211	99.99	8,211	99.99
Frinova, S.A.	Spain	2, 3	10,145	90.36	10,145	90.36
Frivipesca Chapela, S.A.	Spain	2,3	781	8.27	781	8.27
Insuiña, S.L.	Spain	4	34,564	99.90	34,564	99.90
Kodeco D. C. S.A	Nicaragua	4	46	98.66	46	98.66
Austral Fisheries Pty.	Australia	1,2	6,356	50.00	6,356	50.00
Nova Austral	Chile	2	13,490	99.90	13,490	99.90
Novapesca Trading, S.L.	Spain	5	11,103	99.99	11,103	99.99
Acuinova Chile, S.A.	Chile	4	2,303	7.41	2,303	7.41
Pesca Chile, S.A.	Chile	1,2	23,112	51.00	23,112	51.00
Pescafina, S.A.	Spain	2	19,148	94.94	19,148	94.94
Pescafresca, S.A.	Spain	2	61	100.00	61	100.00
Pescamar, Ltd.	Mozambique	1	5,528	70.00	5,528	70.00
Pescanova France, S.A.	France	2	48	100.00	48	100.00
Pescanova Inc.	USA	2	7,990	96.49	7,990	96.49
Pescanova Italia SRL	Italy	2	4,565	100.00	1,645	100.00
Pescanova Portugal Ltda.	Portugal	2, 3	4,070	99.99	4,070	99.99
Pesquerías Belnova, S.A.	Uruguay	1, 5	7,113	100.00	7,113	100.00
Río Real, S.A.	Nicaragua	4	980	1.48	980	1.48
Río Tranquilo, S.A.	Nicaragua	4	229	98.00	229	98.00
T O T A L			**199,754**		**192,579**	

Associated Companies						
Boapesca, S.A.	Spain	5	330	50.00	330	50.00
Hasenosa, S.A.	Spain	3	68	50.00	68	50.00
NovaNam Limited	Namibia	2	7,689	49.00	7,689	49.00
T O T A L			**8,087**		**8,087**	

- The percentage shown corresponds to direct participation; the total percentage, direct and indirect, is shown in the Consolidated Financial Statements.

1) Catching and marketing of seafood products
2) Processing and marketing of seafood products
3) Processing and marketing of other food products
4) Aquaculture
5) Other Services

None of the above are listed companies.

During the financial year, no impairment loss has been recognised; accumulated impairment loss amounted to 10.1 million euros.

	Thousands of Euros			
YEAR 2008	**01/01/2008**	**Acquisition**	**Disposal**	**31/12/2008**
Subsidiary Companies				
Shares in subsidiary companies	161,428	36,404	(5,248)	192,584
Provision for depreciation	(1,256)	(1,000)	---	(2,256)
Total Subsidiary Companies	**160,172**			**190,328**
Associated Companies				
Shares in associated companies	8,087	---	---	8,087
Provision for depreciation	(7,892)	---	---	(7,892)
Total Associated Companies	**195**			**195**
Total Equity Instruments	**160,367**			**190,523**

	Thousands of Euros			
YEAR 2009	**01/01/2009**	**Acquisition**	**Disposal**	**31/12/2009**
Subsidiary Companies				
Shares in subsidiary companies	192,584	7,170	---	199,754
Provision for depreciation	(2,256)	---	---	(2,256)
Total Subsidiary Companies	**190,328**	**7,170**		**197,498**
Associated Companies				
Shares in associated companies	8,087	---	---	8,087
Provision for depreciation	(7,892)	---	---	(7,892)
Total Associated Companies	**195**			**195**
Total Equity Instruments	**190,523**			**197,693**

b) Other disclosures:

a) There is no firm commitment related to the purchase-sale of financial assets.

b) There are no leases, litigations, restrictions or similar situations affecting the financial assets of the Company.

c) Amounts available from the main credit lines of the Company are shown below:

Non-recourse and discount lines	1,837
Loan and foreign trade policies	197,732
Factoring lines	11,979

9.2. Shareholders' Equity

a) Pescanova, S.A. subscribed and paid-in share capital at 31 December 2008 amounted to 78 million euros, consisting of 13 million shares with a face value of 6 euros each.

At the General Meeting of Shareholders held on 24 April 2009 it was resolved to delegate to the Board of Directors the power to increase the share capital of the Company; thus, at the Board Meeting held on 1 October 2009, with the attendance of all the Board members, it was resolved to increase the share capital by thirty eight million six hundred and eighty-three thousand five hundred and twenty-four euros (€38,683,524.00), through the issue of six million four hundred and forty-seven thousand two hundred and fifty-four new shares (6,447,254) with a face value of six (6) euros each, of the same class and series and with the same rights adhered to them as the other Pescanova, S.A. shares in circulation, as from the date on which the capital increase is declared subscribed and paid, providing expressly the possibility of not being subscribed in full. These new shares are to be subscribed with an issue premium of nine euros and sixty cents (€9.60) per share.

Once the term and conditions for the subscription and payment of the new shares were concluded and complied with, having covered the capital increase in full, the share capital of Pescanova, S.A. was one hundred and sixteen million, six hundred and eighty three thousand, five hundred and twenty four euros (€116,683,524) represented by nineteen million four hundred and forty-seven thousand two hundred and fifty-four shares (19,447,254), with a face value of six euros each, all of them of the same class and series, fully subscribed and paid.

b) There is no capital increase under way.

c) The Shareholders of the Company at their Annual General Meeting held on 24 April 2009, resolved to grant authority to the Board of Directors for the acquisition of own shares and their application for the purposes provided in the Companies Law. At that meeting the Board was also authorised, for a five-year term, to increase the share capital of the company, with or without premium, up to half of the existing share capital at the time of the authorisation.

d) There are no founder shares, enjoyment bonds, convertible debentures nor similar financial instruments.

e) There are no specific circumstances, other than those in the Companies Act, which could restrict the availability of reserves.

f) Making use of the authority granted under item number 5 in the agenda of the Annual General Meeting of Shareholders, held on 23 April 2008, and item number 4 of the Agenda of the General Meeting of Shareholders, held on 24 April 2009, the Company purchased own shares during the year, at 31 December 2009 the number of own shares held by the Company were 105,492 shares with a nominal value of 6 euros each, which were bought at an average acquisition price of 27.50 euros per share.

g) The companies that at 31 December 2009 held 10% or more of the share capital of Pescanova, S.A. were: SOCIEDAD ANÓNIMA DE DESARROLLO Y CONTROL (SODESCO): 14.823%, and CXG CORPORACION CAIXAGALICIA: 20.000%

h) All the shares of the Company are listed at the stock exchange in Madrid and Bilbao.
i) There are no share options nor any other contract issued by the company related to its own shares, furthermore, there are no specific circumstances regarding subsidies, donations and legacies granted by shareholders.

9.3 Description of and risk arising from financial instruments.

The activities of the Company are subject to different financial risks.

Credit Risk

The main financial assets of the Company are cash and cash equivalents, trade debtors and other amounts receivable, and investments that represent the maximum credit risk exposure of the Company regarding financial assets.

The Company's credit risk is mainly attributable to its trade debts. The amounts are shown in the balance sheet net of the provision for uncollectable debt as estimated by the Management of the Company based on the experience from previous years and the assessment of current economic environment.

The Company does not have a significant credit risk concentration, since the exposure is distributed among a larger number of counterparties and customers.

Liquidity risk

Over the last months financial markets, and particularly banks, have been unfavourable to credit applicants. The Company pays permanent attention to the evolution of certain factors and particularly to funding sources and characteristics that could in future help to solve potential liquidity crisis.

Bellow is a summary of the aspects to which the Company pays attention:

- Liquidity of monetary assets: Cash surpluses are always placed on very short term deposits.
- Maturity diversification for credit lines and control over financing and refinancing.
- Control over remaining life of funding lines.
- Diversification of funding sources: at a corporate level, bank finance is essential, due to the easy access to this market at its cost, in many occasions without any competition from alternative sources.

The Company does not exclude the use of other funding sources in future.

Foreign currency risk

The strategy of the Company, regarding the management of foreign currency risk is mainly focussed on hedging future cash flows for transactions based on firm or highly probable commitments.

Foreign exchange risk in the formalisation of contracts in which the collections/payments are made in a currency different from the functional currency are hedged by interest rates derivatives.

In these cases, the risk hedged is the exposure, attributable to a particular risk, which could lead to changes in the value of the transactions to be carried out based on firm or highly probable commitments, to the extent that there is reasonable evidence about their future completion.

Interest rate risk

Interest rate fluctuations change the fair value of assets and liabilities that bear a fixed interest rate and the future flows from assets and liabilities bearing interest at a floating rate.

The objective of interest rate risk management is to achieve a balanced debt structure that makes it possible to minimise the cost of the debt over several years with reduced income statement volatility.

Depending on Company's estimates and debt structure targeted, risks may be mitigated by entering derivative arrangements.

Interest rates on Company's debt are mainly Euribor and Libor related.

10) INVENTORIES

There are no firm commitments to buy or sell inventories, nor future contracts relating to them. Inventories may be used freely, as there is no significant restriction due to guarantees, pledges, sureties, or similar reasons, or due to material circumstances such as lawsuits, insurance policies or confiscation affecting the ownership, availability, or value of inventories.

Since the Company does not own inventories with a productive cycle higher than one year, no financial expenses have been capitalised.

11) FOREIGN CURRENCY

Transactions carried out in currencies other than euro are recognised in euros by applying the exchange rates prevailing at the time of the transaction. During the year, the differences that arise between the exchange rate prevailing at the time of the transaction and the exchange rate prevailing at the date of collection or payment are recorded as financial results in the Income Statement.

Also, balances receivable or payable at 31 December each year denominated in currencies other than euro are translated to euros at the year-end exchange rates. The resulting translation differences are recognised as financial results in the Income Statement.

a) Below is the detail of assets and liabilities denominated in foreign currencies:

Element	Amount 2009	Amount 2008	Currency 2008/2009
Equity instruments - Subsidiary companies	107,659	93,409	Argentinean Peso, Chilean Peso; & US Dollar (mainly)
Trade receivables	3,419	5,253	US Dollar
Cash and cash equivalents	79	467	US Dollar
Trade payables	507	689	US Dollar

b) The main transactions carried out in foreign currency during the year are shown below:

	Amount		Currency	
	2009	2008	2009	2008
Purchases	25,247	20,830		US Dollar
Sales	26,577	25,468		US Dollar
Services received	427	1,088		US Dollar/Rand

c) Below is the detail of exchange rate differences, by financial instrument, included in the result of the year:

Instrument	Foreign Exchange Differences 2009	Foreign Exchange Differences 2008
Loans and amounts receivable	686	(1,559)
Debts and amounts payable	(859)	162

12) TAX SITUATION

As indicated in Note 4, section 10) the Company declares taxes, indefinitely, on a consolidated basis. In 2007, the Companies that make up the Tax Group are: Pescanova, S.A., Frigodís, S.A., Frinova, S.A., Pescafresca, S.A., Bajamar Séptima, S.A., Frivipesca Chapela, S.A., Pescanova Alimentación, S.A., Novapesca Trading, S.L., Insuiña, S.L., Pescafina, S.A., Pescafina Bacalao, S.A., Piscícola de Sagunto, S.L., Ultracongelados Antártida, S.A., Acuinova, S.L., Fricatamar, S.L. and Marina Esauri, S.L..

The reconciliation of the aggregated income of the Tax Group to consolidated taxable income for Corporate Income Tax is as follows:

	Thousands of Euros
	2009
Sum of accounting income for the year	28,400
Permanent differences	
- Increases	6,038
- Reductions	(1,747)
- Offsetting of tax losses (individual)	(1,947)
Adjusted accounting income	30,744
Temporary differences originated in the year	
- Increases	163
- Reductions	0
Temporary differences originated in previous years	
- Increases	396
- Reductions	(780)
Taxable income	30,523
Compensation of negative taxable income	(12,712)
Taxable income	17,811
30% Rate	5,343
Deductions	(5,231)
Tax withheld	(112)
Net tax payable	0

The Company may still be inspected by the tax authorities in connection with the following years and taxes:

- IRPF (personal income tax) 2005 to 2009
- Value Added Tax 2005 to 2009
- Corporate Income Tax 2004 to 2008
- Tax on Income from Securities 2005 to 2009
- Customs duties 2006/2007 and 2008

The Group has lodged with the Supreme Court certain economic–administrative claims regarding tax settlements for the financial years 1990 to 1993, about which the Company is in total disagreement. A provision for the corresponding amounts has been recorded.

At 31 December 2009, once estimated the Corporate Income Tax for the financial year, the Tax Group has tax losses from previous years not yet applied for 8,535,381 euros, regardless the tax losses generated by subsidiary companies prior to their incorporation to the Tax Group which can be offset, under certain requirements, with the limit of their own taxable income.

At 31 December 2009, and once estimated the tax calculation for the year closed at that date, the Tax Group has yet to apply tax deductions for the following amounts:

Generated in	**1996**	**1998**	**1999**	**2000**	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**
With limit	123	131	68	3	11	383	278	917	1,273	1,600	369	365
Without limit												
Donation							1	24	15	32	4	3
Double taxation							400	855	724	840	376	299

The Group assumed the responsibility for reinvesting, in the following financial years, the amounts arising from the deferment of capital gains attained in 1996 and 1997 by the transfer of assets.

Regarding the commitments arising from the financial year 1996, in 1998 the Company reinvested the total amount agreed. In respect of the transfers made in 1997, various Group Companies made the reinvestment in tangible and intangible assets and investments, which are duly identified in the accounting records; the deferred taxable income increased accordingly, as provided by the legislation then in force. Notwithstanding the above, in conformity with “Disposición Transitoria Tercera 3” of Act 24/2001, of 27 December, the Group opted to record the full amount of its deferred capital gains pending of being reversed, generating a 17% deduction on the same, which can be applied in the following 10 years. Since then other deductions for reinvestments were generated and these are recognised and detailed in the consolidated tax return of the Group.

At present, the status of these deductions is as follows:

Deduction generated in	Income subject to reinvestment	Outstanding Deduction at 31-12-2009
2001	4,569	190
2002	562	24
2003	479	96
2004	2,061	412
2005	3,899	780
2006	10,531	2,106
2007	34,748	6,083
2008	0	0

The balances to be applied for deductions regarding investments could be higher since they are subject to the definite decision on the claims lodged with the Supreme Court against the tax settlements.

During the year there has been no incorporation; it is not necessary to detail the differences between eliminations and incorporations carried out for the purpose of determining the Group’s Taxable Base and the Financial Statements.

13) INCOME AND EXPENSES

- Below is the breakdown of supplies:

	2009		2008	
	Goods for resale	Raw Material	Goods for resale	Raw Material
Purchases	446,928	4,917	416,831	6,357
Change in stocks	3,710	718	(9,231)	(1,060)
TOTAL CONSUMPTION	450,638	5,635	407,600	5,297

- “Social security” consists of social security costs, and does not include any contribution to pension benefits.

- No sale has been done nor service rendered in exchange of non-monetary goods or services.
- There has been no result from any activity other than the ordinary activity of the Company.

14) PROVISIONS AND CONTINGENCIES

a) The movements relating to these accounts were as follows:

	Thousands of Euros		
Type of provision	**31/12/2008**	**Recognised**	**31/12/2009**
Provision for taxes	1,437	35	**1,472**
TOTAL	**1,437**	**35**	**1,472**

b) The principal and interest related to the different economic–administrative claims that the Company has lodged with the Supreme Court regarding tax settlements for the years 1990 to 1993 are recognised under this heading.

c) The annual updating of this account is made by applying to the principal amounts, accruing interest, the interest for late payment determined by Law on an annual basis.

15) ENVIRONMENTAL INFORMATION

The Company has no environmental assets and has not incurred in expenses to minimise the environmental impact and the protection and improvement of the environment. No provision has been made to cover risks and expenses related to the protection and improvement of the environment.

16) LONG-TERM EMPLOYEES REMUNERATION

There are no guarantees or “golden parachute” clauses benefiting senior managers, including executive directors, in case of dismissal or change in the control of the Company or its Group of Companies.

The Company has no pension fund for its employees.

17) TRANSACTIONS PAID THROUGH EQUITY INSTRUMENTS

The Company has not entered into any arrangement based on payment with own shares.

18) SUBSIDIES, DONATIONS AND LEGACIES

The movements relating to these grouping of items in the Balance Sheet were as follows:

Balance at 01/01/08	93
Amount awarded	6
Amount applied	(62)
Balance at 31/12/08	37
Amount awarded	2
Amount applied	(23)
Balance at 31/12/09	**16**

The Company complies with all conditions regulating the use of subsidies, no return has been made for non-compliance with the awarding conditions.

19) BUSINESS COMBINATIONS

The Company has not entered into any business combination during the year.

20) JOINT VENTURE ARRANGEMENTS

During the year, the Company has not hold significant interest in joint ventures, except for the activity of the company Austral Fisheries Pty. Ltd..

21) SUBSEQUENT EVENTS

- Through a relevant event notice given to the Spanish National Securities Market Commission “Comisión Nacional del Mercado de Valores” on 21 January 2010, and in compliance with the provisions of Article 82 of the Spanish Securities Market Law (Ley del Mercado de Valores), the Company disclosed its intention to launch an issue of notes convertible into and or exchangeable for shares of the Company with absolute exclusion of the pre-emptive subscription right for shareholders, in the following terms:

1. The issue will amount to 110,000,000 euros.
2. Notes will accrue and annual fixed interest rate of 6.75% payable semi-annually.
3. The initial conversion price for the Notes is 28.02 euros per share of the Company representing a 25% premium.
4. Notes will be issued at par value, will be in registered form and will have a face value of fifty thousand euros (€50,000). The Notes constitute a single series and shall be represented by certificates to the bearer, initially in form of a Global Certificate.
5. The redemption price of the Notes will be 100% of their face value.
6. The Notes will be backed by the general personal liability of the Company and will not be secured through any particular guarantee or collateral provided by third parties.
7. The Terms and Conditions of the Notes will be governed by English law and it is expected that an application will be made to list the Notes on the multilateral trading facility Euro MTF Luxembourg.

8. The proceeds from the Issue of the Bonds will be used for general financing purposes of the Company, extending the average maturity of the Company's indebtedness, strengthen its financial resources and diversifying the Company's sources of funding.
9. The Company will undertake a lock-up commitment from the date of the Subscription Agreement to 90 days after the date of subscription and settlement of the Bonds by virtue of which it will commit not to issue, offer or sell shares or enter into analogous transactions during that period, save for certain exceptions, in that period.

❖ On 25 January 2010, the Company sent to the Spanish National Securities Market Commission "Comisión Nacional del Mercado de Valores" the notice calling an Extraordinary General Meeting of Shareholders to be held at the registered office of the Company, Rúa José Fernández López, s/n – Chapela-Redondela (Pontevedra), on the 25 February, at 12:30, at 12h30, on first calling, or if necessary on the following day 26 February 2010, at the same place and time, on second calling, with the following

AGENDA

1. Issue of notes, redeemable and/or convertible into shares of Pescanova, S.A. for a total amount of €110,000,000, with a par value of €50,000 each, with a 5 year maturity at an annual fixed interest rate of 6.75%. Setting of basis and modalities for their conversion as well as the terms and conditions of the issue. Exclusion of the pre-emptive subscription right for shareholders pursuant to article 293 of the Companies Act. Delegation of powers to determine those conditions of the issue not anticipated by the Extraordinary General Meeting of Shareholders.

   Incorporation of the Syndicate of Noteholders and passing of its regulations. Appointment of an interim Commissioner.

   Share capital increase, in one or several times and for the amount required to meet the applications for the conversion of redeemable and/or convertible notes up to a maximum amount initially established at €23,554,602 and delegation of powers for the formalisation of the same.
2. Ratification of the appointment, by cooption, of one of the Board members.
3. Writing up and ratification of the Minutes in any of the manners provided in article 113 of the Companies Act currently in force.

❖ At the General Meeting of Shareholders held on the 25 February in the morning it was resolved to Issue notes, exchangeable for and/or convertible into shares of Pescanova, S.A. for a total amount of 110 million euros, with a 5 year maturity at an annual fixed interest rate of 6.75% with exclusion of the pre-emptive subscription right for shareholders and consequently it was also resolved to increase the share capital in 23,554,602 euros, amount necessary to meet applications for note conversion.

22) TRANSACTIONS WITH RELATED PARTIES

A) Parent Company: Since Pescanova, S.A. is the Parent Company of a group of companies; no other information is required to be disclosed under this entry.

B) Other Subsidiary Companies: During the year there has been no change in value from doubtful debts from Subsidiary Companies, nor expenses arising from uncollectable or doubtful debts.

The main transactions carried out during the year with Subsidiary Companies were as follows:

Description	2009	2008
Acquisition of non-current assets	---	625
Services rendered	8,298	6,375
Services received	14,618	14,047
Interest charged	14,565	13,942
Interest paid	1,573	1,214
Dividend received	1,051	3,033
Goods sold	82,634	104,844
Goods purchased	214,094	209,484

C) Joint Venture Arrangements: During the year the Company has not participated in any economic activity jointly controlled with another company or individual.

D) Associated Companies: During the year there has been no change in value from doubtful debts from Associated Companies, nor expenses arising from uncollectable or doubtful debts

The main transactions carried out during the year with Associated Companies were as follows:

Decription	2009	2008
Services rendered	252	780
Interest charged	1,234	1,734
Dividend received	---	88
Goods purchased	33,223	34,646

E) Companies under joint control or with significant influence.

As mentioned in note 9.2, the Companies holding a significant shareholding in Pescanova, S.A. are the following:

Name	Shareholding %
CXG CORPORACION CAIXA GALICIA	20.000
SOCIEDAD ANÓNIMA DE DESARROLLO Y CONTROL (SODESCO)	14.823

The transactions carried out with these companies are shown under G.1. below, as well as the payment of dividends from 2008 profit distribution.

F) Senior Executives.

The following are senior executives who are not executive directors.

Name	Position
Jesus Carlos García García	Advisor to the Chairman
César Real Rodríguez	French Division General Manager
Pablo Fernández Andrade	Division General Manager
Juan José de la Cerda López-Baspino	Food Technology Manager
Eduardo Fernández Pellicer	IT Manager
Joaquín Gallego García	Fleet Manager
Fernando Ilarri Junquera	Human Resources Manager
Alfredo López Uroz	Accounts Division
Cesar Mata Moretón	Legal Advisor
Antonio Táboas Moure	Financial Manager
David Troncoso García-Cambon	Angola Division - Fleet Manager
Joaquín Viña Tamargo	Internal Audit Division

Total remuneration for the above senior executives in 2009, reached 1,886 thousand euros (1,823 thousand euros in 2008).

G) Related Parties.

G.1. Significant Shareholders

Relevant transactions carried out in 2009 with significant shareholders, all of which performed on market terms basis, were as follows:

Significant Shareholder/Director	Company Name	Nature of Relationship		Type of transactions	Amount (Thousand €)
CXG CORPORACION CAIXAGALICIA, S.A.	PESCANOVA & OTHER	Contractual	(1)	Funding & loan arrangements, capital contributions (Borrower)	165,750
CXG CORPORACION CAIXAGALICIA, S.A.	PESCANOVA, S.A.	Contractual	(1)	Funding & loan arrangements, capital contributions (Borrower)	43,000
CXG CORPORACION CAIXAGALICIA, S.A.	PESCANOVA, S.A.	Contractual	(2)	Funding & loan arrangements, capital contributions (Borrower)	8,000
LIQUIDANBAR INVERSIONES FINANCIERAS, S.L.	PESCANOVA, S.A.	Contractual	(3)	Funding & loan arrangements, capital contributions (Borrower)	18,500
CAIXANOVA	PESCANOVA, S.A.	Contractual		Funding & loan arrangements, capital contributions (Borrower)	35,000
CAIXANOVA	PESCANOVA & OTHER	Contractual		Funding & loan arrangements, capital contributions (Borrower)	12,900

(1) Through its shareholder Caixa Galicia
(2) Through its shareholder Caixa Galicia and Lico Leasing
(3) Through EBN Banco

G.2. Directors

In 2009 the members of the Board of Directors and the shareholders represented on the Board of Directors or the individuals or companies who they represent, did not participate in unusual and/or significant transactions of the Company.

G.2.1. Remuneration

The Company has adopted the reporting format in Annex I of the Annual report on Corporate Governance for listed companies, enforced by the Comisión Nacional del Mercado de Valores (Spanish Securities and Exchange Commission), as passed under Circular 1/2004 of 17 March.

	2009	2008
Type of remuneration	**1,439**	**1,567**
Fixed fee	557	742
Attendance fee	453	396
Payments to Directors as per the Articles of Association	429	429
Type of Director	**1,439**	**1,567**
Executive directors	620	709
Non-executive nominee directors	664	713
Non-executive independent	155	145

The Company has not given any advances or loans to any of the Board members; there are no pension or life insurance obligations with Board members.

G.2.2. Other Information

Pursuant to Article 127 ter. of the Spanish Companies Act, introduced by Law 26/2003, of 17 July, which amends Stock Exchange Act 24/1988, of 28 July, and the revised Spanish Companies Act, in order to reinforce the transparency of listed companies, it is hereby stated that there is no Company engaging in an activity that is identical, similar or complementary to the activity that constitutes the corporate purpose of Pescanova, S.A. in which the members of the Board of Directors own equity interests, except for the companies belonging to the Pescanova Group.
Also, pursuant to the aforementioned Act, it is hereby stated that there is no record that members of the Board of Directors carry on, or carried on in 2009 activities, as independent professionals or as employees, that are identical, similar or complementary to the activity that constitutes the corporate purpose of Pescanova, S.A..

23) OTHER INFORMATION

1) The average number of employees, during the year, by category and sex is shown below:

	Number of Employees		
Category	**Full-time**	**Temporary**	**Total**
Executive	22	0	22
Sales Delegate and salesperson	9	0	9
Other technical staff	33	2	35
Managers and administration officers	43	0	43
Specialist and workers	24	1	25
	131	**3**	**134**

Number of Employees		
Female	**Male**	**Total**
46	88	**134**

Below is the distribution, by sex, of the members of the Board of Directors:

Type of Director	**Sex**	
	Male	Female
Executive directors	1	
Non-executive nominee directors	9	1
Non-executive independent	2	

2) Since Pescanova, S.A. prepares consolidated annual accounts for its Group of Companies, there is no obligation to disclose possible changes in the Company's net equity and Income Statement, should it had applied the International Financial Reporting Standards as per European Union Regulations.

   Anyhow, these changes are not significant.

3) In 2009 Auditor Fees, for the auditing work, reached 62 thousand euros, the same amount in 2008.

   The main auditor has not provided any additional service other than the auditing work.

   No significant transaction has taken place with any company belonging to the same group as the main Auditor, or with any other company related to the main Auditor either by control, ownership or management.

4) There is not any significant agreement related to the Company and not included in the Balance Sheet, which could assist in determining the financial position of the Company.

5) As mentioned in section 3 of Note 1, Pescanova, S.A. is part of the Pescanova Group of Companies, and does not have any other business or joint control relationship with any company.

24) SEGMENT REPORTING

Below is the detail of the net turnover by activity and geographical market:

	2009		2008	
	Sales	Services Rendered	Sales	Services Rendered
Domestic	385,184	5,088	349,421	3,083
Other EU countries	38,648	674	30,566	523
Outside the EU	94,934	3,457	89,456	6,421
TOTAL	**518,766**	**9,219**	**469,443**	**10,027**

MANAGEMENT REPORT

Throughout year 2009, the Company has continued to consolidate its business strategy - in terms of the obtaining of seafood, either wild caught or farmed, the processing of seafood products as well as their marketing, promoting its brands. The Company has continued to strengthen its brands, as it is certain that the best way to guarantee its success and leadership is through innovation, quality and closeness to end consumers.

In 2009 the financial evolution of the Company can be summarised as an increase in turnover of some 10% if compared to the previous year, reaching more than 525 million euros; operating profit has also increased by some 14%, and the above has generated a profit after tax of 14 million euros, more than 5% higher than the previous year.

Pescanova, S.A. is exposed to certain risks which it manages by applying risk identification, measurement, concentration limitation and supervising systems.

The main principles defined by the Pescanova Group when establishing its policy for the management of the principal risks are as follows:

- Compliance with the principles of good corporate governance.
- Strict compliance with all Pescanova Group's rules.
- Each business and corporate area defines the markets and product lines in which it can operate on the basis of having sufficient know-how and capabilities to ensure effective risk management.
- The businesses and corporate divisions establish for each market in which they operate the level of risk that they are prepared to assume on a basis that is consistent with the strategy defined.

As regards to the control of financial risks, the Company through the preparation the annual accounts to be reviewed by the Audit Company and external auditors, establishes the required mechanisms to cover those risks.

In 2009, Pescanova, S.A. increased its share capital by 38.7 million euros with an issue premium of 61.9 million euros, the total amount of the issue was 100.6 million euros, thus the share capital of Pescanova, S.A. consists of 19,447,254 shares, with a nominal value of 6 euros each, fully subscribed and paid; these are issued to the bearer and represented by accounting entries. All shares in circulation are listed on the stock exchanges in Madrid and Bilbao. There are no founder shares, enjoyment bonds nor similar securities.

As provided in article 10 of the Articles of association, shares are freely transferable, and their transfer is ruled by the Companies Act.

The following are significant shareholders (holding five percent or more):

Shareholder's Name	Nº of direct voting rights	Nº of indirect voting rights	% on total voting rights
D. MANUEL FERNÁNDEZ DE SOUSA-FARO	25.386	3,481,776	18.034
CXG CORPORACION CAIXAGALICIA, S.A.	3.889.450	0	20.000
CAIXA DE AFORROS DE VIGO, ORENSE E PONTEVEDRA	999.225	0	5.138
D. ALFONSO PAZ-ANDRADE RODRÍGUEZ	2.631	1,024,531	5.282
LIQUIDAMBAR INVERSIONES FINANCIERAS, S.L.	975.000	0	5.006
BESTINVER GESTIÓN, S.A. S.G.I.I.C.		1,555,349	7.998

There is no restriction to the right to vote, although as provided in Article 25 of the Articles of Association, the requirement entitling attendance to the Annual General Meeting of Shareholders is the holding of 100 shares.

As regards to the Board of Directors, the Chairman has a casting vote regarding any business conducted by the Board of Directors.

The Company is not aware of any paracorporate agreements existing between shareholders that could have any effect on the Company, as provided in Article 112 of the Stock Exchange Act

The Annual General Meeting of Shareholders is the competent body to appoint persons, who may be shareholders or not, to rule, manage and represent the Company as its permanent body. The persons so appointed will make up a Board of Directors consisting of not less than three members or more than fifteen. Within those limits, the Annual General Meeting of Shareholders shall determine the number of members of the Board of Directors.

At the Annual General Meeting of Shareholders held on 24 April, 2009, regarding item number 7 in the Agenda, the Board was authorised to, as provided in Article 153.1.b of the Companies Act, within a five-year term, increase the share capital of the company, with o without premium, by an amount not higher than half of the existing share capital at the time of the authorisation, in one or several times and at the time and for the amount considered appropriate, and consequently it was also authorised to amend Article 7 of the Articles of Association accordingly.

Pescanova, S.A. has granted full authority, since 1993, to the Chairman of the Board, however such authority does not include the power to issue or repurchase of shares.

There are no agreements entered by the Company which are to become enforced, amended or terminated should there be any change in the control of the Company.

There are no guarantees or "golden parachute" clauses benefiting senior managers, including executive directors, in case of dismissal or change in the control of the Company or its Group of Companies.

At 31 December 2009, the Company held own shares representing 0.54% of its share capital (105,492 shares). The total cost of this transaction was 2.9 million euros.

The Directors of PESCANOVA, S.A. declare that to the best of their knowledge, the individual Annual Accounts of PESCANOVA, S.A., at 31 December 2009, and authorised for issue by the Board of Directors at the meeting held on 25 February 2010 and prepared in accordance with applicable accounting standards, give a true and fair view of the net equity, financial position and the results of the operations of PESCANOVA, S.A. taken as a whole and that the Management Report includes a true analysis of the business evolution, results and position of PESCANOVA S.A. taken as a whole, as well as a description of the risks and uncertainties faced.

Chapela, 25 February 2010.

MANUEL FERNÁNDEZ DE SOUSA-FARO
Chairman

ALFONSO PAZ-ANDRADE RODRÍGUEZ

ICS HOLDINGS LIMITED
Represented by Fernando Fernández de Sousa-Faro

ROBERT ALBERT WILLIAMS

CXG CORPORACION CAIXAGALICIA, S.A.
Represented by Francisco Javier García de Paredes y Moro

INVERPESCA, S.A.
Represented by Pablo Javier Fernández Andrade

CAIXAVIGO, OURENSE E PONTEVEDRA
Represented by José Luis Pego Alonso

LIQUIDAMBAR INVERSIONES FINANCIERAS, S.L.
Represented by Francisco Javier Soriano Arosa

SOCIEDAD GALLEGA DE IMPORTACIÓN DE CARBONES, S.A.
Represented by Jesús Carlos García García

IBERFOMENTO, S.L.
Represented by José Antonio Pérez-Nievas Heredero

ANTONIO BASAGOITI GARCIA-TUÑÓN

YAGO ENRIQUE MÉNDEZ PASCUAL

ANA BELEN BARRERAS RUANO