

Alfesca

Q2 06-07

October- December 2006



AGENDA

- ▲- ALFESCA AT A GLANCE XG
- ▲- RAW MAT BAROMETER XG
- ▲- OVERVIEW BY COMPANY XG
- ▲- ADRIMEX FOCUS AH
- ▲- FINANCIAL DETAILS PP
- ▲- OUTLOOK XG



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- Good trend and good balance for the development of the Q2 activity per company.



	LYONS SEAFOODS	JANE	SKANDIA	CHRISTIANSEN PARTNER AS	Blini	Delpierre	LABEYRIE
Q2	+ 12%	-8%	+3%	-30%	+10%	+8%	+8%
H1	+ 14%	+1%	+7%	-35%	+9%	+6%	+9%

Net revenues

- Good contribution of each pillar in the quarterly development

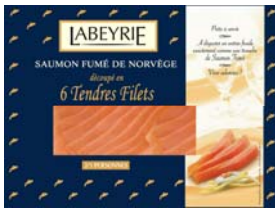


**SMOKED SALMON
SMOKED FISH**

**FOIE GRAS
REGIONAL PRODUCTS**

**BLINIS
SPREADABLES**

PRAWNS



Q2 + 9.7%
H1 + 11.5%

+ 6,5%
+ 7,6%

+ 10,1%
+ 7.8%

+ 13.3%
+ 15.4%

Net revenues

ALFESCA AT A GLANCE

ADRIMEX ACQUISITION :

- Strengthening of the prawns pillar
- Europeanization of the prawns pillar
- Rebalance of the turnover



- EBITDA STRONGLY IMPROVING VS LAST YEAR

	Q2 06-07	Q2 05-06	△
Net revenues	235 M€	221,5 M€	+6,1%
EBIT	30,4 M€	24,9 M€	+22,1%
EBITDA	34,7 M€	28,7 M€	+ 21,0%
EBITDA without extraordinary	33,1 M€	28,7 M€	+15,3%

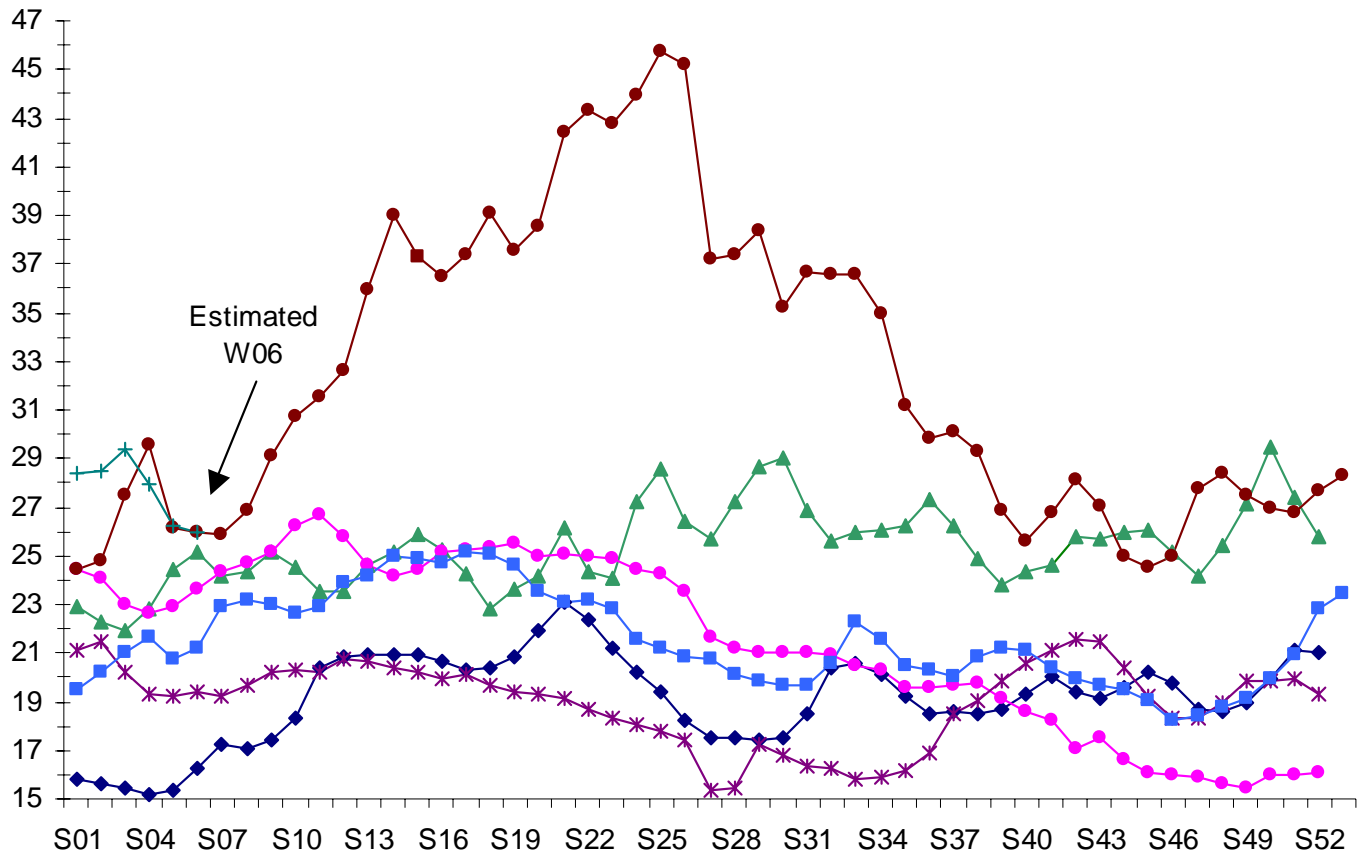
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NOK

FHL Price 2000 to 2006 (Size 3/4 Kg in NOK/ kg)



◆ FNL 02
 ▲ FNL 05
 ● FNL 01
 ✱ FNL 03
 ■ FNL 04
 ● FNL 06
 + FNL 07

Norwegian salmon (as of 31/12/06 Source Kontali Jan 07)

ESTIMATED STOCK PER 31/12/06					ESTIMATED STOCK PER 31/12/06					Individuals	Biomass
GENERATION	SMOLTS	N pieces x 1000	Average weight (kg)	Volime WFE	GENERATION	SMOLTS	N pieces x 1000	Average weight (kg)	Volime WFE		
05	S1	23 200	5	115 600	04	S1	21 400	4,8	102 700	8%	13%
	S0	42 900	3,5	150 100		S0	35 300	3,4	121 700	22%	23%
TOTAL GO5		66 100		265 700	TOTAL GO4		56 700		224 400		
06	S1	93 000	1,5	135 900	05	S1	97 200	1,4	135 100	-4%	1%
	S0	69 000	0,3	19 500		S0	52 200	0,3	16 300	32%	20%
TOTAL G06		162 000		155 400	TOTAL O5		149 400		151 400	8%	3%
TOTAL G05+G06		228 100		421 100	TOTAL		206 100		375 800	11%	12%

WFE Whole Fish Equivalent

	Date of sea water entry	Estimated period of harvest
Generation 04	S1 released at sea april may 04 S0 released at sea autumn 04	July August 05-March 06 April May 06 to July August 06
Generation 05	S1 released at sea april may 05 S0 released at sea autumn 05	Sept-Oct 06 to March 07 March- April 07 to July August 07
Generation 06	S1 released at sea april may 06 S0 released at sea autumn 06	Sept Oct 07 to March 08 April 08 to July-August 08

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FARNE

VENSY

DELPIERRE

BLINI

LABEYRIE

ADRIMEX





Positive : Good trends for the market
Successful industrial move :

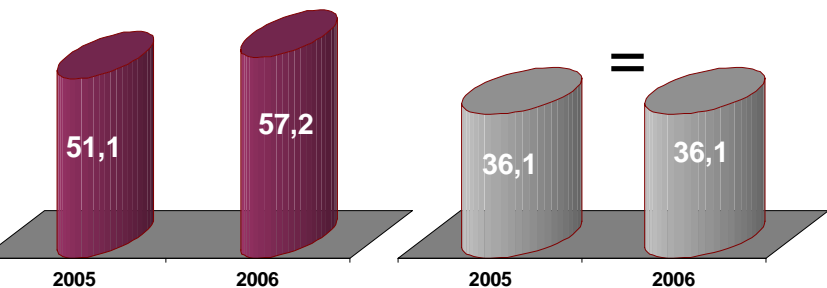
Project « Under one roof »



Market trends (M€)

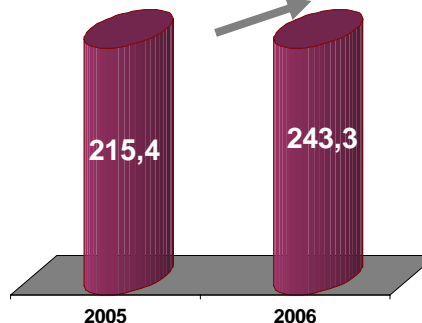
Q2

+12 %

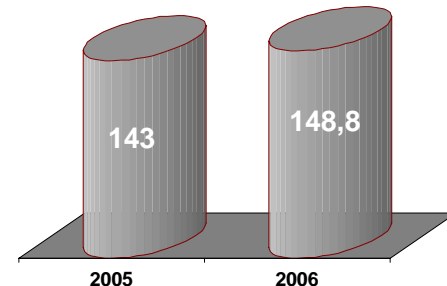


Full year

+13 %



+4 %



Chilled

Frozen

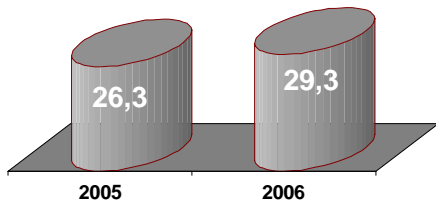
Chilled

Frozen

LYONS SALES (all products M€)

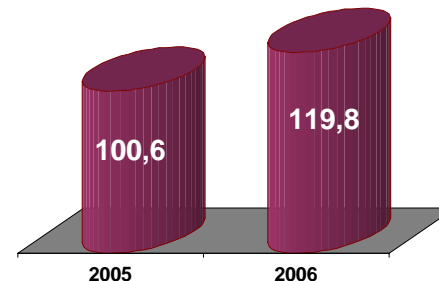
Q2

+12 %



Full year

+19 %



- **Focusing a new products development :**

New concept « on go »

New concept marinated prawns.



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Positive : Good partnership with TESCO
Good industrial results

Negative : Market trend on Christmas



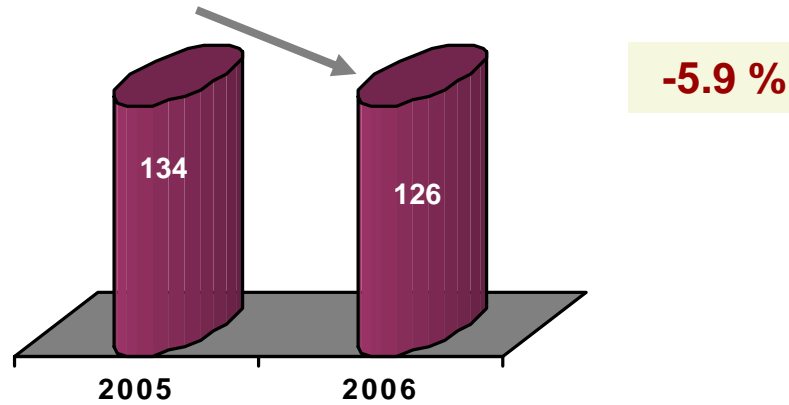


COMMERCIAL INDICATORS



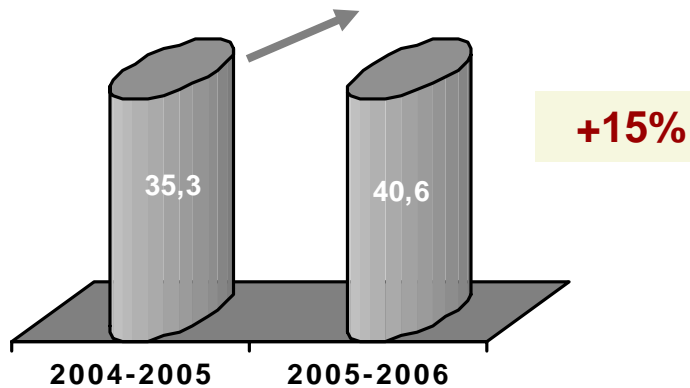
SALMON MARKET TRENDS (Source TNS total UK market).

Value (M€)

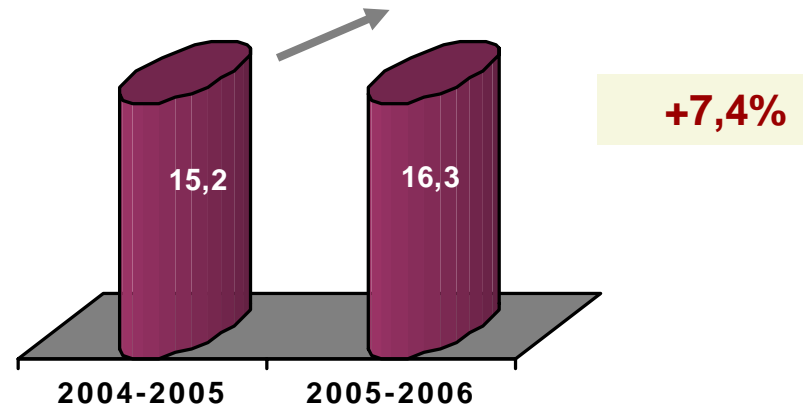


FARNE SALES Full year 06

Value (M€)



TESCO



OTHERS CLIENTS



- **New business with TESCO : Chilean frozen salmon cuts**
- **New innovative added cooked value products**
- **Dynamisation of the UK market with more promotions.**



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BLINI

LABEYRIE

ADRIMEX

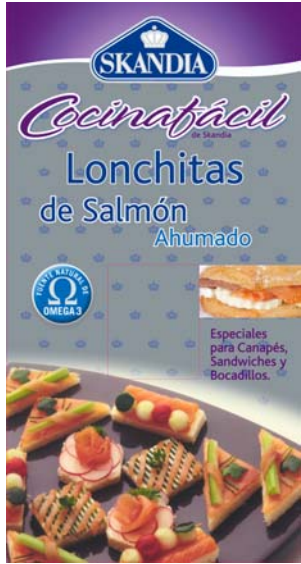


Positive :

Much better balanced client sales vs previous year

Successful new specialities products launched on the Christmas period.

Satisfactory industrial results



Negative:

Agressive development of PLB and negative impact on the branded products.

Difficulties for increasing prices on the PLB

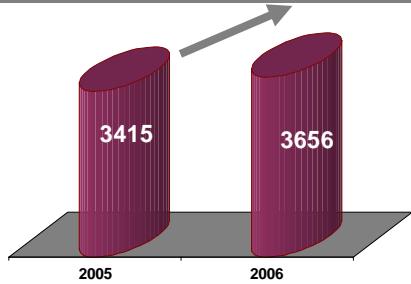




COMMERCIAL INDICATORS

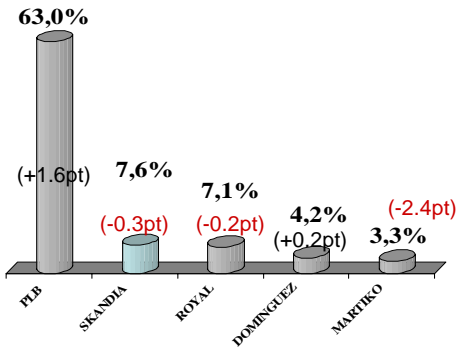


MARKET TRENDS VOL (NIELSEN + INTERNAL) FULL YEAR

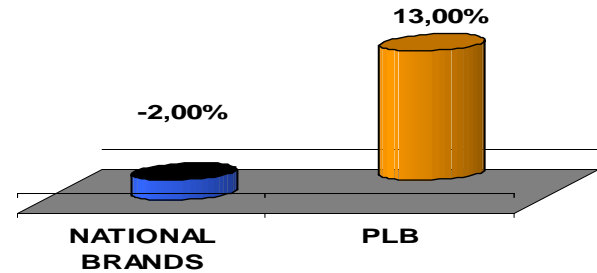


+7%

MARKET SHARE NIELSEN VOL: leader challenged by PLB low price position.



BRANDS GROWTH IN THE MARKET



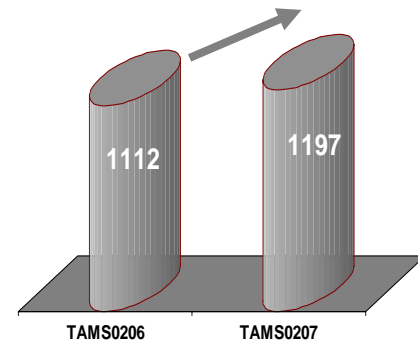
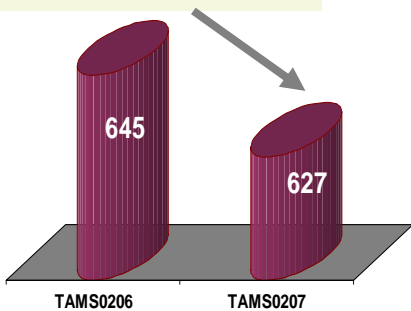
SALMON VOLUMES GROWTH FULL YEAR

SKANDIA + 2nd brand

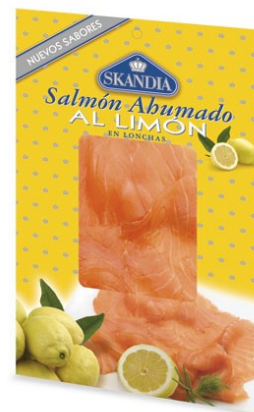
-3%

PLB

+8 %



- Focusing on innovation on the core business (smoked salmon)
- Promotional activity to dynamise the market
- Gain of new clients expected for mid 2007
- Industrial optimization plan on track



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Positive : Improvement of Delpierre profitability
Gains of new clients for the salmon
Good industrial results
Successful launch of new products on the wet fish counter

Negative : High competition on the smoked salmon market.



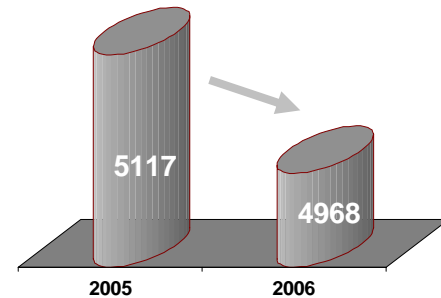
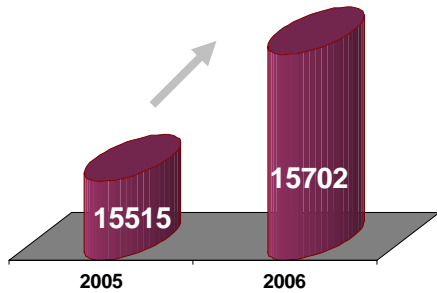
MARKET (IRI VOL)

Smoked Salmon

+ 1,2%

Herrings

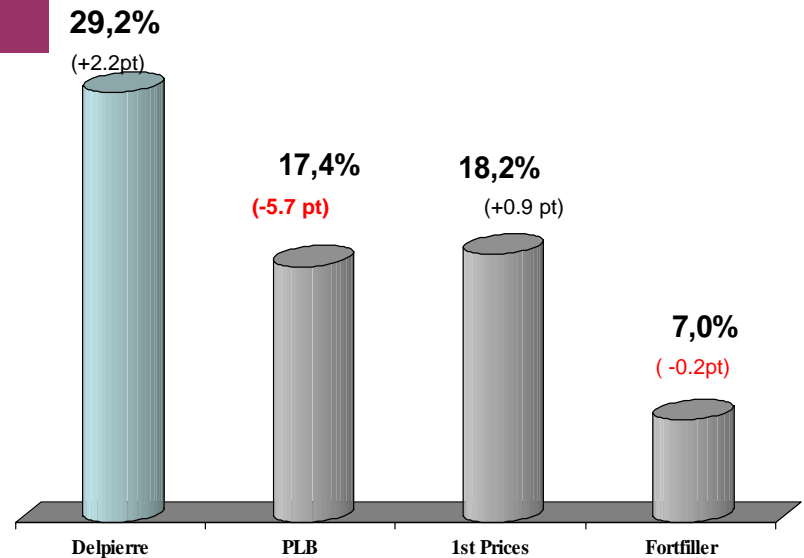
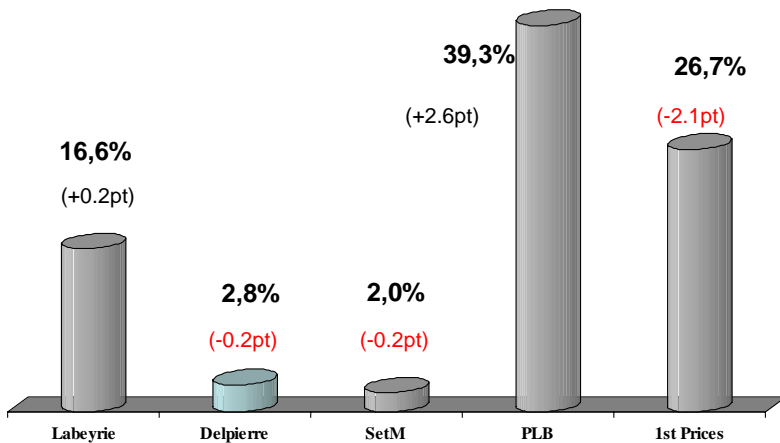
- 2,9%



DELPIERRE MARKET SHARE (IRI VOL)

Smoked Salmon

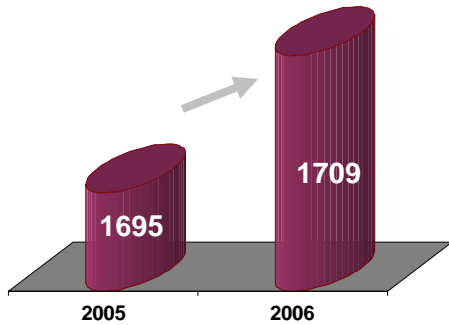
Herrings



VOLUMES Q2 Act vs LY in MT

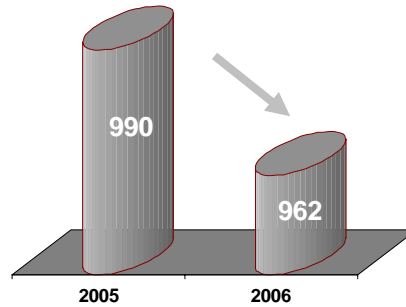
Smoked Salmon

+ 0.8 %



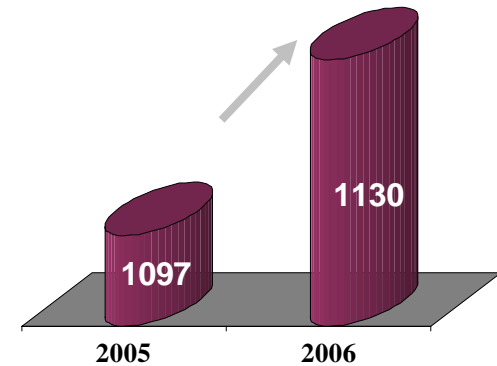
Herrings

- 2.8%



Salted Cod

+ 3%



SALMON

- Key objective is to gain some additional Private Label Brand and to stretch our presence on a new sales space, the self service wet fish counter.

HERRINGS

- Innovation is on track to modernize the image of herrings and enlarge its consumption

SALTED FISH/MARINATED FISH

- A new innovation strategy will be implemented to become a key player on the self service wet fish counter with a range of marinated fish ready to eat or to cook.



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BLINI

LABEYRIE

ADRIMEX



Positive

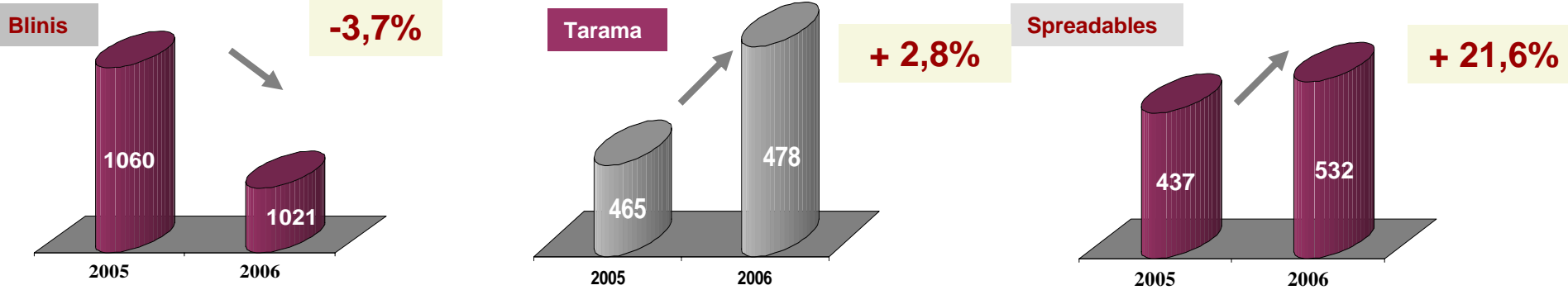
- Market trends well oriented on the tarama and spreadables markets
- Market shares strengthening on the blinis and tarama

Negative

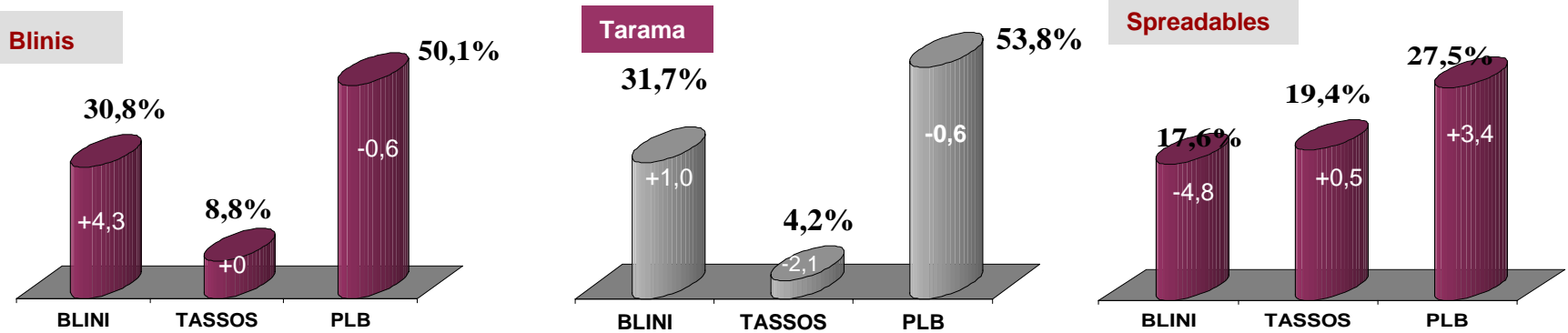
- Blinis market trend
- Poor BLINI performance on the spreadables



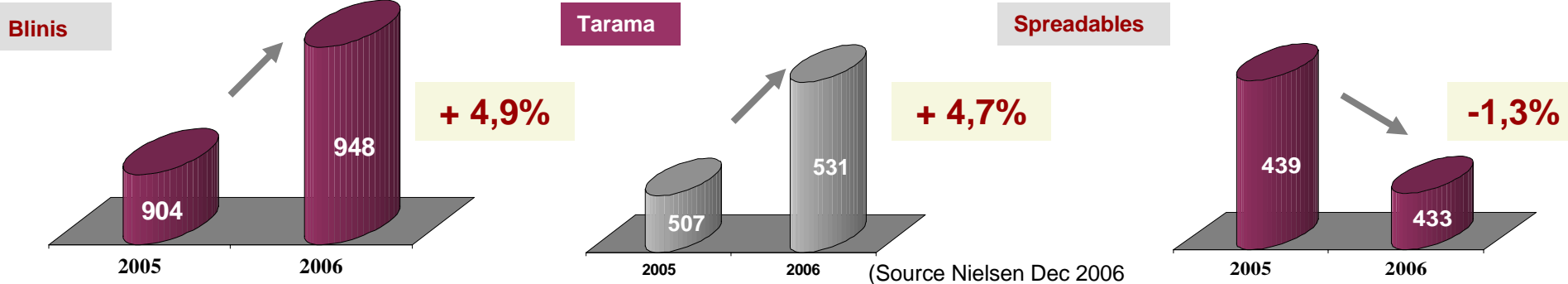
MARKET TRENDS Nielsen : Contrasted trends, overall dynamic markets



VOLUME MARKET SHARE Nielsen : significant gains/losses on blinis and spreadables



VOLUME Q2 Act vs LY (without Fram Foods) Nielsen : strong gains except in spreadables



- Focusing on innovation to be different from the PLB :

The fromage frais range

The pancake range



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LYONS

FARNE

VENSY

DELPIERRE

BLINI

LABEYRIE

ADRIMEX



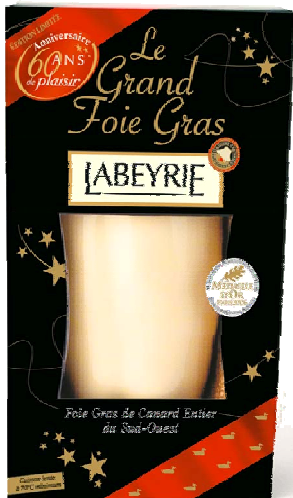
Positive

- Market trends well oriented in 2006
- Market shares strengthening on a full year basis, and on the season
- Very positive results for the new TV advertising campaign
- Good industrial results
- Good results of the 60th anniversary range



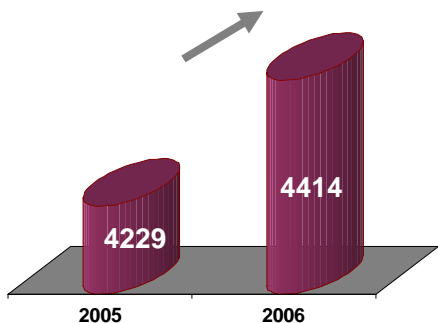
Negative

- Christmas sales below expectation (Christmas conditions, Christmas calendar positioning)



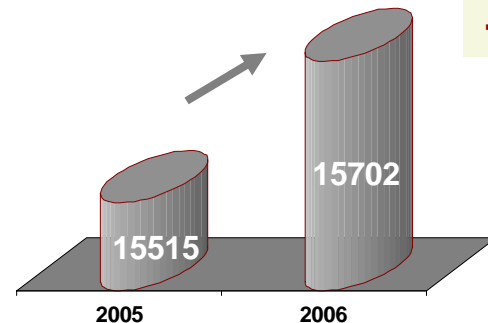
MARKET (IRI Vol) : Steady growth

Foie Gras



+4.4%

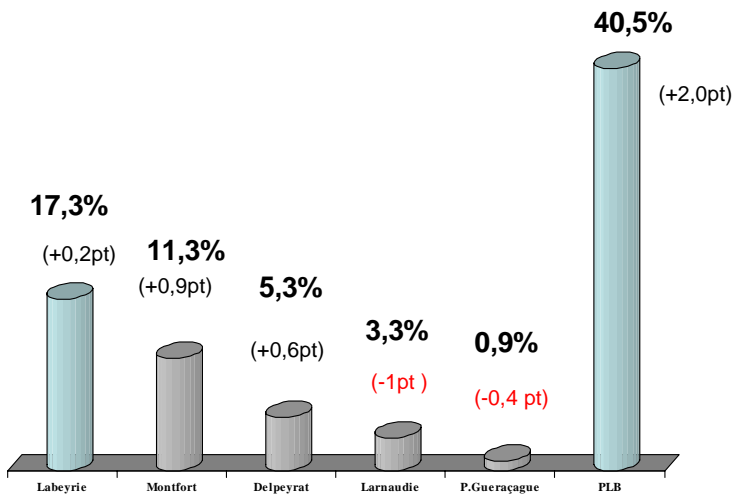
Smoked Salmon



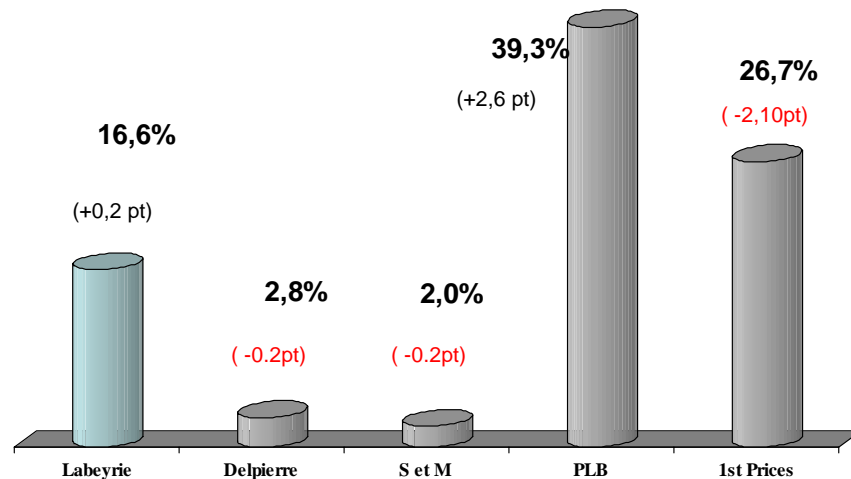
+1.2 %

MARKET SHARE (IRI Vol) : Gains in both pillars

Foie Gras

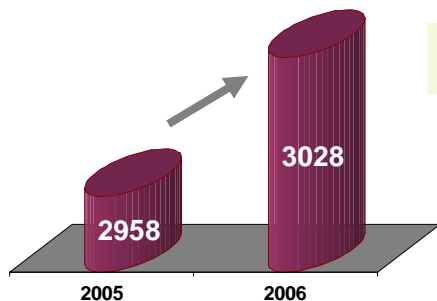


Smoked Salmon



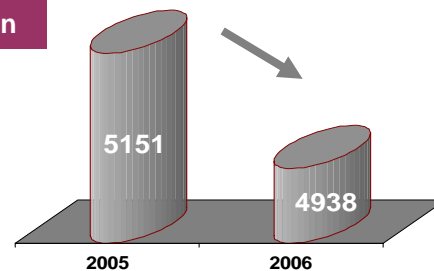
MARKET (IRI VOL) : Salmon decrease

Foie Gras



+2,4%

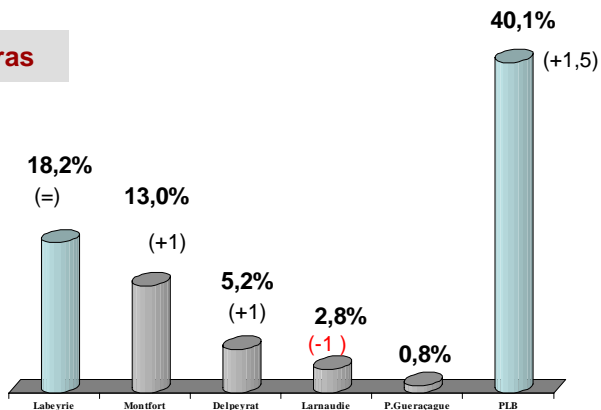
Smoked Salmon



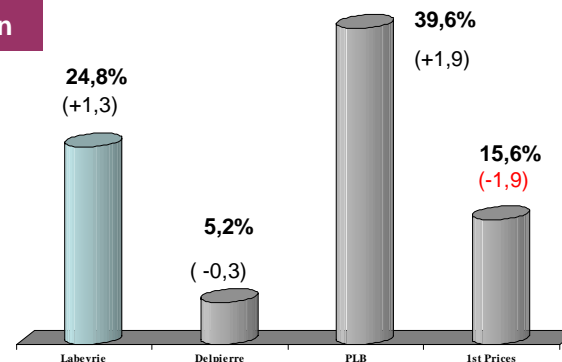
-4,1 %

MARKET SHARE (IRI VOL) : strong positions

Foie Gras

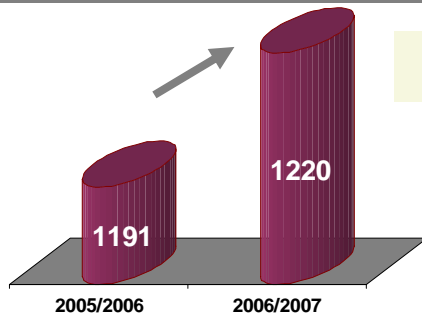


Smoked Salmon



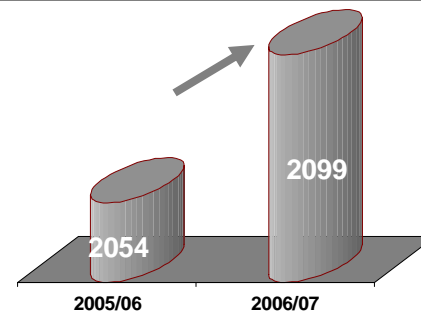
VOLUMES GROWTH Q2 06/07 vs Q2 05/6

Foie Gras



+2,4%

Smoked Salmon



+2,2%

- Brand strengthening as a result of the new TV commercial campaign.

	LABEYRIE	COMPETITOR N°1 MONTFORT
<p>• STRONG AWARENESS : Jan 07 Jan 06</p>	<p>90%</p> <p>82%</p>	<p>20%</p> <p>17%</p>
<p>• EXCELLENT BRAND IMAGE</p> <p>(% of agreement)</p> <p>➤ Items :</p> <ul style="list-style-type: none"> - Premium brand - Desire to buy the brand - Icône of pleasure - Quality brand - Trustable brand 	<p>59%</p> <p>63%</p> <p>62%</p> <p>72%</p> <p>73%</p>	<p>17%</p> <p>31%</p> <p>34%</p> <p>37%</p> <p>34%</p>

SALMON

Key objective is to go on strengthening our market share and brand loyalty on the core products through innovation :

Concept : **LABEYRIE 's « good for me ! »**



CRÉATION BERNARD VALLÉE - FÉVRIER 2007 - PHASE 2 MG7.3

FOIE GRAS

Focusing on innovation on the most profitable segments of the market with new ranges



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LYONS

FARNE

VENSY

DELPierre

BLINI

LABEYRIE

ADRIMEX



ADRIMEX

Value-added shrimps



- Strengthening of a Alfesca's core pillars
- Adrimex leadership position
- Market evolution
- Room for synergies.



- **Turnover : 57 M€**
- **Processed volume : 7 000 T**
- **Global sales volume : 8 000 T**
- **A processing plant in Nantes, Loire Atlantique (44)**
- **120 employees**

4

DEPARTMENTS CONCERNED



- Traditional wet fish counter

- Wet fish counter – 2 or 3 kg bulk

Shelf life 8 days





- **Wet fish counter self-service**

• **Wet fish counter self-service – Economical**

Shelf life 8 days



➤ **200 g**



➤ **500 g**



➤ **1 kg**

- Wet fish counter self-service added value
Shelf life 14 days





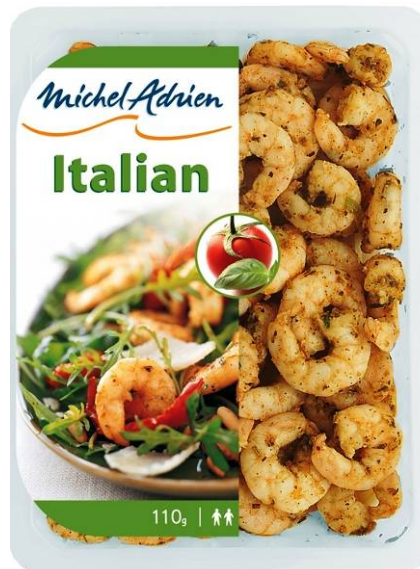
Seafood corner

- Seafood corner – Michel Adrien France
- Shelf life 21 days**



- Seafood corner - Michel Adrien Export

Shelf life 21 days





Frozen department

• Frozen department – Michel Adrien

Shelf life 18 months



- **To strengthen our leadership position in FRANCE by:**
Developing strongly the sales of the added value products by taking advantage of:
 - Fast trend of this market segment
 - Rebranding of the offer with the labels LABEYRIE and DELPIERRE
 - Strong innovation policy
- **To improve rapidly the profitability of ADRIMEX by:**
 - Optimizing of the sourcing with LYONS SEAFOODS
 - Optimizing of the processing in MAP presentation with LYONS SEAFOODS
 - Reduction of the commercial and shipping costs with Delpierre/Labeyrie



Same clients/same corner

- **To strengthen our leadership position**



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Financials



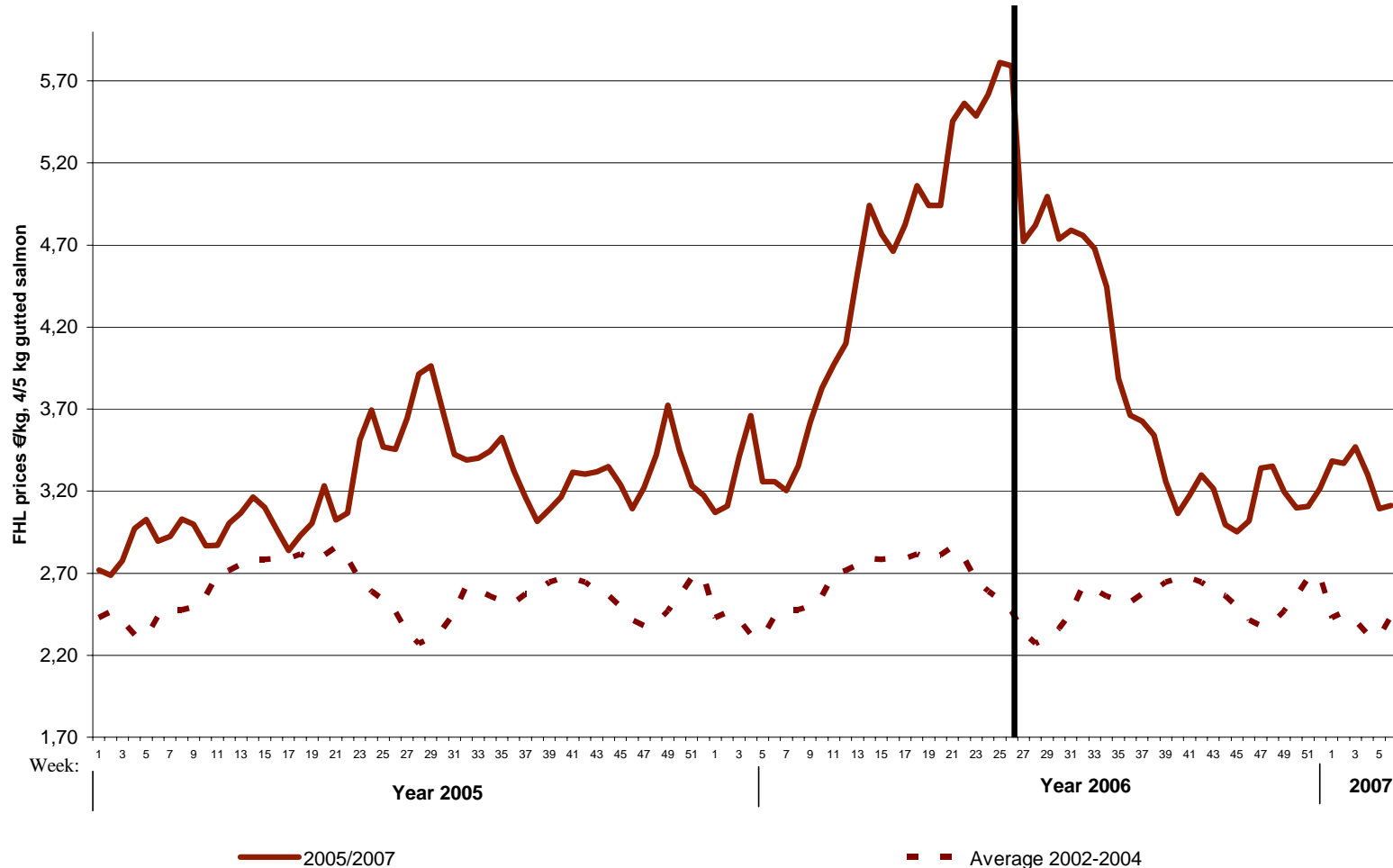
Income statement

- Organic sales growth 6.3% YTD
- Q2 EBITDA €34.7m & €38.3m YTD - Up by 20%
- Q2 Net Income €19.4m and €17.7m YTD – Up by 47%

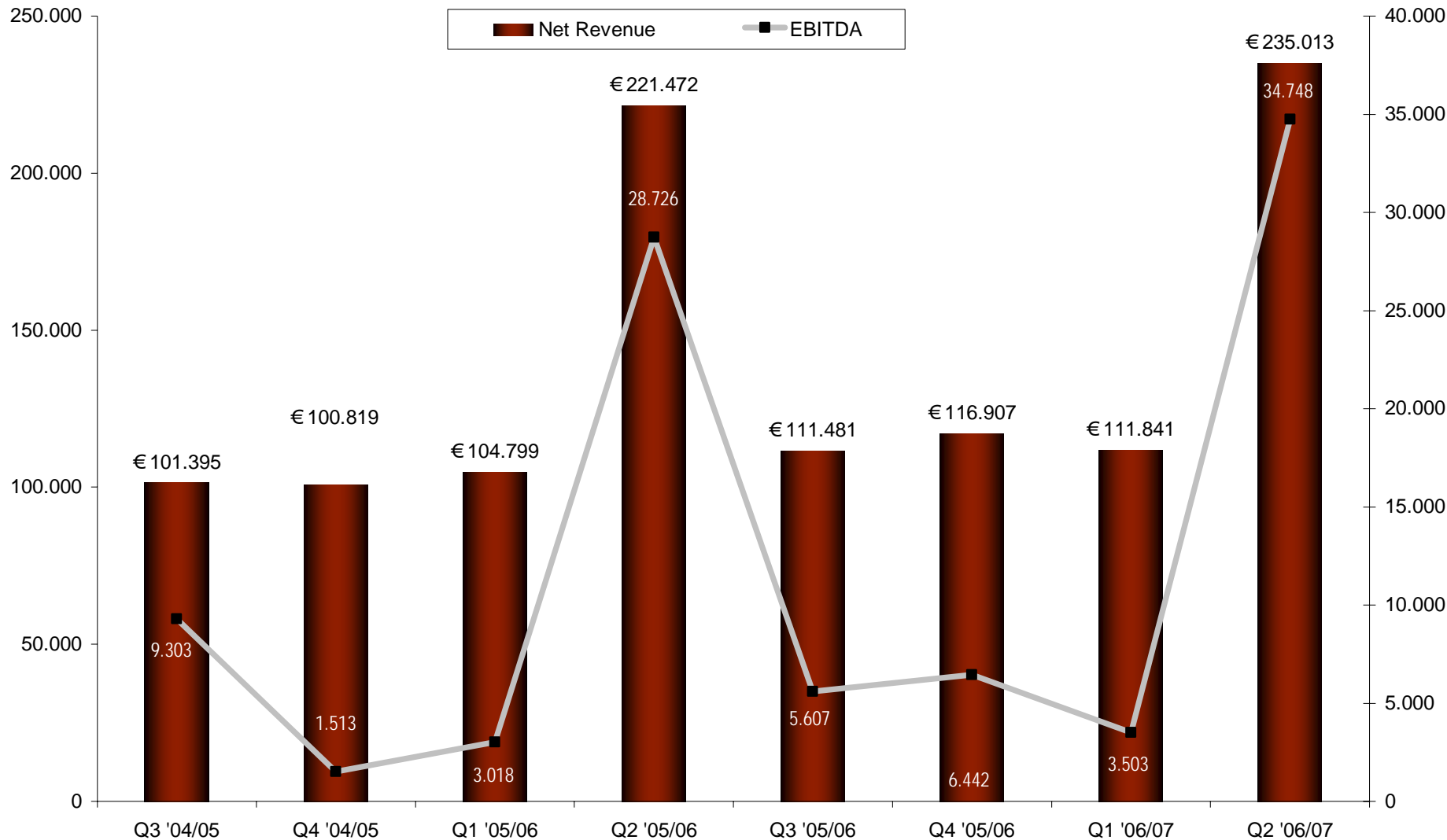
Income Statement Alfesca

	In thousands of Euros						
	Oct.-Dec. '06 Q2 '06/'07	Jul.-Sep. '06 Q1 '06/'07	Apr.-Jun. '06 Q4 '05/'06	Jan.-Mar. '06 Q3 '05/'06	Oct - Dec '05 Q2 '05/'06	Jul - Sep '05 Q1 '05/'06	Apr - Jun '05 Q4 '04/'05
Net sales	235.013	111.841	116.907	111.481	221.472	104.799	100.819
Cost of goods sold	(186.196)	(100.209)	(103.145)	(93.980)	(176.220)	(93.070)	(90.740)
Gross profit	48.817	11.632	13.762	17.501	45.252	11.729	10.079
Other income	(343)	0	643	2	17	34	22
Operating expenses	(18.048)	(12.529)	(13.457)	(15.503)	(20.345)	(13.118)	(12.323)
Operating profit	30.426	(897)	948	2.000	24.924	(1.355)	(2.222)
Net financial expenses	(2.867)	(3.250)	(2.137)	(2.116)	(2.459)	(2.560)	2.248
Earnings from associates	(18)	0	(59)	0	77	36	0
Net income before taxes	27.541	(4.147)	(1.248)	(116)	22.542	(3.879)	26
Income taxes	(8.124)	2.164	4.168	2.384	(6.596)	1.765	(261)
Net income after taxes	19.417	(1.983)	2.920	2.268	15.946	(2.114)	(235)
Minority interest	1	1	0	0	0	0	0
Discontinued operations	0	229	(3.523)	(1.744)	(625)	(1.162)	1.591
Net income	19.418	(1.753)	(603)	524	15.321	(3.276)	1.356
Depreciation	4.322	4.400	5.494	3.607	3.802	4.373	3.735
EBITDA	34.748	3.503	6.442	5.607	28.726	3.018	1.513
	14,8%	3,1%	5,5%	5,0%	13,0%	2,9%	1,5%

Salmon raw material price (4-5 kg FHL)



EBITDA Development



• Assets

- Inventory €77m
 - Down by €32m from end of Sept.
- Receivables €158m
 - Xmas now fully paid

Balance sheet - Assets

	In thousands of Euros		31.12.2006		30.6.2006	
Intangible assets	319.183	46%	318.764	51%		
Operational assets	101.187	15%	107.523	17%		
Long-term investments	16.178	2%	14.879	2%		
Fixed assets	436.548	64%	441.166	71%		
Inventories	76.615	11%	91.905	15%		
Receivables	157.568	23%	50.788	8%		
Bank deposits and cash	15.747	2%	14.479	2%		
Current assets	249.930	36%	157.172	25%		
Non-current assets held for sale	0	0%	25.805	4%		
Total assets	686.478	100%	624.143	100%		

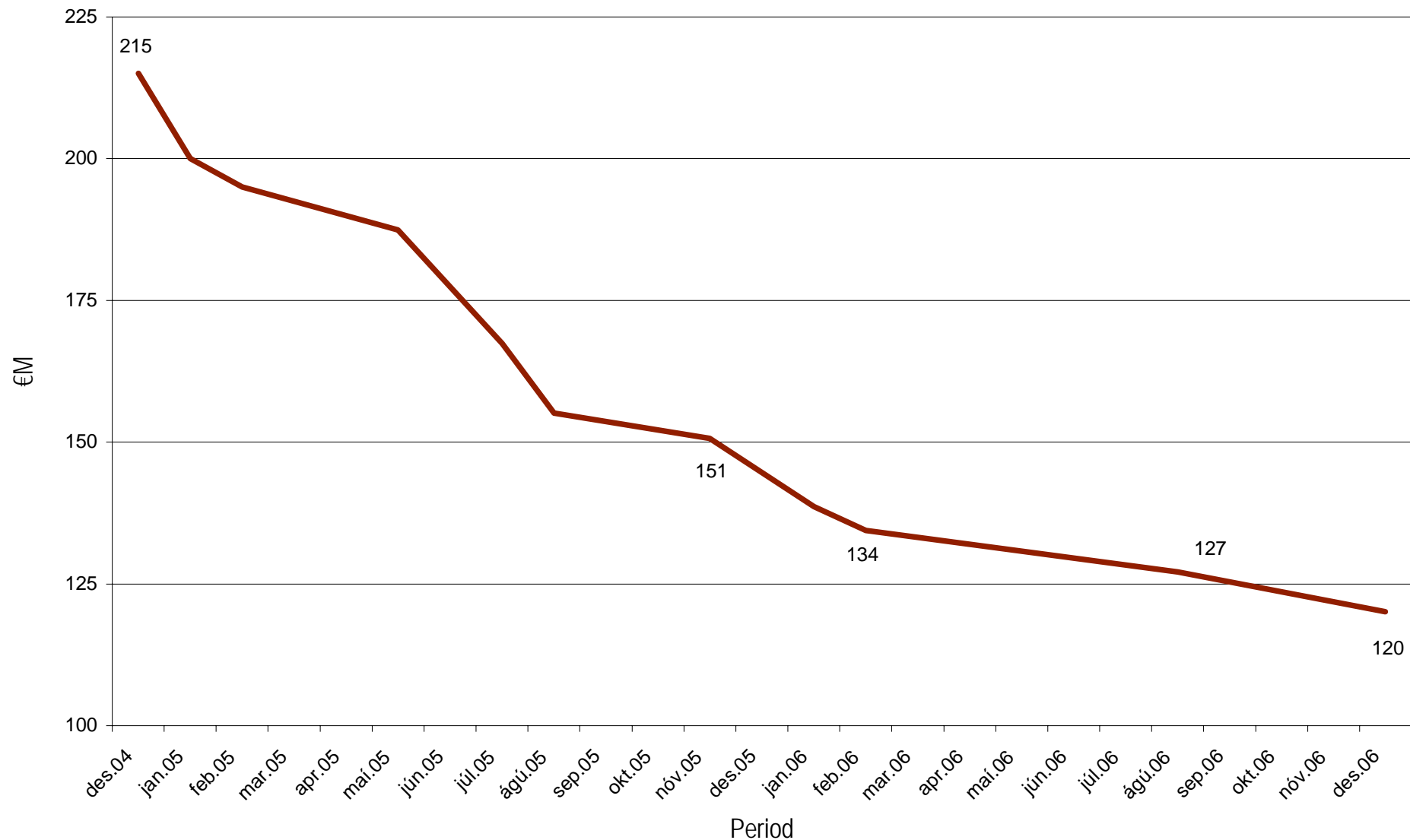
• Equity & Liabilities

- Equity ratio 42%
- Long term liabilities
 - Down by €14m
 - Debt/Equity 72% vs 84% LY
- Net Cash -€56m

Balance sheet - Shareholders equity and Liabilities

	In thousands of Euros		31.12.2006		30.6.2006	
Shareholders equity	287.738	42%	269.168	43%		
Deferred tax liabilities	49.079	7%	49.844	8%		
Obligations	10.146	1%	10.526	2%		
Long-term liabilities	146.220	21%	159.830	26%		
Long-term liabilities and obligations	205.445	30%	220.200	35%		
Bank loans	71.367	10%	23.411	4%		
Other current liabilities	108.663	16%	87.772	14%		
Current maturities of long-term debt	13.265	2%	13.243	2%		
Current liabilities	193.295	28%	124.426	20%		
Liabilities associated with assets classified as held for sale	0	0%	10.349	2%		
Shareholders equity and liabilities	686.478	100%	624.143	100%		

Senior Loans - Development



Cash Flow

Cash Flow	FY 06/07 1/7 - 31/12	FY 05/06 1/7 - 31/12
Net profit for the period	17.663	12.045
Items not affecting cash		
Depreciation	8.722	8.175
Gain/loss on sale of assets	(973)	53
Discontinued operations	(229)	1.787
Other calculated items	(1.545)	4.556
Working capital provided by (used in) operating activities	23.639	26.616
Change in working capital	(64.394)	(71.930)
Cash flow from operating activities	(40.755)	(45.314)
Investing activities	10.281	(221)
Financing activities	31.738	(2.486)
Change in cash for the period	1.264	(48.021)