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PESCANOVA

June 2012

PESCANOVA
CONSOLIDATED BALANCE SHEETS AT 30 JUNE 2012 AND 31 DECEMBER 2011

	<i>Thousands of Euros</i>	
	30/06/2012	31/12/2011
ASSETS		
NON-CURRENT ASSETS	1.122.562	1.120.143
Tangible assets	1.008.758	1.004.782
Intangible assets	35.129	37.931
Goodwill	70.580	70.880
Investments accounted for under the equity method	1.586	2.242
Long-term investments	3.206	358
Deferred taxes	3.303	3.950
CURRENT ASSETS	1.144.639	1.156.338
Inventories	690.148	676.805
Trade and other receivables	251.101	259.259
Short-term investments	1.163	1.748
Cash and cash equivalents	128.966	142.636
Other assets	20.936	20.730
Assets held for sale	52.325	55.160
TOTAL ASSETS	2.267.201	2.276.481
SHAREHOLDERS' EQUITY AND LIABILITIES	30/06/2012	31/12/2011
SHAREHOLDERS' EQUITY	535.747	531.890
Parent Company	509.863	505.610
Minority shareholders	25.884	26.280
LONG-TERM LIABILITIES	913.065	924.275
Deferred income	107.826	111.522
Long-term provisions	576	2.622
Notes and other negotiable securities	346.884	244.704
Long-term non-recourse debt	121.320	125.320
Long-term recourse debt	298.622	390.059
Other long-term accounts payable	37.837	50.048
CURRENT LIABILITIES	818.389	820.316
Short-term non-recourse debt	4.655	4.803
Short-term recourse debt	196.357	196.041
Trade creditors and other short-term accounts payable	617.377	619.472
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	2.267.201	2.276.481

PESCANOVA
CONSOLIDATED INCOME STATEMENT AT 30 JUNE 2012 AND 30 JUNE 2011

	<i>Thousands of Euros</i>	
	30/06/2012	30/06/2011
Revenue from sales	667.998	624.998
Other operating income	12.198	10.301
+/- Change in inventories	12.395	45.466
Supplies	437.973	445.066
Personnel expenses	81.400	76.642
Other operating expenses	96.690	90.934
GROSS OPERATING INCOME (EBITDA)	76.528	68.123
Depreciation /amortisation	29.006	27.604
OPERATING INCOME	47.522	40.519
Net financial expenses	33.421	25.010
Foreign exchange differences	2.400	1.536
Result from companies under the equity method	(605)	(957)
Result from short-term investments	42	72
Income from equity investments	1.588	907
Translation result	368	337
INCOME BEFORE TAX	17.894	17.404
Corporate income tax	2.275	2.181
NET INCOME FOR THE YEAR FROM CONTINUING OPERATIONS	15.619	15.223
Net income for the year from discontinued operations (net of taxes)	0	–
NET INCOME FOR THE YEAR	15.619	15.223
PARENT COMPANY	15.666	15.171
Minority shareholders	(47)	52
Earnings from continuing operations per Share (in euros)	0,81	0,78
Diluted Earnings from continuing operations per Share (in euros)	0,81	0,78

CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSES
AT 30 JUNE 2012 AND 31 DECEMBER 2011

	<i>Thousands Euros</i>					
	30/06/2012			31/12/2011		
	De la Sociedad Dominante	De accionistas minoritarios	Total	De la Sociedad Dominante	De accionistas minoritarios	Total
OTHER GLOBAL RESULT RECOGNIZED UNDER SHAREHOLDERS' EQUITY	(5.468)		(5.468)	3.362	--	3.362
In assets and liabilities revaluation reserves	(82)		(82)	979	--	979
In translation differences	(4.406)		(4.406)	4.083	--	4.083
In hedging reserve	(980)		(980)	(1.700)	--	(1.700)
NET PROFIT FOR THE YEAR	15.666	(47)	15.619	50.140	281	50.421
TOTAL INCOME AND EXPENSES RECOGNIZED IN THE FINANCIAL YEAR	10.198	(47)	10.151	53.502	281	53.783

STATEMENT OF CHANGES IN NET CONSOLIDATED EQUITY
AT 30 JUNE 2012 AND 31 DECEMBER 2011

Description	Share capital	Issue premium	Legal reserve	Hedging reserve	Reserves for own shares	Translation differences	Assets & liabilities revaluation reserve	Other equity instruments	Retained earnings	Total equity of the parent company	Total equity of minority shareholders	Total Shareholders' Equity
Balance at 01/01/11	116.683	57.043	17.031	(4.734)	(2.747)	828	61.582	6.097	196.701	448.484	28.682	477.166
Profit distribution	--	--	1.545	--	--	--	--	--	(1.545)	--	--	--
Income & expenses recognised under equity	--	--	--	(1.700)	--	4.083	950	--	29	3.362	--	3.362
Annual result	--	--	--	--	--	--	--	--	50.140	50.140	281	50.421
Dividend	--	--	--	--	--	--	--	--	(9.724)	(9.724)	--	(9.724)
Other transactions with shareholders or owners	--	--	--	--	--	--	--	17.854	(5.286)	12.568	--	12.568
Other	--	--	--	--	780	--	--	--	--	780	(2.683)	(1.903)
Balance at 31/12/11	116.683	57.043	18.576	(6.434)	(1.967)	4.911	62.532	23.951	230.315	505.610	26.280	531.890

Description	Share capital	Issue premium	Legal reserve	Hedging reserve	Reserves for own shares	Translation differences	Assets & liabilities revaluation reserve	Other equity instruments	Retained earnings	Total equity of the parent company	Total equity of minority shareholders	Total Shareholders' Equity
Balance at 01/01/12	116.683	57.043	18.576	(6.434)	(1.967)	4.911	62.532	23.951	230.315	505.610	26.280	531.890
Profit distribution	--	--	1.620	--	--	--	--	--	(1.620)	--	--	--
Income & expenses recognised under Equity	--	--	--	(980)	--	(4.406)	(82)	--	--	(5.468)	--	(5.468)
Annual result	--	--	--	--	--	--	--	--	15.666	15.666	(47)	15.619
Dividend	--	--	--	--	--	--	--	--	(10.696)	(10.696)	--	(10.696)
Other transactions with shareholders or owners	--	--	--	--	--	--	--	5.190	--	5.190	--	5.190
Other	--	--	--	--	(439)	--	--	--	--	(439)	(349)	(788)
Balance at 30/06/12	116.683	57.043	20.196	(7.414)	(2.406)	505	62.450	29.141	233.665	509.863	25.884	535.747

CONSOLIDATED CASH FLOW STATEMENT AT 30 JUNE 2012 AND 2011

	<i>Thousands Euros</i>	
	30/06/2012	30/06/2011
Earnings before tax and minority shareholders	17.894	17.404
Depreciation/Amortisation	29.006	27.604
Corporate income tax	(2.275)	(2.181)
Other non-cash items	638	(2.732)
CASH FLOW FROM OPERATING ACTIVITIES	45.263	40.095
Change in operating current assets/liabilities	(7.486)	(89.640)
NET CASH FLOW FROM OPERATING ACTIVITIES	37.777	(49.545)
Acquisition of tangible and intangible fixed assets	(30.337)	(19.360)
Acquisition of other investments	(1.912)	(4.229)
Disposal of assets and amounts received from investments	2.992	1.346
Subsidies and other deferred income	(848)	(2.479)
NET CASH FLOW FROM INVESTING ACTIVITIES	(30.105)	(24.722)
NET CASH FLOW PRIOR TO FINANCING ACTIVITIES	7.672	(74.267)
Amounts received from and (paid for) equity instruments	(5.346)	9.741
Net cash flow of Long-term debt	6.743	120.677
Net cash flow of short-term debt	168	(56.781)
Payment of dividends from the parent company	(10.696)	(9.724)
Amounts received (paid) from financing activities	(12.211)	(13.936)
NET CASH FLOW FROM FINANCING ACTIVITIES	(21.342)	49.977
TOTAL NET CASH FLOW	(13.670)	(24.290)
CHANGE IN CASH AND CASH EQUIVALENTS	(13.670)	(24.290)
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	142.636	131.447
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	128.966	107.157

INTERIM REPORT FIRST HALF 2012

1) ACTIVITY OF THE COMPANY

PESCANOVA, S.A. is the Parent Company of an important industrial group, which includes the Pescanova Group companies, 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.

2) SUBSIDIARY AND MULTIGROUP COMPANIES

These are detailed in Notes 2 and 3 of the last Consolidated Annual Accounts of Pescanova Group.

3) NOTES TO THE INTERIM FINANCIAL STATEMENTS

Accounting policies and standards

The accounting policies and standards used in preparing the interim consolidated financial statements have been the same as those used in the preparation of the most recent annual accounts, corresponding to the year ended 31 December 2011. There has been no change since then.

For facilitating the comparison of the individual accounts with those of the current reporting period, the figures for the financial year 2007 have been adjusted in conformity with the new standards in the New General Accounting Plan passed under Royal Decree 1514/2007 of 16 November 2007.

Seasonality and cyclic nature of the transactions in the interim reporting period

Transactions carried out in the interim reporting period corresponding to the first half of 2012 are comparable to those of the previous financial year, there has been no significant cyclic or seasonal circumstance that could prevent a correct analysis of the same.

Unusual items

There have been no unusual items which due to their nature, amount or impact could have an effect on assets, liabilities, shareholders' equity, earnings or cash flows.

There has been no significant change in the valuation of current and fixed assets such as tangible and intangible fixed assets or inventories and accounts receivable or significant adjustment due to correction of errors from previous years.

Changes in the valuation of items from previous years

There has been no significant change in the valuation of items from previous years during the reporting period ended 30 June 2012.

Issues, repurchases or repayment of securities representing debt or share capital of the company.

At 30 June 2012 the number of own shares held by Group Companies were 88,460 shares with a nominal value of 6 euros each, which were bought at an average acquisition price of 27.20 euros per share.

Dividends paid

As reported in Table 12, Dividends paid in Section IV. Selected financial information included in the financial report for the first half of 2012, €10,696,000 - representing 0.55 euros/share - have been paid.

Unit: Thousands of Euros

	CURRENT REPORTING PERIOD			PREVIOUS REPORTING PERIOD		
	% on nominal value	Euros per share (X.XX)	Amount (Thousands of Euros)	% on nominal value	Euros per share (X.XX)	Amount (Thousands of Euros)
Ordinary Shares	9,17%	0,55	10.696	8,33%	0,50	9.724
Other Shares (without right to vote, redeemable, etc.)						
TOTAL DIVIDEND PAID			10.696			9.724
a) Dividend paid on account of results	9,17%	0,55	10.696	8,33%	0,50	9.724
b) Dividend paid on account of reserves or issue premium						
c) Dividend paid in kind						

Segment reporting

Information related to the different segments is included in Table 15 of the above mentioned financial report.

Subsequent events

There has been no relevant event subsequent to the closing of the interim reporting period which has not been included in the interim financial statements.

Effect of changes in the consolidation scope

There has been no significant change in the consolidation scope of the Pescanova Group.

Satisfaction of financial liabilities

Part of the Group's financial liabilities contain the covenants that are habitual in contracts of this nature. At the end of the interim reporting period, neither Pescanova, S.A. nor any of its major subsidiaries were in a situation of non-compliance with their financial or any other obligation that could give rise to the early termination of their financial liabilities. During the interim reporting period there has been no default in payment of principal or interest or any other breach. It is considered that the existence of these clauses will not change the short-term/long-term classification in the balance sheet in table 6 of the accompanying financial report.

Transactions with related parties

Information regarding transactions with related parties is included in Table 18. The information regarding payments made to directors and executives is included in Table 17.

4) BUSINESS COMBINATIONS IN 2012

Not applicable.

BUSINESS COMBINATIONS OR OTHER ACQUISITIONS OR INCREASE IN THE SHARE IN SUBSIDIARY COMPANIES, JOINT BUSINESS AND/OR INVESTMENTS IN ASSOCIATED COMPANIES (CURRENT PERIOD)						
Name of the company (or activity) acquired or taken over	Category	Effective date of the transaction (dd-mm-yyyy)	(Net) cost of the business combination (a) + (b)		% of acquired voting rights	% of total voting rights in the company after the acquisition
			(Net) amount paid for the acquisition + other costs directly attributable to the business combination (a)	Fair value of the equity instruments issued for the acquisition of the company (b)		
NOT APPLICABLE						

5) TANGIBLE ASSETS

Tangible assets acquired during the first half of 2012 and 2011 were recognised for 29,046 and 27,176 thousand euros respectively. Likewise, during the first half of 2012 and 2011, tangible assets were disposed of or derecognised for 2,960 and 6,329 thousand euros respectively.

No impairment loss or commitment to purchase significant tangible assets has been recognised during the first six months of 2012 and 2011.

6) FINANCIAL ASSETS

Unit: Thousand of Euros

FINANCIAL ASSETS: NATURE / CATEGORY	CURRENT PERIOD					
	Financial assets held for negotiate	Financial assets at fair value through profit or loss	Available-for-sale financial assets	Loans and accounts receivable	Held-to-maturity investments	Hedging derivatives
Equity instruments			1.793			
Securities representing debt			1.392			
Derivatives						
Other financial assets				21		
Long-term financial assets			3.185	21		
Equity instruments						
Securities representing debt				3		
Derivatives						
Other financial assets				1.160		
Short-term investments				1.163		
TOTAL CONSOLIDATED FINANCIAL ASSETS			3.185	1.184		

Unit: Thousand of Euros

FINANCIAL ASSETS: NATURE / CATEGORY	PREVIOUS PERIOD					
	Financial assets held for negotiate	Financial assets at fair value through profit or loss	Available-for-sale financial assets	Loans and accounts receivable	Held-to-maturity investments	Hedging derivatives
Equity instruments						
Securities representing debt						
Derivatives						
Other financial assets				8.183		
Long-term financial assets				8.183		
Equity instruments						
Securities representing debt						
Derivatives						
Other financial assets				8.730		
Short-term investments				8.730		
TOTAL CONSOLIDATED FINANCIAL ASSETS				16.913		

7) INVENTORIES

Below is the breakdown of inventories by type and degree of completion, as well as the corresponding provisions:

Biological assets	281,756
Others inventories	408,392

There are no firm commitments to buy or sell inventories, nor future contracts relating to them. Inventories may be used freely, without significant limitations due to guarantees, mortgages, deposits, etc..., or due to significant circumstances such as lawsuits, insurance or attachments affecting the ownership, availability, or value of inventories.

8) SHAREHOLDERS' EQUITY

Share Capital

Pescanova, S.A. subscribed and paid-in share capital at 30 June 2012 amounted to 116,683,524 euros, consisting of 19,447,254 shares with a face value of 6 euros each.

At the date of the preparation of these interim accounts all the shares in Pescanova, S.A. are listed on the Spanish stock exchanges.

The companies that at 30 June 2012 held 10% or more of the share capital of Pescanova, S.A. were: Sociedad Anónima de Desarrollo y Control (SODESCO): 14.82%.

Capital Management

The Group has an internal capital management policy related to capitalisation and dividends aimed at providing the companies in the Group, in a rational and objective manner, with the required capital to cover assumed risks. Risk estimations are made through a standard model of certain factors to quantify financial, credit and operational risks.

Capital allocated is determined by estimation, depending on the budgets for the following financial year and is reviewed at least once a year depending on risks evolution.

Certain companies in the Group require a higher capitalisation level than that obtained through the application of the above described standard, either because they operate in different countries with different legal requirements, or because they might require a financial solvency rating corresponding to higher capitalisation levels. In these cases, the Group determines the capitalization level individually taking into account the peculiarities of each company.

On the other hand uncommitted equity items of the Group comply with all requirements as per legislation in force.

9) FINANCIAL LIABILITIES

Unit: Thousand of Euros

FINANCIAL LIABILITIES: NATURE / CATEGORY	CURRENT PERIOD			
	Financial liabilities held for negotiate	Other financial liabilities at fair value through profit or loss	Debts and accounts payable	Hedging derivatives
Debt with credit institutions			298.623	
Debentures and other negotiable securities			346.883	
Derivatives				
Other financial liabilities			121.320	
Long-term Debt/Long-term Liabilities			766.826	
Debt with credit institutions			191.753	
Debentures and other negotiable securities			4.604	
Derivatives				
Other financial liabilities			4.655	
Short-term Debt/Short-term Liabilities			201.012	
TOTAL CONSOLIDATED FINANCIAL LIABILITIES			967.838	

Unit: Thousand of Euros

FINANCIAL LIABILITIES: NATURE / CATEGORY	PREVIOUS PERIOD			
	Financial liabilities held for negotiate	Other financial liabilities at fair value through profit or loss	Debts and accounts payable	Hedging derivatives
Debt with credit institutions			376.643	
Debentures and other negotiable securities			241.950	
Derivatives				
Other financial liabilities			121.927	
Long-term Debt/Long-term Liabilities			740.520	
Debt with credit institutions			111.110	
Debentures and other negotiable securities			4.604	
Derivatives				
Other financial liabilities			2.093	
Short-term Debt/Short-term Liabilities			117.807	
TOTAL CONSOLIDATED FINANCIAL LIABILITIES			858.327	

10) OTHER CONTINGENT ASSETS AND LIABILITIES

There is no knowledge of any significant contingencies which could affect Pescanova Group's equity or results.

11) INCOME AND EXPENSES

Unit: Thousand of Euros

GEOGRAPHICAL AREA	Breakdown of net turnover by geographical market			
	INDIVIDUAL COMPANY		CONSOLIDATED GROUP	
	CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
Domestic Market	200.023	199.985	279.625	276.647
Exports	57.403	54.475	388.373	348.351
a) European Union	31.579	30.045	180.417	172.116
b) O.C.E.D Countries	527	333		
c) Other countries	25.297	24.097	207.956	176.235
TOTAL	257.426	254.460	667.998	624.998

	INDIVIDUAL		CONSOLIDATED	
	CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
AVERAGE NUMBER OF EMPLOYEES	123	131	10.599	9.568
Men	78	84	6.567	5.950
Women	45	47	4.032	3.618

12) SEGMENT REPORTING

The Group is vertically integrated and its companies carry out all the process from the obtaining of seafood resources to their marketing.

In addition, the countries where the Group undertakes the obtaining of seafood resources are different to those where its sales are materialized. In general, most of the sales take place in countries with similar risks and returns so geographical segment reporting is meaningless.

The Group has segmented its activity in the only two products/services clearly differentiable: 1) seafood obtaining/processing/trade and 2) other services rendered such as vessels repairs, product storage...

Transactions between segments are effected at market prices. Income, expenses and results of segments include transactions between them and were eliminated in the consolidation process.

Since the corporate organisation of the Group basically coincides with that of the businesses and, therefore, of the segments, the basis of allocation established in the segment reporting presented below is based on the financial information of the companies making up each segment.

Unit: Thousand of Euros

SEGMENTS	Income from Ordinary Activities					
	CONSOLIDATED INCOME					
	Ordinary income from customers		Ordinary income between segments		Total Income from Ordinary Activities	
	CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
Sales	658.948	614.108			658.948	614.108
Services rendered	21.248	21.191			21.248	21.191
(-) Adjustments & eliminations of ordinary income between segments						
TOTAL	680.196	635.299			680.196	635.299

Unit: Thousand of Euros

SEGMENTS	CONSOLIDATED RESULT	
	CURRENT PERIOD	PREVIOUS PERIOD
Sales	14.917	14.722
Services rendered	702	501
Total result from reported segments	15.619	15.223
(+/-) Unallocated result		
(+/-) Elimination of internal results (between segments)		
(+/-) Other results		
(+/-) Income tax and/or result from discontinued operations	2.275	2.181
RESULT BEFORE TAX	17.894	17.404

13) BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Transactions between the Company and its subsidiaries, which are related parties, form part of the Company's normal business activities and have been eliminated on consolidation. Therefore, they are not disclosed in this Note.

Significant shareholders

Relevant transactions carried out in 2012 with significant shareholders, all of which were performed on an arms length basis, were as follows:

Unit: Thousand of Euros

TRANSACTIONS WITH CLOSE RELATED PARTIES

INCOME AND EXPENSES	CURRENT PERIOD				Total
	Significant Shareholders	Directors and Executives	Individuals, companies or Group companies	Other related parties	
1) Financial expenses	249				249
2) Management or cooperation agreements					0
3) Transfer of R&D and license agreements					0
4) Leasings					0
5) Services					0
6) Purchase of goods (finished goods or work in progress)					0
7) Value corrections for uncollectable debts					0
8) Loss from derecognition or disposal of assets					0
9) Other expenses					0
EXPENSES (1+2+3+4+5+6+7+8+9)	249	0	0	0	249
10) Financial income	42				42
11) Management or cooperation agreements					0
12) Transfer of R&D and license agreements					0
13) Dividends received					0
14) Leasings					0
15) Services rendered					0
16) Sale of goods (finished goods or work in progress)					0
17) Profit from derecognition or disposal of assets					0
18) Other income					0
INCOME (10+11+12+13+14+15+16+17+18)	42	0	0	0	42

OTHER TRANSACTIONS	CURRENT PERIOD				Total
	Significant Shareholders	Directors and Executives	Individuals, companies or Group companies	Other related parties	
Acquisition of tangible, intangible and other assets					0
Financing agreements: loans and capital contribution (lender)					0
Financial lease agreements (lessor)					0
Amortisation or repayment of loans and lease agreements (lessor)					0
Sale of tangible, intangible and other assets					0
Financing agreements: loans and capital contribution (borrower)	9.970				9.970
Financial lease agreements (lessee)					0
Amortisation or repayment of loans and lease agreements (lessee)					0
Guarantees provided					0
Guarantees received					0
Commitments					0
Cancelled commitments /guarantees					0
Dividends and other benefits	4.156				4.156
Other transactions					0

Unit: Thousand of Euros

TRANSACTIONS WITH CLOSE RELATED PARTIES

INCOME AND EXPENSES

TRANSACTIONS WITH CLOSE RELATED PARTIES	PREVIOUS PERIOD				
	Significant Shareholders	Directors and Executives	Individuals, companies or Group companies	Other related parties	Total
INOME AND EXPENSES					
1) Financial expenses	1.830				1.830
2) Management or cooperation agreements					0
3) Transfer of R&D and license agreements					0
4) Leasings					0
5) Services	87				87
6) Purchase of goods (finished goods or work in progress)					0
7) Value corrections for uncollectable debts					0
8) Loss from derecognition or disposal of assets					0
9) Other expenses					0
EXPENSES (1+2+3+4+5+6+7+8+9)	1.917	0	0	0	1.917
10) Financial income	161				161
11) Management or cooperation agreements					0
12) Transfer of R&D and license agreements					0
13) Dividends received					0
14) Leasings					0
15) Services rendered					0
16) Sale of goods (finished goods or work in progress)					0
17) Profit from derecognition or disposal of assets					0
18) Other income					0
INCOME (10+11+12+13+14+15+16+17+18)	161	0	0	0	161

OTHER TRANSACTIONS

OTHER TRANSACTIONS	PREVIOUS PERIOD				
	Significant Shareholders	Directors and Executives	Individuals, companies or Group companies	Other related parties	Total
Acquisition of tangible, intangible and other assets					0
Financing agreements: loans and capital contribution (lender)					0
Financial lease agreements (lessor)					0
Amortisation or repayment of loans and lease agreements (lessor)					0
Sale of tangible, intangible and other assets					0
Financing agreements: loans and capital contribution (borrower)	40.277				40.277
Financial lease agreements (lessee)					0
Amortisation or repayment of loans and lease agreements (lessee)	9.996				9.996
Guarantees provided					0
Guarantees received					0
Commitments					0
Cancelled commitments /guarantees					0
Dividends and other benefits	3.447				3.447
Other transactions					

Directors and Senior Executives

DIRECTORS

Concept

	Amount (Thousands of euros)	
	CURRENT PERIOD	PREVIOUS PERIOD
Fixed fee	290	272
Variable fees		
Attendance fees	280	295
Payments to Directors as per the Articles of Association	236	236
Transactions on shares and/or other financial instruments		
Other		
TOTAL	806	803

Other benefits

Advances		
Loans granted		
Pension funds: Contributions		
Pension funds: Obligations		
Life insurance		
Guarantees granted in favour of Directors		

SENIOR EXECUTIVES

	Amount (Thousands of euros)	
	CURRENT PERIOD	PREVIOUS PERIOD
Total remuneration paid	1376	1199

14) SUBSEQUENT EVENTS

On 2 July 2012, the Board of Directors of Pescanova, on the basis of the authorization granted by a resolution of the Annual General Shareholders' Meeting passed on 13 April, 2012, approved to increase the share capital of the Company for a total aggregate amount of EUR 124,956,740.80.

On 1 August 2012, once the period for preferential subscription and the period for requesting additional shares ended, the 9,290,464 shares of the Capital Increase were subscribed in full, and therefore the Capital Increase approved, for an aggregate principal amount of EUR 55,742,784, was fully subscribed and paid.

On 2 August 2012 was granted the capital increase public deed.□ Accordingly, the share capital of PESCANOVA that as of that date amounted EUR 116,683,524, represented by 19,447,254 ordinary shares, with a face value of EUR 6 each, increased up to EUR 172,426,308, represented by 28,737,718 ordinary shares, with a nominal value of EUR 6 each.

On 3 August 2012 the capital increase public deed was filed with the Commercial Registry of Pontevedra,

On 10 August 2012, The Comisión Nacional del Mercado de Valores verified the concurrence of the legal requirements for the listing of the 9,290,464 new shares of PESCANOVA with a nominal value of EUR 6 per share issued in the share capital increase and the Stock Exchange Management Companies of the Stock Exchanges of Madrid and Bilbao resolved the admission to trading of such new shares.

Trading of the new shares on the Madrid and Bilbao Stock Exchanges through the Spanish Stock Exchanges Interconnection System (Continuous Market) started on Monday 13 August 2012.

CONSOLIDATED MANAGEMENT REPORT

Pescanova's result for the first half of the year grew 3.3% to reach 15.7 million euros. The increase in the half-year result was determined by a good turnover that grew by 6.8% and the operating result, more than 47.5 million euros, which represented a 17% increase compared to the same period last year. The Pescanova Group's half year EBITDA reached 76.5 million that represent a 12.3% increase.

The increase in sales and operating result was due to:

- Increased sales of Pescanova products abroad, which grew 11.3% in terms of value, sales in the European Union grew by 4.8% and in the rest of the world by 17.9%, mainly in the US, China and Japan.
- Good behaviour of frozen seafood consumption in Spain during the first half of the year, showing a strong growth in terms of both value and volume, being the segment within the frozen food category showing a greater growth.
- The good performance of the aquaculture division, which continues to behave as planned in terms of product diversification, tonnage of fish and shellfish in the water, biomass development, and the evolution of sale prices for farmed products, i.e. frozen salmon, shrimp and turbot.
- High investments undertaken in previous years have evolved as planned and are starting to bear fruit as anticipated, it is expected that in 2014, the investments in Europe, regarding turbot farming and in Chile, related to farmed Trout, Atlantic Salmon and Coho Salmon; as well as those referred own production of vannamei shrimp, complemented by product processing taking advantage of the production capacity of the factories recently built.
- Good evolution of operating costs, for all the products handled by the Pescanova Group, both wild caught and farmed, the increase in costs has been lower than the increase in sales, due to the cost of raw materials (oil, feed components, etc.) and better purchase prices of the same arising from new purchase terms and conditions negotiated with suppliers and creditors, leading to an additional use of cash and cash equivalents and consequently to a slight increase in financial expenses.

During the first half of the year, the Group's financial structure has improved due to the subscription of a new issue of convertible bonds for 160 million euros, maturing in 2019 (in 7 years time). Part of the proceeds of this issue (60 million euros) was used for the repurchase of bonds previously issued and maturing in 2015 and 2017, in 3 and 5 years time.

During the interim reported period ended 30 June 2012, the Pescanova Group has continued to consolidate its business strategy, both in obtaining (wild caught and farmed) and processing of seafood products as well as the marketing of these products by promoting its brand name in a continuous effort to become well-established in the resources-markets binomial by being strategically present in locations with sustainable competitive advantages and in those markets where the Pescanova brand, being leader, allow it achieve a price differential for its products.

As regards to the fishing division, the Pescanova Group's risk diversification strategy and the development of its industrial capacity has focussed its R&D activities in finding profitable and sustainable fishing grounds. Whilst the seafood farming division continues with the research and improvement of farming conditions both in land and at offshore facilities.

Environmental report

The Pescanova Group, as a fishing venture that lead to its incorporation 52 years ago, has always been aware of the great importance of strict legal and biological regulations of the marine resources as the only way to achieve the stability of sustainable annual catches. Since its incorporation in 1960, it has pursued the protection and improvement of the environment, either directly, through its own environmentally friendly investments for an utmost respect for nature, or through the promotion of initiatives for the enforcement of laws and regulations for nature protection. In the first case, Pescanova reports that all factories and vessels of the Group are equipped to achieve the greatest respect for the environment; and in the latter, bearing in mind the fishing activity of the Group, the aim is to seek the enforcement of responsible practices with a view to ensuring the effective conservation of living aquatic resources, through the establishment of fishing quotas or of long enough close seasons to ensure a sustainable exploitation, year after year, of the fishing grounds where Pescanova operates.

The Group is actively involved with the Governments of the countries where it carries out its fishing activities in the preparation of regulations for a gradual and better conservation of marine resources. This philosophy, based on conservation and rationalisation of fishing activities has prevailed over the years and is nowadays a cornerstone of Pescanova's industrial strategy and provides optimistic prospects for the status of marine resources in those places where it has invested over the last decades.

Own shares

At 30 June 2012 the number of own shares held by Group Companies were 88,460 shares with a nominal value of 6 euros each, which were bought at an average acquisition price of 27.20 euros per share.

Personnel

Following the staffing policy of the last years consisting in the renewal of its staff, the companies recently incorporated to the Group are staffed with highly qualified people to carry on with a profitable business.

Risk Management

The Pescanova Group 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:

- Comply with the principles of good corporate governance.
- Comply strictly 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.
- The businesses, corporate divisions, business lines and companies establish the risk management controls required to ensure that the transactions are performed in the markets in accordance with the policies, principles and procedures of the Pescanova Group.

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 making possible to minimise the cost of the debt over several years with reduced income and expenses volatility.

The interest rates of the Pescanova Group debt are mainly Euribor related.

Foreign currency risk

Foreign currency risk refers, mainly, to the following:

- Debt nominated in foreign currencies arranged by subsidiary and associated companies.
- Payments to be made outside the Eurozone for the purchase of any type of service.

In addition, the new assets relating to net investments in foreign companies whose functional currency is not the euro are exposed to foreign exchange risk in the translation of the financial statements of these foreign operations on consolidation.

In order to mitigate foreign exchange risks, the Pescanova Group attempts to achieve a balance between the cash collections and payments relating to its assets and liabilities denominated in foreign currencies.

Liquidity risk

The Group's liquidity policy consists of the arrangement of credit facilities and current financial investments for an amount sufficient to cater for the projected needs for a given period based on the status and expectations of debt and capital markets.

Even when over the last years 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.

- Liquidity of monetary assets: Cash surpluses are always placed on very short term deposits. For longer than three month deposits an express authorisation is required.
- Maturity diversification for credit lines and control over financing and refinancing.
- Control over remaining life of funding lines.
- Diversification of funding sources.

Credit Risk

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

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

The Group does not have a significant credit risk concentration, since the exposure is distributed among a large number of counterparties and customers. Also historical default can be classified as very low.

General

From the trading point of view, the Group activities continue to be focussed on the branded market for its products. Since we are convinced that differentiation, innovation, quality and closeness to the end-consumer of our products is the best guarantee for the consolidation of our success and leadership.

The consolidation of major retailers/distributors, not only in Spain but also in the rest of Europe has continued. However, within this highly demanding and competitive environment, PESCANOVA brand has managed to maintain or increase its market share in these markets.

To sum up, the positive evolution of the activities in which the Pescanova Group is engaged, i.e. the obtaining and marketing of seafood under its brand names, as well as the foreseeable evolution of the European Union and the Euro, allow us to trust that the sustained growth of both turnover and results of the Pescanova Group will continue to improve in year 2012.

The following information is provided in compliance with Article 116 bis of the Stock Exchange Act.

At June 30th, Pescanova, S.A. share capital consists of 19,447 thousand 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) as at 30 June 2012:

Shareholder's Name	Nº of direct voting rights	Nº of indirect voting rights	% on total voting rights
MR MANUEL FERNÁNDEZ DE SOUSA-FARO	18,073	4,323,023	22.322
D. ALFONSO PAZ-ANDRADE RODRÍGUEZ	2,631	992,120	5.115
LIQUIDAMBAR INVERSIONES FINANCIERAS, S.L	975,000	0	5.014
D. JOSE ANTONIO PÉREZ-NIEVAS HEREDERO	0	974,307	5.010
LUXEMPART, S.A.	1,000,000	0	5.142
GOVERNANCE FOR OWNERS LLP	0	986,827	5.074
S.A. DAMM	0	972,366	5.000

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 13 April 2012, the Board was authorised to, as provided in Article 297.1.b of the Companies Act, within a five-year term, increase the share capital of the company, with or 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, being also authorised to exclude the preferred subscription right, and consequently it was also authorised to amend Article 7 of the Articles of Association accordingly, this authorisation leaves without effect the authorisation conferred on the Board of Directors at the Ordinary General Meeting of Shareholders of 8 April 2011.

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.

Main Half-Year Financials

