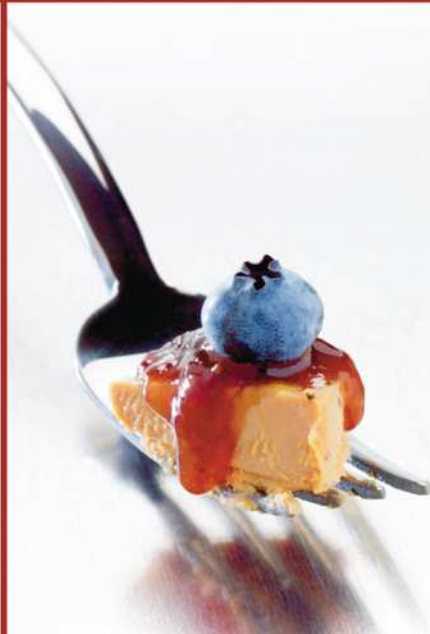


Alfesca

Annual General Meeting
24 September 2007



Address by the Chairman of the Board

Ólafur Ólafsson

A good year for Alfesca

All fields of the Group's activities experienced growth

Profits	EUR 22.4 million	+ 87%
Sale	EUR 616.9 million	+ 11%
EBITDA	EUR 53.9 million	+ 23%

Financial position is good

Refinancing completed on better terms

Four pillars of operations

Changes to operations have sharpened the focus

Emphasis is on four product pillars



Smoked salmon
and fish

Foie gras and
duck products

Blinis and
spreadables

Prawns and
shellfish

Investments

Acquisitions have strengthened two of our pillars

Adrimex



Prawns
and shellfish

LTG



Blinis and
spreadables

Synergies will be realised this year

Creation of a fifth pillar



Aiming for companies that produce value added products and:

- ✓ extend area of operations
- ✓ diversify product portfolio
- ✓ reduce seasonal fluctuations
- ✓ reduce dependence on individual raw materials

Ongoing discussions with Oscar Mayer Ltd

- Private label ready meals manufacturer in the UK
- Discussions subject to due diligence and final decision

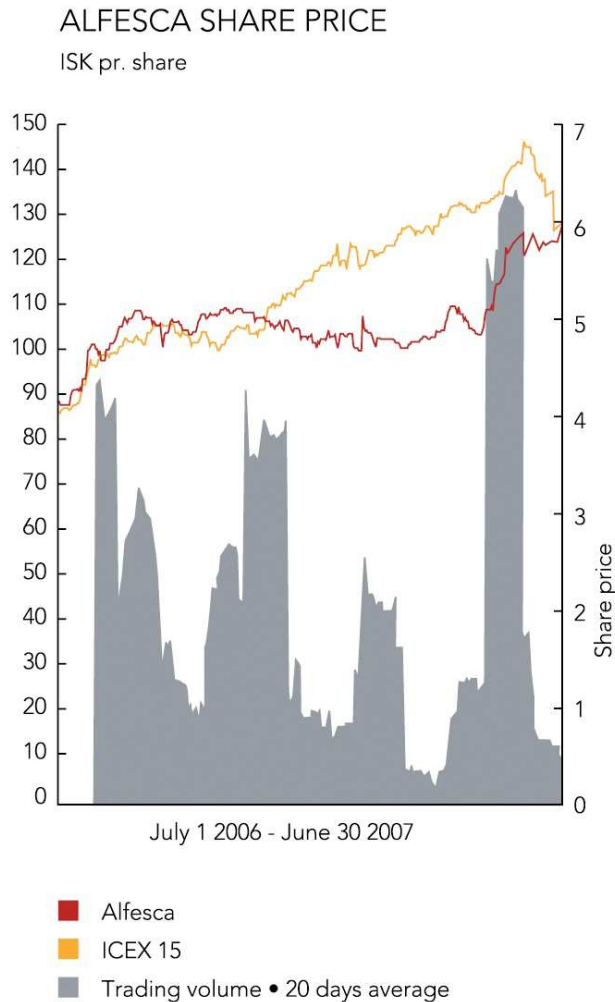
Increase in equity

Proposal for the AGM to increase share capital by 1.7 billion shares

Better position to seize opportunities for growth and enhancing performance



Share price development 2006/07



Status on Icelandic shares market has been inconsistent with findings of banks' research divisions

- Group operations outside Iceland
- Market relatively restricted
- Inadequate turnover in Group's shares

Shares listed in euros



Proposal for the AGM to list
Alfesca's shares in euros

Shares will be a more attractive
option for investors abroad

Positive effect on share
performance

Positive outlook

Business is in harmony with consumer trends

Market leader in selected convenience and healthy food categories

Organic growth will remain stable

Addition of 5th pillar will create platform for further growth





 **ALFESCA**

 **CEO'S REVIEW 2007**

Overview of the year 06/07

Our fiscal year 06/07 ended with several encouraging and satisfactory achievements:

▲ Sales

- 617 M€ up by 11% (organic +7,8%)

▲ EBITDA

- 53.9 M€ up by 23% (organic +21%)

▲ Net profit

- 22.4 M€ (LY 12 M€)

▲ Two acquisitions completed

- **LTG** completed 11 June 07. Strengthened of the blinis and spreadables pillar.
- **Adrimex** completed 14 February 07. Strengthened of the prawns pillar.

▲ Raw materials barometer

- Salmon : negative impact vs our budget assumptions on H1
- Duck : noticeable increase all year along (cereals price impact)
- Prawns : at budget level

▲ Refinancing completed with better financial terms

▲ Share price increased

An effective strategy

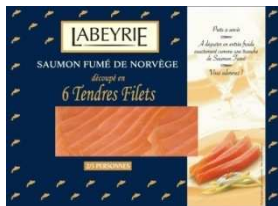
Our strategy, based on four pillars, has clearly demonstrated its relevance with a very well balanced development of our sales within pillar.

ALFESCA

Selected convenience fine foods

TOTAL GROUP ⁽¹⁾ +11 %

Smoked salmon & other fish



▪ FY + 9,1%

Foie gras & other duck products



▪ FY + 9.3%

Blinis & spreadables



▪ FY +11,7%

Prawns & shell fish



▪ FY +15,7%

Strengthening of the core business

To strengthen our core business we completed during 2007 two bolt-on acquisitions :

✓ **ADRIXIMEX**, in February 2007 , French prawns leader, to make the prawns pillar pan european, LSF being the UK leader.



✓ **LE TRAITEUR GREC**, in June 2007, number 3 in the French blinis and spreadables market, to strengthen ALFESCA position, BLINI being already the French leader.



On the agenda for 07/08, we plan to realize all possible synergies between the two companies processing the same products categories.

An efficient organisation

↗ The ALFESCA GROUP is comprised of independant companies .

↗ Our way of managing the group has proved to be very efficient

















- ① The companies are managed independantly to enable them to be very close to their market and clients, to be very reactive, and are led by a senior management having all the drivers in their hands.
- ② We are using the power of the group, to implement a high level of synergies in various key areas : raw material sourcing, packaging, industrial organisational, back office costs and shipping costs...
- ③ We exercise a very tight and continuous control over all companies at each level having an impact on the results.

↗ The consequence of this organisation is an harmonious development of our activity by company

Harmonious development of our activity by company

ALFESCA

Selected convenience fine foods

							
PRAWNS	SALMON	SALMON	PRAWNS	BLINIS & SPREADABLES	SALMON/COD /HERRINGS	SALMON FOIE GRAS	BLINIS & SPREADABLES
FY +15,4%	FY +8,6%	FY + 0,6 %	FY +12,9%	FY +9,7%	FY + 5,2%	FY +9,3%	(1)
							

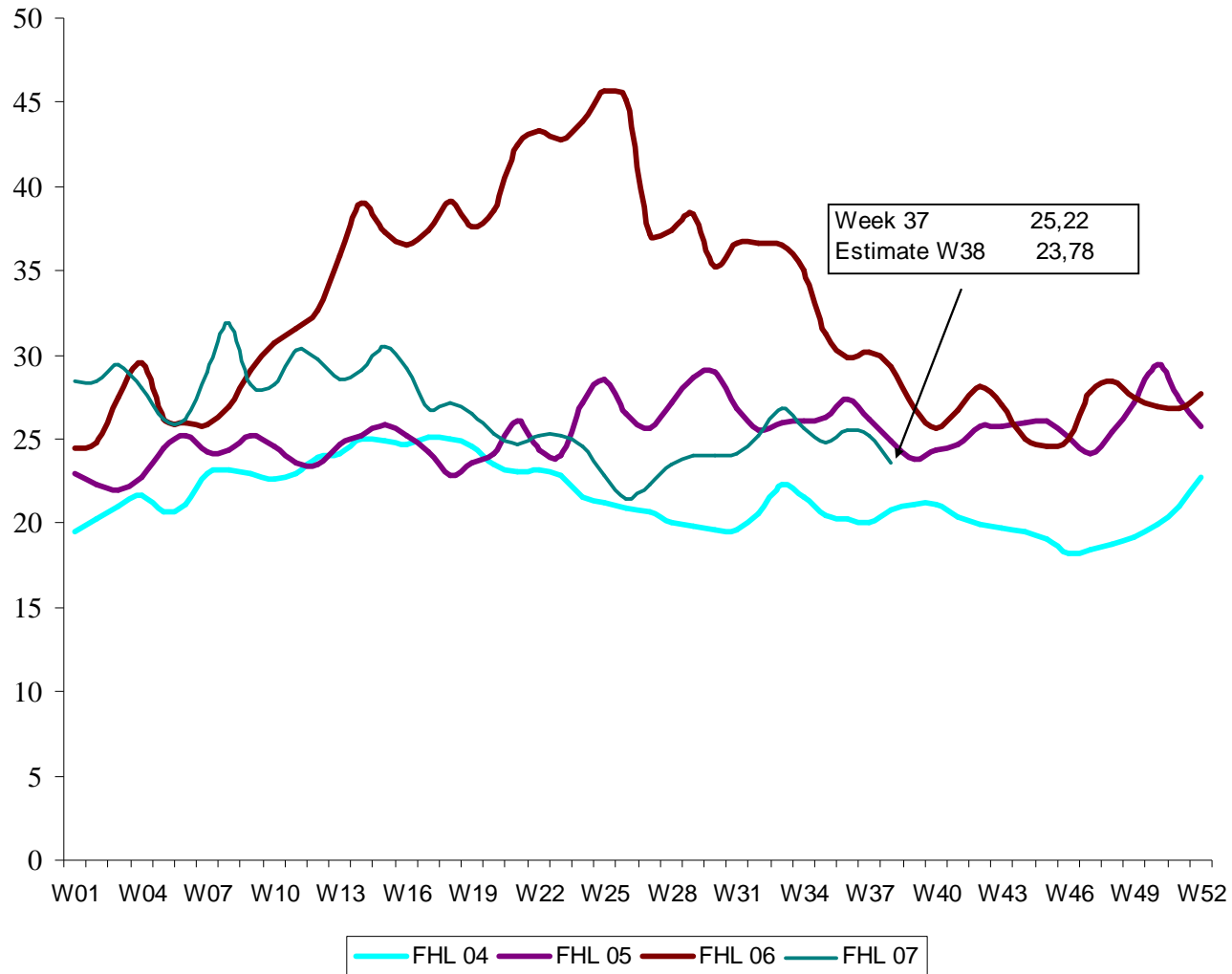
(1) Results not stated as the company was acquired in June 2007.

Raw material effects

Raw mat prices have negatively impacted ALFESCA's results

- Salmon was noticeably above our expectation in H1

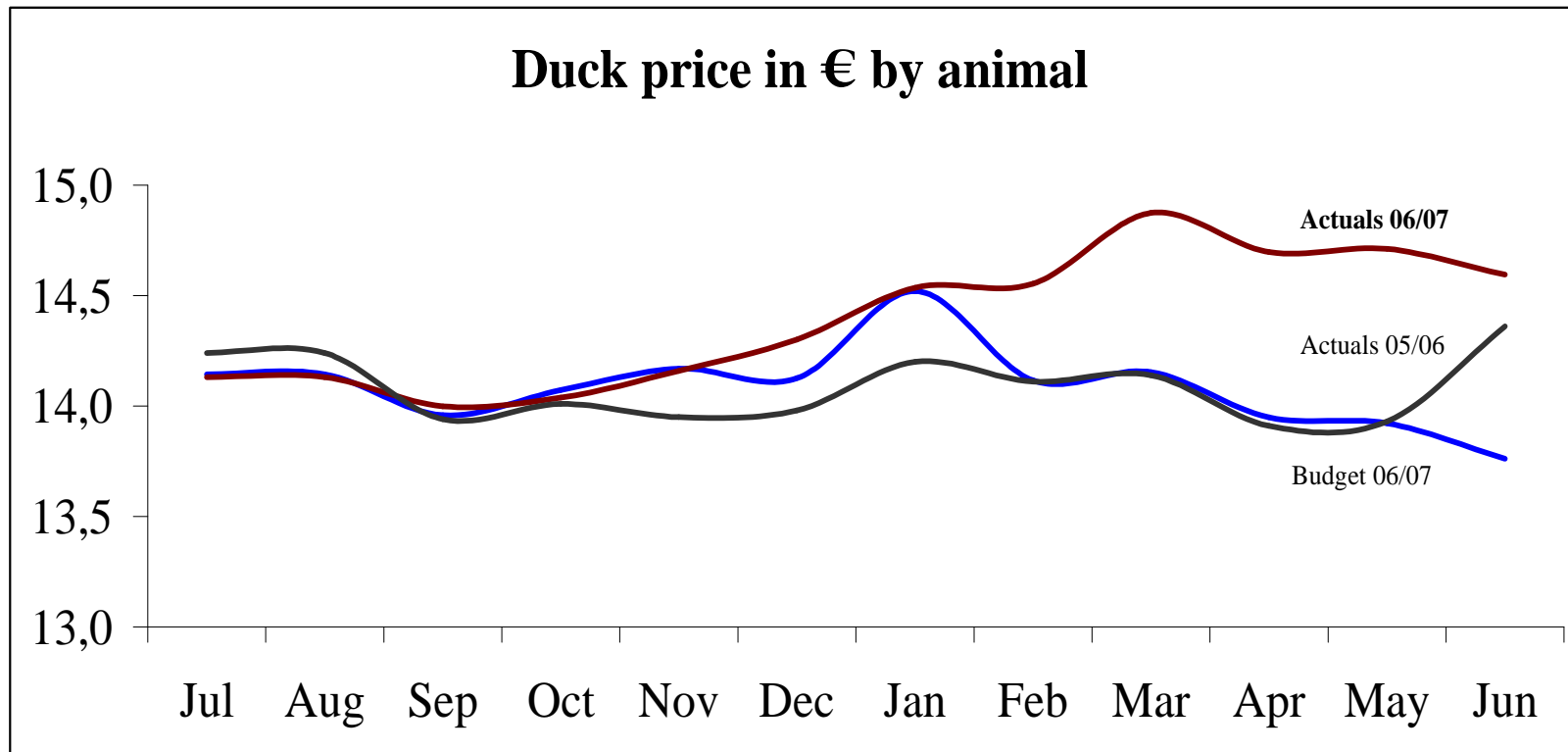
NORVEGIAN FHL PRICE 2004 to 2007 (Size 3/4 Kg in Nok/kg)



*Alfescas financial year runs from 1 July to 30 June.

Raw material

- Duck prices rose as a consequence of the rise in cereal prices

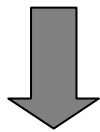


- Prawn prices have been stable throughout the year and generally in line with our budget assumptions.

Innovation policy

ALFESCA has carried on with a strong innovation policy to increase its market shares and improve margins.

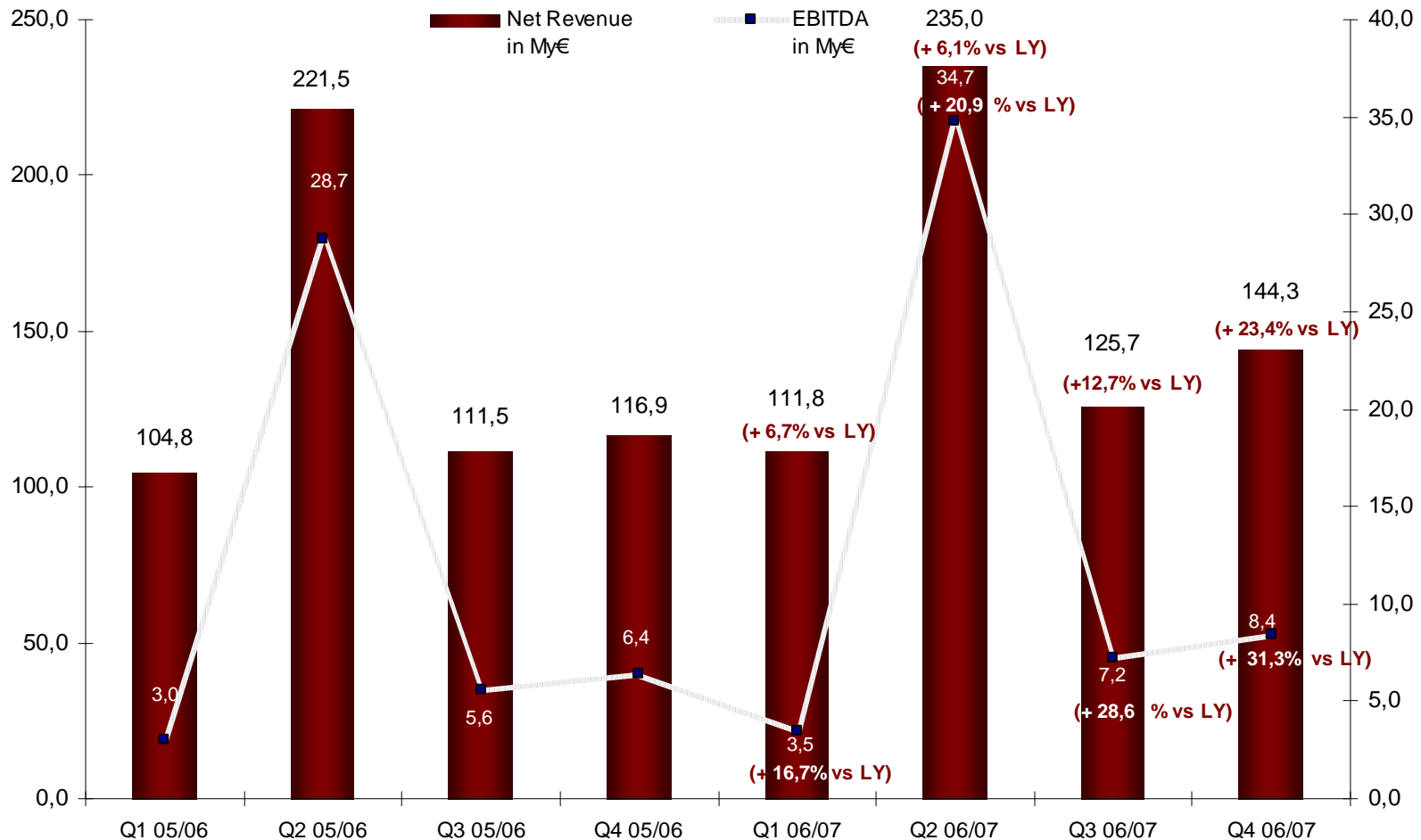
Notable products :



<p>LYONS SEAFOODS</p>  <p>Concept "TO GO"</p> 	 <p>Cooked salmon line</p> 	 <p>Healthy line</p> 	 <p>Festive line</p> 	 <p>Healthy line</p> 	 <p>Wet fish counter line</p> 	 <p>Line 60 ans</p> 
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Solid financial results

Our sales growth and EBITDA improvement have continued on each quarter, delivering a satisfactory financial year.



Strong Balance Sheet

Our balance sheet is strong even after the acquisitions of ADRIMEX and LTG which were funded by debt.

- Enlarged group including ADRIMEX and LTG

Balance sheet - Assets

	Actual		Actual	
In My€ of Euros	30/06/2007		30/06/2006	
Intangible assets	345,3	52%	318,8	51%
Operational assets	107,3	16%	107,5	17%
Long-term investments	10,3	2%	15,2	2%
Fixed assets	462,9	69%	441,5	71%
Inventories	109,7	16%	91,9	15%
Receivables	69,4	10%	50,4	8%
Bank deposits and cash	28,5	4%	14,5	2%
Current assets	207,5	31%	156,8	25%
Non-current assets held for sale	0,0	0%	25,8	4%
Total assets	670,4	100%	624,1	100%

- Debt/Equity ratio 67%

Balance sheet - Shareholders equity and Liabilities

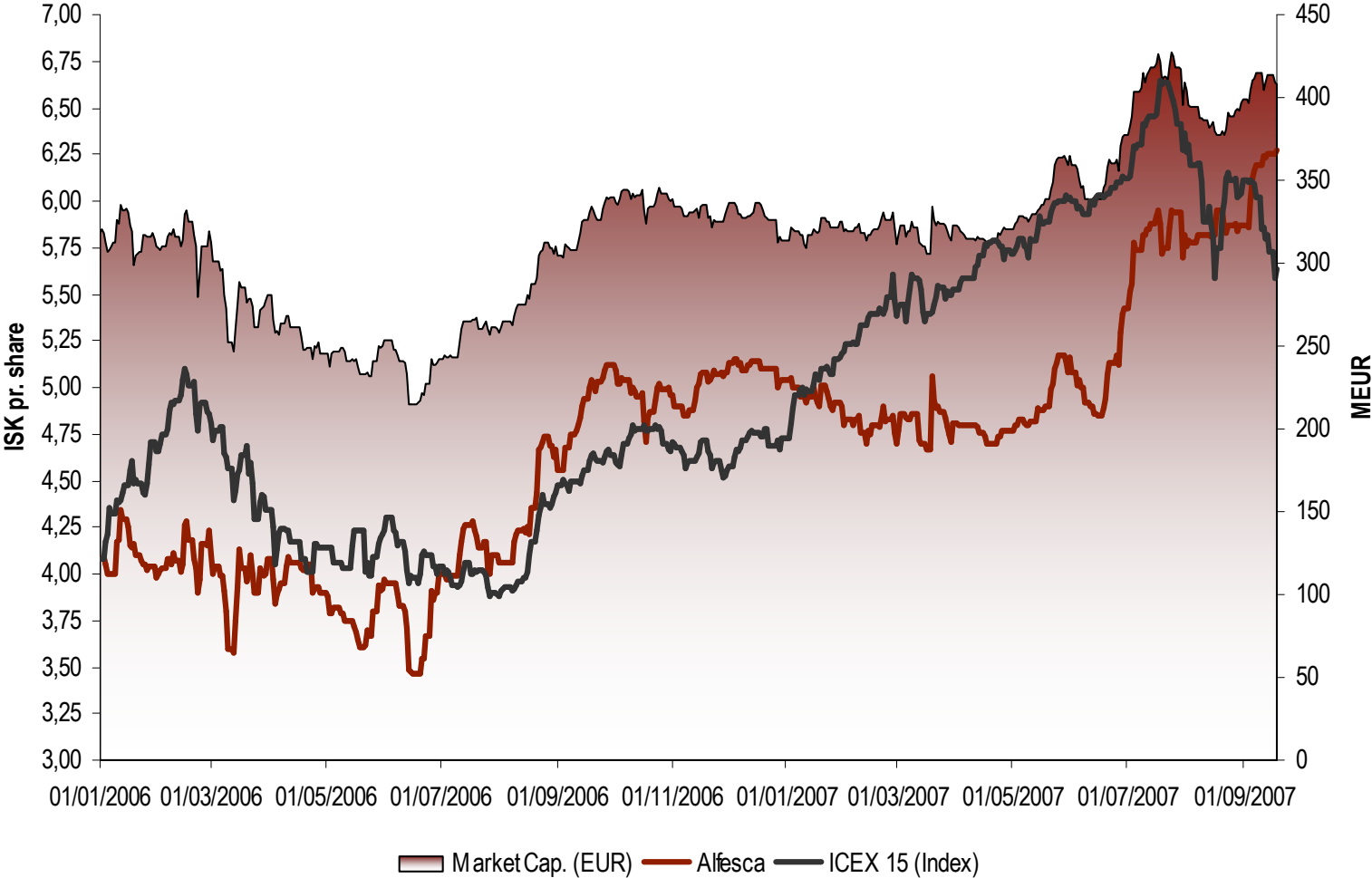
	Actual		Actual	
In My€ of Euros	30/06/2007		30/06/2006	
Shareholders equity	296,6	44%	269,2	43%
Long-term liabilities	189,2	28%	159,8	26%
Deferred tax liabilities	44,7	7%	49,8	8%
Obligations	8,5	1%	10,5	2%
Long-term liabilities and obligations	242,3	36%	220,2	35%
Bank loans	21,8	3%	23,4	4%
Current maturities of long-term debt	9,2	1%	13,2	2%
Other current liabilities	38,9	6%	36,6	6%
Trade payables	61,5	9%	51,2	8%
Current liabilities	131,5	20%	124,4	20%
Liabilities associated with assets classified as held for sale	0,0	0%	10,3	2%
Shareholders equity and liabilities	670,4	100%	624,1	100%

Key financial ratios

Our key financial ratios are strengthening, with room for further improvement.

	<u>06/07</u>	<u>05/06</u>
EBITDA ratio	8.7%	7.9%
Current ratio	1.58	1.26
Equity ratio	44.2%	43.5%
Return on Equity	8.3%	4.5%
Earnings per share (Euro cents)	0,39	0,21

Share price evolution



Source: Bloomberg

General Annual Meeting Sept 24 -



Outlook

▲ We start our new financial year with high aspirations

- ⇒ We will continue to grow ALFESCA organically through innovation, industrial efficiency improvement and implementation of synergies
- ⇒ We aim to build a fifth pillar to rebalance our seasonality and are in advanced discussion with a top ready meals player in the UK

▲ We are confident to take advantage of

- our positive market conditions
- the tight relation we have with our customers,
- the control on the raw mat prices,
- the know-how of our management teams,
- the strong support of our shareholders.

to continue to grow ALFESCA as the European leader of convenient, healthy and festive food.

 **THANK YOU**

AGM Proposals

Proposal 1

Report of the Board of Directors on the Company's operations and results for the financial year ended 30 June 2007.

Proposal 2

The Annual Accounts of the Company for the financial year ended 30 June 2007 and the auditors' report.

Proposal 3

The Board of Directors of the Company proposes that dividends from the Company's profit for the financial year ended 30 June 2007 are not distributed to the shareholders.

Proposal 4

The Board of Directors of the Company proposes that Deloitte hf. are re-appointed as auditors of the Company for a period of one year.

Proposal 5

Appointment of the members of the Board of Directors of the Company.

The following individuals have submitted their candidacy for membership of the Board of Directors of the Company for a period of one year.

Mr. Arni Tomasson,

Mr. Bill Ronald

Mr. Gudmundur Asgeirsson

Mr. Hartmut M. Krämer

Mr. Olafur Olafsson

Alternate: Mr. Kristinn Albertsson

Proposal 6

The Board of Directors proposes that the remuneration of members of the Board of Directors for the period from 1 July 2007 to 30 June 2008 is as follows:

Directors receive €40.000. The Chairman of the Board of the Directors shall receive three times the amount paid to the directors and the Deputy Chairman shall receive two times the amount payable to the directors.

Directors appointed to serve on any subcommittee shall be entitled to receive an additional €20.000 for each such appointment.

Proposal 7

The Board of Directors of the Company proposes that a Remuneration Policy of the Company is approved by the meeting.

Proposal 8

The Board of Directors of the Company proposes that the Company is authorized to purchase up to 10% of the Company's own shares with up to 5% deviation from market price.

Proposal 9

The Board of Directors of the Company proposes that amendments are made to the Articles of Association of the Company as set out in Appendix 4.

Other business