Grieg Seafood ASA

Andreas Kvame | CEO

Atle Harald Sandtorv | CFO

11 November 2016

Agenda

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

HIGHLIGHTS Q3 2016

Highlights Q3 2016

- Good quarterly results with EBIT of MNOK 186 (EBIT per kg: NOK 13.3).
- Dividend of NOK 1 per share.
- The market remains strong.
- EBIT per kg NOK 15.2 in Norway.
  - Fixed price contracts accounted for 47%.
  - Good and stable biological situation.
- EBIT per kg NOK 4.0 in BC.
  - Algae resulted in production challenges (write-downs of NOK 5 per kg in Q3).
  - More robust plans for fresh water and sea production are in hand.
- EBIT per kg NOK 15.9 in Shetland.
  - Satisfactory results.
  - Sea lice, AGD and algae led to varying production in Q3.
- Expected harvest volume 2017 of 73 000 tons (+11%), of which 48 000 tons from Norway (66% of total harvest volume).
- Applying for 10 development licences.

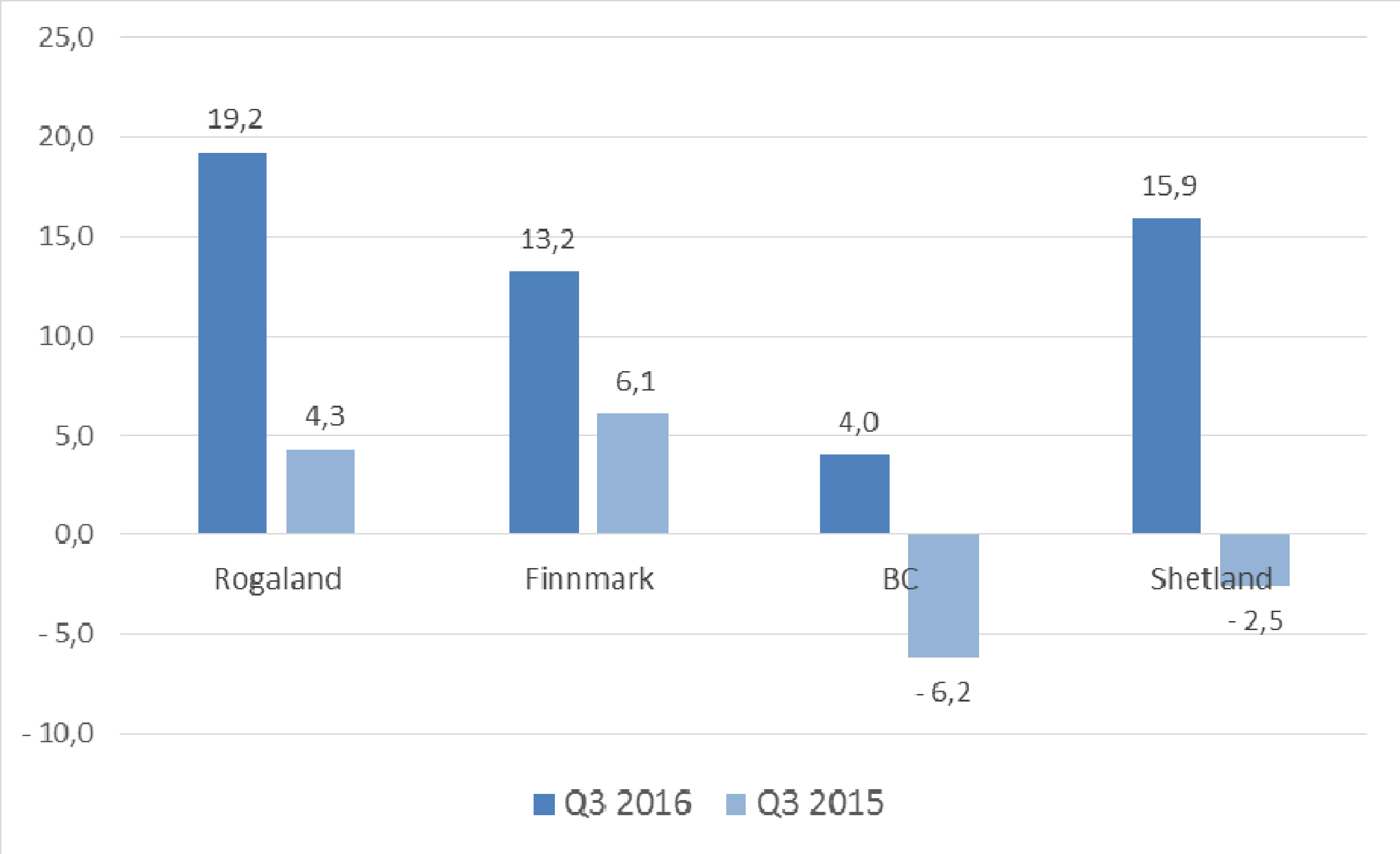
Financial highlights Q3 2016

	Q3 2016	Q3 2015	YTD 2016	YTD 2015
Total operating income (TNOK)	1 552 764	1 244 577	4 534 413	3 449 057
EBITDA (TNOK)	230 894	47 391	839 622	174 404
EBIT before fair value adj. (TNOK)	185 554	-44 346	711 630	4 624
EBIT / kg (NOK)	13,34	-2,28	16,24	0,09
Harvest volume (tons gwe)	13 911	19 480	43 809	50 119

BUSINESS UNITS
(REGIONS)

Business units performance – Q3 2016

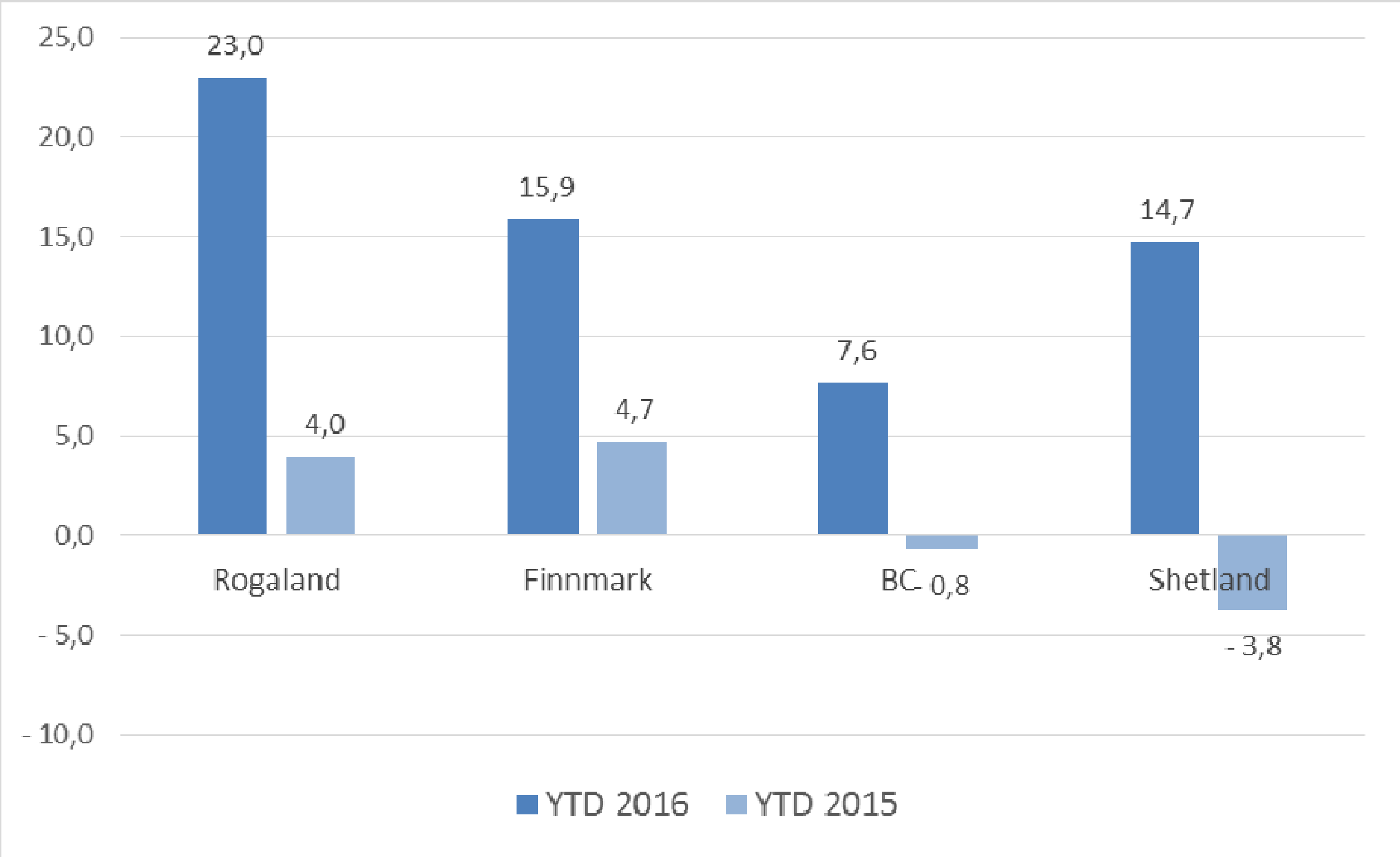
EBIT before biomass adjustment/KG gwt



Shetland 2015: Write-down VAP MNOK 50 not included.

Business units performance – YTD 2016

EBIT before biomass adjustment/KG gwt



Shetland 2015: Write-down VAP MNOK 50 not included.

GSF Rogaland

- Low harvest volume impacting costs per kg negatively.
- Harvest volume Q4 increasing, resulting normalised cost.
- Good sea production in Q3.
  - Limited need for delousing activities.
  - Expected harvest volume 2016 increased by 800 tons.
- Fixed price contracts of 47%.
- Expansion smolt-plant moving forward as planned.

	Q3 2016	Q3 2015	YTD 2016	YTD 2015
Harvest (gwt)	2 332	1 806	12 600	11 523
Sales revenues	133 346	79 085	769 285	482 170
EBIT	44 886	7 748	289 702	45 661
EBIT/kg	19,2	4,3	23,0	4,0

GSF Finnmark

- Low harvest volume impacting costs per kg negatively.
- No harvesting in July lowering achieved price for Q3 by NOK 4 per kg.
- Harvest volume Q4 increasing, resulting normalised cost.
- Sea production as planned in Q3.
- Fixed price contracts of 47%.

	Q3 2016	Q3 2015	YTD 2016	YTD 2015
Harvest (gwt)	4 504	7 802	12 767	14 134
Sales revenues	230 767	319 862	663 313	559 303
EBIT	59 348	47 223	202 814	66 283
EBIT/kg	13,2	6,1	15,9	4,7

GSF BC (Canada)

- Algae causing weak feeding and low fish growth.
  - Write-down due to mortality of MNOK 13 (NOK 5 per kilo), resulting high cost for Q3.
  - Harvest volume for 2016 likely to be 1 500 tons less than previously guided.
- Costs also to be high in Q4, but are expected to fall again in 2017.
- Smolt production stable in Q3.
- Business plan to be revised
  - Considering new smolt plant
- Rocky Boschman appointed as new regional director in BC.

	Q3 2016	Q3 2015	YTD 2016	YTD 2015
Harvest (gwt)	2 536	4 470	8 797	12 066
Sales revenues	147 569	176 821	496 425	461 150
EBIT	10 175	-27 547	67 159	-9 116
EBIT/kg	4,0	-6,2	7,6	-0,8

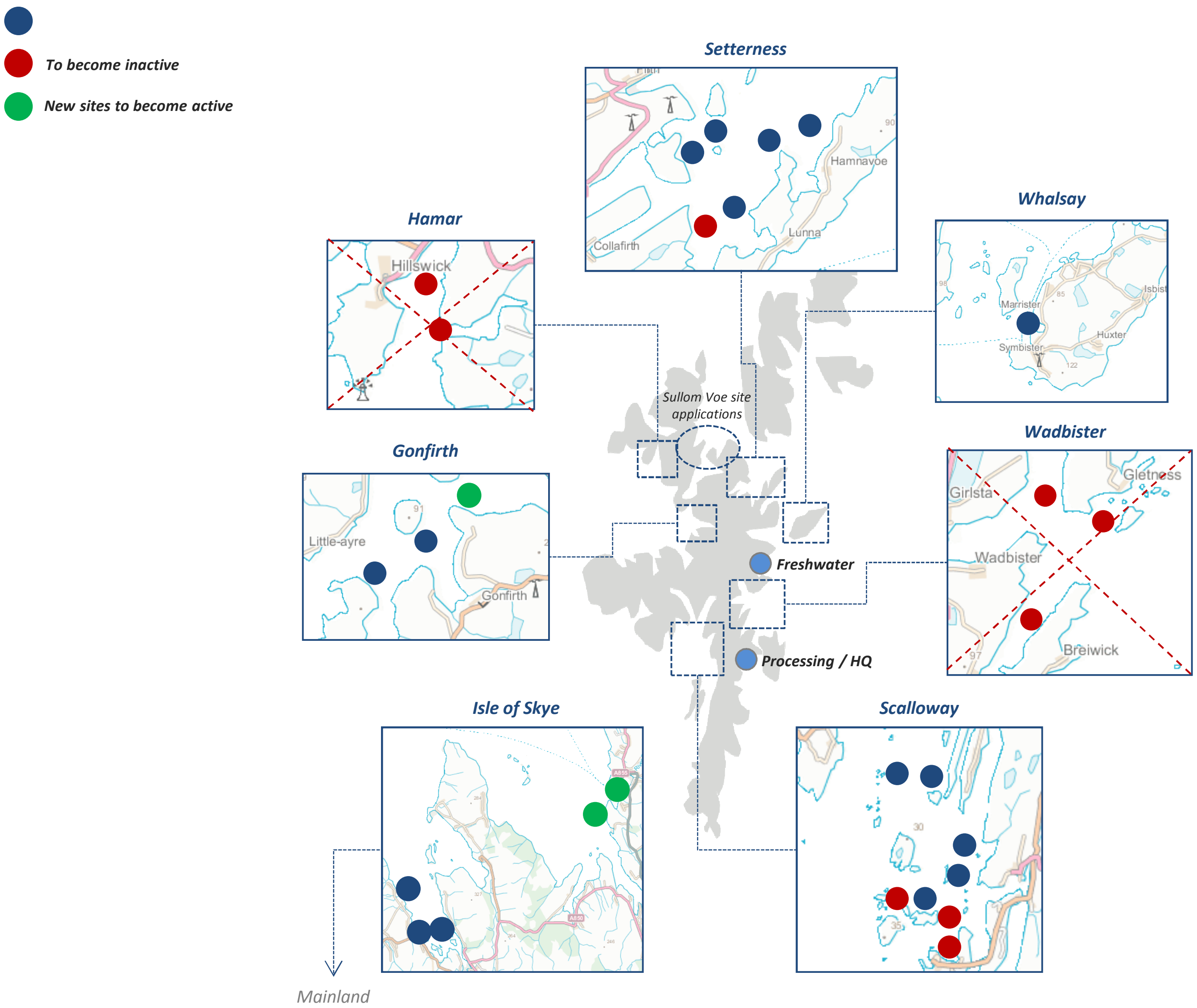
GSF Shetland

- Algae, AGD and sea lice causing increasing costs this quarter (Q3 is normally the most challenging production period in Shetland).
- The harvest volume for 2016 likely to be 1 300 tons less than previously guided.
- Highcost-sites, to become inactive when 18 months production-plan implemented, to be harvested in Q4 2016 and Q1 2017
  - Increasing cost the two next quarters.
  - Normalized cost expected in Q2 2017.
- Grant Cumming appointed as new regional director in Shetland.

	Q3 2016	Q3 2015	YTD 2016	YTD 2015
Harvest (gwt)	4 539	5 401	9 644	12 396
Sales revenues	283 188	243 324	619 775	581 056
EBIT	72 219	-13 600	142 222	-46 642
EBIT/kg	15,9	-2,5	14,7	-3,8

Shetland 2015: Write-down VAP MNOK 50 not included.

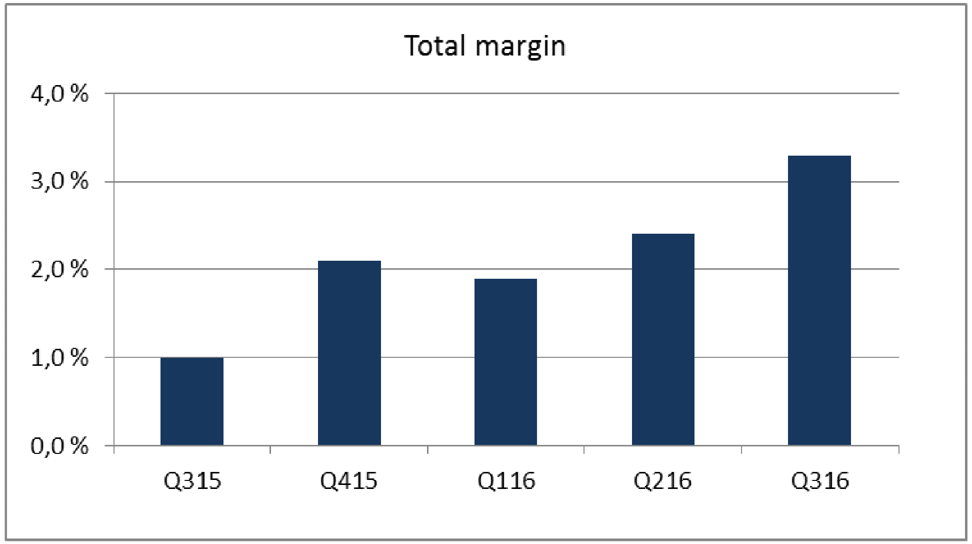
Sites to be used 18 months cycle plan (Shetland)



Ocean Quality (GSF 60%, Bremnes 40%)

- Increasing margins and good performance in Norway.
- Moving closer to end-customer.

Norway:



Financials

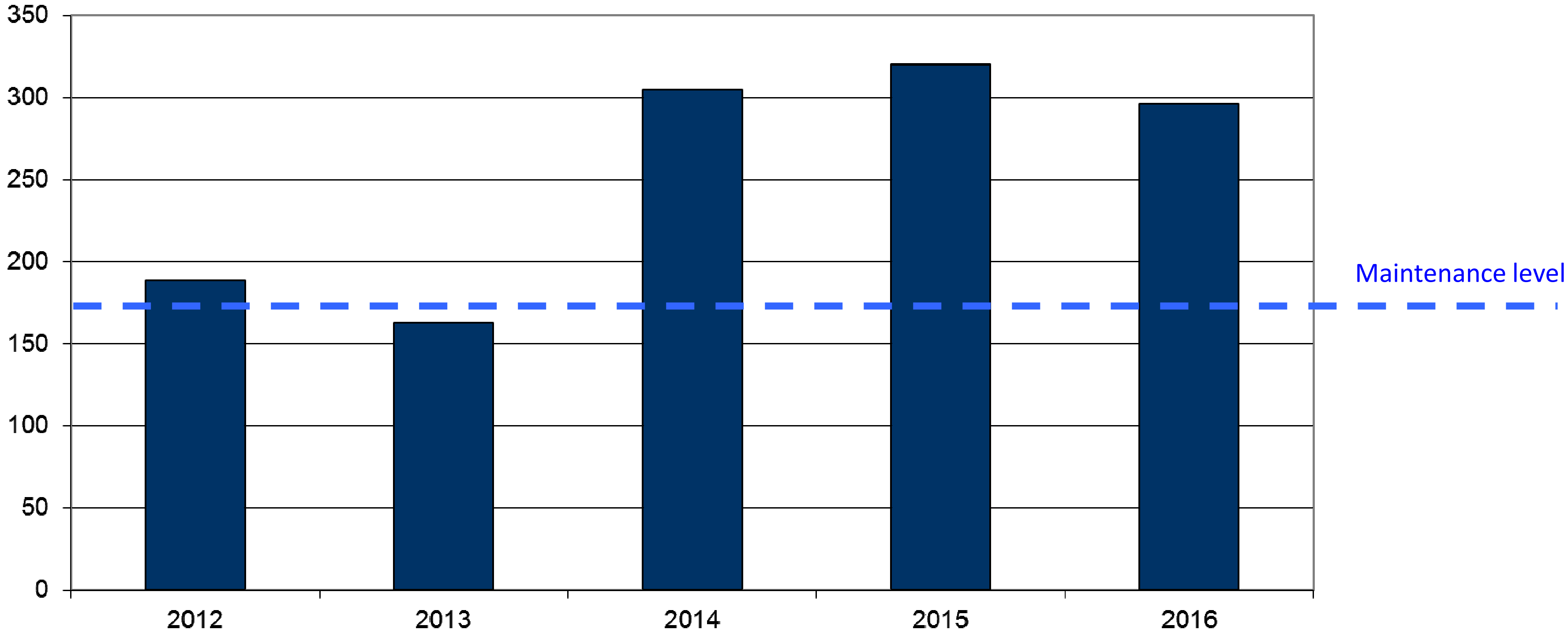
Profit and Loss

All figures in NOK 1,000	Q3 2016	Q3 2015	YTD 2016	YTD 2015
Total operating income	1 552 764	1 244 577	4 534 413	3 449 057
EBITDA	**230 894**	**47 391**	**839 622**	**174 404**
Depreciation and amortisation	-45 340	-91 738	-127 991	-169 780
EBIT before biomass adj	**185 554**	**-44 346**	**711 630**	**4 624**
Fair value adj biological assets	93 437	93 082	288 705	-128 043
EBIT after biomass adj.	**278 991**	**48 736**	**1 000 335**	**-123 419**
Share of profit from ass. companies	-	184	12 083	2 145
Net financial	-42 554	-29 843	-135 206	-54 716
Profit before tax	**236 438**	**19 077**	**877 212**	**-175 990**
Estimated taxation	-55 118	-12 695	-207 336	29 631
Net profit in the period	**181 320**	**6 381**	**669 877**	**-146 359**

Net financial

All figures in NOK 1,000	Q3 2016	Q3 2015	YTD 2016	YTD 2015
Changes in fair value from hedging instruments	5 037	-8 267	7 485	1 527
Net financial interest	-14 226	-34 039	-65 153	-81 895
Net currency gain (losses)	-29 923	14 252	-76 917	28 028
Net other financial expenses/-income	-3 442	-1 788	-621	-2 377
Net financial item	**-42 554**	**-29 842**	**-135 206**	**-54 717**

Investments

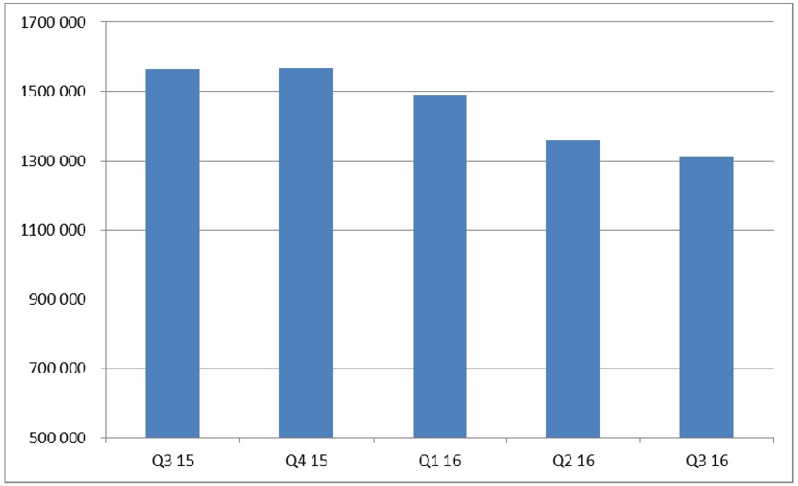


Cash Flow

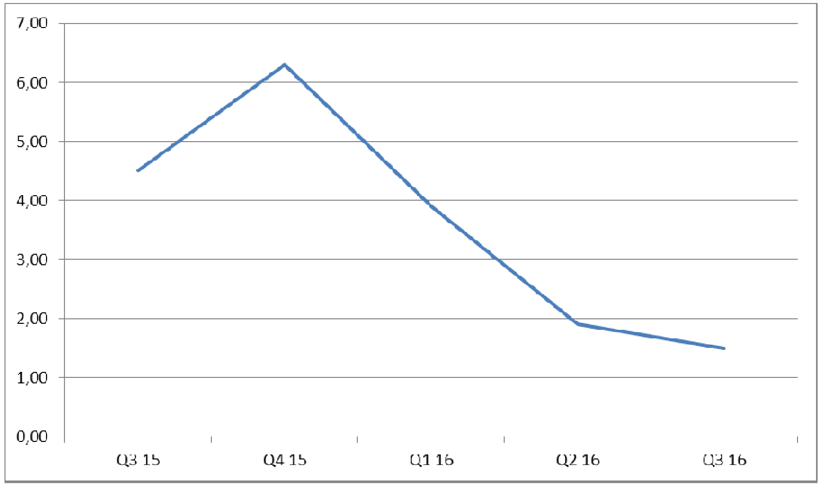
	Q3 2016	Q3 2015	YTD 2016	YTD 2015
Cash - opening balance	**370 726**	**240 494**	**392 020**	**181 498**
EBITDA	230 894	47 391	839 622	174 404
Inventory, trade payables and trade receivables	-28 491	126 724	-295 026	224 111
Other adjustments	-73 866	1 261	-103 683	-18 413
Cash flow from operations	128 537	175 376	440 913	380 102
Capital expenditure (fixed assets)	-78 076	-75 840	-149 102	-240 603
Investments in associated companies/shares	0	0	24 000	8 003
Change in other non-current receiveables	0	-2 446	0	-2 481
Cash flow from investments	-78 076	-78 286	-125 102	-235 081
Changes in interest-bearing debt	-199 293	-2 591	-375 048	104 313
Paid dividends	0	0	-55 206	-55 206
Paid dividends to non-controlling interests	0	0	-12 929	0
Net interest and financial items	-21 111	-27 566	-73 454	-70 662
Cash flow from financing	-220 404	-30 157	-516 637	-21 555
Currency effect on cash - opening balance	-1 315	1 912	8 274	4 375
Changes in cash (incl currency effect on cash)	**-171 258**	**68 845**	**-192 552**	**127 841**
Cash - closing balance	**199 468**	**309 339**	**199 468**	**309 339**

Net Interest Bearing Debt/EBITDA

NIBD
(excl. factoring)



NIBD/EBITDA
(according to covenants)



NIBD

MNOK	Q3 2016	Q3 2015
Term Loan	1 098	788
Revolving Credit	100	350
Bond	0	400
Leasing	312	322
Other interest bearing debt	4	12
Cash - closing balance	-199	-309
NIBD excl factoring	**1 314**	**1 562**
Factoring	382	183

Balance sheet 1

ASSETS	30.09.16	30.09.15
Goodwill	108 360	109 724
Licenses	1 050 646	1 086 571
Other intangible assets	17 241	17 573
Property, plant and equipment	1 452 645	1 499 340
Investments in associated and joint venture companies	14 603	25 187
Other non-current assets	5 193	5 293
Total non-current assets	**2 648 689**	**2 743 688**
Inventories	86 028	102 356
Biological assets	1 726 890	1 533 653
Fair value biological assets	662 162	150 438
Accounts receivable	675 365	442 275
Other current receivables	136 756	170 358
Derivates and other financial instruments	10 726	0
Cash and cash equivalents	199 468	309 339
Total current assets	**3 497 396**	**2 708 419**
Total assets	**6 146 085**	**5 452 106**

Balance sheet 2

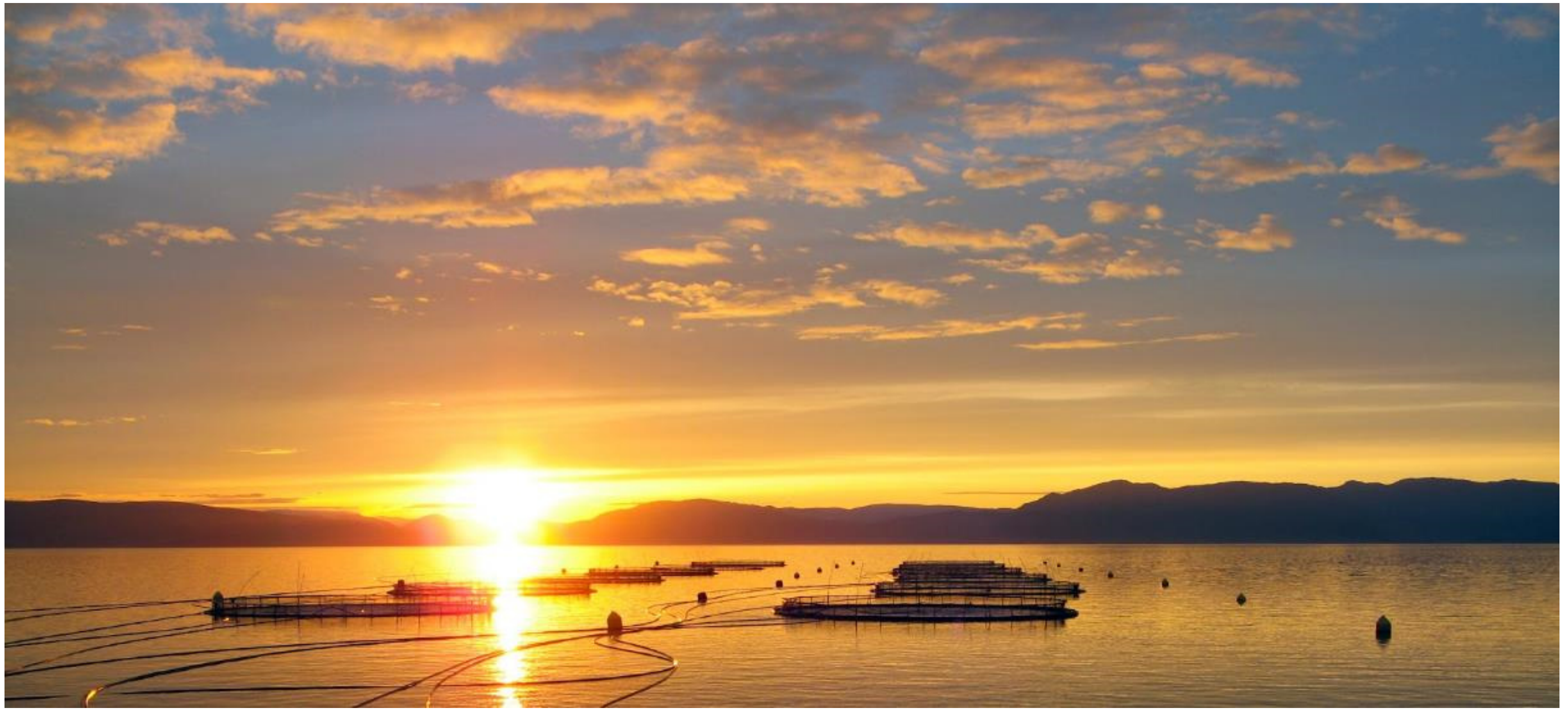
EQUITY AND LIABILITIES	30.09.16	30.09.15
Share capital	446 648	446 648
Treasury Shares	-5 000	-5 000
Retained earnings and other equity	2 300 621	1 637 659
Total equity	**2 742 269**	**2 079 307**
Deferred tax liabilities	706 845	550 971
Pension- and other obligations	10 932	1 435
Subordinated loans	16 050	23 750
Borrow ings and leasing	1 351 418	1 303 971
Total non-current liabilities	**2 085 245**	**1 880 126**
Short-term loan facilities	160 666	559 729
Factoring	382 263	182 660
Accounts payable	547 924	514 637
Accrued salary expense and public tax payable	0	0
Tax payable	18 054	53 120
Derivates and other financial instruments	0	33 713
Other current liabilities	209 664	148 813
Total current liabilities	**1 318 571**	**1 492 672**
Total liabilities	**3 403 816**	**3 372 798**
Total equity and liabilities	**6 146 085**	**5 452 106**

Key financial indicators

	Q3 2016	Q3 2015	YTD 2016	YTD 2015
EBITDA-margin before adj FV	15 %	4 %	19 %	5 %
EBIT-margin before adj FV	12 %	-4 %	16 %	0 %
NIBD/EBITDA before adj FV	1,5	4,5	1,5	4,5
ROCE before adj FV	21 %	-5 %	26 %	0 %
Equity ratio	45 %	38 %	45 %	38 %

Equity ratio excluding OQ (bank covenants): 48%

OUTLOOK



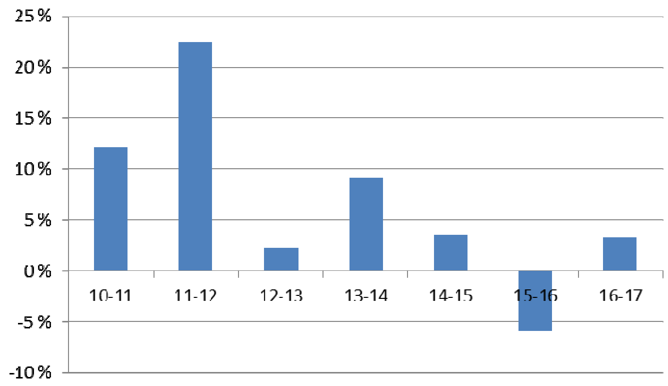
Harvest estimate

Guiding 2016 (1,000 tons gw e)	Rogaland	Finnmark	BC	Shetland	GSF Group
Q1	**3,8**	**6,3**	**1,3**	**2,2**	**13,6**
Growth %	37 %	25 %	-28 %	-35 %	4 %
Q2	**6,5**	**2,0**	**4,9**	**2,9**	**16,3**
Growth %	-7 %	53 %	-14 %	-19 %	-7 %
Q3	**2,3**	**4,5**	**2,5**	**4,5**	**13,9**
Growth %	29 %	-42 %	-43 %	-16 %	-29 %
Q4	**6,4**	**10,5**	**1,5**	**3,8**	**22,2**
Growth %	72 %	97 %	-33 %	-5 %	45 %
Total	**19,0**	**23,3**	**10,3**	**13,4**	**66,0**
Growth %	25 %	20 %	-28 %	-18 %	1 %
2017	**20,0**	**28,0**	**8,0**	**17,0**	**73,0**
Growth %	5 %	20 %	-22 %	27 %	11 %

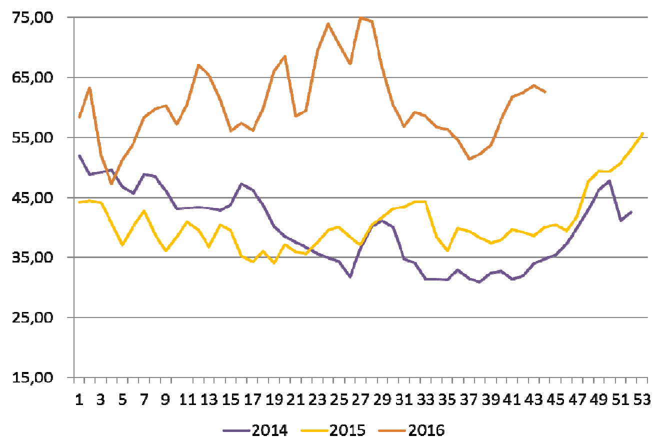
Supply outlook

- **Low expected global supply growth 2017.**
- Norway
    - 2016: -4%
    - 2017: +3% (1,095' MT)
- Chile
    - 2016: -18%
    - 2017: +2% (446' MT)
- North America
    - 2016: +5%
    - 2017: +2% (150' MT)
- UK
    - 2016: -3%
    - 2017: +6% (155' MT)

Global supply growth farmed salmon (YoY):

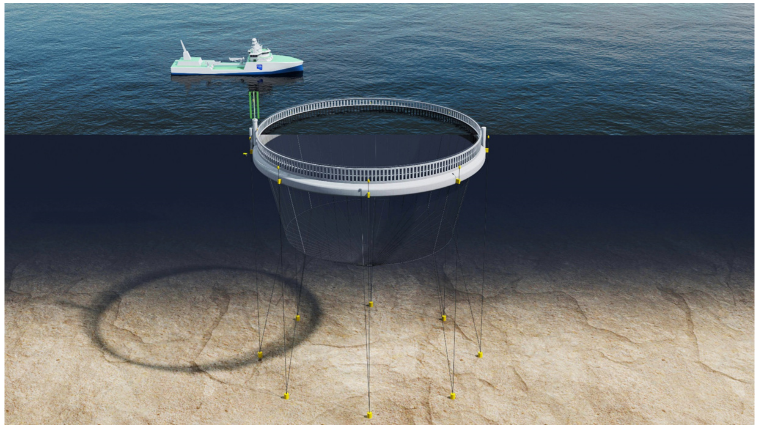


NASDAQ (Norway) price development :



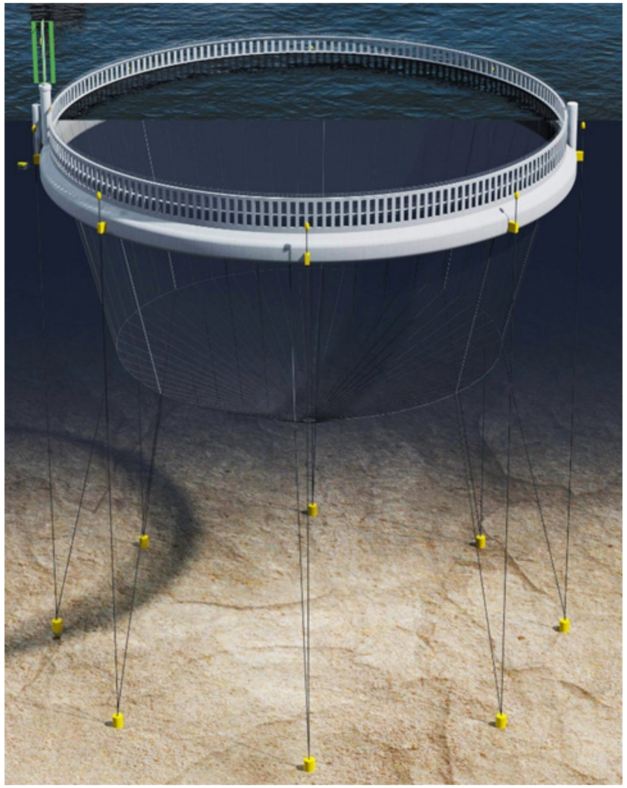
Development licenses

- Grieg Seafood ASA applies for 10 development licenses (Utviklingstillatelser) in Norway.
- The concept is based on technology transfer from oil and gas industry, for use under full offshore exposure conditions
- A strong team behind the development, with participation from Blue Farm, Egersund Net, AKVA group, Dr. Techn Olav Olsen, UniResearch Polytec, Sintef, DNV-GL, Noomas and Grieg Seafood.
- Estimated investment of MNOK 270 + production cost.
- The technology opens up for new farming areas and improves our sustainable footprint
- The applied project will be completed within 2025.



Blue Farm concept

- The farm is based on concrete technology and has a diameter of 130 meters and the ring structure has a total height of 16 meters.
- The construction is designed with:
    - Wind and wave breaker
    - Double torus as floater
    - Tension leg anchor system
    - Fish net, top movable down to 10 meters below sea level
- When Grieg Seafood ASA has succeeded with the application, the first two test production cycles are planned at our location Eime in Rogaland, before full offshore exposure.



Outlook summary/actions GSF

- Strong market expected ahead.
- Dividend of NOK 1 per share.
- Aim to bring the cost level down to the industry average, or lower.
- 10% annual increase in production 2017-2019.
- Harvest volume 2017 of 73,000 tons (+11% vs 2016).
- Expected fixed price contracts of 30% in Q4 2016.
- GSF's smolt programme - increasing number and size of smolt.
    - Increasing smolt input, especially in Finnmark.
    - Extending the smolt plant in Rogaland.
    - Shorten the production time in the sea. 18 months plan implemented in Shetland by the end of 2017.
    - Considering a new smolt plant in BC.
- Applying for 10 development licences.

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
  - 1.55 NOK/share Q3 2016.
  - 0.05 NOK/share Q3 2015.

- Shareholder structure
  - Largest 20 have 73.19% of total no. of shares.

Shareholders

	No. shares	%
GRIEG HOLDINGS AS	55 801 409	49,97 %
FOLKETRYGDFONDET	3 000 000	2,69 %
YSTHOLMEN AS	2 928 197	2,62 %
OM HOLDING AS	2 840 000	2,54 %
STATE STREET BANK AND TRUST CO.	2 281 344	2,04 %
SKANDINAVISKA ENSKILDA BANKEN S.A	1 561 922	1,40 %
VERDIPAPIRFONDET PARETO INVESTMENT	1 526 000	1,37 %
ARTIC FUNDS PLC	1 397 000	1,25 %
GRIEG SEAFOOD ASA	1 250 000	1,12 %
VERDIPAPIRFONDET PARETO NORDIC	1 050 000	0,94 %
KVASSHØGDI AS	1 000 000	0,90 %
THE NORTHERN TRUST CO.	952 710	0,85 %
THE BANK OF NEW YORK MELLON SA/NV	843 410	0,76 %
THE NORTHERN TRUST CO.	834 033	0,75 %
GRIEG SHIPPING II AS	824 565	0,74 %
EUROCLEAR BANK N.V.	824 403	0,74 %
SKANDINAVISKA ENSKILDA BANKEN AB	790 095	0,71 %
SEI INTITUTIONAL INTERNATIONAL	712 129	0,64 %
BLACKWELL PARTNERS, LLC SERIES A	700 708	0,63 %
STATOIL PENSJON	610 757	0,55 %
Total 20 largest shareholders	**81 728 682**	**73,19 %**
Total other	29 933 318	26,81 %
Total numbers of shares	**111 662 000**	**100,00 %**

Profit and Loss

All figures in NOK 1,000	Q3 2016	Q3 2015	YTD 2016	YTD 2015
Total operating income	**1 552 764**	**1 244 577**	**4 534 413**	**3 449 057**
Share of profit from joint venture	0	-120	-420	7 231
Change in inventories	272 080	-68 469	336 928	-24 812
Raw materials and consumables used	-1 075 644	-506 915	-2 612 068	-1 983 387
Salaries and personnel expenses	-125 889	-106 497	-350 493	-291 627
Other operating expenses	-392 416	-515 184	-1 068 739	-982 059
EBITDA	**230 894**	**47 391**	**839 622**	**174 404**
Depreciation and amortisation	-44 129	-40 772	-130 571	-117 435
Depreciation and amortisation of licenses	-1 211	-966	-3 644	-2 345
Impairment adjustments on assets	0	-50 000	6 223	-50 000
EBIT before biomass adj	**185 554**	**-44 346**	**711 630**	**4 624**
Fair value adj biological assets	93 437	93 082	288 705	-128 043
EBIT after biomass adj.	**278 991**	**48 736**	**1 000 335**	**-123 419**
Share of profit from ass. companies	0	184	12 083	2 145
Net financial	-42 554	-29 843	-135 206	-54 716
Profit before tax and biomass adj	**143 001**	**-74 006**	**588 507**	**-47 948**
Profit before tax	236 438	19 077	877 212	-175 990
Estimated taxation	-55 118	-12 695	-207 336	29 631
Net profit in the period	**181 320**	**6 381**	**669 877**	**-146 359**