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PESCANOVA

**Interim Management Report on the Group of
Companies for the eleven month period starting on 1
January and ended on 30 November 2014**

INTERIM MANAGEMENT REPORT ON THE GROUP OF COMPANIES FOR THE ELEVEN MONTH PERIOD STARTING ON 1 JANUARY AND ENDED ON 30 NOVEMBER 2014

Introduction and Insolvency Status-

As described in Note 1 of the Interim Consolidated Financial Statements, in the first months of 2014 the insolvency procedure of Pescanova, S.A. continued to progress until, in May, the proposal for Composition with Creditors was adhered to by the majority of its creditors.

Once the Composition with Creditors of the Parent Company was approved, the process of implementation and enforcement of the Composition, which includes the financial restructuring of the Spanish subsidiaries, other than Pescafina, S.A. which it has already achieved the approval of its own Composition, has begun. Such restructuring is being implemented through insolvency proceedings in each of these subsidiaries. At present these processes are progressing normally and it is expected they will be successfully concluded in the coming months.

Business evolution-

Sales in the 2014 financial year (11 months) reached 901 million euros. This figure is not comparable to the sales figure for the 12 months of the 2013 financial year, due to the change of date for the closing of the financial year to 30 November de 2014. Anyhow, the sales figure for the 12 month period ended 31 December 2014 is higher than 1,000 million euros, which is similar, considering the same consolidation scope, to the figure reached in 2013. Taking into account all the difficulties experienced over the last two years, the Group's business evolution is considered positive since the insolvency procedure has not affected the supplies and services provided to direct customers and end-consumers.

Operating result, before amortisation, impairment losses and other non-operating results for the 11 months of the 2014 financial year reached 63 million euros, and when considering a 12 month period to make it comparable to the financial year 2013, operating result rises to 70 million euros. This operating result is nearly double that of the previous financial year and shows the strength and potential of the main business of the Group.

Below is a detail of the evolution of the main business divisions of the Group for the 2014 financial year:

a. Southern Cone

The fishing activity in the Southern Cone for Argentinean prawns (*Pleoticus muelleri*) has been satisfactory and, despite of the precautionary insolvency procedure of the subsidiary company Argenova, S.A., there has been an increase in turnover in respect of the previous year.

b. Africa

In general terms the different businesses in which the Group participates in Africa have evolved positively. Cost savings, improved productivity in fishing and processing, and market diversification, have allowed this Division to get better results.

At present, debt renegotiation with local financial institutions is underway, aiming to achieve an environment of more stable funding for the next few years.

c. Vannamei Shrimp

The fact of having achieved stability in both the management of the operations and the financing levels, together with continued favourable market prices, have meant a significant improvement in the results obtained, on a year-on-year basis, and this Division has become one of the main trigger for the growth in the Group's operating result.

d. Turbot

Sales of turbot reared at the Phase I of the farm in Mira (Acuinova Portugal) have increased in 2014. Sales from the farm in Xove (belonging to the subsidiary company Insuiña) were kept at the same level. Fish production levels at both sites were positive but have been negatively affected by low market prices in this financial year.

e. Processing

The Group's processing activity over the 2014 financial year has been as usual, the main companies in this Division have generated positive operating results.

f. Trade

The trade relationship with key customers or the Group's brand name has not been significantly affected by the problems arising from the insolvency procedure.

Main risks and uncertainties-

23 May 2014, date on which the Court issued the Sentence adopting the Composition with creditors of Pescanova, S.A. and of Pescafina, S.A., marks the first and most important milestone in the interest of the financial restructure and economic viability of the Pescanova Group.

In this sense, the Composition Proposal adopted establishes a global solution for the whole Group and not only for Pescanova, S.A.. For this reason a road map, which includes a series of steps for the restructuring of the financial debt, not only of the Parent Company but also for the rest of the Spanish subsidiaries, was provided. On the other hand, in the foreign subsidiaries the efforts are focussed on the renegotiation of their current debt to allow a financial stability in the long run for those businesses.

It is for this reason that the main risks and uncertainties faced by the Group are related to the implementation of the proposal for composition with creditors and the payments schedule included in the same.

In this respect, at the end of the second half of the calendar year 2014, Pescanova, S.A. and Pescafina, S.A. have made the first payment of interest accrued on the insolvency debt pursuant to the terms and conditions in their respective Compositions with Creditors.

Furthermore, the compliance of the business plan that supports the mentioned payments schedule is affected by a number of risks and uncertainties inherent to the activities and the territories in which the Group carries out its activities, these uncertainties are essentially related to biological, environmental, macro-economic and regulatory issues.

Apart from to the above mentioned risks and uncertainties, the circumstances surrounding Pescanova and its Group in the last year there are other difficulties related to matters referred to in the notes attached to the interim financial statement which include, among other: (i) progress in the insolvency proceedings of several companies in Spain and abroad; (ii) resolution of tax contingencies and uncertainties caused by the insolvency procedure and the implementation of the composition with creditors approved; and (iii) evolution of the different disputes in which the Group companies are involved.

Research and Development Activities-

In spite of the financial difficulties, Pescanova, S.A. and its Group of Companies have continued to conduct, although to a lesser extent, research and development actives as part of their ordinary activity.

Share capital-

Subscribed and paid-in Share Capital of Pescanova, S.A. consists of 28,737,718 shares to the bearer with a face value of 6 euros each, all of them of the same class and series and represented by book entries.

At present, all the shares of the Parent Company are listed in the Stock Exchange Markets in Madrid, Barcelona and Bilbao; however their trade has been suspended.

According to the records of the CNMV, significant shareholders are shown in the table below:

	Shareholding %
Shareholding in the Board of Directors	10.642%
Crisgadini, S.L.	7.130%
Golden Limit, S.L.	3.512%
Other	0.007%
Other shareholders holding more than 3%	25.540%
Corporación Económica Damm, S.A.	6.200%
Luxempart, S.A.	5.837%
Sociedad Anónima de Desarrollo y Control	5.476%
Silicom Metals Holding, LLC	5.000%
Nova Ardará Equities, S.A.	3.027%
Other shareholders holding less than 3%	63.818%
Total	100.000%

Own shares-

There has been no transaction with own shares in the eleven month period ended 30 November 2014.

Events subsequent to reporting date-

The most relevant events subsequent to the closing of the eleven month period ended 30 November 2014 are included in the condensed report attached to this Management Report.