Press Release
3 September 2007

Strong results for FY 2006/07

Sales €616.9m up 11%

EBITDA €53.9m up 23%

Net Profit €22.4m up 87%

Highlights

- ✓ Net sales[1]
  - FY 2007: €616.9m, up 11%
  - Q4 2007: €144.3 m, up 23%
- ✓ EBITDA[2]
  - FY 2007: €53.9m, up 23%
  - Q4 2007: €8.4m, up 30%
- ✓ Net profit
  - FY 2007: €22.4m, up 87%
  - Q4 2007: €3.4m, up significantly
- ✓ Cash from operating activities: €44.5m, representing a significant improvement by 46%[3]
- ✓ Raw material and utility costs
  - Salmon and prawn prices stable
- ✓ Strengthening of Alfesca
  - Integration of Adrimex into the Prawns and Shellfish pillar and LTG into the *Spreadables* pillar both on track and proceeding at pace
- ✓ Key projects
  - Refinancing of the Group successfully completed
  - Actively evaluating opportunities to further strengthen and grow the Group

Xavier Govare, CEO of Alfesca, said:

"We are pleased to report a strong performance for 2007 in line with our key financial and strategic objectives.

We have achieved the targets that were set for our business. These included, first, the organisation of our business based on four core pillars of (i) Smoked Salmon and other Fish; (ii) Foie Gras and Duck products; (iii) Blinis and Spreadables and (iv) Prawns and Shellfish. This organisation around key product categories has enabled us to realise more clearly the Group's core skills and help increase efficiency and deliver synergies.

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[1] Alfesca's financial year runs from 1 July to 30 June.

[2] Excludes €2.6m of costs incurred in connection with Alfesca's Performance Share Plan.

[3] Includes tax receipt of €1.7m.

The second objective was to strengthen and build up, where necessary, our current businesses. The acquisition of Adrimex and LTG during the course of this year confirmed our clear intention to continue to grow in a meaningful way our core businesses and strengthen our position in our chosen markets and segments.

Our third objective was to ensure the delivery of strong organic growth supported by good market trends; strong focus on our customer relationships; development of exciting product innovation and growth of our brands.

The fourth objective was to monitor closely our key input costs, particularly energy related costs and raw material costs and to manage significant inflationary costs through a combination of hedging, operational cost reduction and by selected price increases.

Our fifth and last objective was to continue to invest in our industrial base, directed at increased automation, productivity improvement and efficiency enhancement, in order to support the profitable growth of our business.

The successful year confirms the Group's key strengths: strong management; energetic businesses; strategy development and sound financial management. Alfesca has delivered a strong performance with sales growing by 11% to €616.9 million, being translated into improving operating margin, despite significant inflationary costs pressures, and delivering a net profit of €22.4 million. Our strategy is delivering results and with Alfesca's strong foundation, we are confident of our ability to grow profitably both organically and, with the right opportunity, externally."

Operational review

Net Sales Full Year 2006/07

Value in thousands of Euros

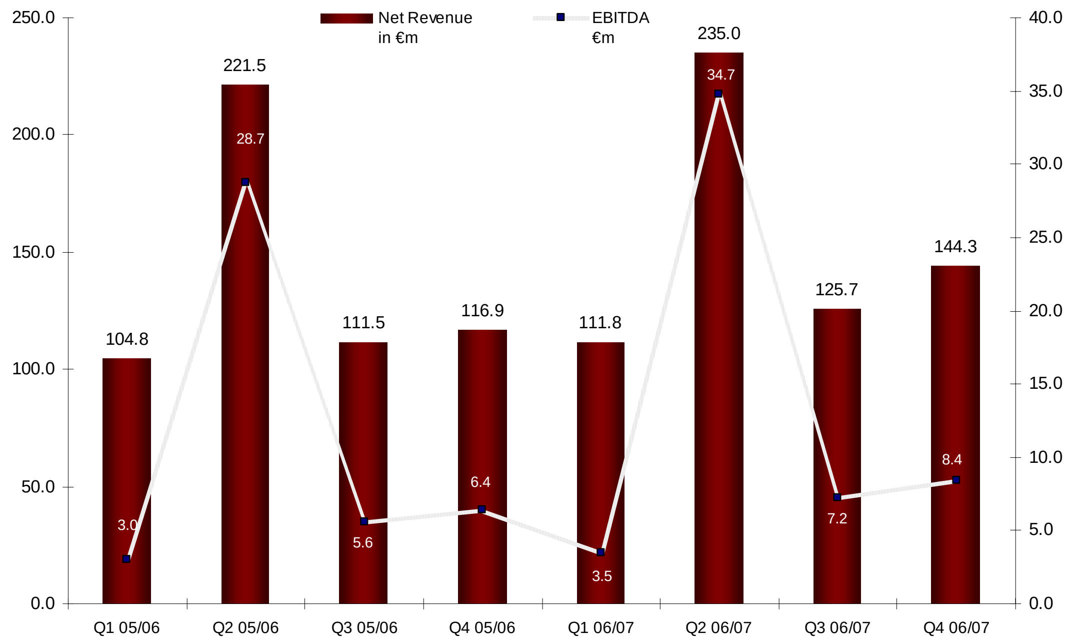
Category	% of total	Jul - June 07	Jul - June 06	Var.%
Smoked Salmon & Other fish	44%	273,051	250,171	9.1%
Prawns	25%	151,661	113,656	33.4%
Foie Gras & Other Duck Products	19%	119,605	109,397	9.3%
Blini & Spreadables	5%	29,607	26,509	11.7%
Other	7%	42,962	54,926	-21.8%
Total	**100%**	**616,886**	**554,659**	**11.2%**

Net Sales Q4 2006/07

Value in thousands of Euros

Category	% of total	April - June 07	April - June 06	Var.%
Smoked Salmon & Other fish	39%	56,922	53,241	6.9%
Prawns	40%	57,578	35,353	62.9%
Foie Gras & Other Duck Products	10%	14,268	13,384	6.6%
Blini & Spreadables	5%	6,856	5,670	20.9%
Other	6%	8,690	9,259	-6.1%
Total	**100%**	**144,314**	**116,907**	**23.4%**

Total sales increased by 11% to €616.9 million for the full year (Q4: €144 million, up 23%). The comparative figures for 2007 exclude the frozen division of Delpierre, which was sold in August 2006 and which have been reflected as discontinued operations in the Company's consolidated financial statements. The increase in sales is primarily due to healthy trading in our four pillars and include only a four month contribution from Adrimex (acquired in February 2007) and one month contribution from LTG (acquired in June 2007).



Smoked Salmon and other Fish

We are satisfied by the performance of our Smoked Salmon and Other Fish pillar, which has seen a 9% growth in sales during the year delivering net sales of €273.0 million (Q4: €56.9 million, up 7%). This growth rate is underpinned by strong performance of our brands and private label business.

Net Sales Full Year 2006/07

Value in thousands of Euros

Category	Jul - June 07	Jul - June 06	Var.%
Smoked Salmon & Other fish	273,051	250,171	9.1%

Net Sales Q4 2006/07

Category	April - June 07	April - June 06	Var.%
Smoked Salmon & Other fish	56,922	53,241	6.9%

This increase is due to organic development throughout the year in the UK, increasing sales by 18% to €61.9 million (Q4: €16.6 million, up 34%), and in France, increasing sales by 7% to €187.5 million (Q4: €36.1m, flat at 0.2%).

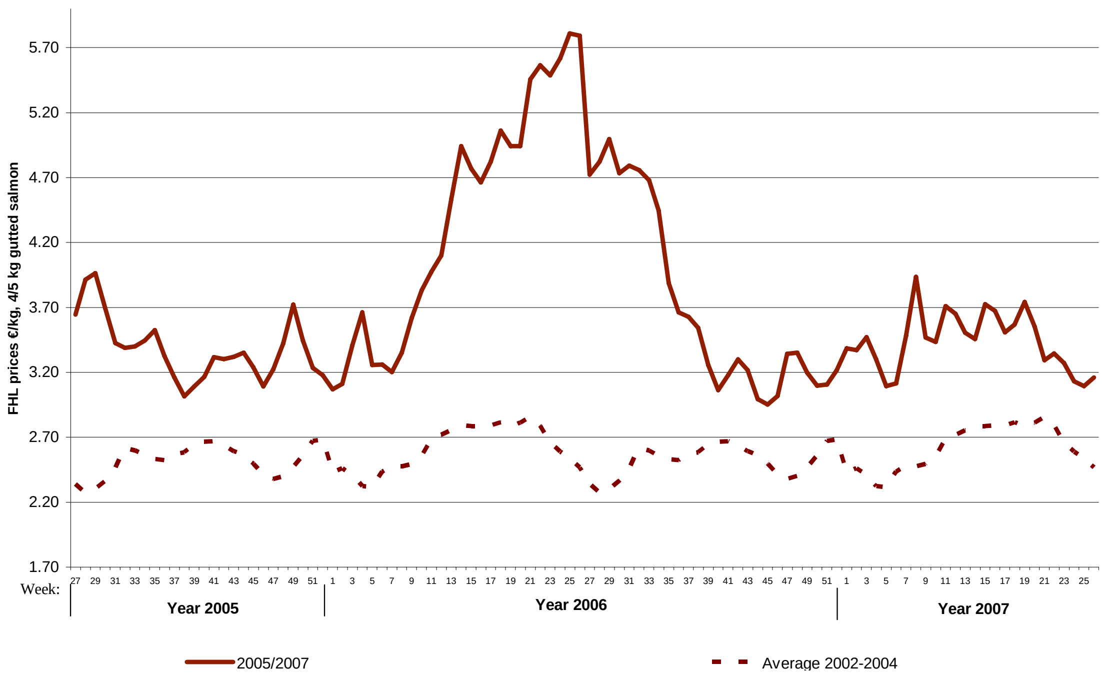
The catalyst for this impressive activity is due to the hard work that has been invested in developing strong and close working relationships with our customers; well chosen categories and well balanced development of our branded and private label businesses; focus on innovation, especially in the areas of premium, convenience and health, such as the development of our new cooked salmon range and aggressive commitment to quality and environmental standards.

Alfesca

Salmon Raw Material

As commented on earlier, price trends have generally stabilised but at a higher price level compared to the average price level for the two year period of 2004 and 2005. Whilst in the short term fluctuations are anticipated, the outlook for the future appears to be for continued stability based on internal and external forecasts.

The graph below shows the price development of Norwegian salmon[4] and highlights the fact that FHL prices have stabilised around NOK 28 for the 4-5 kg size. In contrast to recent harvesting periods when the availability of salmon has been much higher this year as compared to the same periods last year, the expectation of bio-mass availability from September 2007 to March 2008 is only about the same as the previous harvesting period last year and leads us to expect some volatility in prices in the short term. To deal with anticipated fluctuations in raw material prices, we have taken appropriate measures to protect our business for the current financial year, using a variety of methods.



Foie Gras and Duck

Sales in our Foie Gras and Duck products pillar increased by 9.3% to €119.6 million (Q4: €14.3 million, up 6%). The significant increase in this business area is fundamentally underpinned by the strong performance of our Labeyrie brand.

[4] Statistics from Federation of Norweigan Fishing Industry (FHL) of raw material prices of 4-5 kg gutted salmon. Prices do not include any duties.

Net Sales Full Year 2006/07

Value in thousands of Euros

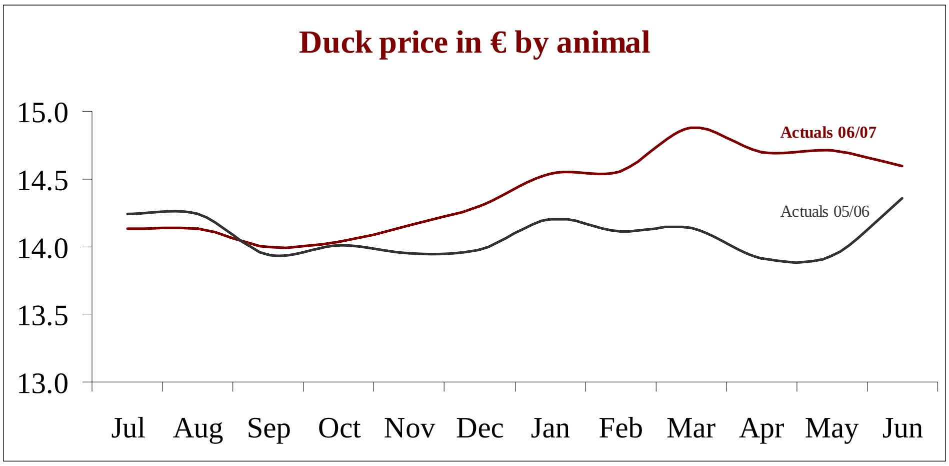
Category	Jul - June 07	Jul - June 06	Var.%
Foie Gras & Other Duck Products	119,605	109,397	9.3%

Net Sales Q4 2006/07

Category	April - June 07	April - June 06	Var.%
Foie Gras & Other Duck Products	14,268	13,384	6.6%

The investment in advertising of the Labeyrie brand and new product launches have resulted in Labeyrie achieving a brand recognition rate of 90% against 82% for the same period in 2006 and far ahead of its closest rival at 20%[5]. It was also particularly pleasing for Labeyrie to win top awards for its new "Pur Terroir" range of products at the important Agricultural Show in Paris for the third year running in recognition of the hard work invested in developing this pillar of our business.

Overall, duck prices are projected to continue to increase during the next financial year as a result of increased cost of cereal prices which in turn are negatively impacted by rising demand and agricultural costs, poor harvest and weather conditions. We plan to absorb these inflationary pressures by pursuing a combination of further operational cost reduction and price increases in partnership with our customers.



Prawns and Shellfish

The Prawns and Shellfish pillar performed strongly to deliver full year sales growth of 16% to €151.7 million (Q4: €57.6 million, up 19%), which included the results of Adrimex for four months only. The demanding objectives that we have set in the key areas of operational cost reduction, channel and customer diversification, innovation and operational performance continue to be achieved.

[5] Source: SOFRES

Net Sales Full Year 2006/07

Value in thousands of Euros

Category	Jul - June 07	Jul - June 06	Var.%
Prawns	151,661	113,656	33.4%

Net Sales Q4 2006/07

Category	April - June 07	April - June 06	Var.%
Prawns	57,578	35,353	62.9%

We are satisfied by the performance of Adrimex in France which has seen double-digit sales growth compared to the same period in 2006. The additional investment in the industrial base of Adrimex and co-ordinated sales and marketing strategies that have been developed with Delpierre, as well as other businesses within the Group, and new product launches will ensure the continued development of Adrimex's business in line with our plans.

The prospects for our Prawns and Shellfish pillar is good, as the shell fish market in our key markets continue to grow at double digit rate year on year dominated in particular by prawns. Despite its popularity, household penetration rate for prawns, that is the percentage of households purchasing prawns, in our key markets are still relatively low, which gives us confidence that the current strong market trends for this popular product is set to continue and provides us with the opportunity to grow our Prawns and Shellfish pillar further based on our strong customer relationships and dedication to quality and innovation.

In terms of raw material costs, our expectation is that prawn prices will continue to be stable due to good availability and stable supply.

Blinis and Spreadables

Sales by our Blinis and Spreadables pillar increased by 10% to € 29.3 million (Q4: €6.5 million, up 15%) with strong performance across all three main categories of blini; tarama and spreadables products. The table below excludes the marginal contribution of LTG due to the acquisition having been completed in June 2007.

Net Sales Full Year 2006/07

Value in thousands of Euros

Category	Jul - June 07	Jul - June 06	Var.%
Blini & Spreadables	29,271	26,509	10.4%

Net Sales Q4 2006/07

Category	April - June 07	April - June 06	Var.%
Blini & Spreadables	6,520	5,670	15.0%

This pillar is not exposed to any single raw material risk as it uses a variety of ingredients. Based on forecasted market trends, we expect the market for spreadables to continue to develop and grow.

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Finanical overview

Income Statement

Income Statement € million	06/07 Q4	05/06 Q4	Variance %	06/07 Full Year	05/06 Full Year	Variance %
Sales	144.3	116.9	23.4%	616.9	554.7	11.2%
Cost of goods sold	-123.8	-103.1	20.0%	(518.7)	(466.4)	11.2%
Gross profit	20.5	13.8	49.0%	98.2	88.2	11.2%
Gross margin %	14.2%	11.8%		15.9%	15.9%	
Administrative expenses	-19.5	-12.8	52.2%	(64.9)	(61.7)	5.2%
EBIT	1.0	0.9	5.3%	33.3	26.5	25.4%
EBIT %	0.7%	0.8%		5.4%	4.8%	
Net financial items	-2.4	-2.2	8.1%	(11.8)	(9.2)	28.4%
Net income before taxes	-1.4	-1.2	10.3%	21.4	17.3	23.8%
Income tax	4.8	4.2	16.0%	0.8	1.7	-54.7%
Discontinued operations	0.0	-3.5		0.2	(7.1)	
Net income for the period	3.5	-0.6		22.4	12.0	87.5%
EBITDA (1)	8.4	6.4	30.9%	53.9	43.8	23.1%
EBITDA %	5.8%	5.5%		8.7%	7.9%	

(1) Excludes cost of equity plan of €2.6m

Sales of the Group have already been commented on above. Overall reported EBITDA (excluding the cost of the equity plan) was €53.9 million for the full year 2007, an increase of 23% (Q4: €8.4 million, up 31%). Excluding acquisitions and cost of the equity plan, EBITDA was €52.9 million, compared to €43.8 million the previous year, an increase of 20% (Q4: €7.5 million, up 16%).

Operating expenses were €64.4 million (Q4: €19.4 million), compared to €62.4 million the previous year (Q4 2006: €13.5 million), but the figures for the period being reported includes the cost of the equity plan and takes into account the recent acquisition of Adrimex and LTG.

Operating profit was €33.2 million for the full year, an increase of 25%, compared to the same period in 2006 (Q4: €0.1 million, up 5%), driven largely as a result of the sales growth referred to above.

Finance costs for the period were €11.9 million compare to €9.3 million for 2006. The increase is primarily due to continued increases in European interest rates, which impact the Company's financial expenses. However, the Company has entered into interest-rate hedging agreements that partly limit the impact of rising interest rates.

As previously announced, the Group was refinanced during last quarter of the financial year with a €280 million syndicated credit facility. The new facility improves Alfesca's financial position, reduces its interest costs and provides greater flexibility going forward reflecting the stronger profile of the Group. Annual savings on a like for like basis following the refinancing are estimated at approximately €1.2 million net of refinancing fees.

Calculated income tax for the full year is €0.8 million positive. This is mostly due to the use of prior years' tax losses carried forward as well as postitve final settlement of last fiscal year's taxes in the UK for €1.9 million.

Net profit for the full year amounts to €22.4 million, up by 87% compared to the previous year (Q4: €3.5 million, compared to a loss of €0.6 for the same quarter last year).

The net cash inflow for the full year of €14.0 million is mostly made up of the net cash inflow from operating activities of €44.5 million offset by net cash flow from investing activities of €33.9 million, which in turn took account of €36.6 million incurred in connection with acquisitions completed during the year.

The improvement in cash flow from operating activities by €14.1 million to €44.5 million is principally due to favourable increase in working capital from operating activities in line with the growth in sales and profitability improvement of the Company.

Balance Sheet

Balance sheet - Assets

€ million	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%	10.2	2%
Non current Assets	**462.9**	**69%**	**436.5**	**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%**	**619.1**	**100%**

Balance sheet - Shareholders equity and Liabilities

€ million	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%	44.8	7%
Obligations	8.5	1%	10.5	2%
Long-term liabilities and obligations	**242.3**	**36%**	**215.2**	**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%**	**619.1**	**100%**
Current ratio	1.58		1.26	
Equity ratio	44.2%		43.5%	

At the end of the financial year, the Group's total assets were €670.4 million, compared with €619 million at the end 30 June 2006, and includes newly acquired Adrimex and LTG. Fixed assets totalled €462.9 million compared with €436.5 million at the year ended June 2006. Goodwill and other intangible assets amounted to €345.3 million compared with €318.7 million at the end of June 2006. The assessment of fair value of the net assets of Adrimex and LTG (acquired in February 2007 and June 2007, respectively) is provisional and will be completed within 12 months of the acquisition date.

Alfesca's balance sheet continues to be very strong with a 44.2% equity ratio and low gearing, despite the debt financing of the acquisitions during the year, which enables the Company to support further growth in the near future. As noted earlier, the recent refinancing also further strengthens the financial condition of Alfesca, as it will be on more favourable terms and is provided by a banking consortium fully in line with management's strategy and growth plans for the future.

Outlook

Alfesca is today positioned in a far stronger position than previously and is a leading player in its chosen food categories. The performance of Alfesca for 2007 has been excellent, with sales growing strongly and robust performance across the four pillars of our business. This has been demonstrated well during the last quarter, which is traditionally not a strong period for the Group in terms of activity and has been achieved despite the poor weather in the UK and France this summer.

Our focus now is on the important Christmas season ahead of us, Looking ahead at the year ahead of us, we expect our markets to continue to grow in line with past trends and for our key raw material costs to be in line with our assumptions

The Group is well positioned to continue to perform well in its current markets and we are confident it can continue to grow and deliver better shareholder value.

However, as part of our growth and development strategy, Alfesca is always considering a number of potential value enhancing acquisition opportunities, with the objective of strengthening its position within the food industry. As part of this strategy, Alfesca is currently in discussions with Oscar Mayer Limited, an independent private label ready meals manufacturer based in the UK and a key supplier to Sainsbury's and Morrison supermarkets. The Oscar Mayer had total sales of approximately GBP £124m (approximately €181m) in the year to March 2007. The discussions are ongoing, subject to due diligence and final decision. Further announcements on this subject will be made in due course when appropriate.

Approval of Results

The Board of Directors of Alfesca hf approved the results for the financial year 2006/07 at a meeting on 3 September 2007.

Auditor's Report

The annual financial statements have been audited by Alfesca's auditor, Deloitte hf.

Presentation of Results

A meeting for investors, analysts and the media will be hosted by Xavier Govare, Alfesca's Chief Executive Officer as follows:

Venue: Nordica Hotel, Sudurlandsbraut 2, Reykjavik, Iceland.

Date & Time: Tuesday 4. September 16:30 GMT (17:30 BST/18:30 CET).

Registration will commence at 16:00 (GMT) and refreshments will be served. Following the meeting a selection of Alfesca's products will be presented for tasting.

A live webcast of the presentation can be accessed through Alfesca's website: www.alfesca.com at the start of the meeting. A copy of the presentation slides will be available on Alfesca's website following the meeting.

Alfesca's annual general meeting will be held on Monday 24 September at 16:30 at Nordica Hotel in Reykjavik. The agenda of the meeting will be advertised in the media and sent to the OMX Iceland.

About Alfesca

Alfesca is a leading European producer in its selected categories, which are smoked salmon and other fish; foie gras and duck products; prawns and shellfish and blinis and spreadables. The Company's products are sold under its own brand names, including Labeyrie, Blini, Delpierre, Skandia, Lyons and Farne. The Company also has a substantial presence in the private label markets in the UK, France and Spain. Annual turnover is € 616 million and 3,500 employees work for the Group.

Alfesca is listed on OMX Nordic Exchange in Iceland (OMXI: A).

Information about Alfesca can be found on: http://www.alfesca.com

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Forward Looking Statements

This press release contains forward looking statements with respect to the financial condition, results of operations and businesses of Alfesca. By their nature, forward looking statements and forecasts involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from that expressed or implied by these forward looking statements. These factors include, among other things, exchange rate fluctuations; the risk of new product development will not achieve commercial success; the impact of competition; price controls and price reductions; the risk of loss; difficulties of obtaining and maintaining regulatory approvals for products; the risk of substantial product liability claims and exposure to environmental liability.