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Grieg Seafood ASA

1Q 2009



Agenda

- **Highlights 1Q 2009**
- **Group Financials**
- **Business Areas**
- **Outlook**
- **Operational improvements**
- **Sales & Market**

1Q 2009 – HIGHLIGHTS AND FINANCIALS



Highlights 1Q 2009

- Higher salmon prices in a strong market, particularly in the USA.
- New funding established for a total of NOK 236m .
- Strengthened NOK gives unrealised foreign exchange gains of NOK 53m.
- ISA virus identified at two locations in Shetland. Culling carried out as ordered by Scottish authorities.
- Better biological production and generally lower production costs, with the exception of Shetland.

Financial highlights 1Q 2009

| | 1Q 2009 | 1Q 2008 | FY 2008 | FY 2007 |
|-------------------------------|---------|---------|-----------|-----------|
| Total operating income (TNOK) | 284 047 | 349 657 | 1 487 503 | 1 068 352 |
| EBITDA (TNOK) | 39 476 | 27 182 | 137 669 | 194 977 |
| EBIT before biomass adj. | 11 154 | 2 792 | (172 853) | 120 570 |
| EBIT/kg before biomass adj. | 1,2 | 0,2 | (3,3) | 3,2 |
| Harvest in tonnes, gwt | 9 205 | 13 751 | 51 731 | 37 996 |

Comments

- Total sales are 18% lower than 1Q 2008 due to 4,500 tons lower harvest volume (-33%) but at higher prices.
- EBIT/kg (adj) negatively influenced by early harvest of ISA sites in Shetland and low harvest volume from Rogaland.
- Harvest volume in 1Q is 16% of year total (est. 58' gwt), compared to 27% 1Q 2008 actual.

P&L 1Q 2009

| <i>All figures in NOK 1.000</i> | 1Q 2009 | 1Q 2008 | 2008 | 2007 * |
|--|----------------|----------------|------------------|------------------|
| Total operating income | 284 047 | 349 657 | 1 487 503 | 1 068 352 |
| Change in inventories | 39 676 | -47 219 | 51 637 | 205 859 |
| Raw materials and consumables used | -154 730 | -161 906 | -903 678 | -746 174 |
| Salaries and personnel expenses | -42 130 | -40 119 | -165 148 | -136 246 |
| Other operating expenses | -87 387 | -73 231 | -332 645 | -196 814 |
| EBITDA | 39 476 | 27 182 | 137 669 | 194 977 |
| Depreciation and amortisation | -28 323 | -24 390 | -108 208 | -73 252 |
| Depreciation and amortisation of licenses | 0 | 0 | -2 314 | -1 155 |
| Impairment adjustments on fixed assets | 0 | 0 | -200 000 | 0 |
| EBIT before biomass adjustment | 11 154 | 2 792 | -172 853 | 120 570 |
| Fair value adjustment of biological assets | 132 798 | -54 386 | -35 747 | -44 075 |
| EBIT operating profit after biomass adj. | 143 951 | -51 594 | -208 600 | 76 495 |
| Net financial income and expenses | 27 077 | -26 988 | -233 265 | -41 224 |
| Profit before tax | 171 028 | -78 582 | -441 865 | 35 271 |
| Estimated taxation | -46 698 | 22 672 | 97 461 | 16 395 |
| Net profit in the period | 124 330 | -55 910 | -344 404 | 51 666 |

Comments

- Higher production and lower harvest this quarter: hence inventory growth
- Raw material unit costs benefit from lower commodity prices.
- Depreciation up on high capex in 2008
- High FVA on inventory reflects market prices
- Financial gains on F/X-loans.

Balance sheet 1Q 2009

All figures in NOK 1.000

| All figures in NOK 1.000 | 31.03.2009 | 31.03.2008 | 31.12.2008 | 31.12.2007 | Comments |
|-------------------------------------|------------------|------------------|------------------|------------------|--|
| ASSETS | | | | | |
| Total non-current assets | 1 710 789 | 1 654 243 | 1 675 621 | 1 651 032 | <ul style="list-style-type: none"> Inventory has increased by MNOK 128 this year |
| Total current assets | 1 475 360 | 1 333 939 | 1 407 546 | 1 323 281 | |
| Total assets | 3 186 149 | 2 988 182 | 3 083 167 | 2 974 313 | <ul style="list-style-type: none"> Equity is back within covenant. Convertible bond is classified as equity Equity share of total balance is 32% Net interest bearing debt is reduced by MNOK 19 since 31.12.08 Long-term debt is reversed from preliminary short-term classification Only minor change in debt during this quarter GW increased by MNOK 44 due to IFRS tax effect adjustment on old purchase allocation |
| Total equity | 1 025 287 | 1 190 800 | 934 450 | 1 265 547 | |
| Total non-current liabilities | 1 348 795 | 1 212 234 | 434 352 | 1 001 165 | |
| Total current liabilities | 812 068 | 585 147 | 1 714 365 | 707 601 | |
| Total liabilities | 2 160 862 | 1 797 381 | 2 148 717 | 1 708 766 | |
| Total equity and liabilities | 3 186 149 | 2 988 182 | 3 083 167 | 2 974 313 | |

Cash Flow

| <i>All figures in NOK 1.000</i> | 1Q 2009 | 1Q 2008 | 2008 | 2007 |
|---|---------------|----------------|---------------|---------------|
| Net cash flow from operating activities | -8 912 | 59 674 | 77 933 | -37 247 |
| Net cash flow from investing activities | -35 406 | -53 464 | -321 123 | -798 186 |
| Net cash flow from financing activities | 42 477 | 152 725 | 286 976 | 847 059 |
| Net change in cash and cash equivalents | -1 841 | 158 935 | 43 786 | 11 626 |
| Cash and cash equivalents at beginning of the period | 68 146 | 24 318 | 24 318 | 12 692 |
| Currency translations | -2 475 | - | 42 | - |
| Cash and cash equivalents at the end of the period | 63 830 | 183 253 | 68 146 | 24 318 |

Comments

- Negative operational cash flow mainly due to low harvest income
- Net investment during 1Q was 35,4 MNOK
- Hedging of net currency exposed cash flow will replace current balance positions going forward, and is expected to reduce variations on result caused by exchange rates volatility.

Key figures 1Q 2009

| | Rogaland | Finnmark | BC | Shetland | Other | Group |
|---------------------------------------|----------|----------|-------|----------|-------|-------|
| Sales revenue (m nok) | 39,5 | 75,9 | 76,6 | 90,2 | 0,0 | 282,3 |
| EBITDA (m nok) | 5,0 | 8,4 | 29,8 | 0,2 | -4,2 | 39,2 |
| EBIT adj. ⁽¹⁾ (m nok) | -0,6 | 3,7 | 19,1 | -6,5 | -4,5 | 11,2 |
| Harvest in tonnes, gwt | 1 517 | 2 740 | 2 088 | 2 860 | 0 | 9 205 |
| EBIT adj ⁽¹⁾ NOK/kg | -0,41 | 1,36 | 9,14 | -2,28 | 0,0 | 1,21 |

1) EBIT adj is before fair value adjustment of biological assets.

Comments

- **Rogaland:** Planned stop in harvest for 7 weeks in 1Q. Production costs declining. Price hedging from Autumn 2008 at lower than spot market prices.
- **Finnmark:** Harvest of trout, still at high production costs. Production costs declining. Price hedging from Autumn 2008 at lower than spot market prices.
- **BC:** Improved prices in the US during 1Q and declining production costs.
- **Shetlands:** Compulsory harvest of two sites due to presence of ISA virus. Direct cost of MNOK 8 in 1Q 2009.

BUSINESS AREAS



Grieg Seafood Business Areas

(Figures in 1000 tons gutted weight and MNOK)

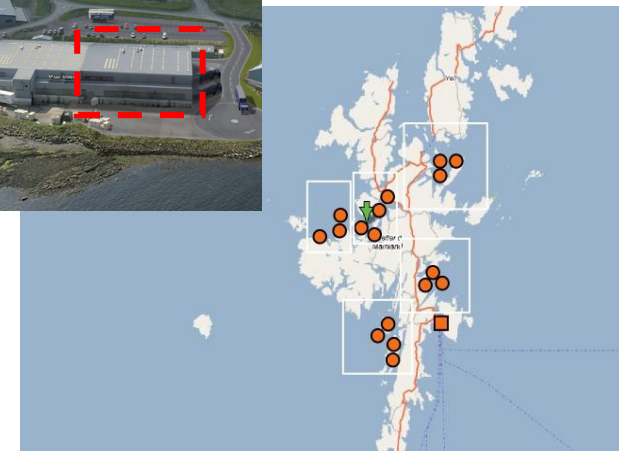
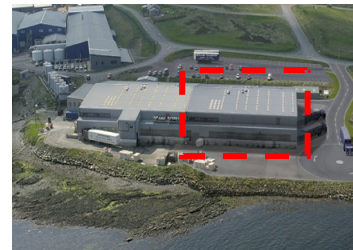
- **GSF Hjaltland (UK)**
- **GSF Rogaland**
- **GSF Finnmark**
- **GSF BC (Canada)**



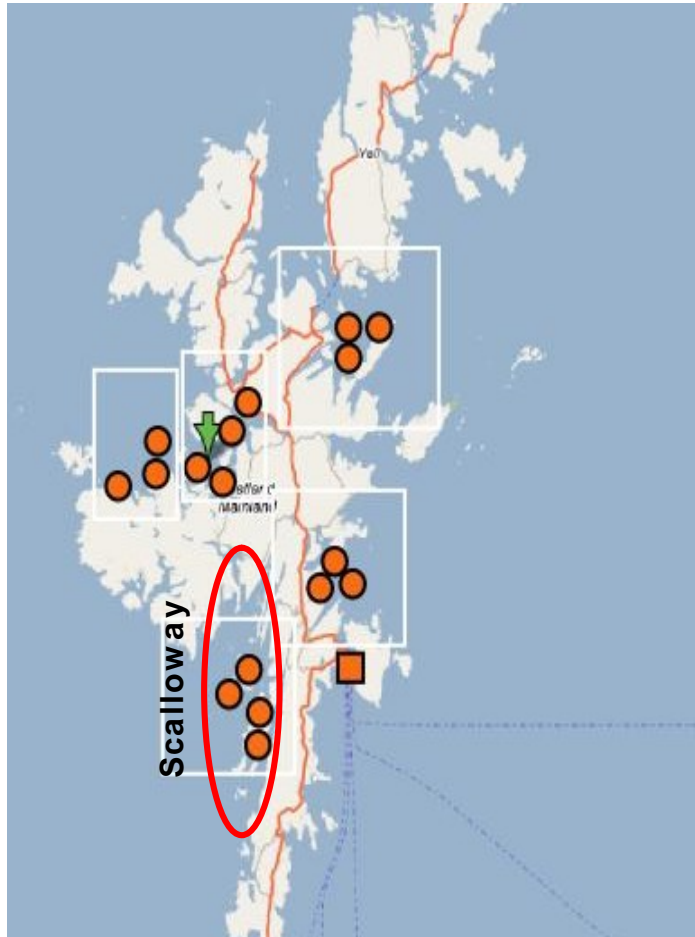
GSF Hjaltland (Shetland)

- Two sites subject to compulsory depopulation due to identification of the ISA virus (Scalloway area).
- Early harvest of small fish at lower price and higher costs caused negative result.
- Direct ISA related costs of MNOK 8. Some effect also in April.
- Overall harvest estimate is reduced by 2,000 tons for 2009
- New Area Management Plan for Scalloway established.
- One remaining GSF site in the area. No ISA suspicion.

| Hjaltland | Q1-09 | Q1-08 | 2008 |
|----------------|--------|---------|---------|
| Harvest gw | 2 860 | 4 473 | 13 838 |
| Sales | 90 208 | 125 461 | 420 662 |
| EBIT adj | -6 508 | 19 388 | -16 474 |
| EBIT adj/kg | -2,28 | 4,33 | -1,19 |
| Production rwt | 3 468 | 2 490 | 13 771 |



ISA in Scalloway: New Area Management Plan



- One operator contracted ISA in 4Q 2008 (officially announced Jan 2009)
- ISA virus (no clinical outbreak) found on two GSF sites.
- 2 remaining sites in operation in the area (1 GSF site).
- New area management plan concluded between operators:
 - Area fallowed from Sept 2009
 - Coordinated smolt entries spring 2010
 - Independent fish veterinary service
 - No or limited fish movements
 - Transparency and information between operators

GSF Rogaland

- Production as planned
- Very low harvest in 1Q 2009 caused by previous production losses (PD outbreaks)
- Harvest plant closed for 7 weeks during 1Q.
- Production costs declining as expected.
- Good biological situation at present and continuously improving production costs.

| Rogaland | Q1-09 | Q1-08 | 2008 |
|----------------|--------|--------|---------|
| Harvest gwt | 1 517 | 985 | 6 733 |
| Sales | 39 529 | 20 939 | 172 718 |
| EBIT adj | -616 | 5 216 | -15 972 |
| EBIT adj/kg | -0,41 | 5,30 | -2,37 |
| Production rwt | 2 794 | 1 862 | 11 555 |

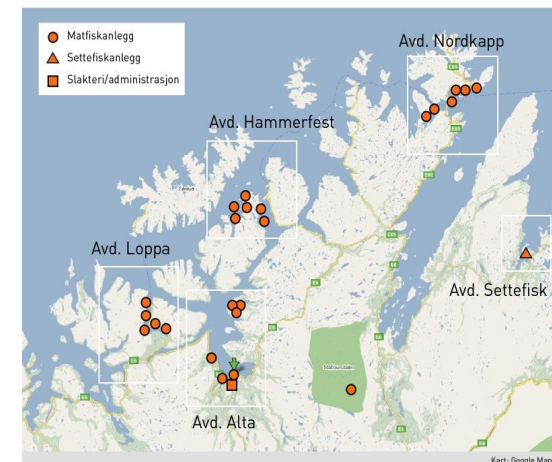


GSF Finnmark

- Upgraded harvest facility in production from March 09
- Harvest as planned
 - Trout 22% of total
- Trout still with too high production costs (slow growth) and unsatisfactory profitability.
- Production as planned, still winter conditions.
- Continuing developing our Blue Silver market positioning.

| Finnmark | Q1-09 | Q1-08 | 2008 |
|----------------|--------|---------|---------|
| Harvest gw | 2 740 | 5 217 | 14 834 |
| Sales | 75 942 | 109 618 | 358 960 |
| EBIT adj | 3 732 | -20 103 | 11 708 |
| EBIT adj/kg | 1,36 | -3,85 | 0,79 |
| Production rwt | 2 539 | 2 443 | 17 269 |

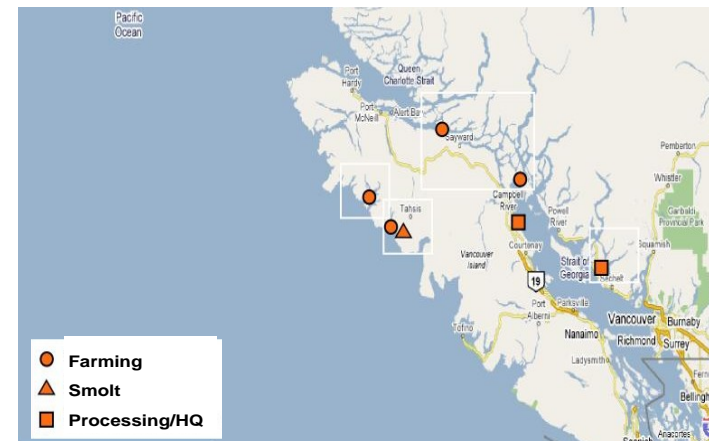
* 2008 values are operational EBIT before write down on assets (impairment)



GSF BC (Canada)

- Favourable US market price development in 1Q 2009.
- Declining production costs (all time low on site harvested).
- Production and harvest as planned.
- Investment projects progress as planned
 - Encouraging results from new smolt recirculation production unit – smolt entries as of Spring 2009.

| BC | Q1-09 | Q1-08 | 2008 |
|----------------|--------|--------|---------|
| Harvest gw | 2 088 | 3 076 | 16 326 |
| Sales | 76 597 | 84 236 | 524 554 |
| EBIT adj | 19 090 | 1 305 | 55 877 |
| EBIT adj/kg | 9,14 | 0,42 | 3,42 |
| Production rwt | 3 273 | 3 999 | 17 444 |

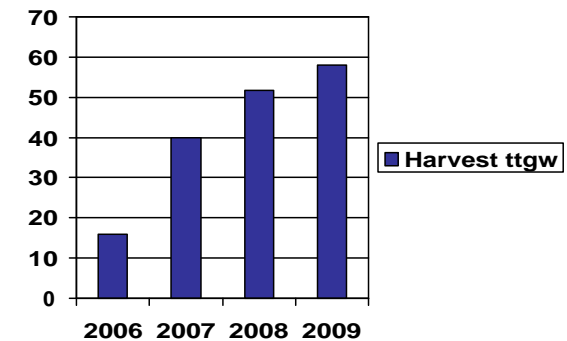
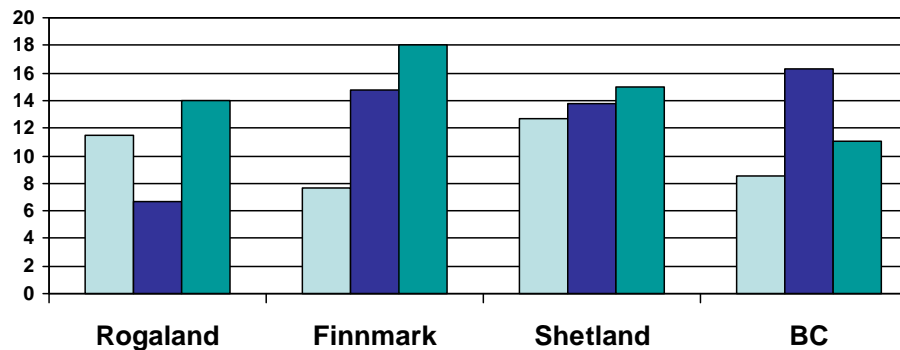


OUTLOOK



Production estimate 2009 (1000 gwt)

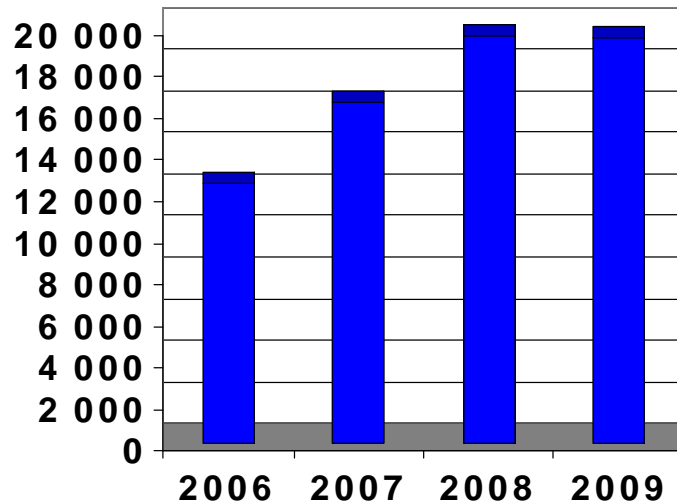
| | Rogaland | Finmark | Shetland | BC | GSF Group |
|-----------------|----------|---------|----------|----|-----------|
| Harvest '09 gwt | 14 | 18 | 15 | 11 | 58 |



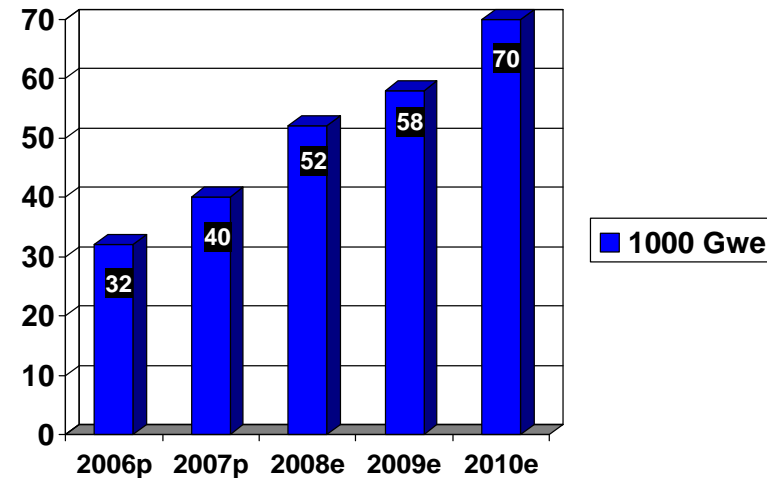
- **Harvest volume '09 to increase to 58.000 tons from 51.600 tons in '08.**
 - Reduction from 60' to 58' is caused by the ISA situation in the Shetlands
- **No PD issue at present, but ISA in the UK will reduce volumes.**
 - Rogaland production is back to normal. New smolt entries are vaccinated 100%.
 - ISA in the UK (Jan09) will causes reduced harvest in 2009 and 2010
- **2010 harvest volumes at appr. 70,000 tons. BC increasing to normal levels at appr. 18,000 tons.**

Continued strong organic growth from implemented growth plans...

Smolt entries



Group harvest volume development

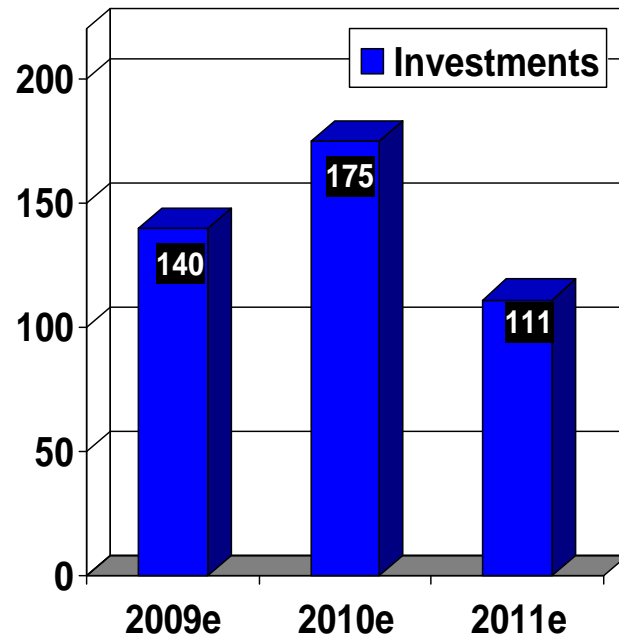


P = Pro-forma, e = estimates

- Continued strong organic growth (harvest and sales) as a consequence of already implemented plans (smolt entries and investments).
- In 2010 we still expect harvest volume at appr. 70,000 tons (gwe)

Investment plan

Capital investments

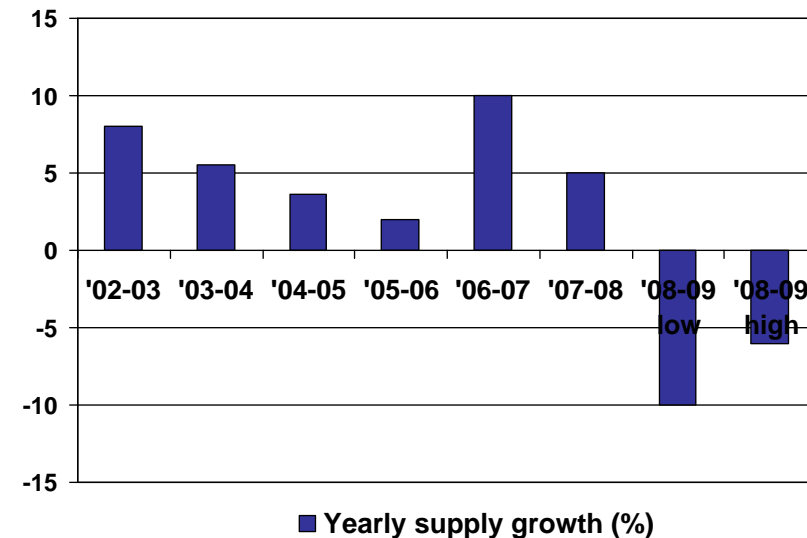


- Investment plan is revised
 - Replacement capital expenditures
 - Mainly on sea sites

- Total capex. requirements of approximately NOK 425 million in the period 2009e-2011e

Global supply reduction between 6-10% in 2009

- **Norway increase by about 10%**
 - Good growth H2-08, less PD
- **Chile down by minimum 60%**
 - Severe ISA effect
- **UK increase at 2-5%**
- **Canada quite flat at 0 – 2%**
 - Slower growth might reduce growth further



Outlook summary

- Harvest plans for 2009 reduced to 58,000 tons (-2,000 tons)
- Grieg Seafood will continue good organic growth in the next 2 years.
- 2010 harvest volume expectation at appr. 70,000 tons. Capacity and long-term target remains at > 80,000 tons.
- Improved and healthy future market perspective:
 - Reduced global salmon production in short to mid-term is shifting market balance.
 - Demand in main market seems robust in relation to the global recession.
- Grieg Seafood focus turning to operational efficiency.
- Additional financing of 236 MNOK finalized to secure the growth plan next 2 years.

Ready for the next phase

Operational improvements



Main improvement areas in the GSF Group

- 5 areas for improvement projects in the GSF Group
 1. Reduce FCR (optimal feed, optimal feeding, optimal biomass control)
 2. Smolt (right quality and size in sea at right time)
 3. Knowledge and culture (“Grieg Seafood Academy”)
 4. Fish Health (Inter regional fish health team)
 5. Reporting (KPI based management and performance system)

Sales & Market



Sales & Market

- From production orientated to market led
- Continue developing own sales organizations
 - Shift sales from traders to end customers (retail, processors, horeca)
- Continue building on geographical origin supported by labels/brands:



- Will give higher margins and reduce volatility

New VAP facility and product line in Shetland

- From live salmon to ready packed smoked products in 24-36 hours.
- Innovative and distinctive new flavours launched under our own WildWaters brand.
- State-of-the-art processing facility



Thank you !



APPENDIX

Share info

- Number of shares
 - 76,5 mill

- Last issues: 2Q 2007
 - 600 mill Private placement
 - 100 mill IPO

- Subordinated convertible bond issue: 1Q 2009
 - 100 mill convertible at NOK 4.00 per share within 31.12.2010

- EPS
 - -4,50 NOK/share 2008
 - 1,62 NOK/share 1Q 2009

- Shareholder structure
 - Free float 32%
 - Biggest 20 has 91,68% of total shares