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PRESS RELEASE

Net profit in the second quarter was EUR 7.4 million

- Sales for Marel Food Systems in the second quarter of 2007 totaled EUR 72.6 million compared with 46.6 million for the same period the year before. The sales increase is 56%.
- Net profit in the second quarter was EUR 7.4 million compared with EUR 0.8 million in the previous year.
- Profit from operations EBIT during the second quarter 2007 was EUR 3.4 million, which is 4.7% of income, compared with EUR 4.3 million last year.
- Shares in the Dutch company Stork NV are entered at market value and appear as EUR 6.6 million profit in an associated company.
- Sales in the first 6 months of the year totaled EUR 144.9 million compared with EUR 79.1 million in the previous year, which is an 83% increase. Pro-forma growth in sales for the period was 3.4%.
- Profit from operations EBIT for the first six months of 2007 was EUR 6.7 million, which is 4.6% of income compared with EUR 4.8 million or 6% in the last year.
- Charged one-time expenses resulting from integration totaled about EUR 5 million in the first six months. Profit from operations EBIT, before one-time expenses, was EUR 11.6 million (8% of sales).
- Net profit in the period from January till June 2007 was EUR 8.5 million compared with EUR 1.3 million in 2006.
- Cash generated from operations was EUR 14.4 million in the first half of 2007, but was negative of EUR 6.7 million for the same period in 2006.
- Net cash at end of the period totaled EUR 49.6 million.
- Equity totaled EUR 158.3 million, and the equity ratio was 40.8 % at the end of June 2007. The company is well financed to enable it to continue developing opportunities for external growth.

Hörður Arnarson, CEO:

"The company's performance is acceptable in light of the extensive integration work that has caused both direct one-time expenses and decreased productivity due to focus on internal work. Taking into consideration one-time-expenses, the EBIT for the first half of the year is 8% which is concurrent with the company's goal of achieving a 10% EBIT next year. It is satisfying to see that the company's cash flow has improved significantly from the previous year.

Integration of the operations of Marel, Carnitech, Scanvaegt and AEW/Delford are progressing according to schedule. The successful restructuring of the companies' sales and marketing networks was mostly concluded in the last quarter. The new organization measures will be polished and assimilated in the coming months. Even if the integration of the companies has been very successful so far, further work will be done to fully utilize the underlying potential for further synergy within the companies.

Marel Food Systems is a well financed company capable of seizing the opportunities available in the near future. Turbulence on the financial markets might create opportunities for external growth for listed companies that are well financed.