



LERØY

LERØY SEAFOOD GROUP

Quarterly report Second quarter 2013

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LERØY





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Lerøy at a glance

Highlights as of Q2 2013

- **High salmon price, second best quarter in company's history**

- EBIT before biomass adjustment NOK 462 million
- EBIT/kg all inclusive NOK 13.7
- Paid NOK 7 per share (NOK 394m) in dividends
- NIBD NOK 2,256m end Q2 13, vs. NOK 1,877m end Q1 13

- **Acquisitions**

- Acquisition of 48% stake in Villa Organic

- **Harvest volume**

- 33.7' GWT down 12% y-o-y (Q2 2012: 38.4' GWT)

- **Outlook**

- 2013 harvest guidance lowered from 154,000gwt to 150,000gwt
- Seasonal increase in industry's harvest volumes in coming months, likely to impact prices
- Positive outlook for salmon prices in coming years. For the long term value creation it is important for the Norwegian industry to continue to grow its volumes



Highlights as of Q2 2013

• Prices

- Strong price development. (NOS: Q2 2013: NOK 41,5 vs. Q2 2012: 27,0)
- Realised price in Q2 2013 well above Q1 2013, but increase q-o-q is less than increase in spot price due to contracts

• Contracts

- Increased contract share in Q2
- Q2 2013 contract share of 31%, up from 20% in Q1 2013
- Contract prices below spot prices in the quarter

• Costs

- Higher feed costs and lower averaged harvest weights impact costs, and will continue to impact costs in coming quarters
- Costs up q-o-q, and marginally up y-o-y

• Biomass in sea:

- End Q2 2013 at 83,4' LWT, in line with Q2 2012 (82,4' LWT)
- 16,3' LWT > 4kg Q2 13 vs 24.7' LWT > 4kg Q2 12



Key figures Q2 2013

All figures in NOK mill

	Q2 - 13	Q2 - 12	Change	YTD 2013	YTD 2012	Change
Turnover	2 513	2 306	9 %	4 845	4 470	8 %
Other gains	0	0		54	0	
EBITDA	538	210	156 %	982	419	134 %
EBIT bef adj biom *	462	138	236 %	832	241	245 %
PTP bef adj biom **	461	123	273 %	818	213	284 %

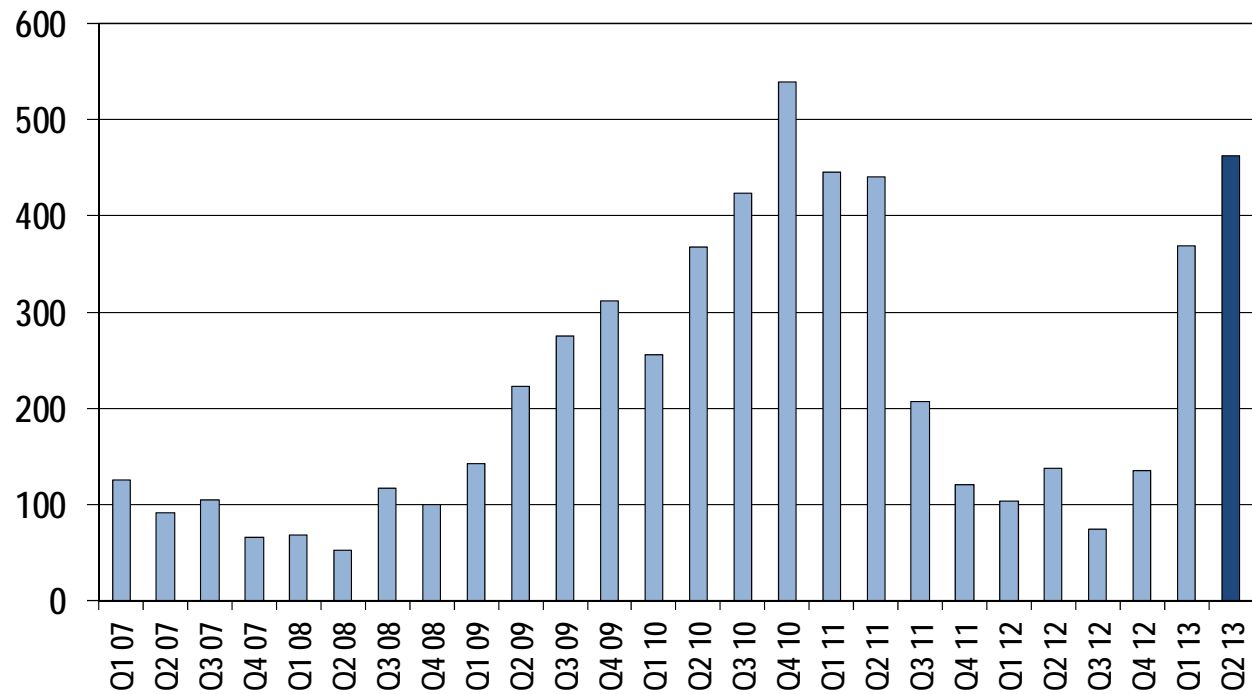
*) YTD 2012 figure including impairment loss of NOK 50m in Q1 2012 (fixed asset NOK33m, salaries NOK17m) in connection with closure of slaughter house in Lerøy Hydrotech. YTD figure 2013 including NOK 54m gain in connection with asset sale in Chile

***) PTP = Pre-tax profit

Lerøy's second best quarterly results

All figures in NOK mill

EBIT before fair value adjustments, quarterly



Internal considerations Q2 2013



- **Farming**
 - EBIT pr. FV adj. NOK 400m vs. NOK 87m in Q2 2012
 - Increasing spot prices during quarter, but price realisation impacted by contracts (Q2 2013: 31%)
 - Large variance in achieved price in the different farming operations due to different share of contracts.
 - Underlying production cost up q-o-q and marginally up y-o-y
- **VAP**
 - EBIT of NOK 14m vs. 13m in Q2 2012
 - EBIT margin 4.7% vs. 4.4% in Q2 2012
- **Sales and Distribution**
 - EBIT NOK 56m compared to NOK 44m in Q2 2012
 - Challenging quarter for some companies in this segment

Internal considerations Q2 2013



- **Affiliated companies:**
 - Norskott (Scottish Sea Farms)
 - Strong sale price achieved
 - High contract share
 - Volume down (as in Norway)
 - Production costs slightly up due to lower seasonal volume
 - EBIT/kg NOK 7.9 in Q2 2013 vs 2.8 in Q2 2012
 - Biological situation is well managed and under control
 - Villa Organic
 - Acquired in Q2 2013
- **Financially solid**
 - NIBD NOK 2,256m as of Q2 2013
 - Fixed interest (swap) for NOK1,000m – 10 years
 - Equity NOK 6,428m
 - Equity ratio 53%

Lerøy Seafood Group – Salmon/trout farming

Company	Ownership share	Licences No	Mill. smolt individuals	2010 GWT	2011 GWT	2012 GWT	2013E GWT
Lerøy Midnor AS	100 %	30	15,0	34 000	35 900	34 400	35 000
Lerøy Aurora AS	100 %	17	7,5	20 300	18 100	20 000	25 000
Lerøy Hydrotech AS	100 %	24	7,0	25 200	26 400	27 500	24 000
Lerøy Vest AS	100 %	34	14,2	34 300	34 500	38 700	37 000
Sjøtroll Havbruk AS *)	50,71 %	25	8,4	3 000	21 700	32 900	29 000
Total Norway		130	52,1	116 800	136 600	153 400	150 000
Norskott Havbruk AS (UK) **)	50 %		7,0	13 500	10 900	13 600	12 500
Total			59,1	130 300	147 500	167 000	162 500

 Consolidated, farming

 Affiliated, farming

*) Acquired and consolidated as from November 2010

**) LSG's share



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Income Statement Q2 2013

All figures in NOK 1 000

	<u>Q2 2013</u>	<u>Q2 2012</u>	<u>YTD 2013</u>	<u>YTD 2012</u>	<u>2012</u>
Salgsinntekter / Operating revenues	2 513 047	2 305 879	4 844 871	4 469 756	9 102 941
Andre gevinster og tap / other gains and losses	0	0	53 727	0	0
Vareforbruk / Cost of goods sold	1 519 205	1 639 266	2 998 550	3 136 487	6 442 319
Lønnskostnader / Salaries and wages	227 106	226 627	475 676	485 673	1 031 872
Andre driftskostnader / Other operating costs	228 543	229 565	442 431	428 672	853 883
Driftsresultat før avskrivninger / EBITDA	538 193	210 421	981 942	418 924	774 866
Ordinære avskrivninger / Ordinary depreciation	76 040	72 771	150 437	145 088	291 768
Nedskrivning driftsmidler / Impairment loss fixed assets	0	0	0	33 000	33 000
Driftsresultat før verdijustering biomasse / EBIT before fair value adjustment biom	462 154	137 650	831 504	240 836	450 098
Verdijustering biomasse / Fair value adjustment biomass	90 981	-83 577	300 044	5 318	294 735
Driftsresultat / Operating profit (EBIT)	553 135	54 072	1 131 549	246 154	744 832
Inntekt fra tilknyttede selskaper / Income from associated companies	27 943	5 889	50 376	14 965	24 831
Netto finansposter / Net financial items	-26 904	-21 750	-53 625	-44 414	-95 154
Resultat før skattekostnad og før just biomasse / Profit before tax bef adj biom.	460 664	123 358	817 540	212 794	379 913
Resultat før skattekostnad / Profit before tax	554 175	38 212	1 128 299	216 706	674 509
Beregnete skatter / Estimated taxation	-155 486	-9 147	-305 934	-57 370	-182 748
Periodens resultat / Profit for the period	398 689	29 065	822 365	159 336	491 760
Henføres til / Attributable to:					
Kontrollerende eierinteresser / Controlling interests	355 892	24 336	744 602	158 855	480 797
Ikke-kontrollerende eierinteresser / Non-controlling interests	42 797	4 729	77 763	481	10 963

Balance Sheet Q2 2013

All figures in NOK 1 000

	<u>30.06.13</u>	<u>30.06.12</u>	<u>31.12.12</u>
<i>Eiendeler / Assets</i>			
Immaterielle eiendeler / Intangible assets	3 975 264	3 998 084	3 993 598
Varige driftsmidler / Tangible fixed assets	2 230 427	1 999 451	2 094 539
Finansielle anleggsmidler / Financial non-current assets	592 998	363 532	357 945
Sum anleggsmidler / Total non-current assets	6 798 689	6 361 066	6 446 081
Biologiske eiendeler / Biological assets	2 908 066	2 126 252	2 724 941
Andre varer / Other inventories	317 428	304 452	326 225
Fordringer / Receivables	1 348 964	1 191 325	1 194 376
Betalingsmidler / Cash and cash equivalents	804 388	1 072 623	1 082 797
Sum omløpsmidler / Total current assets	5 378 846	4 694 653	5 328 340
Sum eiendeler / Total assets	12 177 535	11 055 720	11 774 420
<i>Egenkapital og gjeld / Equity and debt</i>			
Innskutt egenkapital / Paid in equity	2 785 936	2 785 936	2 785 936
Opptjent egenkapital / Earned equity	2 931 723	2 245 934	2 528 638
Ikke-kontrollerende eierinteresser / Non-controlling interests	710 707	645 104	649 382
Sum egenkapital / Total equity	6 428 365	5 676 974	5 963 956
Avsetning for forpliktelser / Accrued liabilities	1 377 299	1 174 079	1 282 892
Langsiktig gjeld / Long-term liabilities	2 370 477	2 509 558	2 402 770
Kortsiktige kreditter / Short-term loans	690 084	642 597	911 887
Annen kortsiktig gjeld / Other short-term liabilities	1 311 310	1 052 511	1 212 915
Sum gjeld / Total liabilities	5 749 170	5 378 745	5 810 464
Sum egenkapital og gjeld / Total equity and liabilities	12 177 535	11 055 720	11 774 420

Cash Flow Statement Q2 2013

All figures in NOK 1 000

	<u>Q2 2013</u>	<u>Q2 2012</u>	<u>YTD 2013</u>	<u>YTD 2012</u>	<u>2012</u>
Kontantstrøm fra drift / Cash flow from operating activities					
Resultat før skatt / Profit before tax	554 174	38 213	1 128 299	216 706	674 508
Betalt skatt / Income tax paid	-39 556	-172 428	-88 248	-279 528	-267 078
Gevinst ved salg anleggsmidl. / Gain from disposal of non-current assets	0	0	-53 727	0	0
Ordinære avskrivninger / Ordinary depreciation	76 040	72 765	150 438	145 088	291 768
Nedskrivninger varige driftsmidler / Impairment loss fixed assets	0	0	0	33 000	33 000
Resultat tilknyttede selskaper / Profit from associated companies	-27 944	-5 889	-50 376	-14 965	-24 831
Endring verdijustering biomasse / Change in value adjustment biomass	-95 556	83 577	-304 619	-5 318	-294 735
Endring varelager / Change in inventories	-34 378	148 218	130 292	299 140	-32 316
Endring kundefordringer / Change in accounts receivable	-79 085	55 783	-100 596	-10 889	-32 119
Endring leverandører / Change in accounts payable	65 880	27 826	-30 560	-2 384	94 239
Poster klass. som finansieringsaktiviteter / Items reclassified as financing activities	27 152	21 751	53 872	44 414	95 154
Andre tidsavgrensninger / Other accruals	-83 752	-109 481	5 928	-122 245	-93 977
Netto kontantstrøm fra drift / Net cash flows from operating activities	362 975	160 335	840 703	303 020	443 614
Kontantstrøm fra investeringsaktiviteter / Cash flow from investing activities					
Netto investering i varige driftsmidler etc. / Net investment in fixed assets etc.	-130 850	-161 959	-270 839	-266 084	-505 522
Netto investering i immaterielle eiendeler / Net investment in intangible fixed assets	-232	-638	46 630	-740	-565
Netto utbetaling ved kjøp av aksjer etc. / Net payments for acquisitions of shares etc.	-181 064	-210	-181 285	3 928	964
Netto utbetaling v/kjøp av konsernselskaper / Net acquisitions of group companies	0	-495	0	-112 262	-102 932
Innbetaling av utbytte fra tilknyttede selskaper / Dividend from associates	12 000	9 000	12 000	9 000	9 000
Endring langsiktige fordringer etc. / Change in long-term receivables etc.	-10 739	-113	-11 243	61	-156
Netto kontantstrøm fra investeringsaktiviteter/Net cash flow from investing activities	-310 885	-154 415	-404 737	-366 098	-599 211
Kontantstrøm fra finansieringsaktiviteter / Cash flow from financing activities					
Netto endring i kortsiktige kreditter / Net change in bank overdraft	16 824	-182 291	-229 763	-152 655	115 751
Netto endring langsiktig gjeld / Net change in long-term debt	-22 200	-65 316	-26 637	113 840	8 075
Netto finanskostnader / Net financial costs	-27 844	-26 016	-56 294	-48 679	-102 089
Utbetaling av utbytte / Dividend payments	-393 712	-380 792	-393 712	-380 792	-382 828
Netto kontantstrøm fra finansieringsakt. / Net cash flow from financing activities	-426 932	-654 415	-706 406	-468 286	-361 091
Netto kontantstrøm for perioden / Net cash flows for the period	-374 843	-648 496	-270 441	-531 363	-516 688
Betalingsmidler v/periodens begynnelse / Cash and cash equiv. at beginning of period	1 188 609	1 721 119	1 082 797	1 597 429	1 597 429
Betalingsmidler fra virksomhetsoverdragelser / Cash from business combinations	0	0	0	6 557	3 401
Valutakursendringer på kontanter / Currency exchange gain or loss on cash	-9 378	0	-7 968	0	-1 345
Betalingsmidler ved periodens slutt / Cash and equivalents at end of period	804 388	1 072 623	804 388	1 072 623	1 082 797

Key figures - Lerøy Seafood Group Q2 2013

	Q2 2013	Q2 2012	YTD 2013	YTD 2012	2012
Høstet volum (GWT) / Harvest volume (GWT)	33 708	38 447	66 939	74 744	153 403
Resultatmargin før just.biomasse / Profit margin before adj. biomass	18,3 %	5,3 %	16,9 %	4,8 %	4,2 %
Resultatmargin / Profit margin ¹⁾	22,1 %	1,7 %	23,3 %	4,8 %	7,4 %
Driftsmargin før just.biomasse / Operating margin before adj.biomass	18,4 %	6,0 %	17,2 %	5,4 %	4,9 %
Driftsmargin / Operating margin ²⁾	22,0 %	2,3 %	23,4 %	5,5 %	8,2 %
Resultat per aksje før just.biomasse / Earnings per share before adj.biomass	5,52	1,60	10,14	2,86	5,11
Resultat per aksje / Earnings per share ³⁾	6,52	0,45	13,64	2,91	8,81
Utvannet resultat per aksje / Diluted earnings per share	6,52	0,45	13,64	2,91	8,81
ROCE før just.biomasse (annualisert) / ROCE before adj.biomass (annualised)	24,3 %	7,6 %	21,6 %	6,8 %	6,2 %
ROCE (annualisert) / ROCE (annualised) ⁴⁾	27,4 %	3,1 %	28,0 %	6,9 %	9,9 %
Egenkapitalandel / Equity ratio	52,8 %	51,3 %	52,8 %	51,3 %	50,7 %
Netto rentebærende gjeld / Net interest bearing debt	2 256 173	2 079 532	2 256 173	2 079 532	2 231 860
Kontantstrøm per aksje / Cash-flow per share ⁵⁾	6,65	2,94	15,40	5,55	8,13
Utvannet kontantstrøm per aksje / Diluted cash-flow per share	6,65	2,94	15,40	5,55	8,13

1) Resultatmargin = Resultat før skatt / salgsinntekter

2) Driftsmargin = Driftsresultat / salgsinntekter

3) Resultat per aksje = Majoritetens andel resultat / Gjennomsnittlig antall aksjer

4) ROCE = [Res. før skatt+nto fin.poster] / Gj.sn.[nto renteb. gjeld+sum egenkapital]

5) Kontantstrøm fra drift

1) Profit margin = Profit before tax / revenues

2) Operating margin = Operating profit / revenues

3) Earnings per share = Majority interests / Average number of shares

4) ROCE = [Pre tax profit + net fin. items] / Average [net interest bearing debt + total equity]

5) Cash-flow from operations

Funding

- Sound debt repayment profile

NOK million	2013	2014	2015	2016	2017	2018 ->	Total
Paid YTD	186						186
To be paid	204	465	297	565 ^{*)}	249	993	2 773
Total instalments	390	465	297	565	249	993	2 959

- Covenants NIBD/EBITDA < 5 and Equity ratio > 30%^{**)}
 - Q2 2013: 1.69 and 58.6 % respectively
- Satisfactory committed unused credit lines

^{*)} Of which NOK300m a 5 year bond with Eksportfinans ASA (renewed in October 2011)

^{**)} Adjusted for bank deposits and deferred tax associated with licenses

Key Figures per segment Q2 2013

Q2 2013	PRODUCTION				SALES AND DISTRIBUTION			GROUP	
<i>Figures NOKm</i>	Total Farming	VAP/other production	Elimin.	Total production	Sales & Distribution	Elimin.	Total Sales & Distribution	Elimin / LSG ASA	Total Group
Revenues	1 396	307	-126	1 577	2 622	-327	2 294	-1 358	2 513
Other gain	0	0	0	0	0	0	0	0	0
EBIT before biom adj	400	14	0	414	56	0	56	-9	462
EBIT margin	28,7 %	4,7 %	0,0 %	26,3 %	2,2 %		2,5 %		18,4 %
Volumes (GWtk)	33,7			33,7	33,7		33,7		33,7
EBIT/kg	11,9	0,4		12,3	1,7		1,7		13,7

Q2 2012	PRODUCTION				SALES AND DISTRIBUTION			GROUP	
<i>Figures NOKm</i>	Total Farming	VAP/other production	Elimin.	Total Production	Sales & Distribution	Elimin.	Total S&D	Elimin./ LSG ASA	Total Group
Revenues	1119	289	-47	1361	2447	-150	2297	-1352	2306
EBIT before biom adj	87	13	0	100	44	0	44	-7	138
EBIT margin	7,8 %	4,4 %	0,0 %	7,3 %	1,8 %		1,9 %		6,0 %
Volumes (GWtk)	38,4			38,4	38,4		38,4		38,4
EBIT/kg	2,3	0,3		2,6	1,2		1,2		3,6

Key Figures per segment H1 2013

YTD AP6 2013	PRODUCTION				SALES AND DISTRIBUTION			GROUP	
<i>Figures NOKm</i>	Farming	VAP/other production	Elimination production	Total production	Sales & Distribution	Elimination S&D	Total Sales & Distribution	Elimin / LSG ASA	Total Group
Revenues	2 608	572	-208	2 972	5 091	-491	4 600	-2 728	4 845
Other gain	0	54	0	54	0	0	0	0	54
EBIT before biom adj	684	76	0	760	87	0	87	-15	832
RoS	26,2 %	13,3 %		25,6 %	1,7 %		1,9 %		17,2 %
Volumes (GWtk)	66,9			66,9	66,9		66,9		66,9
EBIT/kg	10,2	1,1		11,4	1,3		1,3	-0,2	12,4

YTD AP6 2012	PRODUCTION				SALES AND DISTRIBUTION			GROUP	
<i>Figures NOKm</i>	Farming	Other production	Elimination production	Total production	Sales & distribution	Elimination S&D	Sales & Distribution	Elimin / LSG ASA	Total Group
Revenues	2 148	503	-86	2 565	4 777	-302	4 475	-2 570	4 470
EBIT before biom adj	152	18	0	169	85	0	85	-13	241
RoS	7,1 %	3,5 %		6,6 %	1,8 %		1,9 %		5,4 %
Volumes (GWtk)	74,7			74,7	74,7		74,7		74,7
EBIT/kg	2,0	0,2		2,3	1,1		1,1	-0,2	3,2

EBIT/kg ex restruct.	2,7
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	2,9
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	3,9
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Key Figures Production Q2 2013

Q2 2013	PRODUCTION								
<i>Figures NOKm</i>	Lerøy ^{*)} Midnor	Lerøy Hydrotech	Lerøy ^{*)} Aurora	Lerøy Vest	Sjøtroll ^{*)} Havbruk	Farming	VAP/other production	Elimination production	Total production
Revenues	269	210	260	368	289	1 396	307	-126	1 577
Other gain	0	0	0	0	0	0	0	0	0
EBIT before biom adj	62	51	96	103	88	400	14	0	414
RoS	22,9 %	24,1 %	37,0 %	28,1 %	30,6 %	28,7 %	4,7 %		26,3 %
Volumes (GWtk)	5,5	5,3	6,3	10,1	6,5	33,7			33,7
EBIT/kg	11,2	9,6	15,2	10,3	13,5	11,9	0,4		12,3

Q2 2012	PRODUCTION								
<i>Figures NOKm</i>	Lerøy Midnor	Lerøy Hydrotech	Lerøy Aurora	Lerøy Vest	Sjøtroll Havbruk	Farming	Other production	Elim. production	Production
Revenues	277	195	114	286	248	1 119	289	-47	1 361
EBIT before biom adj	35	29	5	15	4	87	13	0	100
RoS	12,6 %	14,7 %	4,3 %	5,2 %	1,6 %	7,8 %	4,4 %		7,3 %
Volumes (GWtk)	7,8	7,2	3,8	11,0	8,6	38,4			38,4
EBIT/kg	4,5	4,0	1,3	1,4	0,5	2,3	0,3		2,6

*) Including VAP (post / pre-rigor, fillets, portions etc)

Key Figures Production H1 2013

YTD AP6 2013	PRODUCTION								
<i>Figures NOKm</i>	Lerøy ^{*)} Midnor	Lerøy Hydrotech	Lerøy ^{*)} Aurora	Lerøy Vest	Sjøtroll ^{*)} Havbruk	Farming	VAP/other production	Elimination production	Total production
Revenues	597	368	495	621	527	2 608	572	-208	2 972
Other gain	0	0	0	0	0	0	54	0	54
EBIT before biom adj	144	100	177	139	124	684	76	0	760
RoS	24,2 %	27,1 %	35,7 %	22,4 %	23,5 %	26,2 %	13,3 %		25,6 %
Volumes (GWtk)	14,1	9,9	12,3	18,2	12,5	66,9			66,9
EBIT/kg	10,3	10,0	14,4	7,7	9,9	10,2	1,1		11,4

YTD AP6 2012	PRODUCTION								
<i>Figures NOKm</i>	Lerøy Midnor	Lerøy Hydrotech	Lerøy Aurora	Lerøy Vest	Sjøtroll Havbruk	Total Farming	Other	Elimin.	Total Production
Revenues	545	409	258	544	391	2 148	503	-86	2 565
EBIT before biom adj	99	-6	34	27	-3	152	18	0	169
RoS	18,2 %	-1,3 %	13,3 %	5,0 %	-0,9 %	7,1 %	3,5 %		6,6 %
Volumes (GWtk)	16,4	15,2	8,9	20,9	13,3	74,7			74,7
EBIT/kg	6,0	-0,4	3,9	1,3	-0,3	2,0	0,2		2,3

EBIT/kg ex restruct.		2,9				2,7			2,9
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*) Including VAP (post / pre-rigor, fillets, portions etc)

Norskott Havbruk 100% figures

LSG's share = 50%

All figures in NOK millions

Income statement	Q2 2013	Q2 2012	YTD 2013	YTD 2012	2012
Revenues	211	217	500	446	937
EBITDA	53	31	109	57	108
EBIT bef adj biom	40	17	79	31	55
EBIT	47	13	109	27	55
Pre tax	44	12	104	25	48
Net income after tax	34	10	77	18	35
Volumes (1000 gwt)	5,1	6,2	11,6	13,1	27,1
EBIT/kg	7,9	2,8	6,8	2,3	2,0

Balance sheet	30.06.2013	30.06.2012	31.12.2012
Licences, goodwill	358	363	353
Tangible fixed assets	194	199	204
Inventories	567	509	523
Other current assets	112	110	107
Total assets	1 230	1 182	1 187
Equity	650	587	587
Debt	580	595	600
Total equity and debt	1 230	1 182	1 187
Net interest bearing debt	329	375	333

Villa Organic 100% figures

LSG's share = 48%

All figures in NOK millions

Income statement	Q2 2013	Q1 2013	2012
Operating income	125	191	506
Other gains and losses	35	0	88
EBITDA	42	36	96
EBIT	34	28	54
Pre tax	28	23	30
Net income after tax	21	17	20
Volumes (1000 gwt)	2,4	4,5	15,9
EBIT/kg	13,8	6,2	3,4

- Positive "one-off" in Q2 of NOK 35m

Balance sheet	30.06.2013	31.03.2013	31.12.2012
Licences and goodwill	24	24	24
Deferred tax asset	40	40	40
Fixed assets	213	209	207
Other non-current assets	5	5	0
Inventories	233	247	303
Other current assets	124	91	110
Total assets	639	616	684
Equity	343	323	307
Debt	295	293	377
Total equity and debt	639	616	684
Net interest bearing debt	168	186	208



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- 3 Market glance**
- 4 Lerøy at a glance

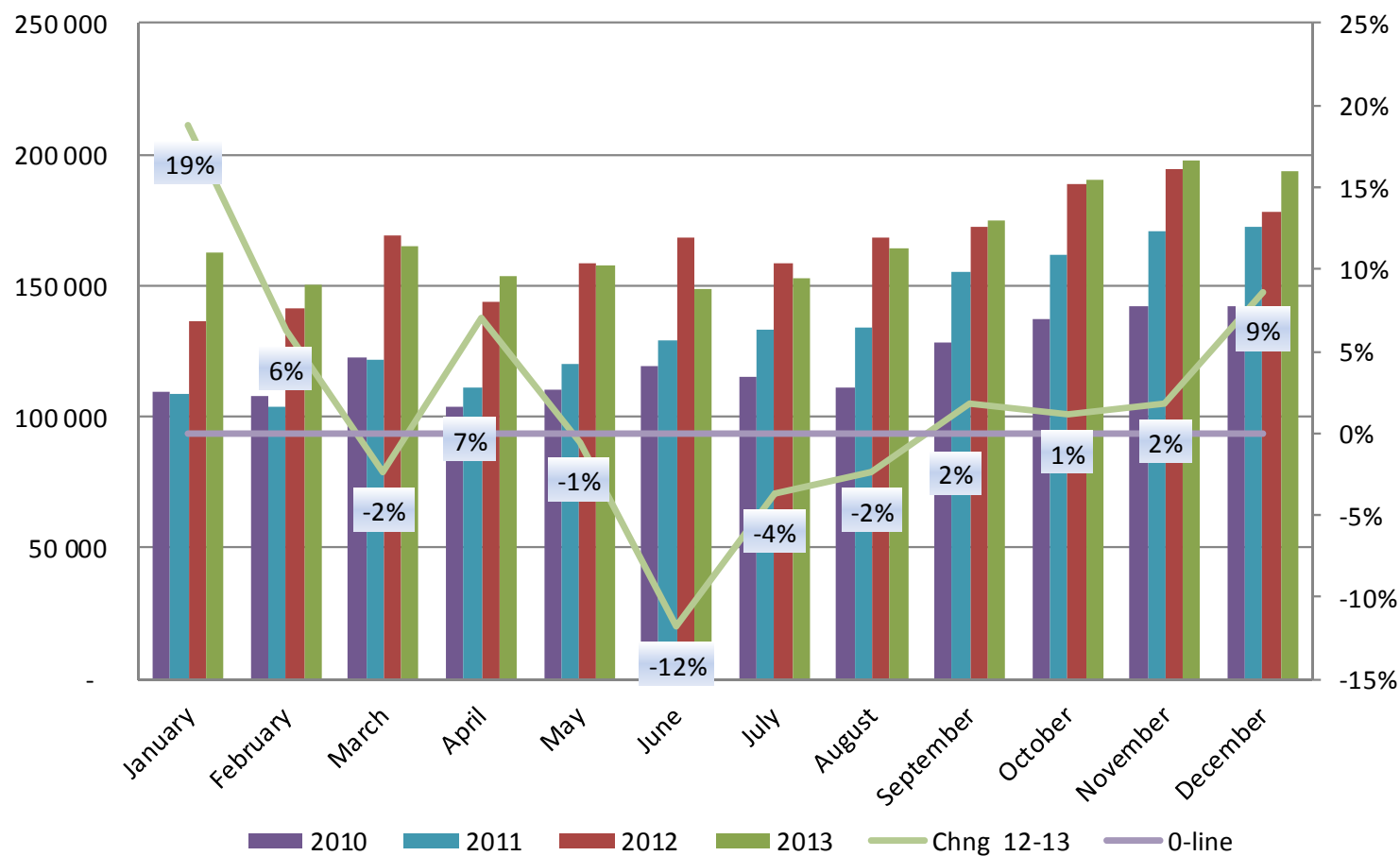
Atlantic salmon – Supply in tons WFE

	2010	Change 09-10	2011	Change 10-11	2012	Change 11-12	2013	Change 12-13	2014	Change 13-14
Norway	944 600	10,4 %	1 005 600	6,5 %	1 183 100	17,7 %	1 138 400	-3,8 %	1 185 500	4,1 %
United Kingdom	141 800	-2,1 %	154 700	9,1 %	156 400	1,1 %	145 300	-7,1 %	149 000	2,5 %
Faroe Islands	41 800	-11,3 %	56 300	34,7 %	70 300	24,9 %	71 800	2,1 %	74 800	4,2 %
Ireland	17 800	20,3 %	16 000	-10,1 %	15 600	-2,5 %	12 000	-23,1 %	14 700	22,5 %
Total Europe	1 146 000	7,8 %	1 232 600	7,6 %	1 426 000	15,7 %	1 369 000	-4,0 %	1 426 000	4,2 %
Chile	129 600	-45,8 %	221 000	70,5 %	364 000	64,7 %	467 800	28,5 %	483 400	3,3 %
Canada	118 000	2,3 %	110 000	-6,8 %	123 500	12,3 %	106 900	-13,4 %	113 000	5,7 %
Australia	33 000	2,5 %	36 000	9,1 %	36 500	1,4 %	37 000	1,4 %	37 500	1,4 %
USA	18 000	9,8 %	18 300	1,7 %	19 600	7,1 %	20 400	4,1 %	19 500	-4,4 %
Others	4 500	60,7 %	5 000	11,1 %	8 500	70,0 %	11 100	30,6 %	12 100	9,0 %
Total America	303 100	-25,3 %	390 300	28,8 %	552 100	41,5 %	643 200	16,5 %	665 500	3,5 %
Total World-wide	1 449 100	-1,3 %	1 622 900	12,0 %	1 978 100	21,9 %	2 012 200	1,7 %	2 091 500	3,9 %

Figures as per 04.08.13
Source: Kontali

Atlantic salmon - Harvest Quantities World Wide in tons WFE

Harvest estimates Atlantic Salmon World Wide

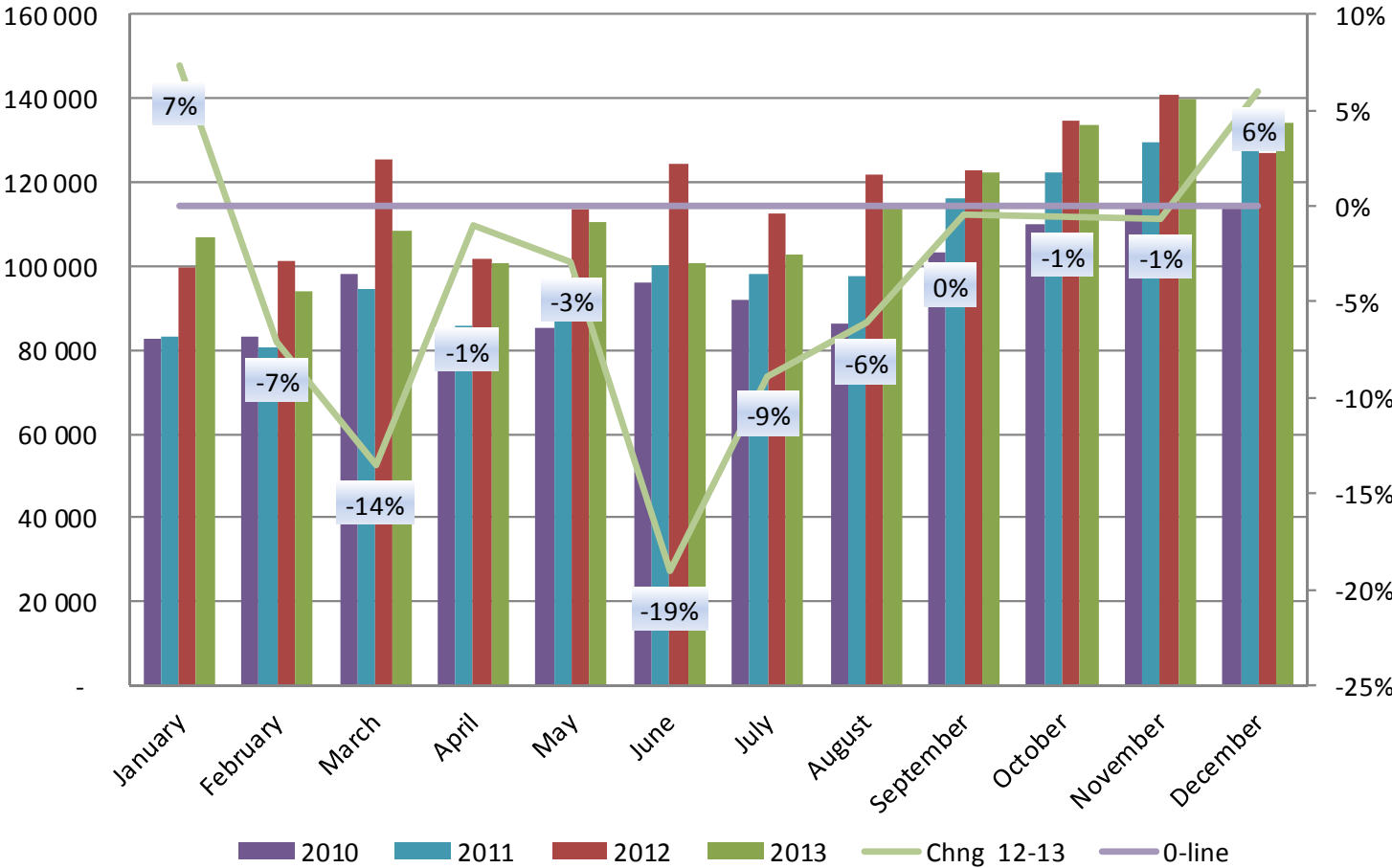


Figures as per 04.08.13
Source: Kontali



Atlantic salmon - Harvest Quantities Europe in tons WFE

Harvest estimates Atlantic Salmon Europe



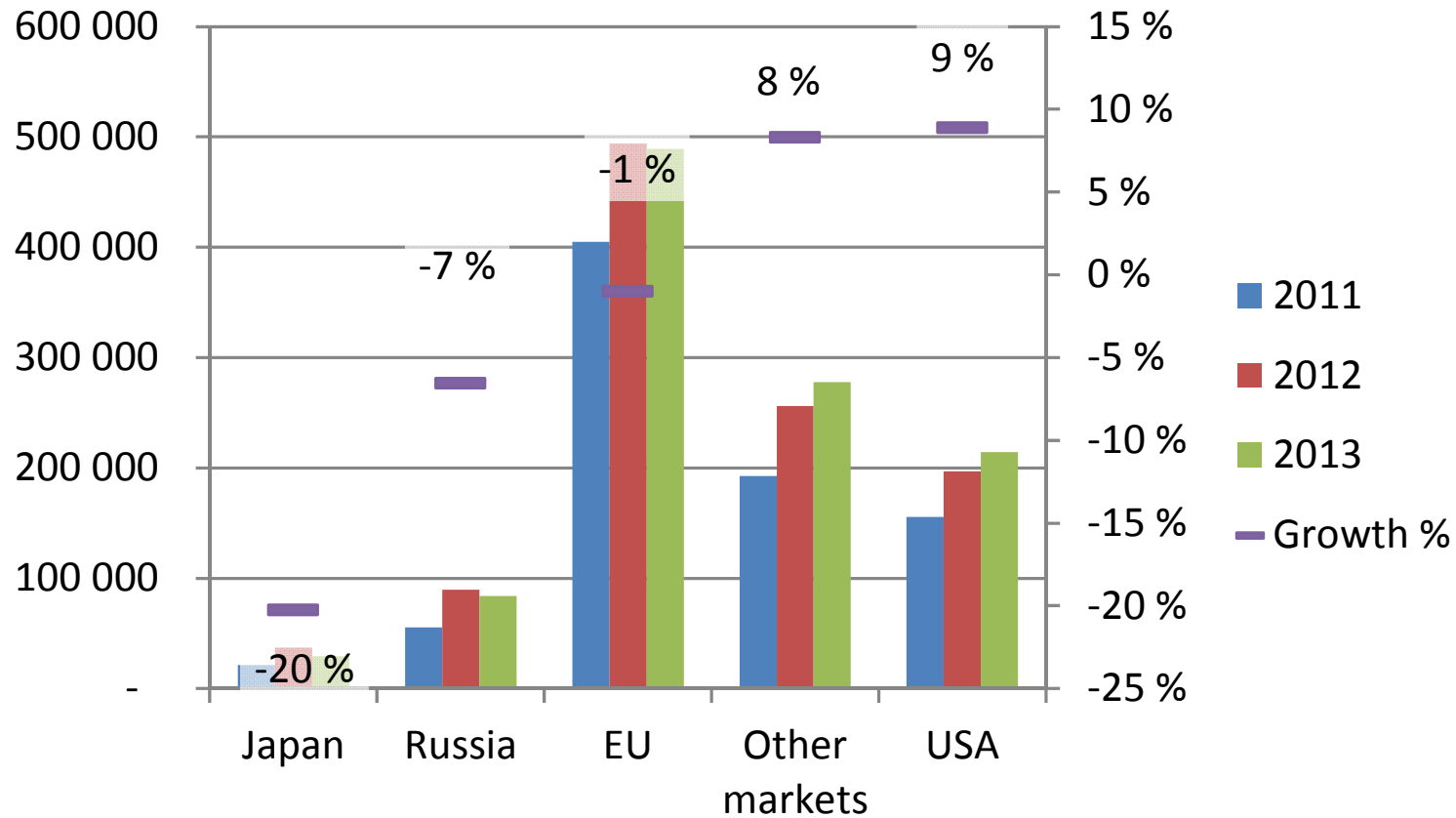
Figures as per 04.08.13
Source: Kontali



Atlantic Salmon Consumption

YTD Q2 2013

NOK/KG (3-6):
 38,71 +44,6% (26,77)
 (NSI -0,75 vs NOS)



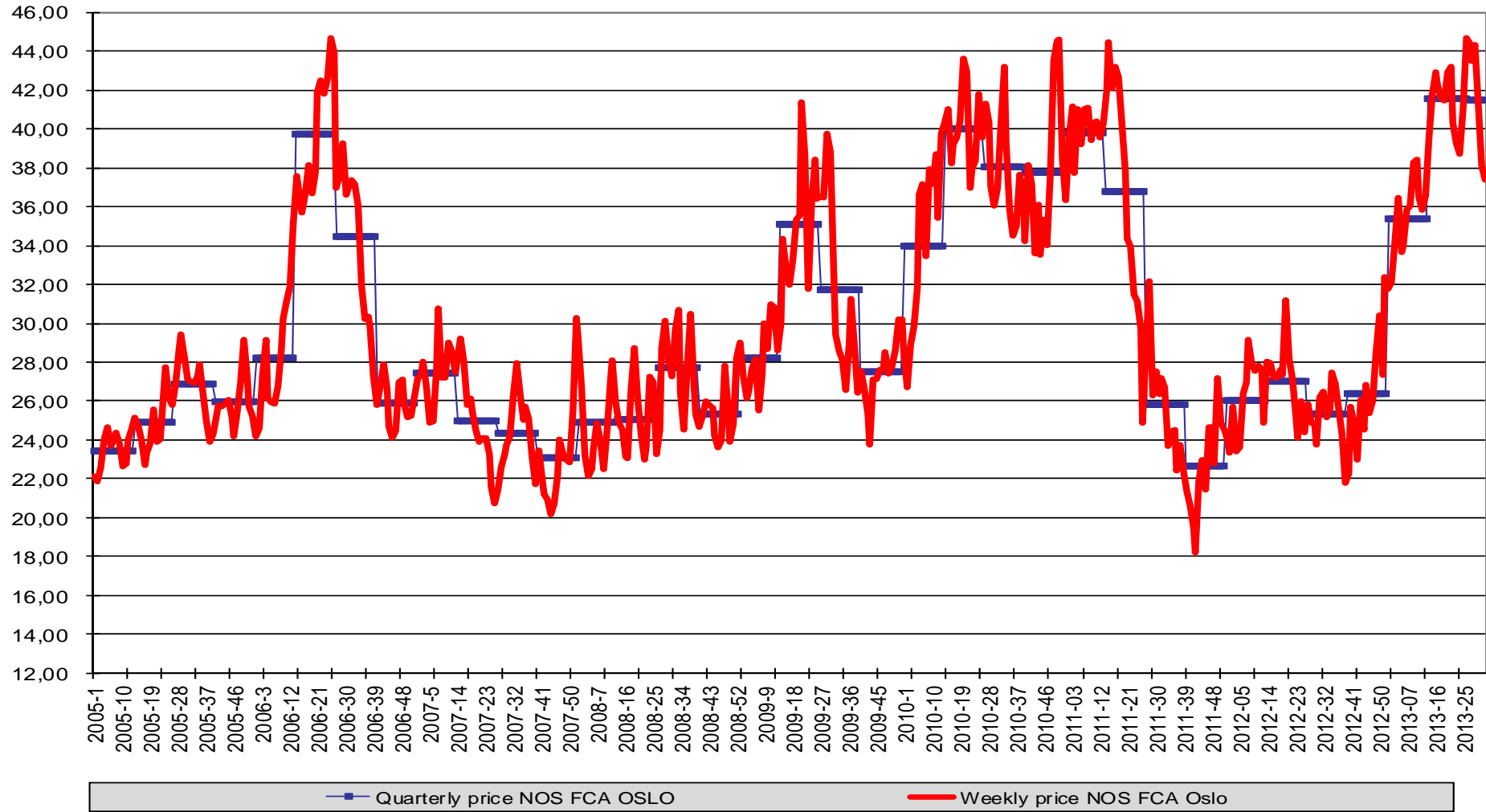
Figures as per 12.08.13
 Source: Kontali/NOS



SPOT prices, fresh Atlantic salmon cross-section, FCA Oslo as of week 32-2013 (Superior quality).

Avrg Q2 13 NOK 41,5 vs avrg Q2 12 NOK 27,0 (+54%)
 Avrg YTD Q2 13 NOK 38,4 vs avrg YTD Q2 12 NOK 26,5 (+45%)

NOS FCA Oslo 23,44 24,89 26,86 25,94 28,24 39,72 34,44 25,92 27,47 25,00 24,34 23,10 24,94 25,02 27,72 25,33 28,22 35,09 31,72 27,52 34,00 40,00 38,02 37,77 39,78 36,77 25,84 22,67 26,03 27,03 25,32 26,41 35,36 41,53 41,46



Figures as per 16.08.13
 Source: NOS/Lerøy





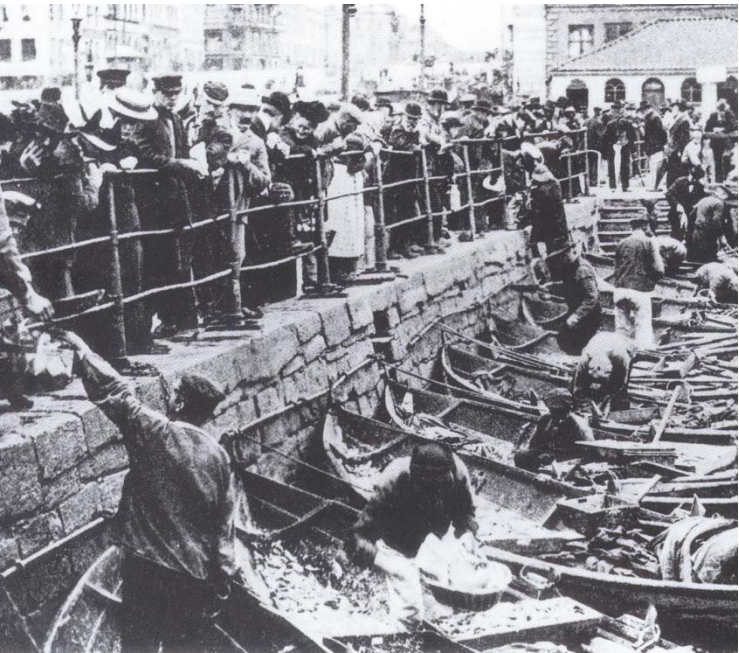
Agenda

- 1 Considerations
- 2 Key financial figures Q2 2013
- 3 Market glance
- 4** Lerøy at a glance



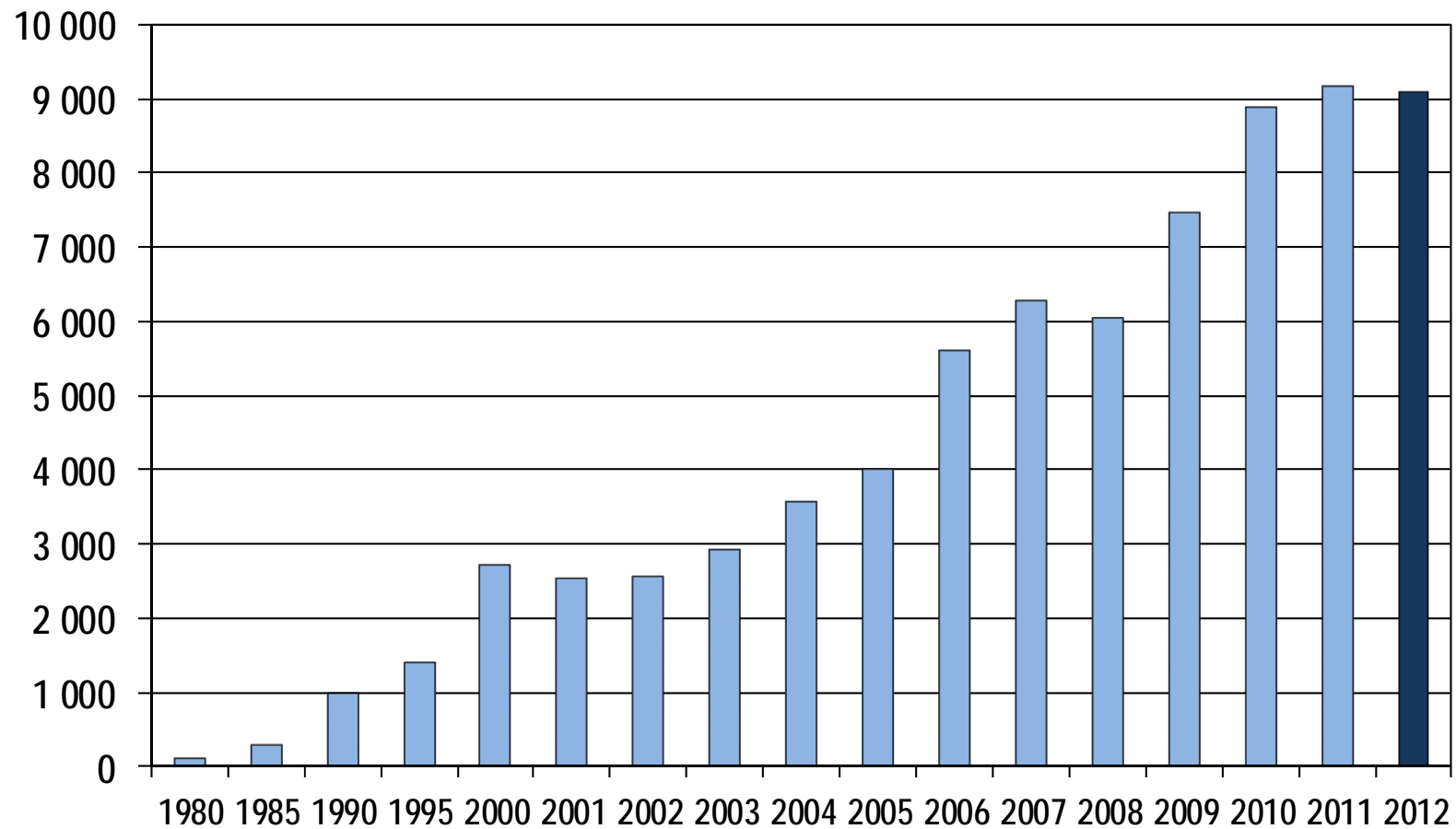
History

- Lerøy Seafood Group can trace its operations back to 1899.
- In 1939 Hallvard Lerøy AS was established
- Since 1999 the Group has acquired substantial interests in various domestic and international enterprises
- In 2002 Lerøy Seafood Group ASA was listed on Oslo stock Exchange
- Major acquisitions into the farming industry
 - Lerøy Midnor 2003
 - Lerøy Aurora 2005
 - Lerøy Hydrotech 2006
 - Fossen 2006
 - Lerøy Vest 2007
 - Sjøtroll Havbruk 2010



Turnover LSG

NOK million

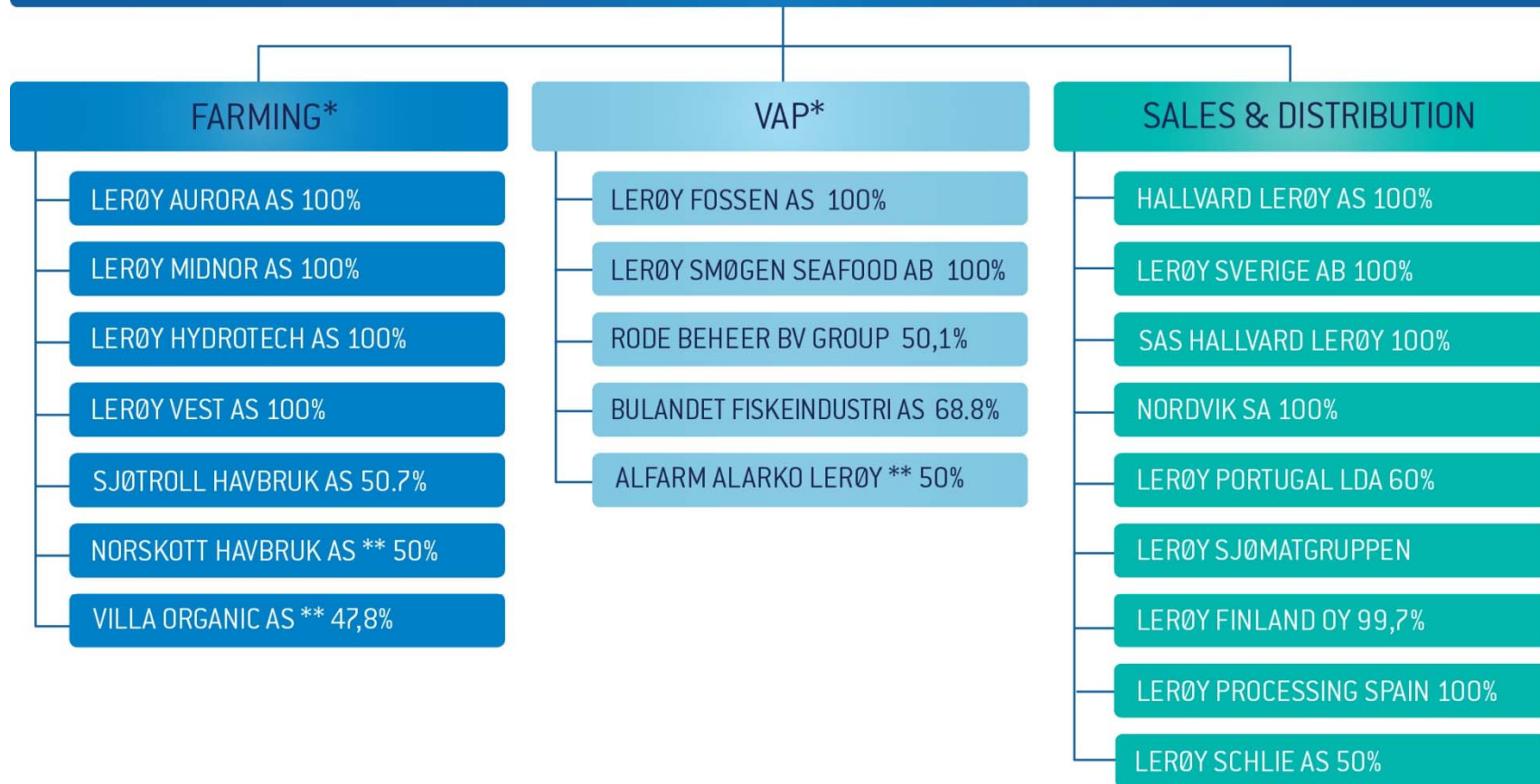


Integrated value chain



- #2 global in salmonids farming volumes
- Significant player within whitefish
- 13.2% (13.1%) share of Norwegian seafood export value
- 14.3% (16.6%) of Norwegian salmon export
- 22.7% (24.4%) of Norwegian value added salmon export
- Total of 1,900 employees
 - Sales and distribution 459
 - Production and farming 1,441
 - Associates 415 (not consolidated)

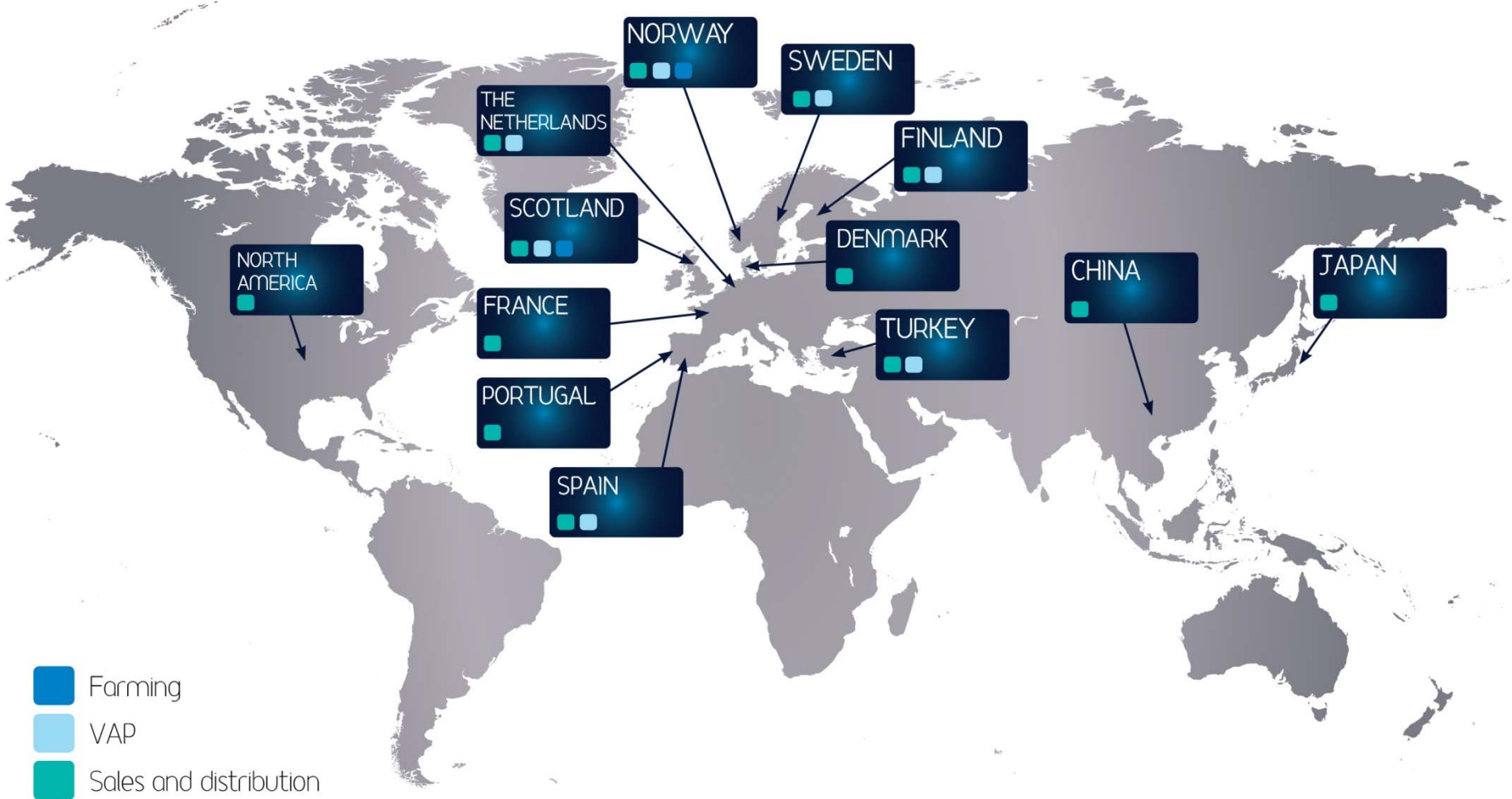
LERØY SEAFOOD GROUP ASA



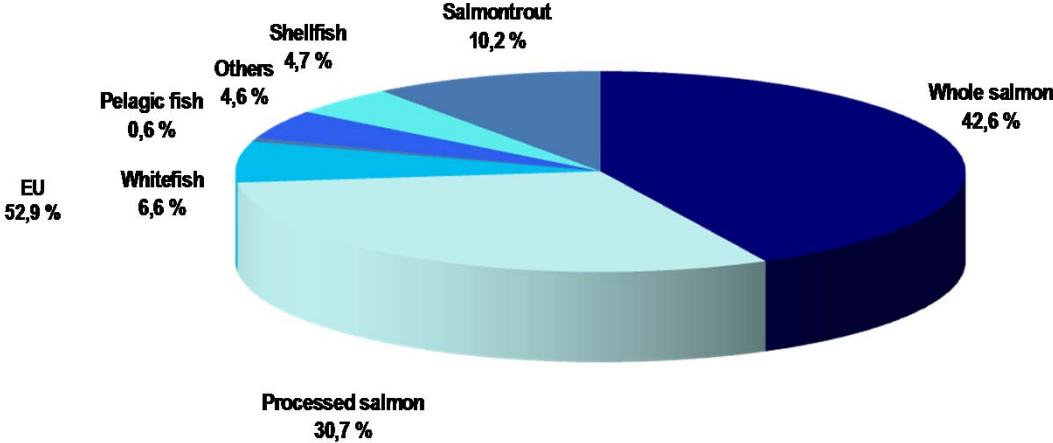
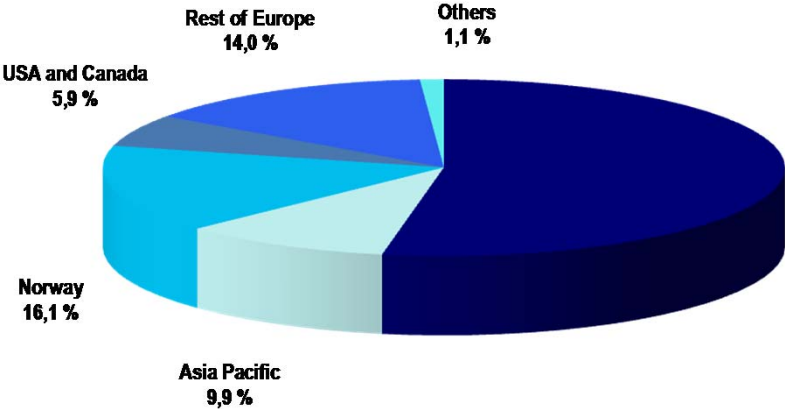
* Production segment

** Associated companies

Global presence



Sales per market and product, Q2 2013

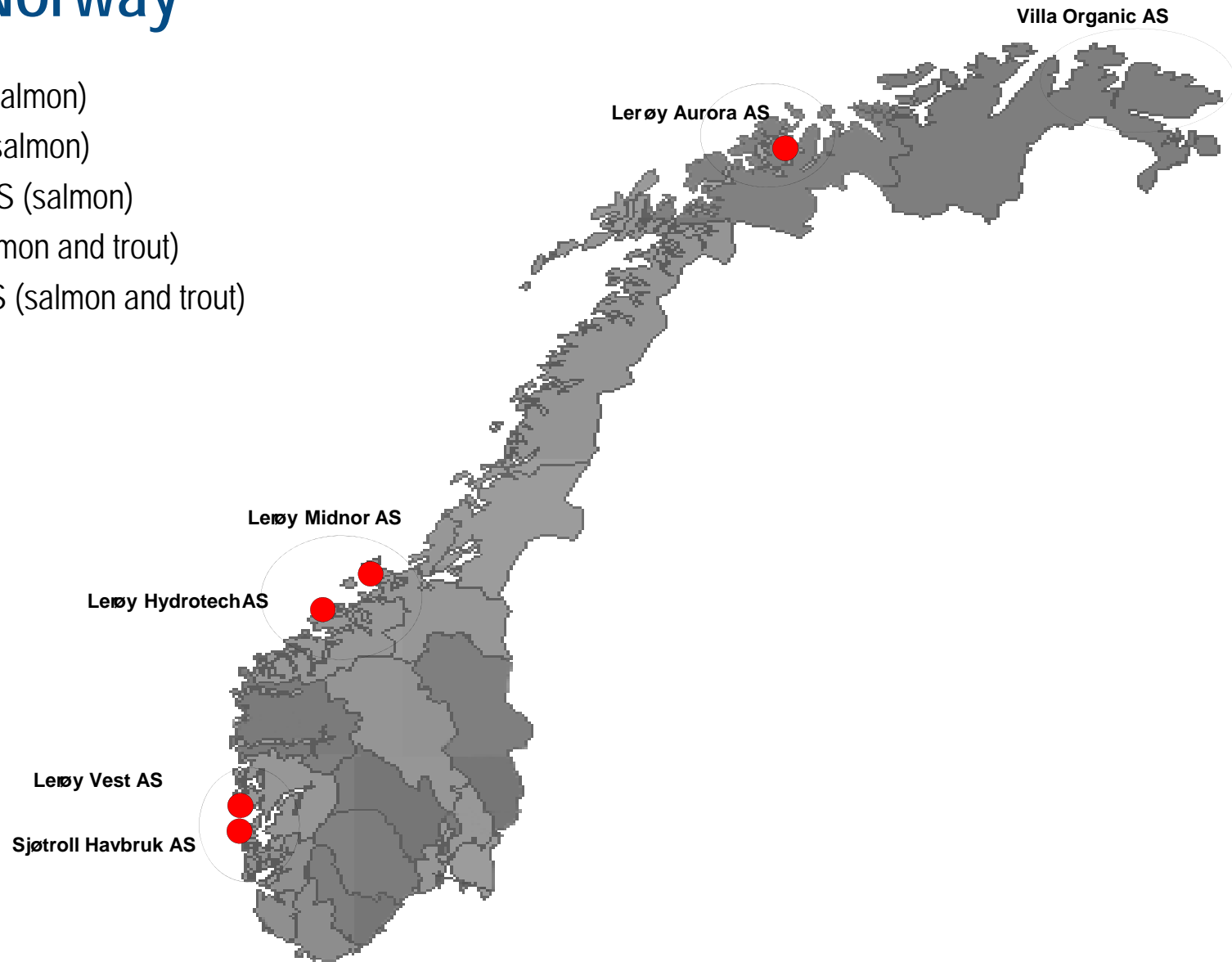


More than 70 countries



Farming Norway

- Lerøy Aurora AS (salmon)
- Lerøy Midnor AS (salmon)
- Lerøy Hydrotech AS (salmon)
- Lerøy Vest AS (salmon and trout)
- Sjøtroll Havbruk AS (salmon and trout)

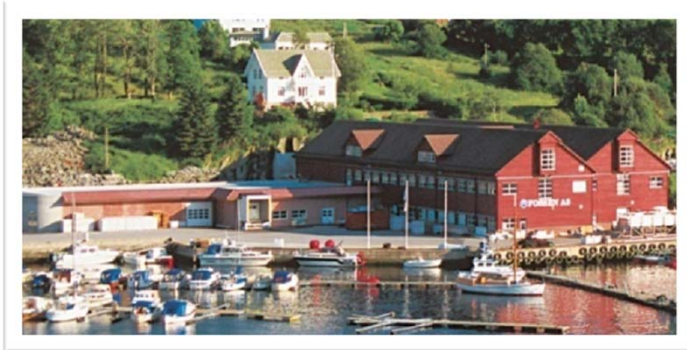


Farming - New smolt facility, Sør Trøndelag



- Recycling facility
- Capacity of 14 mill smolt
- Increased biosecurity
- Higher and stable smolt quality
- Stable supply all year – 6 outputs
- Environmental advantages
 - Low energy use
 - 0 emissions

Investing in value added processing (VAP)



Lerøy Fossen

- Expanding capacity at Lerøy Fossen
- Expanding capacity at Lerøy Smøgen
- Total VAP capacity of 40,000tons raw material



Lerøy Smøgen



Roede Vis

New investments in fish cuts



Lerøy Arras (France)



Sjømathuset (Norway)



Lerøy Schlie (Denmark)

- Significant investment in fish cut operations. Developing the fresh packed category, and getting closer to consumers
- New facilities in Arras (France), Madrid (Spain) and Oslo (Norway)
- Entered agreement with Brdr. Schlie to partner for new fish cut operation in Denmark



Lerøy Spain (Madrid)





Going forward!

- Continue to drive innovation in the industry
 - Within farming operations
 - Within product and category development
 - Within entering new markets
- Continue to utilise our vertical integration
 - Strong competitive edge with products with high traceability
 - Provide flexibility and cost efficient solutions for customers
- Continued focus on growth
 - E.g. acquisition of 48% of Villa Organic AS April 2013
- Strong environmental focus
 - Our operations are eternal
 - We must ensure our products are as “clean” as today also in eternity
- Strong operational focus
 - Strong continued cost focus despite improvement in prices
 - Local «ownership» of assets
 - We strive everyday to perform better today than we did yesterday

The logo for Lerøy, featuring the word "LERØY" in white, bold, sans-serif capital letters. The letters are set against a dark blue rectangular background. A white swoosh underline is positioned beneath the letters, starting under the 'L' and ending under the 'Y'.

LERØY

A photograph of three young children with blonde hair. One child is kissing another on the cheek, and a third child is smiling and looking towards the camera. They are all wearing light blue t-shirts. The background is a soft, out-of-focus blue.

Thank you!

www.leroy.no