Grieg Seafood ASA

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12 May 2017

Agenda

- Highlights
- Business Units (Regions)
- Financials
- Outlook

HIGHLIGHTS Q1 2017

Highlights Q1 2017

- EBIT: MNOK 131.5
  - EBIT/kg Group NOK 15
  - EBIT/kg Norway NOK 23
- Market remains strong
  - Fixed price contracts of 55 % in Q1.
- Low harvest volume (8,552 tons)
  - Planned in order to increase sea production.
  - Causing high cost per kg in Q1.
- Stable production in all regions
- Expected harvest volume of 70,000 tons in 2017
  - Smolt input as planned, increasing both number and size.

Financial highlights Q1 2017

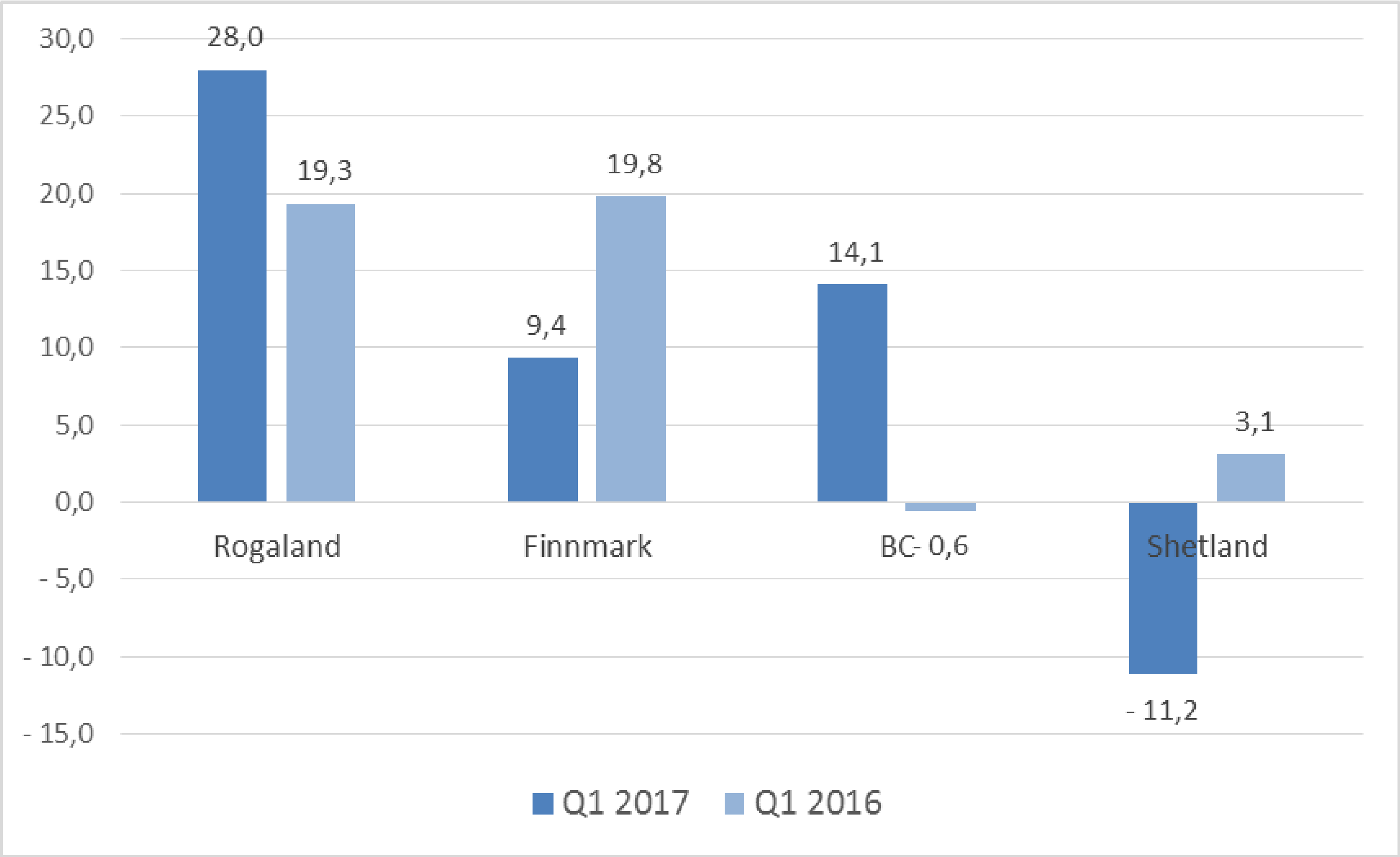
	Q1 2017	Q1 2016
Total operating income (TNOK)	1 421 071	1 299 397
EBITDA (TNOK)	178 399	252 345
EBIT before fair value adj. (TNOK)	131 492	214 382
EBIT / kg (NOK)	15,37	15,72
Harvest volume (tons gwe)	8 552	13 635

EBIT, EBITDA in this presentation: Before fair value adjustment of biological assets.

BUSINESS UNITS (REGIONS)

Business units performance – Q1 2017

EBIT before FV adjustment/KG gwt (NOK)



GSF Rogaland

- Normal harvest volume and stable cost in Q1.
- Stable and good sea-production throughout Q1.
- Increasing mechanical delousing capacity.
- Expansion of smolt plant moving forward as planned.
- Harvest from sites with higher cost in Q2.

	Q1 2017	Q1 2016
Harvest (gwt)	4 393	3 776
Sales revenues	291 903	226 045
EBIT	122 887	72 932
EBIT/kg	28,0	19,3

GSF Finnmark

- Low harvest volume and high cost in Q1.
- No harvesting first weeks in 2017 resulting in lower realised prices.
- Stable and good sea-production throughout Q1.
- Expansion of smolt plant moving forward as planned.
- Harvest volume increasing in Q2 - lowering the cost.

	Q1 2017	Q1 2016
Harvest (gwt)	1 632	6 296
Sales revenues	97 600	331 609
EBIT	15 287	124 566
EBIT/kg	9,4	19,8

GSF BC (Canada)

- High cost in Q1 due to
  - Low volume
  - Algaesituation in 2016
- Algae also causing low quality fish in Q1, and hence lower prices.
- Stable sea-production throughout Q1.
- Stable smolt-production throughout Q1.
- Harvest from new generation brings cost down in Q2.

	Q1 2017	Q1 2016
Harvest (gwt)	1 235	1 324
Sales revenues	78 546	67 644
EBIT	17 418	-742
EBIT/kg	14,1	-0,6

GSF Shetland

- High cost in Q1 due to
  - Low volume
  - Harvesting from sites with high cost (to be laid fallow in new plan)
- Low quality and small size of fish in Q1 causing lower prices.
- Stable sea-production throughout Q1, but still challenges with lice.
  - Increasing mechanical delousing capacity.
- Harvest form new generation moving cost down in Q2 (but still some harvest from old generations).

	Q1 2017	Q1 2016
Harvest (gwt)	1 293	2 240
Sales revenues	82 101	131 333
EBIT	-14 420	6 931
EBIT/kg	-11,2	3,1

Financials

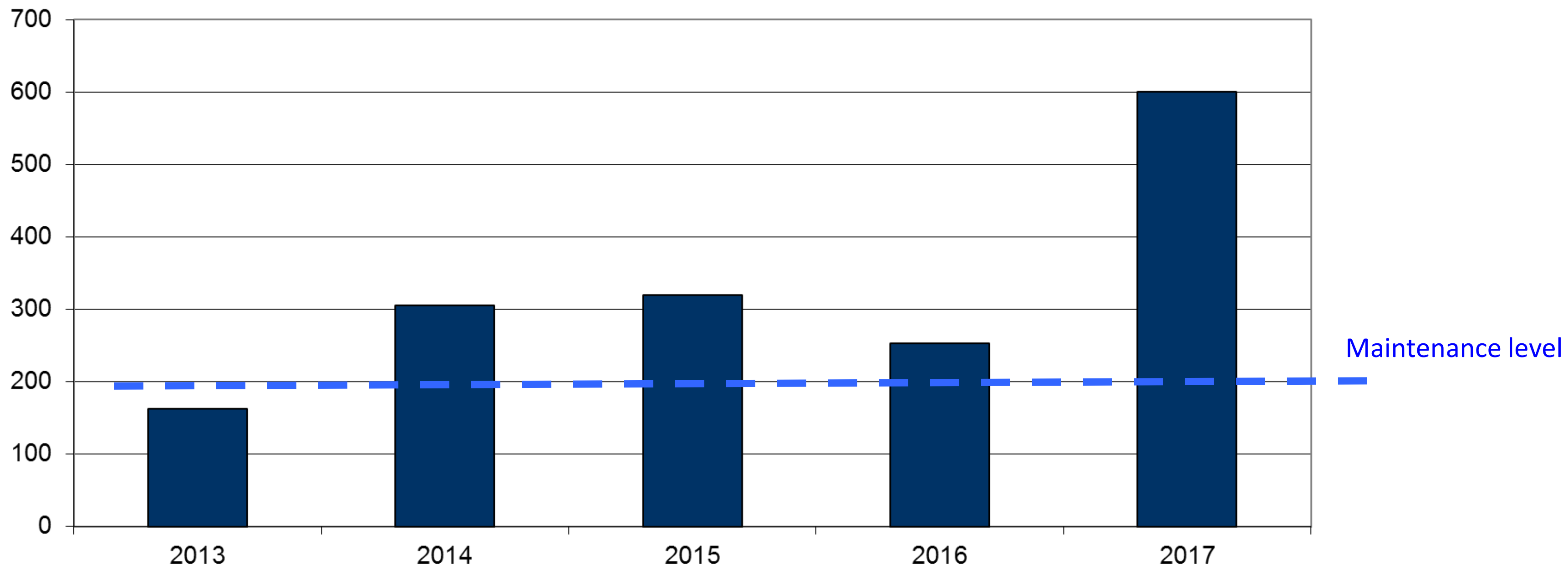
Profit and Loss

All figures in NOK 1,000	Q1 2017	Q1 2016
Total operating income	1 421 071	1 299 397
EBITDA	**178 399**	**252 345**
Depreciation and amortisation	-46 907	-37 962
EBIT before biomass adj	**131 492**	**214 382**
Fair value adj biological assets	-196 209	79 497
EBIT after biomass adj.	**-64 717**	**293 879**
Share of profit from ass. companies	-	12 083
Net financial	-4 538	-53 761
Profit before tax	**-69 255**	**252 201**
Estimated taxation	9 159	-61 301
Net profit in the period	**-60 096**	**190 900**

Net financial items

All figures in NOK 1,000	Q1 2017	Q1 2016
Changes in fair value from hedging instruments	3 037	-545
Net financial interest	-11 050	-23 917
Net currency gain (losses)	3 300	-28 600
Net other financial expenses/-income	175	-699
Net financial items	**-4 538**	**-53 761**

Investments
(MNOK)



- Maintenance MNOK 200.
- Expansion of smolt plant Rogaland MNOK 100.
- Expansion of smolt plant Finnmark MNOK 100.
- New sites MNOK 200.

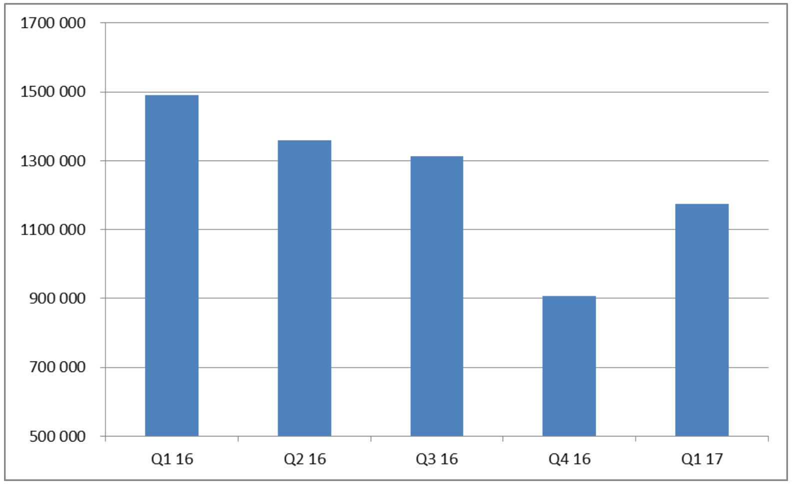
Cash Flow

(TNOK)

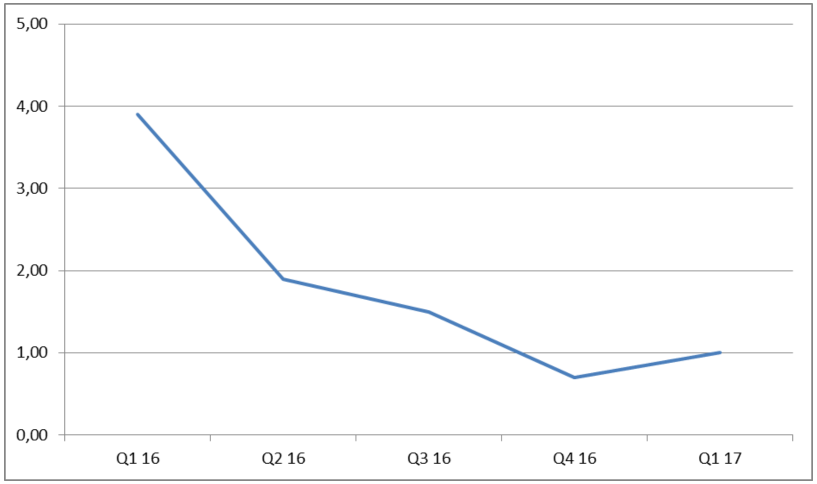
	Q1 2017	Q1 2016
Cash - opening balance	**503 613**	**392 020**
EBITDA	178 399	252 345
Inventory, trade payables and trade receivables	-117 904	-152 675
Other adjustments	-25 883	9 535
Cash flow from operations	34 612	109 205
Capital expenditure (fixed assets)	-116 136	-23 149
Investments in associated companies/shares	0	24 000
Change in other non-current receiveables	-3 313	0
Cash flow from investments	-119 449	851
Changes in interest-bearing debt	-181 084	-106 128
Net interest and financial items	-12 932	-26 805
Cash flow from financing	-194 016	-132 933
Currency effect on cash - opening balance	176	-237
Changes in cash (incl currency effect on cash)	**-278 677**	**-23 114**
Cash - closing balance	**224 936**	**368 906**

Net Interest Bearing Debt/EBITDA

NIBD (TNOK)
(excl. factoring)



NIBD/EBITDA
(according to covenants)



NIBD

MNOK	Q1 2017	Q1 2016
Term Loan	1 053	1 143
Revolving Credit	0	400
Leasing	300	312
Other interest bearing debt	48	6
Cash - closing balance	-225	-369
NIBD excl. factoring	**1 176**	**1 492**
Factoring	363	319

Balance sheet - Assets

(TNOK)

ASSETS	31.03.17	31.03.16
Goodwill	108 688	109 669
Licenses	1 062 179	1 076 927
Other intangible assets	16 983	17 577
Property, plant and equipment	1 584 364	1 477 482
Investments in associated and joint venture companies	0	14 748
Other non-current assets	10 482	5 193
Total non-current assets	**2 782 698**	**2 701 596**
Inventories	64 901	56 658
Biological assets	1 873 367	1 599 706
Fair value biological assets	644 591	385 796
Accounts receivable	670 657	532 079
Other current receivables	166 389	178 358
Derivates and other financial instruments	0	9 532
Cash and cash equivalents	224 936	368 906
Total current assets	**3 644 841**	**3 131 035**
Total assets	**6 427 538**	**5 832 631**

Balance sheet – Equity and liabilities

(TNOK)

EQUITY AND LIABILITIES	31.03.17	31.03.16
Share capital	446 648	446 648
Treasury Shares	-5 000	-5 000
Retained earnings and other equity	2 704 623	1 956 067
Total equity	**3 146 271**	**2 397 715**
Deferred tax liabilities	664 339	578 877
Pension- and other obligations	11 549	9 351
Subordinated loans	15 858	19 090
Borrow ings and leasing	1 191 600	1 702 164
Total non-current liabilities	**1 883 347**	**2 309 482**
Short-term loan facilities	164 672	156 767
Factoring	362 822	319 345
Accounts payable	462 804	431 918
Tax payable	165 745	18 205
Derivates and other financial instruments	29 540	19 115
Other current liabilities	212 337	180 084
Total current liabilities	**1 397 921**	**1 125 434**
Total liabilities	**3 281 268**	**3 434 915**
Total equity and liabilities	**6 427 538**	**5 832 631**

Key financial indicators

	Q1 2017	Q1 2016
EBITDA-margin before adj FV	13 %	19 %
EBIT-margin before adj FV	9 %	16 %
NIBD/EBITDA before adj FV	1,0	3,9
ROCE before adj FV	14 %	24 %
Equity ratio	49 %	41 %

Equity ratio excluding OQ (bank covenants): 54%

OUTLOOK

Harvest estimate

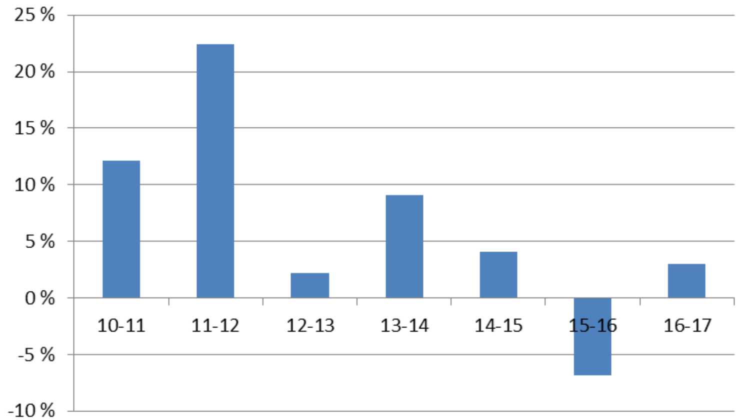
Guiding 2017 (1,000 tons gw e)	Rogaland	Finnmark	BC	Shetland	GSF Group
Q1	**4,4**	**1,6**	**1,2**	**1,3**	**8,6**
Growth %	16 %	-74 %	-7 %	-42 %	-37 %
Q2	**6,8**	**5,2**	**3,1**	**2,9**	**18,0**
Growth %	5 %	167 %	-38 %	0 %	11 %
Q3-Q4	**8,8**	**18,1**	**4,7**	**11,9**	**43,4**
Growth %	8 %	31 %	5 %	41 %	25 %
Total	**20,0**	**25,0**	**9,0**	**16,0**	**70,0**
Growth %	9 %	13 %	-16 %	18 %	8 %

Supply outlook

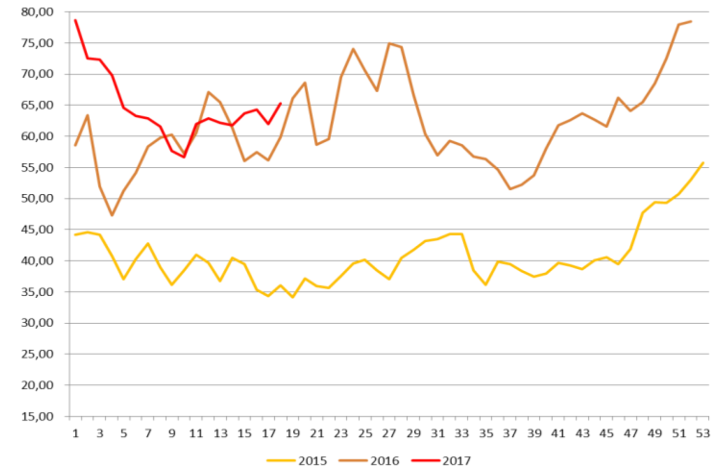
Low expected global supply growth 2017: 3%

- Norway
  - 2016: -5%
  - 2017: 2% (1,075' MT)
- Chile
  - 2016: -16%
  - 2017: +4% (475' MT)
- North America
  - 2016: +6%
  - 2017: -4% (145' MT)
- UK
  - 2016: -5%
  - 2017: +8% (155' MT)

Global supply growth farmed salmon (YoY):



NASDAQ (Norway) price development :



Outlook summary/actions GSF

- Strong market expected ahead.
- Cost level down to the industry average, or lower.
  - Rogaland in line.
  - Finnmark to increase volume, smolt input moving forward as planned.
  - BC to increase volume, stable smolt production.
  - Shetland, new 18 months generation lowering cost.
- Increasing lice-treatment capacity in all regions.
- 10% annual increase in production 2018-2020.
- Harvest volume guiding 2017 of 70,000 tons (+8% vs 2016).
  - 18,000 tons in Q2.
- Expected contract share of 21 % in 2017.
  - 17 % in Q2.

Thank you !

APPENDIX

Share information

- Number of shares
  - 111.7 million (after full conversion of bonds in August 2009).
- Last issues: Q2 2009
  - MNOK 139 new share issue.
- Subordinated convertible bond issue: Q1 2009
  - 100 mill. convertible at NOK 4.00 per share within 31.12.2010.
  - 85% converted in Q2 2009.
  - 15% converted in Q3 2009.
- EPS
  - -0.61 NOK/share Q1 2017.
  - 1.62 NOK/share Q1 2016.
- Shareholder structure
  - Largest 20 hold 72.98% of total no. of shares.

Shareholders

	No. shares	%
GRIEG HOLDINGS AS	55 801 409	49,97 %
OM HOLDING AS	3 350 000	3,00 %
YSTHOLMEN AS	2 928 197	2,62 %
FOLKETRYGDFONDET	2 905 000	2,60 %
VERDIPAPIRFONDET PARETO INVESTMENT	1 960 952	1,76 %
EUROCLEAR BANK S.A/N.V	1 581 439	1,42 %
STATE STREET BANK AND TRUST COMP	1 338 980	1,20 %
GRIEG SEAFOOD ASA	1 250 000	1,12 %
ARTIC FUNDS PLC	1 197 000	1,07 %
STATE STREET BANK AND TRUST COMP	1 162 513	1,04 %
VERDIPAPIRFONDET ALFRED BERG GAMBA	1 061 273	0,95 %
VERDIPAPIRFONDET PARETO NORDIC	976 000	0,87 %
J.P.MORGAN BANK LUXEMBOURG S.A.	925 989	0,83 %
MORGAN STANLEY & CO.INT.PLC.	886 053	0,79 %
CLEARSTREAM BANKING S.A.	881 340	0,79 %
THE NORTHERN TRUST COMP, LONDON BR	787 211	0,70 %
JPMORGAN FUND ICVC B/O 97019	694 820	0,62 %
UBS SWITZERLAND AG	639 520	0,57 %
JPMORGAN CHASE BANK, N.A., LONDON	623 768	0,56 %
JPMORGAN CHASE BANK, N.A., LONDON	535 291	0,48 %
Total 20 largest shareholders	**81 486 755**	**72,98 %**
Total other	30 175 245	27,02 %
Total numbers of shares	**111 662 000**	**100,00 %**

Profit and Loss

All figures in NOK 1,000	Q1 2017	Q1 2016
Total operating income	**1 421 071**	**1 299 397**
Share of profit from joint venture	0	-275
Change in inventories	0	0
Raw materials and consumables used	-793 420	-715 211
Salaries and personnel expenses	-118 530	-123 024
Other operating expenses	-330 721	-208 542
EBITDA	**178 399**	**252 345**
Depreciation and amortisation	-45 778	-42 968
Depreciation and amortisation of licenses	-1 129	-1 218
Impairment adjustments on assets	0	6 223
EBIT before biomass adj	**131 492**	**214 382**
Fair value adj biological assets	-196 209	79 497
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