

Lerøy Seafood Group

Quarterly report First quarter 2007

May 15th 2007

Ole-Eirik Lerøy
President & CEO
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Vice president & vice CEO



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- 1 Considerations
- 2 Key financial figures Q1 2007
- 3 Lerøy at a glance
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Internal considerations Q1 2007

All figures in mill NOK

	Q1 - 07	Q1 - 06	Change	2006	2005	Change
Turnover	1 491	1 114	34 %	5 616	4 014	40 %
EBIT bef adj biom	125	121	3 %	684	274	150 %
Operating profit	89	211	-58 %	770	352	119 %
Affiliated comp.	17	19	-10 %	129	77	68 %
PTP bef adj biom	129	128	1 %	758	319	138 %
Pre-tax profit	88	224	-61 %	858	412	108 %



Internal considerations Q1 2007

Financially Solid

- Well positioned for future organic and strategic growth
- Annual General Meeting of shareholders 21 May
 - Proposed dividend NOK 4.0 per share
 - Ex dividend 22 May 2007
 - If approved, dividend paid 01 June 2007

Consolidated business areas

- Satisfactory operation in production
 - Development according to plans
 - Low volumes harvested (approx. 15% of yearly volume)
 - New factory opened in Sweden
- Good conditions for operations in sales and distribution
 - More stability in Salmon prices

Affiliated companies

- Satisfactory operation
 - Increased volumes
 - Good market conditions





External considerations Q1 2007

Strong salmon market

- Prices up 5,98% from Q406, still strong market in Q207
- Prices in Q107 2,73% lower than Q106
- Prices YTD 11,6% lower than comparable figures 2006
- Strong and balanced market

Political issues / trade barriers

- Positive signals from EU ?
- Minimum import price to the EU for Norwegian salmon and trout
 - Process is unfair and based on faulty information
 - Damaging for all parties in the global seafood business
 - WTO



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Resultatregnskap / Income Statement Q1 2007

Alle tall i NOK 1.000 / All figures in NOK 1,000

	Q1 2007	Q1 2006	2006
Salgsinntekter / Operating revenues	1 491 078	1 113 819	5 616 592
Vareforbruk / Cost of goods sold	1 117 064	842 669	4 105 186
Lønnskostnader / Salaries and wages	125 266	81 039	399 999
Andre driftskostnader / Other operating costs	92 875	54 570	342 943
Ordinære avskrivninger / Ordinary depreciation	30 885	14 657	84 707
EBIT før verdjustering biomasse / EBIT before fair value adjustment biomass	124 988	120 884	683 757
Verdjustering biomasse / Fair value adjustment biomass	-36 513	90 117	85 938
Driftsresultat / operating profit	88 475	211 001	769 695
Inntekt fra tilknyttede selskaper / Income from affiliated companies	16 743	18 624	128 982
Netto finansposter / Net financial items	-17 295	-5 713	-40 294
Resultat før skattekostnad / Profit before tax	87 923	223 912	858 383
Resultat før skattekostnad og før just biomasse/Profit before tax bef adj biom	129 274	128 274	757 917
Beregnete skatter / Estimated taxation	-20 940	-57 617	-205 938
Periodens resultat / Profit for the period	66 983	166 295	652 445



Balanse / Balance Sheet Q1 2007

Alle tall i NOK 1.000 / All figures in NOK 1,000

	31.03.2007	31.03.2006	31.12.2006
Immaterielle eiendeler / Intangible assets	2 812 144	451 123	1 922 348
Varige driftsmidler / Tangible fixed assets	952 124	315 200	695 062
Finansielle anleggsmidler / Financial fixed assets	354 670	357 586	314 933
Sum anleggsmidler / Total fixed assets	4 118 938	1 123 909	2 932 343
Varer / Inventories	1 545 391	689 172	1 241 645
Fordringer / Receivables	961 031	612 780	922 215
Betalingsmidler / Cash and equivalents	1 155 546	304 313	509 872
Sum omløpsmidler / Total current assets	3 661 968	1 606 265	2 673 732
Sum eiendeler / Total assets	7 780 906	2 730 174	5 606 075



Balanse / Balance Sheet Q1 2007

Alle tall i NOK 1.000 / All figures in NOK 1,000

	31.03.2007	31.03.2006	31.12.2006
Innskutt egenkapital / Equity contributions	2 654 696	855 967	1 282 539
Opptjent egenkapital / Earned equity	1 093 951	604 430	1 038 008
Minoritetsinteresser / Minority interests	18 597	6 296	20 172
Sum egenkapital / Total equity	3 767 244	1 466 693	2 340 719
Avsetning for forpliktelser / Accrued liabilities	11 371	4 191	8 869
Langsiktig gjeld / Long-term liabilities	2 399 315	633 579	2 029 169
Kortsiktige kreditter / Short-term loans	610 589	80 392	382 003
Annen kortsiktig gjeld / Other short-term liabilities	992 387	545 319	845 315
Sum gjeld / Total liabilities	4 013 662	1 263 481	3 265 356
Sum egenkapital og gjeld / Total equity and liabilities	7 780 906	2 730 174	5 606 075



Key figures - Lerøy Seafood Group Q1 2007

Nøkkeltall / Key figures

	Q1 2007	Q1 2006	2006
Resultatmargin / Profit margin ¹⁾	5,90 %	20,10 %	15,28 %
Driftsmargin før just.biomasse./ Operating margin before adj.biomass.	8,38 %	10,85 %	12,17 %
Driftsmargin / Operating margin ²⁾	5,93 %	18,94 %	13,70 %
Resultat per aksje før just.biomasse/ Earnings per share before adj.biomass	2,05	2,44	14,00
Resultat per aksje / Earnings per share ³⁾	1,40	4,23	15,86
Utvannet resultat per aksje / Diluted earnings per share	1,39	4,19	15,70
ROCE før just.biomasse (annualisert) / ROCE before adj.biomass (annualised)	14,09 %	34,25 %	31,06 %
ROCE (annualisert) / ROCE (annualised) ⁴⁾	9,66 %	54,22 %	32,94 %
Egenkapitalandel / Equity ratio	48,42 %	53,72 %	41,75 %
Netto rentebærende gjeld / Net interest bearing debt	1 194 081	221 155	1 450 128
Kontantstrøm per aksje / Cash-flow per share ⁵⁾	3,75	5,69	13,31
Utvannet kontantstrøm per aksje / Diluted cash-flow per share	3,72	5,63	13,18

¹⁾ Resultatmargin = Resultat før skatt/salgsinntekter
Profit margin = Profit before tax/revenues

²⁾ Driftsmargin = Driftsresultat/salgsinntekter
Operating margin = Operating profit/revenues

³⁾ Resultat per aksje = Majoritetens andel resultat/Gjennomsnittlig antall aksjer
Earnings per share = Majority interests/Average number of shares

⁴⁾ ROCE = [Resultat før skatt+netto finansposter]/[netto rentebærende gjeld+sum egenkapital]

ROCE = [Profit before tax+net financial items]/[net interest bearing debt+total equity]

⁵⁾ Kontantstrøm fra drift
Cash-flow from operations



Affiliated companies, LSG-share profit after tax

All figures in mill NOK

	Q1 2007	Korr.varer / adj.inventory	Q1 2006	Korr.varer / adj.inventory	2006	Korr.varer / adj.inventory
Lerøy Hydrotech (39%,100% after 1.9.2006)			11 297	9 594	43 681	5 778
Egersund Fisk AS (38,3%)	262		1 867		2 734	
Norskott Havbruk AS (50%)	16 368	-4 838	4 849	-4 073	78 032	8 749
Andre / Others	113		611		4535	
Sum / Total	16 743	-4 838	18 624	5 521	128 982	14 527

Lerøy Hydrotech AS affiliated until 31.08.06
Egersund Fisk AS, increased shareholding in Q1-07 from 26,8% til 38,3%



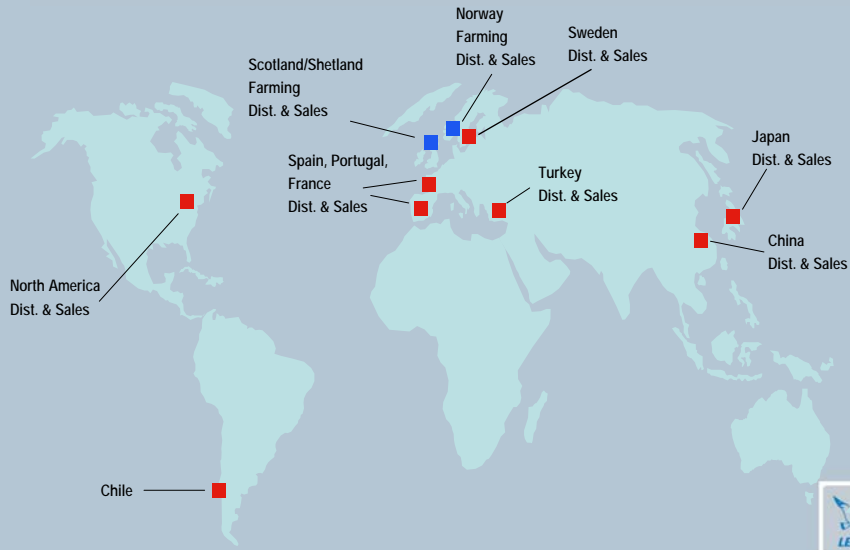
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3 Lerøy at a glance

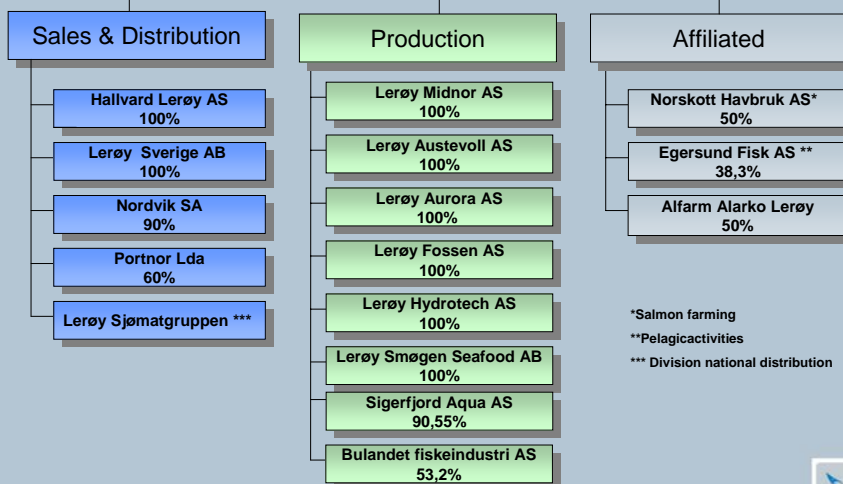
4 Market glance



Lerøy Seafood Group - Global organization



Lerøy Seafood Group ASA



Lerøy Seafood Group

Employees, March 2007

Sales and distribution	413
Production and farming	816
Total Group	1229
Affiliates	405
Total included affiliates	1634



Lerøy Seafood Group

Norway's largest seafood exporter in 2006

- 11,7 % share of Norwegian Seafood tot exports value
- 17,8 % of Norwegian salmon export (15,4%, 14,6%)
- 36,0 % of Norwegian value added salmon export

Fish farming operations

- Lerøy Midnor AS (100%)
- Lerøy Aurora AS (100%)
- Lerøy Hydrotech AS (100%)
- Lerøy Austevoll AS (100%)
- Lerøy Fossen AS (100%)
- Scottish Sea Farms (50%), 2nd largest Scottish salmon producer
- Sigerfjord Aqua AS (90,55 %)





Lerøy Seafood Group

Global distribution network

- Global distribution from Head Office in Bergen
- Local distribution and processing in Norway, Sweden, France, Portugal and Turkey
- Local representative offices in some key markets (France, Japan, China, USA)



Lerøy Seafood Group

Steady growth in operating profit and strong balance sheet

- Satisfactory earnings
- Growth potential within recently acquired businesses
- Satisfactory liquidity

Professional and highly motivated employees

Strong partnerships / Network of alliances

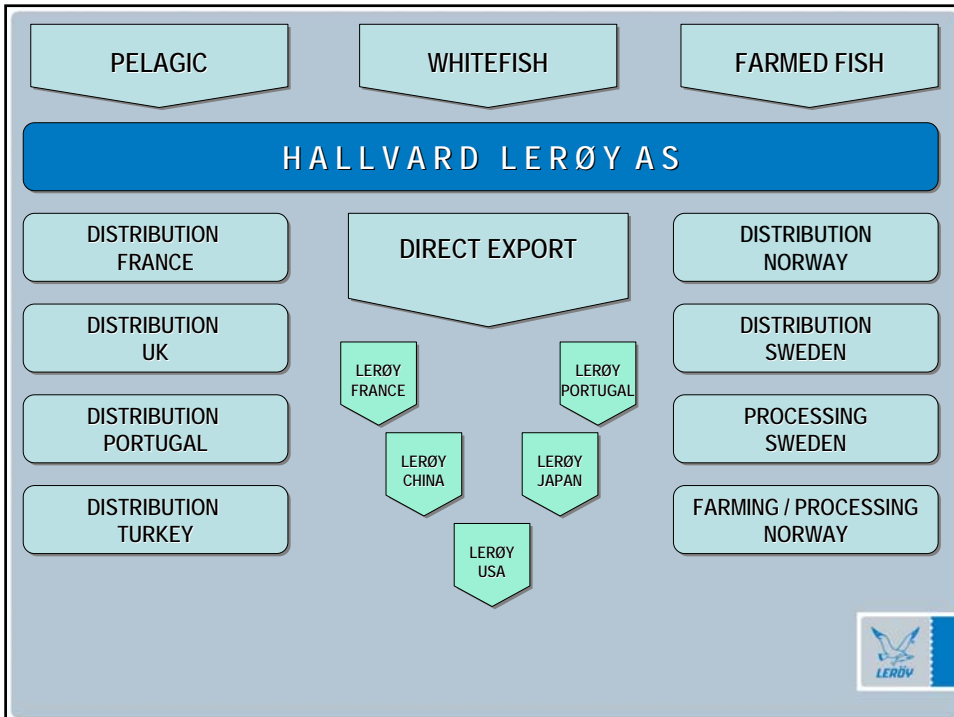




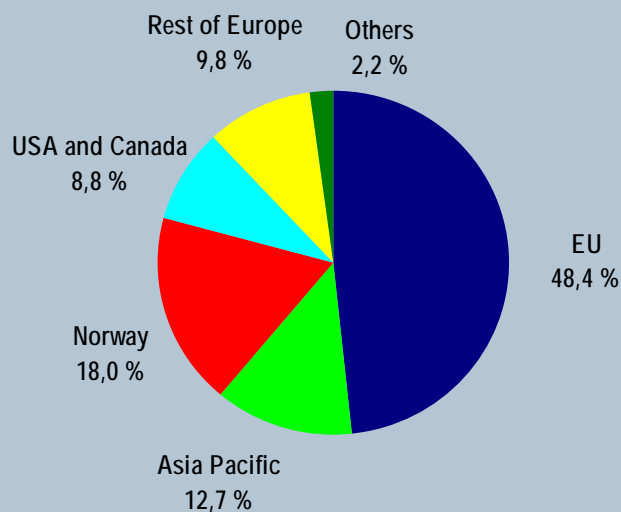
Lerøy Seafood Group

Markets strategy:

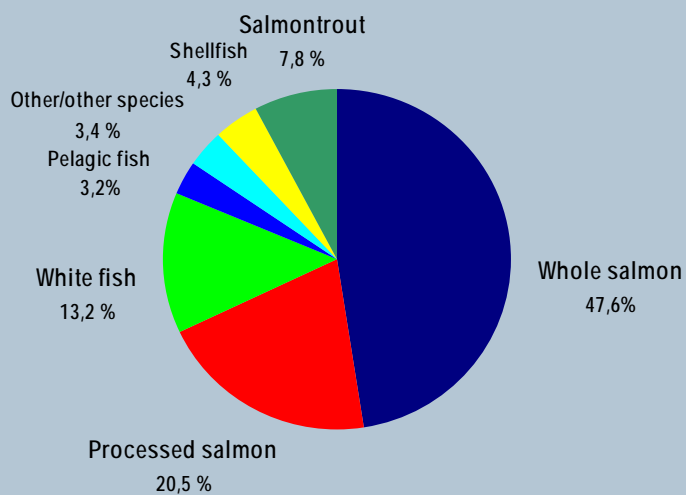
- Quality
- Branding
- Diversity in product range
- Diversity in customer base
- Market-oriented solutions
- Geographical spread
- Continuity in deliveries
- Cost efficiency



Lerøy Seafood Group - Sales per market Q1-07



Lerøy Seafood Group - Sales per product Q1-07



Lerøy Sweden

Lerøy Allt i Fisk
Lerøy Fiskgrossisterna
Lerøy Smøgen Seafood
Lerøy Nordhav



New factory opened in first quarter 2007

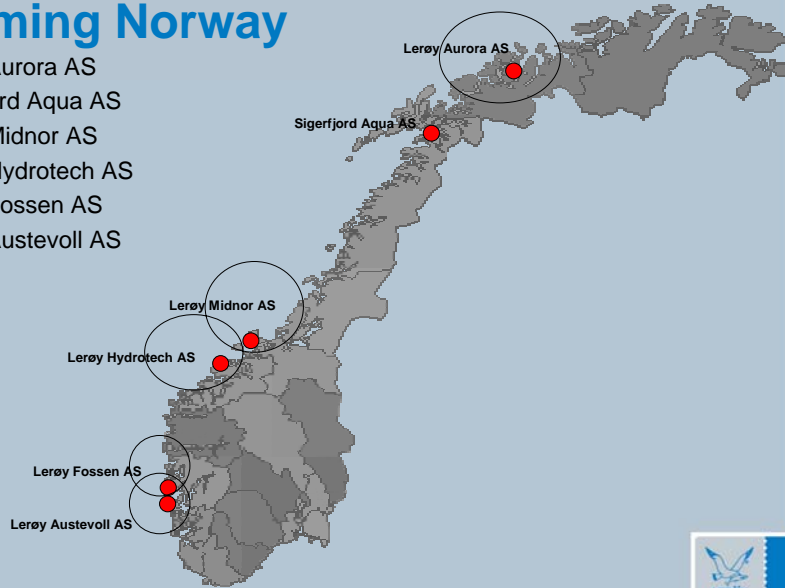


Site 26.000 kvm, Base 6.500 kvm



Farming Norway

Lerøy Aurora AS
 Sigerfjord Aqua AS
 Lerøy Midnor AS
 Lerøy Hydrotech AS
 Lerøy Fossen AS
 Lerøy Austevoll AS



Lerøy Seafood Group – salmon/trout farming

Company	Ownership share	Licences	Mill. smolt individuals	2006 Total	Volume gwt 2007E	Total LSG share
Lerøy Midnor AS	100 %	28	7,0	27 200	27 000	27 000
Lerøy Aurora AS	100 %	16	5,0	13 700	17 500	17 500
Lerøy Fossen AS	100 %	7	2,7	4 900	7 000	7 000
Lerøy Hydrotech AS	100 %	22,5	7,0	17 600	23 000	23 000
Lerøy Austevoll AS*)	100 %	27	10	11 000	16 000	16 000
Total Norway		100,5	31,7	74 400	90 500	90 500
Norskott Havbruk AS (UK)	50 %		6,0	20 100	25 000	12 500
Total			37,7	94 500	115 500	103 000

- Consolidated, farming
- Affiliated, farming

*) Acquisition March 2007, will be consolidated from 010407



Key Figures Production Q1 2007

Figures MNOK	Lerøy Midnor	Lerøy Hydrotech ^{*)}	Lerøy Aurora	Lerøy Fossen	Others	Total ^{**)}
Revenues	200,3	41,0	106,2	43,5	64,1	455,1
EBIT before biom.adj.	75,5	-4,4	32,1	9,8	1,7	114,7
EBIT	51,6	14,2	4,0	6,7	1,7	78,2
Volumes (gwt)	7,0	1,0	3,9	1,0	-	12,9

^{*)} Processing station completely renovated, extra costs, low volumes

^{**)} Excellent biology, good growth



Lerøy Austevoll AS Q1-2007

Figures MNOK	Lerøy Austevoll AS ¹⁾²⁾
Revenues	25,3
EBIT	4,3
Pre tax	0,6
Volumes (gwt) ³⁾	0,9

1) Former Veststar Holding AS

2) Consolidated from 1.4.2007

3) Volumes from 1.1.2007



Norskott Havbruk

NOKm	Q1 - 2007	Q1 - 2006	2006
Revenues	246	190	791
EBITDA	73	35	238
EBIT bef adj biom	65	29	212
EBIT	51	17	237
Pre tax	47	13	220
Volumes (gwt)	6,9	4,2	20,1
Balance sheet			
	31.03.2007	31.03.2006	31.12.2006
Licences, Goodwill	399	390	379
Tangible fixed assets	135	112	140
Inventories	448	321	500
Other current assets	108	88	107
Total assets	1 090	911	1 126
Equity	550	367	523
Debt	540	543	603
Total equity and debt	1 090	911	1 126
Net interest bearing debt	266	273	286

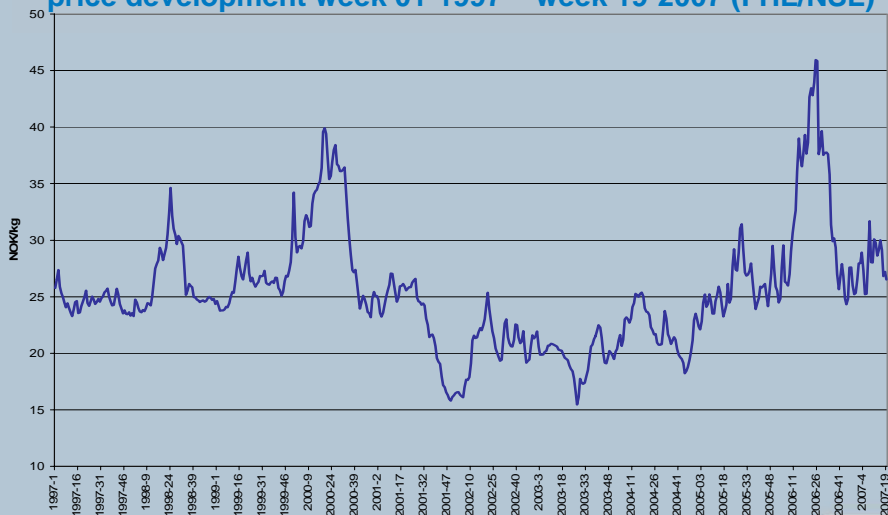


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5 Market glance



Fresh Atlantic Salmon Norway (4-5 kgs) – price development week 01-1997 – week 19-2007 (FHL/NSL)

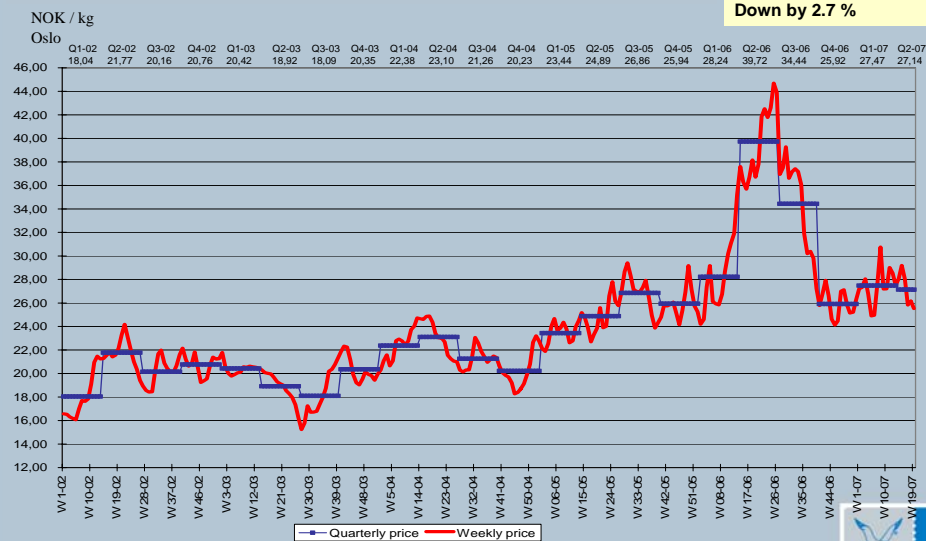


Figures per 10.05.07
Source: FHL/NSL



Oslo Salmon export from Norway as of week 19-2007 Fresh atlantic salmon, cross-section, FCA.

Av. Q1-07 NOK 27.47
Av. Q1-06 NOK 28.24
Down by 2.7 %



Figures per 10.05.07
Source: FHL/NSL



Market development for Atlantic Salmon from Norway Jan-April 2006 vs Jan-April 2007

	Volume 2006	Volume 2007	Change	Value 2006	Value 2007	Change
EU	132 248	149 159	13 %	3 642 008	4 002 510	10 %
Others	19 553	28 262	45 %	557 023	739 107	33 %
Japan	10 418	10 542	1 %	313 548	313 244	0 %
Russia	9 235	17 102	85 %	241 048	425 521	77 %
USA	4 233	4 812	14 %	157 917	170 937	8 %
In total	175 687	209 877	19 %	4 911 544	5 651 319	15 %

Volume in tons round weight.

Value in thousand NOK.

Figures per 10.05.07.
Source: NSEC



Market development for Atlantic Salmon from Norway Jan-Dec 2005 vs Jan-Dec 2006

Others:

"Others"	Volume 2005	Volume 2006	Change	Value 2005	Value 2006	Change
Hong Kong	8 366	10 337	24 %	201 852	301 362	49 %
Ukraina	2 398	6 216	159 %	60 311	189 461	214 %
Sør Korea	4 310	6 039	40 %	105 821	181 510	72 %
Kina	4 250	5 180	22 %	103 895	147 111	42 %
Israel	2 148	3 957	84 %	53 292	115 164	116 %
Sveits	4 083	3 893	-5 %	124 789	140 096	12 %
Thailand	1 172	3 181	171 %	29 079	92 945	220 %
Singapore	2 380	3 034	27 %	61 449	97 969	59 %
Taiwan	3 201	2 855	-11 %	72 971	74 577	2 %
Tyrkia	2 030	2 080	2 %	49 970	59 431	19 %
Vietnam	1 294	1 326	2 %	21 616	35 079	62 %
Sør Afrika	870	1 230	41 %	21 665	38 427	77 %
Australia	1 113	1 058	-5 %	42 799	48 054	12 %
Others	7 855	9 373	19 %	223 136	318 776	43 %
Sum "Others"	45 470	59 759	31 %	1 172 645	1 839 962	57 %

Volume in tons round weight.

Value in thousand NOK.

Figures per 12.04.07.
Source: NSEC



Atlantic salmon – supply

In tons WFE

	2004	Change 03-04	2005	Change 04-05	2006 E	Change 05E-06E	2007 E	Change 06E-07E
Norway	537 000	6 %	572 200	7 %	597 400	4 %	683 500	14,4 %
United Kingdom	149 800	-8 %	119 700	-20 %	127 800	7 %	138 700	8,5 %
Faroe Islands	36 800	-22 %	17 200	-53 %	11 900	-31 %	18 000	51,3 %
Ireland	12 400	-33 %	12 400	0 %	14 500	17 %	16 000	10,3 %
Iceland	6 600	78 %	6 500	-2 %	4 000	-38 %	2 000	-50,0 %
Total Europe	742 600	0 %	728 000	-2 %	755 600	4 %	858 200	13,6 %
Chile	346 200	23 %	385 200	11 %	368 700	-4 %	419 300	13,7 %
Canada	89 000	-3 %	107 500	21 %	115 000	7 %	116 000	0,9 %
Australia	15 200	9 %	16 000	5 %	17 000	6 %	17 500	2,9 %
USA	13 300	-26 %	9 600	-28 %	10 000	4 %	11 800	18,0 %
Others	2 400	33 %	2 400	0 %	2 400	0 %	2 400	0,0 %
Total America	466 100	14,6 %	520 700	12 %	513 100	-1 %	567 000	10,5 %
Total World-wide	1 208 700	5,4 %	1 248 700	3 %	1 268 700	1,6 %	1 425 200	12,3 %

Figures per 10.05.07
Source: Kontali / SSPO / CE / HL



Drivers Salmon per 30.04.2007

Norway total export volume of Atlantic Salmon (209 877 MT WFE)	+ 19 %
Norway – EU (volume Atlantic Salmon) (149 159 MT WFE)	+ 13 %
Norway – EU (value Atlantic Salmon) (4 002 MNOK)	+ 10 %
Sales of fish-feed in Norway as of week 17 (228 035 MT)	+ 42 %

Strong demand

Harvest week 19 2006	9 387 t		
Harvest week 19 2007	14 213 t	Increased volume	+ 51%

Higher volume than peak season

Week 19 May 2007	14 213 t at 25,46	} Increased price	+ 5%
Week 45 Nov 2006	12 579 t at 24,24		

Figures per 10.05.07
Sources: NSEC / Kontali / FHL



Thank you!
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