Grieg Seafood ASA

Q4 2015

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Agenda

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

HIGHLIGHTS Q4 2015

Highlights Q4 2015

- EBIT of MNOK 43 in Q4 2015.
- EBIT Norway of MNOK 96 in Q4 2015 (EBIT/kg NOK 10,6).
- A strong market with rising prices towards the end of the period.
- Stable production in Finnmark and BC. Slightly weaker in Rogaland.
- Algae and sea lice in Shetland resulted in a high level of mortality and weak production in Q4.
  - The production cycle in this region is being changed from 24 to 18 months in order to reduce the biological risk.
- Harvested volume Q4 2016 was 15 279 tons (2015 as a whole was 65 398 tons).
- Guiding volume for 2016 continues at 70 000 tons.
- Bond loan of MNOK 400 was refinanced by bank debt in Q4.

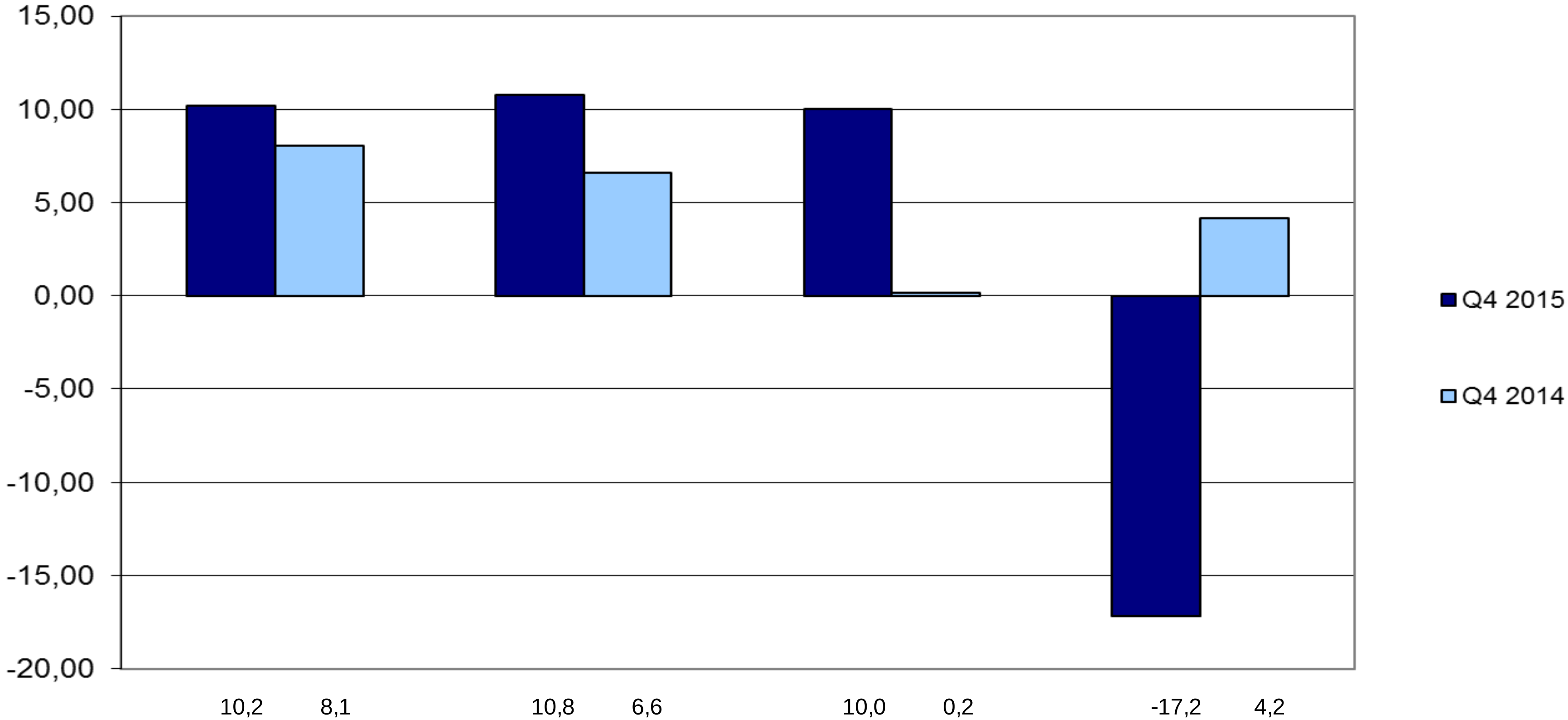
Financial highlights Q4 2015

	Q4 2015	Q4 2014	YTD 2015	YTD 2014
Total operating income (TNOK)	1 189 313	1 045 111	4 638 370	4 161 484
EBITDA (TNOK)	86 907	168 199	261 311	483 820
EBIT before fair value adj. (TNOK)	43 118	126 819	47 742	343 104
EBIT / kg (NOK)	2,82	7,96	0,73	5,30
Harvest volume (tons gwe)	15 279	15 941	65 398	64 736

BUSINESS UNITS (REGIONS)

Business units performance – Q4 2015

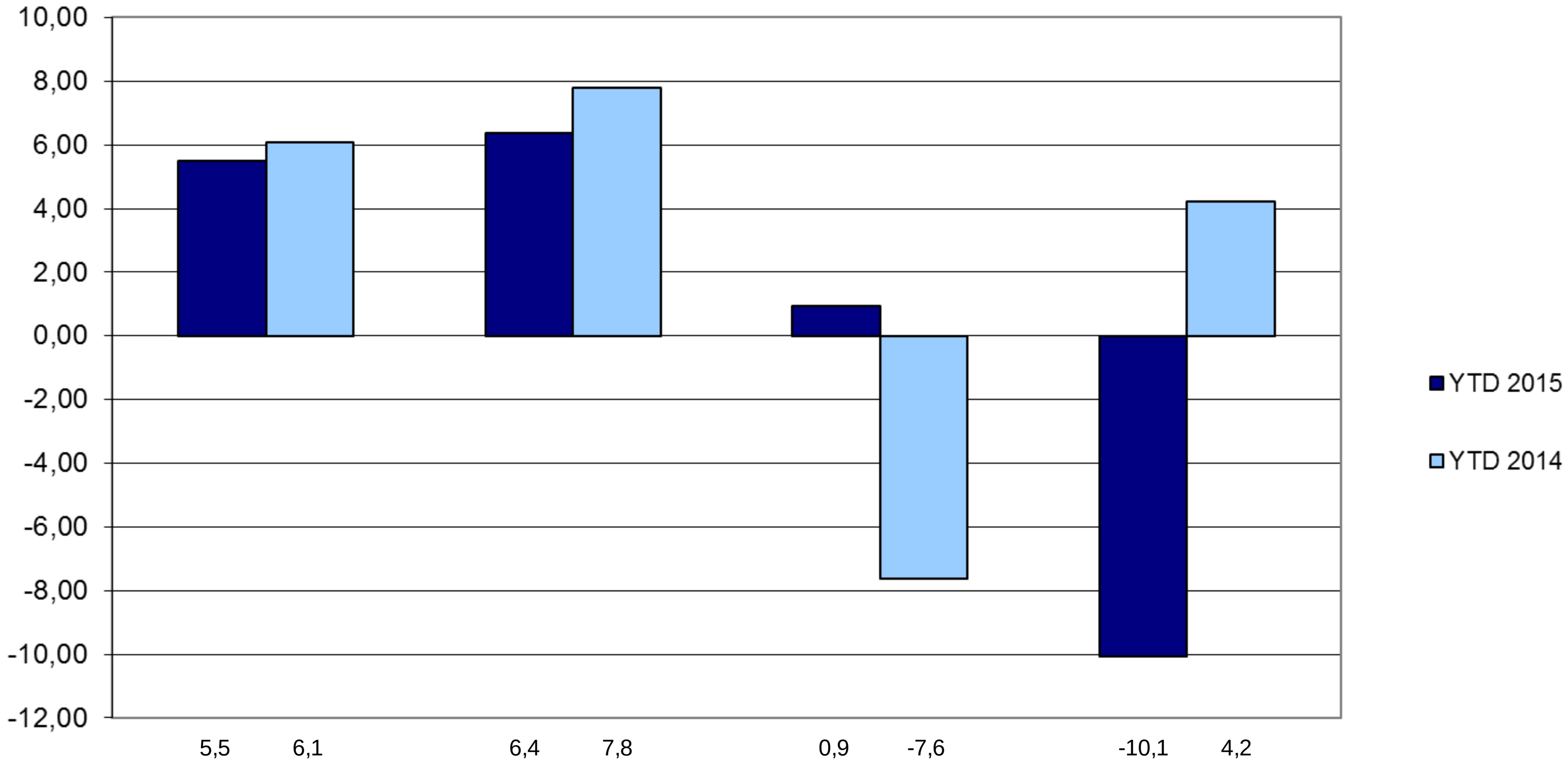
EBIT before biomass adjustment/KG gwt



	Rogaland Q4 15	Rogaland Q4 14		Finnmark Q4 15	Finnmark Q4 14		BC Q4 15	BC Q4 14		Shetland Q4 15	Shetland Q4 14
Harvest (gwt)	3 713	3 175		5 348	5 804		2 245	620		3 974	6 342
Sales MNOK	184	147		241	210		113	42		192	303

Business units performance – YTD 2015

EBIT before biomass adjustment/KG gwt



	Rogaland YTD15	Rogaland YTD14	Finnmark YTD15	Finnmark YTD14	BC YTD15	BC YTD14	Shetland YTD15	Shetland YTD14
Harvest (gwt)	15 236	12 778	19 481	26 470	14 311	6 257	16 370	19 231
Sales MNOK	666	573	800	975	574	278	774	852

GSF Rogaland

- Cost levels are stable, but are still considered to be high, due to previous algae, sea lice and PD.
- Collaboration with other companies in the region is important in order to reduce the biological risk.
- New zones are implemented, up and running within 2017.
- Weaker sea production than expected due to algae.
- Low mortality.
- Smolt production as planned.

	Q4 2015	Q4 2014	YTD 2015	YTD 2014
Harvest (gwt)	3 713	3 175	15 236	12 778
Sales revenues	183 904	146 968	666 074	572 550
EBIT	37 854	25 598	83 516	77 835
EBIT/kg	10,2	8,1	5,5	6,1

GSF Finnmark

- The quality of the harvested fish was good.
- Costs have been stable compared with the preceding quarter.
- Sea production has been as expected.
- Smolt production has been as planned.

	Q4 2015	Q4 2014	YTD 2015	YTD 2014
Harvest (gwt)	5 348	5 804	19 481	26 470
Sales revenues	240 521	209 696	799 824	975 291
EBIT	57 721	38 175	124 004	205 934
EBIT/kg	10,8	6,6	6,4	7,8

GSF BC (Canada)

- BC harvested fish from a location with especially low costs in Q4.
- Sea production was stable throughout Q4.
- The US market was weak throughout Q4, but 2016 has started with increasing prices.
- Some of the fish to be harvested in Q1 are expected to be mature (10%). This will impact negatively on the realised price.

	Q4 2015	Q4 2014	YTD 2015	YTD 2014
Harvest (gwt)	2 245	620	14 311	6 257
Sales revenues	112 750	41 704	573 900	277 757
EBIT	22 426	97	13 310	-47 810
EBIT/kg	10,0	0,2	0,9	-7,6

GSF Shetland

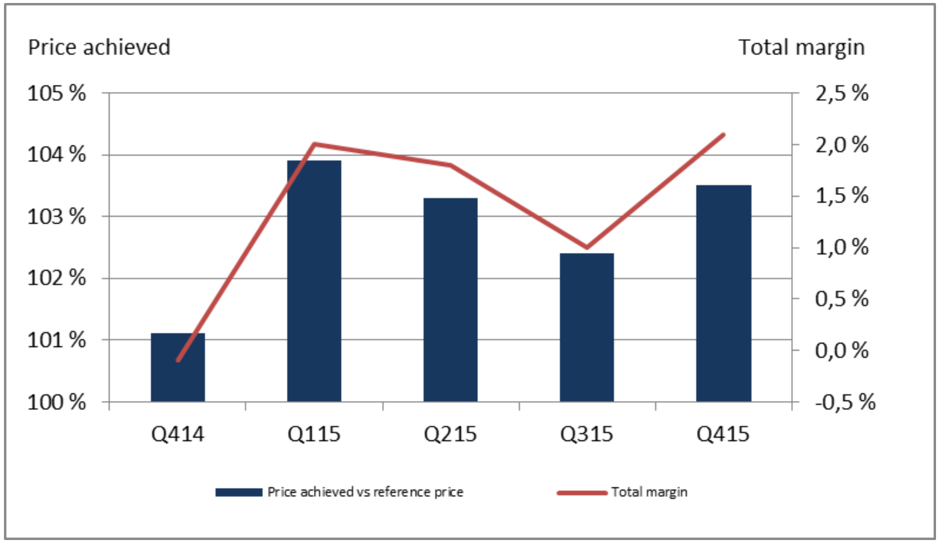
- The strong GBP in relation to NOK continues to make production in the UK less competitive, compared with Norway.
- Costs in Shetland were high due to weak production in Q4 and in previous quarters.
- Algae and sea lice have resulted in high fish mortality and weak growth.

	Q4 2015	Q4 2014	YTD 2015	YTD 2014
Harvest (gwt)	3 974	6 342	16 370	19 231
Sales revenues	192 469	302 904	773 525	852 455
EBIT	-68 191	26 334	-164 833	81 087
EBIT/kg	-17,2	4,2	-10,1	4,2

Ocean Quality (GSF 60%, Bremnes 40%)

- Positive margin in Norway.
- High margin in North America due to Coho/roe.

Norway:



Financials

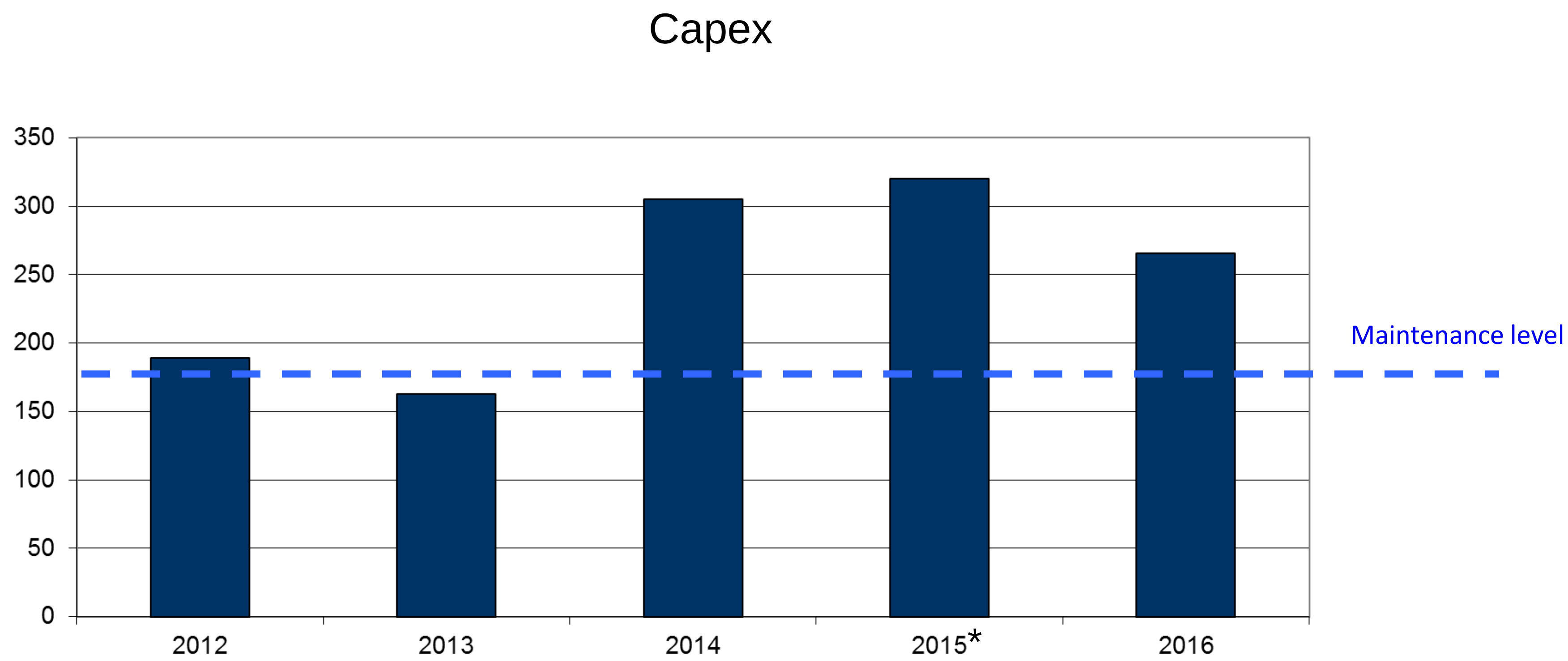
Profit and Loss

All figures in NOK 1,000	Q4 2015	Q4 2014	YTD 2015	YTD 2014
Total operating income	1 189 313	1 047 753	4 638 370	4 161 484
EBITDA	**86 907**	**170 841**	**261 311**	**483 820**
Depreciation and amortisation	-43 789	-41 379	-213 569	-140 717
EBIT before biomass adj	**43 118**	**129 461**	**47 742**	**343 104**
Fair value adj biological assets	161 252	123 450	33 209	-123 737
EBIT after biomass adj.	**204 370**	**252 911**	**80 951**	**219 367**
Share of profit from ass. companies	997	-78	3 142	2 865
Net financial	-38 585	2 939	-93 301	-50 276
Profit before tax	**166 782**	**255 772**	**-9 208**	**171 956**
Estimated taxation	-11 024	-48 588	18 608	-27 561
Net profit in the period	**155 759**	**207 184**	**9 400**	**144 395**

Net financial

All figures in NOK 1,000	Q4 2015	Q4 2014	YTD 2015	YTD 2014
Changes in fair value from hedging instruments	5 081	-11 754	6 608	-8 377
Net financial interest	-39 030	-25 989	-120 925	-91 786
Net currency gain (losses)	-2 027	34 507	26 001	45 994
Dividends	0	0	0	0
Net other financial expenses/-income	-2 608	6 175	-4 985	3 893
Net financial item	**-38 585**	**2 939**	**-93 301**	**-50 276**

Investments



* Green licenses Finnmark included in 2015 figures – MNOK 40.

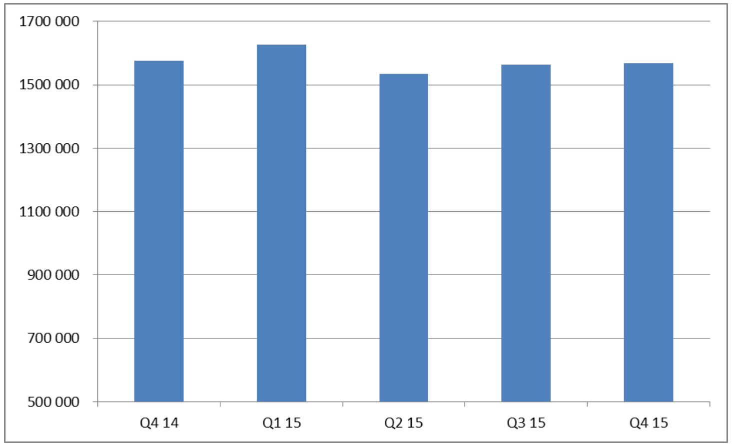
Cash Flow

	Q4 2015	Q4 2014	YTD 2015	YTD 2014
Cash - opening balance	**309 339**	**196 075**	**181 498**	**182 257**
EBITDA	86 907	170 841	261 311	483 820
Inventory, trade payables and trade receivables	-87 395	-368 808	72 095	-332 750
Other adjustments	-19 161	16 879	33 876	5 471
Cash flow from operations	-19 649	-181 088	367 282	156 541
Capital expenditure (fixed assets)	-81 089	-162 795	-320 076	-305 453
Investments in associated companies/shares	0	66 966	8 419	71 920
Change in other non-current receiveables	-25	-76	-2 507	47
Cash flow from investments	-81 114	-95 905	-314 164	-233 486
Changes in interest-bearing debt	227 624	271 023	331 939	133 325
Paid dividends	0	0	-55 206	0
Net interest and financial items	-44 510	-13 120	-118 464	-61 891
Cash flow from financing	183 114	257 903	158 269	71 434
Currency effect on cash - opening balance	330	4 513	-865	4 752
Changes in cash (incl currency effect on cash)	**82 681**	**-14 577**	**210 522**	**-759**
Cash - closing balance	**392 020**	**181 498**	**392 020**	**181 498**

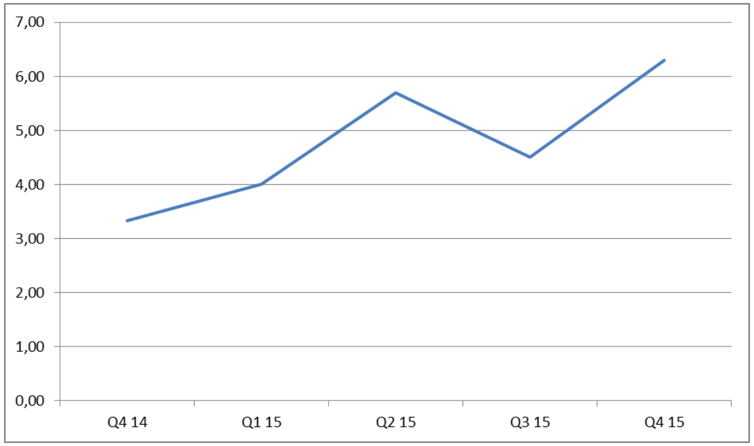
Dividend paid: NOK 0.5 per share in Q2 2015.

Net Interest Bearing Debt/EBITDA

NIBD
(excl. factoring)



NIBD/EBITDA
(according to covenants)



NIBD

MNOK	Q4 2015	Q4 2014
Term Loan	1 165	855
Revolving Credit	450	200
Bond	0	400
Leasing	334	290
Other interest bearing debt	12	3
Cash - closing balance	-392	-181
NIBD excl factoring	**1 569**	**1 566**

Factoring	338	196

Balance sheet 1

ASSETS	31.12.15	31.12.14
Goodwill	109 863	108 708
Licenses	1 093 338	1 066 184
Other intangible assets	16 975	11 518
Property, plant and equipment	1 534 788	1 424 952
Investments in associated and joint venture companies	25 947	22 379
Other non-current assets	5 193	3 765
Total non-current assets	**2 786 104**	**2 637 505**
Inventories	90 867	91 016
Biological assets	1 616 636	1 562 812
Fair value biological assets	312 479	281 285
Accounts receivable	581 904	504 110
Other current receivables	184 251	93 371
Derivates and other financial instruments	0	0
Cash and cash equivalents	392 020	181 498
Total current assets	**3 178 157**	**2 714 093**
Total assets	**5 964 261**	**5 351 599**

Balance sheet 2

EQUITY AND LIABILITIES	31.12.15	31.12.14
Share capital	446 648	446 648
Treasury Shares	-5 000	-5 000
Retained earnings and other equity	1 800 948	1 799 803
Total equity	**2 242 596**	**2 241 451**
Deferred tax liabilities	569 745	560 320
Pension- and other obligations	4 498	2 532
Subordinated loans	21 425	22 795
Borrow ings and leasing	1 791 229	1 196 103
Total non-current liabilities	**2 386 897**	**1 781 750**
Short-term loan facilities	162 930	540 895
Factoring	338 231	195 560
Accounts payable	653 083	360 358
Accrued salary expense and public tax payable	0	0
Tax payable	17 239	56 975
Derivates and other financial instruments	29 985	27 932
Other current liabilities	133 299	146 679
Total current liabilities	**1 334 767**	**1 328 398**
Total liabilities	**3 721 665**	**3 110 148**
Total equity and liabilities	**5 964 261**	**5 351 599**

Key financial indicators

	Q4 2015	Q4 2014	YTD 2015	YTD 2014
EBITDA-margin before adj biomass	7 %	16 %	6 %	12 %
EBIT-margin before adj biomass	4 %	12 %	1 %	8 %
NIBD/EBITDA before adj biomass	6,3	3,3	6,3	3,3
ROCE before adj biomass	5 %	16 %	5 %	10 %
Equity ratio	38 %	42 %	38 %	42 %

OUTLOOK

Harvest estimate

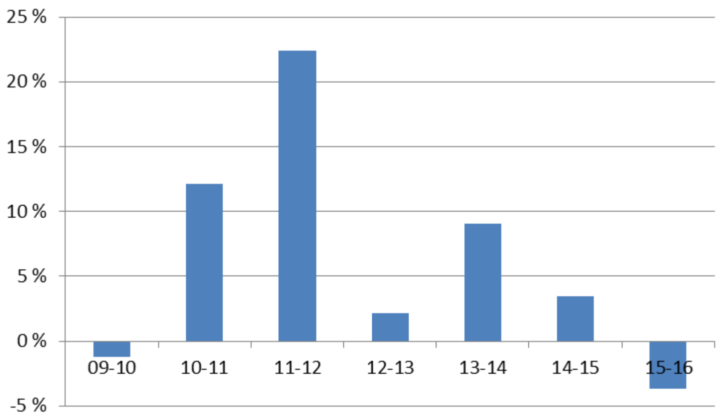
Guiding 2016 (1,000 tons gw e)	Rogaland	Finnmark	BC	Shetland	GSF Group
Q1	**3,3**	**6,0**	**1,1**	**2,3**	**12,7**
Growth %	21 %	18 %	-41 %	-32 %	-3 %
Q2-Q4	**15,9**	**17,3**	**11,7**	**12,4**	**57,3**
Growth %	27 %	20 %	-6 %	-4 %	9 %
Total	**19,2**	**23,3**	**12,8**	**14,7**	**70,0**
Growth %	26 %	20 %	-11 %	-10 %	7 %

- 2016 guiding of 70,000 tons
  - Finnmark guiding up 1,000 tons.
  - Shetland guiding down 1,000 tons.

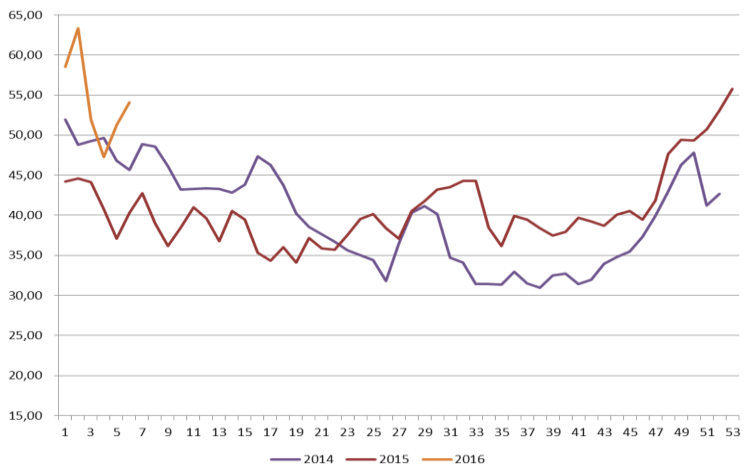
Supply outlook

- **Global supply moving down, 2016 vs 2015 expected to be -4%. Strong market is expected.**
- Norway - none growth:
  - 2015: +3%
  - 2016: -4% (1,072' MT)
- Chile – negative growth rate:
  - 2015: +1%
  - 2016: -7% (495' MT)
- Canada – from positive to negative growth rate:
  - 2015: +28%
  - 2016: 0% (139' MT)
- UK – from negative to positive growth rate:
  - 2015: +3%
  - 2016: 0% (160' MT)

Global supply growth farmed salmon (YoY):



NASDAQ (Norway) price development :



Outlook summary/actions GSF

Aim to bring the cost level down to the industry average, or lower. 10% annual increase in production 2017-2019, increasing biomass in 2016.

- GSF's smolt programme - increasing number and size of smolt.
  - Increasing both internal and external smolt capacity.
  - Shorten the production time in the sea.
- Aim is to save 10 % on external purchases.
- IT project to ensure system and process standardization.
- Organisation changes in order to strengthen the focus on operations.
- HR Director appointed.
- Implementing green licenses in Finnmark.
- Oxygen equipment BC implemented in order to lower risk regarding low DO events.

Outlook summary/actions Shetland

- Reduce the production cycle from 24 to 18 months.
- Smolt size UK 2016 +50%.
- Quarterly smolt input.
- Algae monitoring.
- Implementing lumpfish.
- Pen number reduction of 30%.
- Weaker areas temporarily closed, number of sites from 26 to 18, resulting reduced manpower levels.
- Harvesting plant UK, manpower levels are reduced.
- The Board of Directors has decided to initiate a strategic review of the company's operations in Shetland.

Thank you !

APPENDIX

Share info

- Number of shares
  - 111.7 million (after full conversion of bonds in August 2009).
- Last issues: Q2 2009
  - 139 MNOK 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
  - 1.37 NOK/share Q4 2015.
  - 1.87 NOK/share Q4 2014.
- Shareholder structure
  - Largest 20 have 93.66% of total no. of shares.

Shareholders

	No. shares	%
GRIEG HOLDINGS	55 801 409	49,97 %
DNB NOR MARKETS, AKSJEHAND/ANALYSE	22 181 875	19,87 %
NORDEA BANK NORGE ASA MARKETS	6 605 998	5,92 %
KONTRARI AS	5 862 763	5,25 %
YSTHOLMEN	2 928 197	2,62 %
OM HOLDING AS	2 610 000	2,34 %
STATE STREET BANK AND TRUST CO.	1 305 901	1,17 %
GRIEG SEAFOOD ASA	1 250 000	1,12 %
KVASSHØGDI AS	1 000 000	0,90 %
GRIEG SHIPPING II AS	824 565	0,74 %
SKANDINAVISKA ENSKILDA BANKEN AB	804 664	0,72 %
VERDIPAPIRFONDET PARETO INVESTMENT	598 695	0,54 %
VERDIPAPIRFONDET PARETO NORDIC	490 000	0,44 %
THE BANK OF NEW YORK MELLON	461 800	0,41 %
HSBC BANK PLC	382 691	0,34 %
VERDIPAPIRFONDET DNB SMB	377 500	0,34 %
STOREBRAND VEKST	321 312	0,29 %
THE BANK OF NEW YORK MELLON SA/NV	281 741	0,25 %
MK PENSJON PK	276 944	0,25 %
SKANDINAVISKA ENSKILDA BANKEN AB	219 030	0,20 %
Total 20 largest shareholders	**104 585 085**	**93,66 %**
Total other	7 076 915	6,34 %
Total numbers of shares	**111 662 000**	**100,00 %**

Profit and Loss

All figures in NOK 1,000	Q4 2015	Q4 2014	YTD 2015	YTD 2014
Total operating income	**1 189 313**	**1 047 753**	**4 638 370**	**4 161 484**
Share of profit from joint venture	-237	-2 037	6 994	3 576
Change in inventories	157 315	90 854	132 503	116 243
Raw materials and consumables used	-888 043	-603 648	-2 871 429	-2 409 520
Salaries and personnel expenses	-117 805	-101 471	-409 432	-359 528
Other operating expenses	-253 635	-260 609	-1 235 695	-1 028 434
EBITDA	**86 907**	**170 841**	**261 311**	**483 820**
Depreciation and amortisation	-47 112	-38 212	-164 547	-135 495
Depreciation and amortisation of licenses	-481	-3 167	-2 827	-5 222
Impairment adjustments on assets	3 805	0	-46 195	0
EBIT before biomass adj	**43 118**	**129 461**	**47 742**	**343 104**
Fair value adj biological assets	161 252	123 450	33 209	-123 737
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