

Q4 2011 and annual results presentation

Theo Hoen, CEO
Erik Kaman, CFO

2 February 2011



Theo Hoen

CEO



- 1** Introduction
- 2 Financial results
- 3 Outlook



Record revenue and good profitability

- Record revenues in the last quarter
- Operating profit at the upper end of our target range
- Organic growth of 15% in 2011
- Growth attributed to two key factors
 - Continuous development of innovative new products
 - Further strengthening of our sales and service network
- Strong order book gives us confidence heading into 2012



Mumbai skyline. Marel is strengthening its position in the growing Indian market with a new office.

Erik Kaman

CFO



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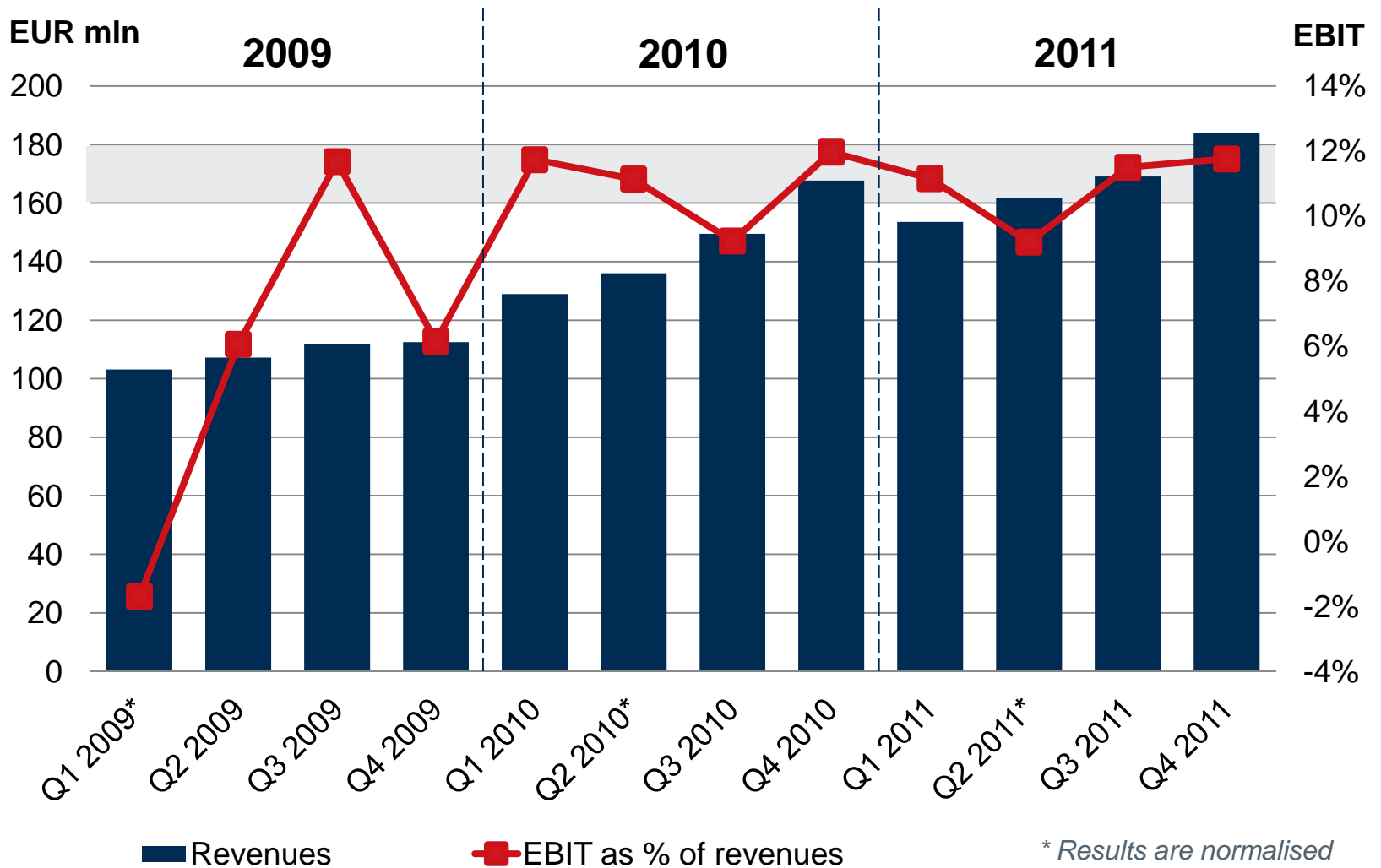


Business results

<i>EUR thousands</i>	Q4 2011	Q4 2010	YTD 2011¹
Revenues	183,903	167,677	668,357
Gross profit	69,798	63,162	247,289
<i>as a % of revenues</i>	38.0	37.7	37.0
Result from operations (EBIT)	21,620	20,063	73,152
<i>as a % of revenues</i>	11.8	12.0	10.9
EBITDA	27,908	26,104	97,992
<i>as a % of revenues</i>	15.2	15.6	14.7
Orders received (including service revenues)	175,922	188,604	702,419
Order book	196,218	162,155	196,218

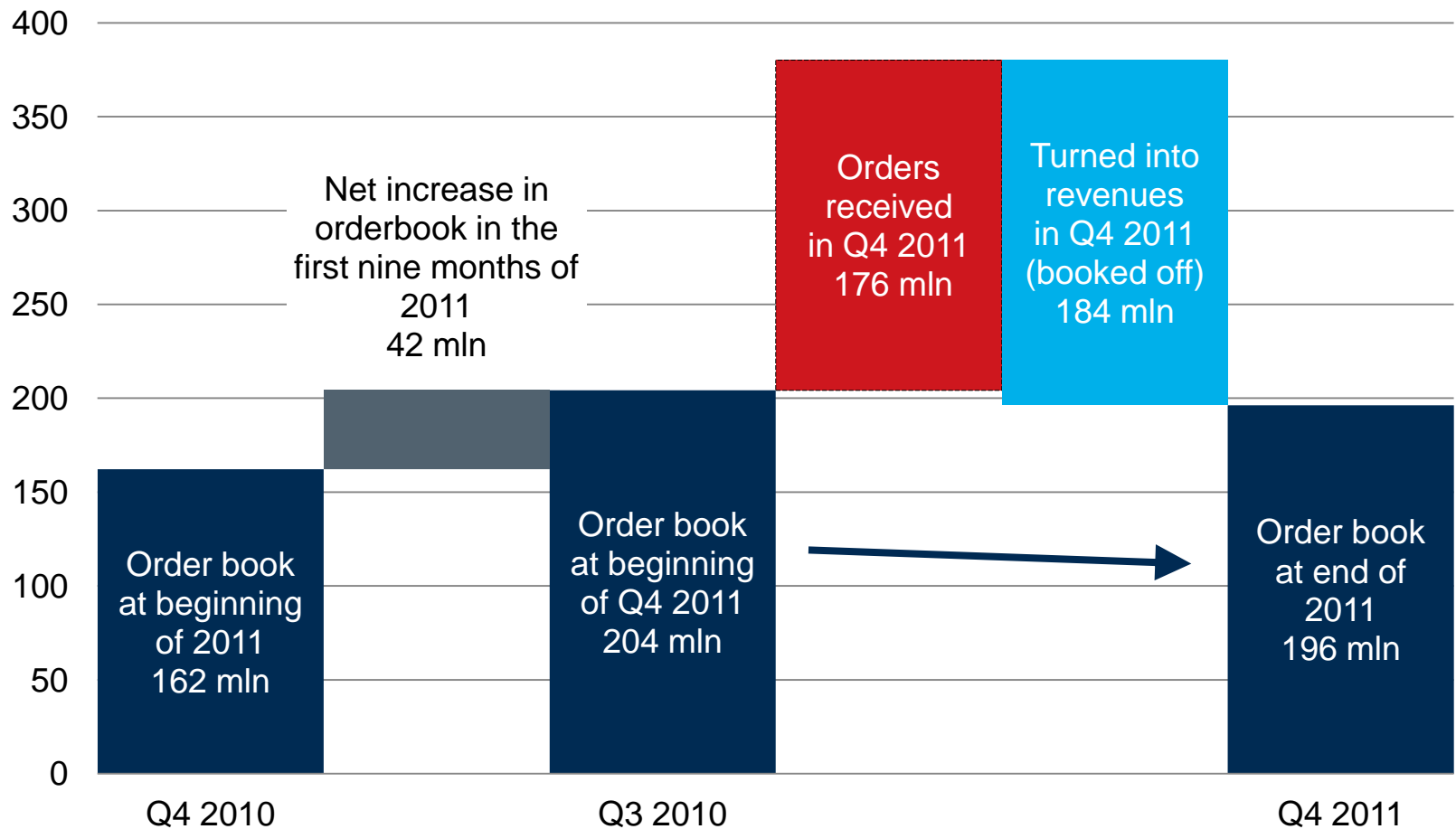
¹ Normalised for EUR 11.0 million in one-off costs for pension related issues.

Development of business results



Strong order book ensures a good continuation into 2012

EUR mln



Condensed consolidated balance sheet

ASSETS

EUR thousands

Non-current assets

	31/12 2011	31/12 2010
Property, plant and equipment	108,088	109,418
Goodwill	380,419	379,879
Other intangible assets	100,073	92,884
Investments in associates	109	109
Receivables	3,115	3,669
Deferred income tax assets	11,567	12,619
	603,371	598,578

Current assets

Inventories	99,364	80,590
Production contracts	38,046	18,354
Trade receivables	77,497	87,780
Assets held for sale	555	598
Other receivables and prepayments	28,051	27,815
Restricted cash	752	12,509
Cash and cash equivalents	30,182	51,399
	274,447	279,045

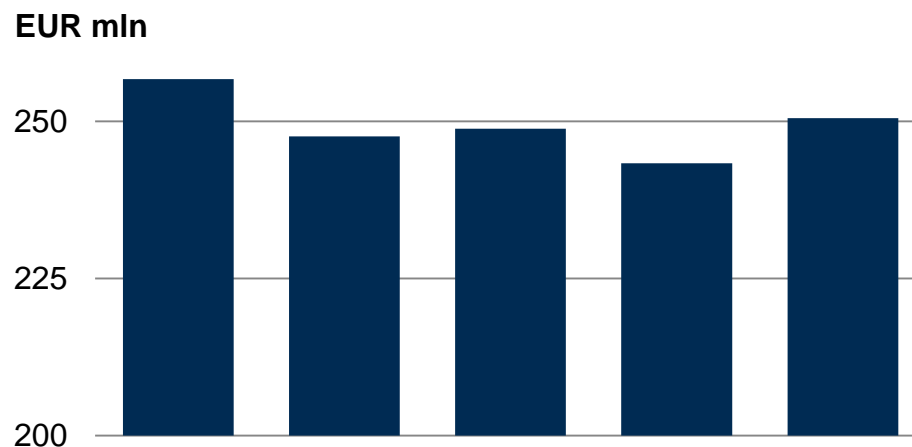
Total assets

877,818	877,623
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Condensed consolidated balance sheet (continued)

EQUITY	31/12 2011	31/12 2010
<i>EUR thousands</i>		
Total equity	373,471	343,269
LIABILITIES		
Non-current liabilities		
Borrowings	254,361	310,751
Deferred income tax liabilities	8,705	4,925
Provisions	6,902	6,719
Derivative financial instruments	12,419	11,028
	<u>282,387</u>	<u>333,423</u>
Current liabilities		
Production contracts.....	64,029	78,306
Trade and other payables	125,570	107,783
Current income tax liabilities	2,293	1,624
Borrowings	27,062	9,898
Provisions	3,006	3,320
	<u>221,960</u>	<u>200,931</u>
Total liabilities	504,347	534,354
Total equity and liabilities	<u>877,818</u>	<u>877,623</u>

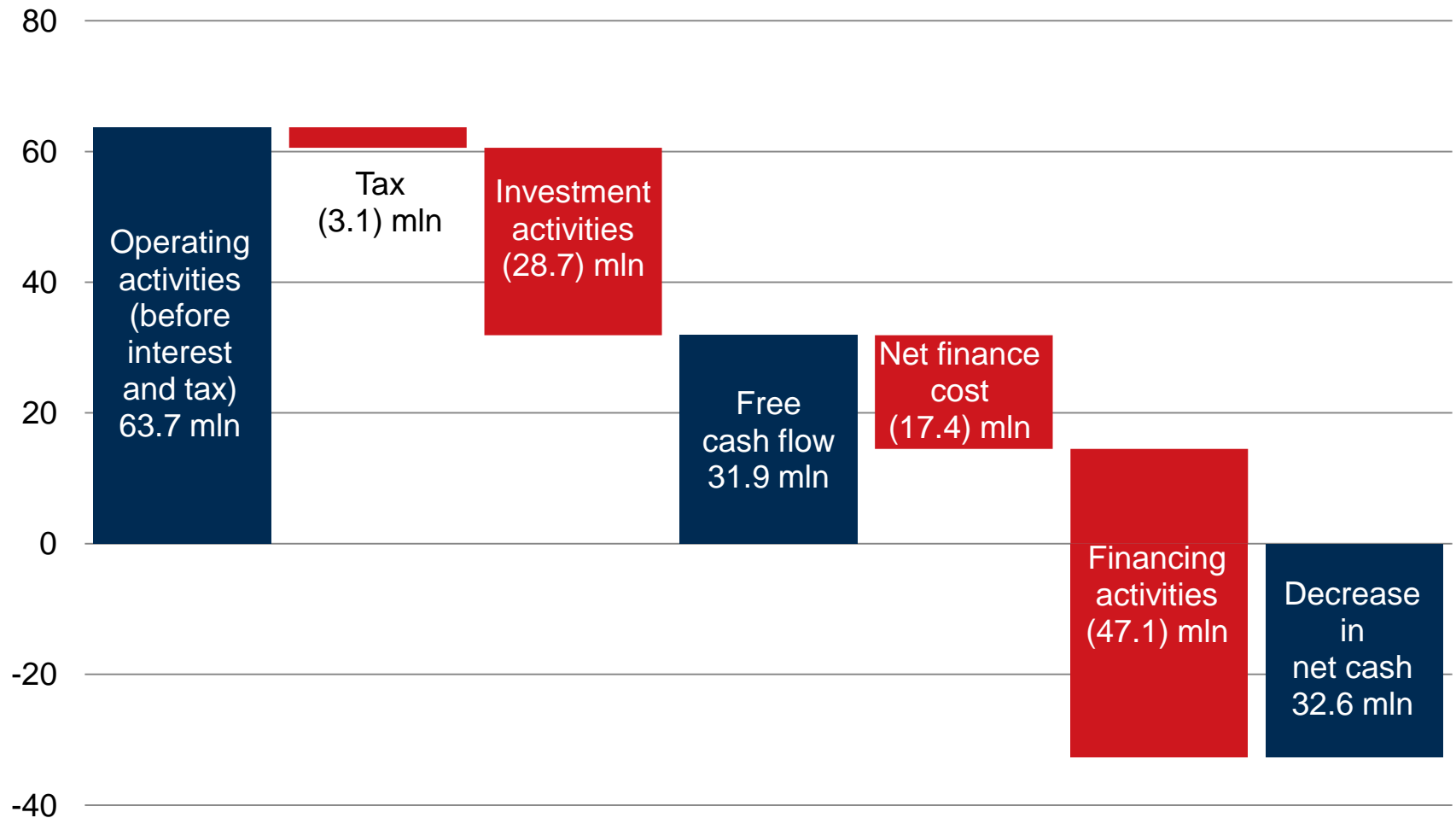
Net interest bearing debt reduced by EUR 6 mln in 2011



End of quarter in EUR mln	Q4 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Change in 2011
Non-current borrowings	310.7	274.3	262.8	249.6	254.3	(56.4)
Current borrowings	9.9	16.7	16.7	27.0	27.1	17.2
Total borrowings	320.6	291.0	279.5	276.6	281.4	(39.2)
Cash and equivalents	63.9	43.4	30.7	33.2	30.9	(33.0)
Net interest bearing debt	256.7	247.6	248.8	243.3	250.5	(6.2)

2011 cash flow composition

EUR million



Financial focus areas

- Improving *gross profit*
 - Procurement
 - Production cost
 - Operational processes

- Ensuring a sustainable *SG&A cost base* despite growth in activity
 - 2010: 20.7%
 - 2011: 19.9%

- Improving *working capital* parameters
 - Inventory turn rate (ITR)
 - Days sales outstanding (DSO)
 - Days payable outstanding (DPO)



Marel's Innova software enables users to control, measure and monitor virtually every aspect of the production process – what you don't measure, you can't manage

Theo Hoen

CEO

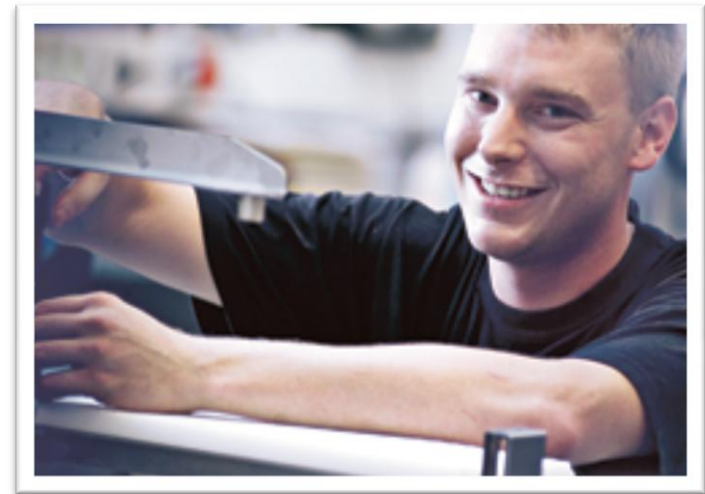


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Poultry: Large orders continue to be received

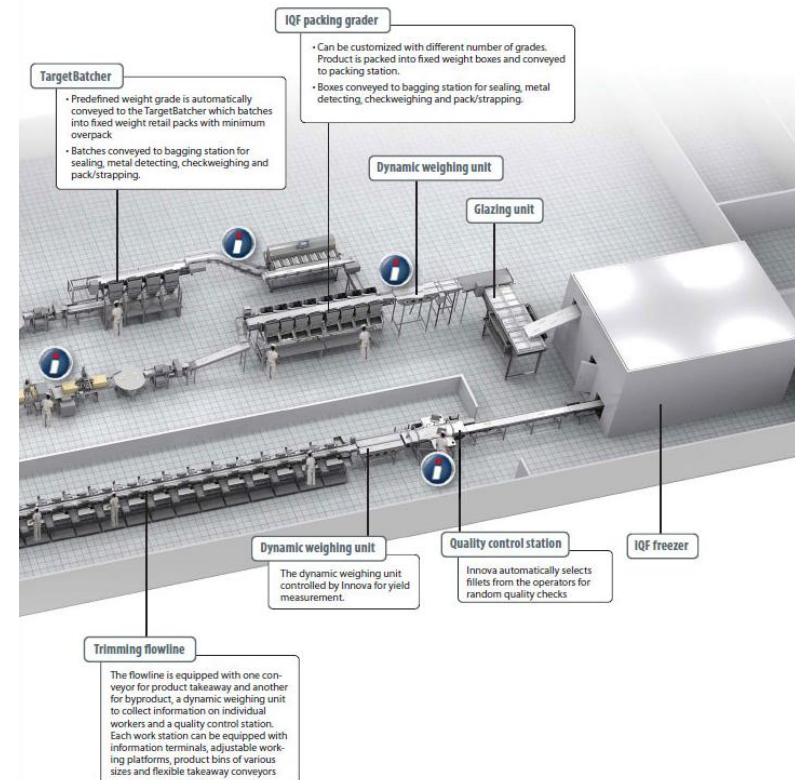
- Major orders received from the US, Central and South America, Australasia and Europe
- Large orders from earlier in the year being delivered, including greenfield projects and integrated solutions in South Korea
- More and more customers choose preventive maintenance solutions to maximise equipment uptime and availability



Preventive maintenance keeps equipment running at optimal performance and extends its lifetime

Fish: Activity in all processing segments

- Processing flowlines for farmed whitefish such as tilapia are being well received
 - Major sales were made to Asia and Central America
- In salmon, large and complex grading systems for whole salmon are in high demand in Norway, thanks to integration with Innova
- Customers are showing interest in the full traceability, improved yield and logistics management that Innova provides



Integrated systems consist of equipment performing various applications, such as grading, portioning, trimming, IQF freezing, batching and packing

Meat: Year finished well with strong order intake

- Significant orders from Europe and North America
- Included an order from a major European fresh meat plant for cutting and packing of a variety of meat products for the retail sector
- Another major order was received for the new IBS4600 bacon slicer
- Strong activity particularly in Eastern Europe and Australasia



IBS 4600 – the world's first 4-blade, 4-lane bacon slicer – has enjoyed great success since its launch last year

Further processing: Growing trend of complete processing lines

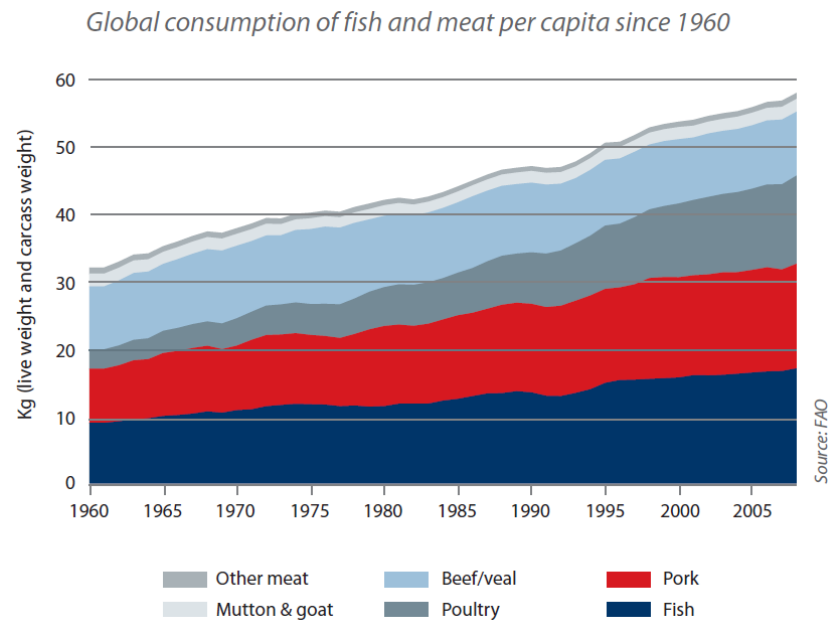
- Good order intake, particularly in Asia
- Many recent lines include the RevoPortioner, which continues to rise in popularity
- Heating Technology Event hosted in October attracted customers from across the globe
- The event saw the launch of the ValueFryer, the very latest development in heat treatment technology



Frying is a highly critical process, where attention must be paid to achieving an attractively coloured, crunchy and perfectly coated end product

Positive outlook for the year

- Market conditions stay favourable
- Marel has strengthened its market position with the introduction of new solutions and further geographical expansion
- The excellent level of the order book ensures a good continuation into 2012
- Nevertheless, results may vary from quarter to quarter due to fluctuations in orders received and deliveries of larger systems



Consumption of fish and meat continues to rise throughout the world, with poultry leading in terms of growth.

Q & A

Theo Hoen, CEO

Erik Kaman, CFO

Sigsteinn Grétarsson, COO



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