

Lerøy Seafood Group

Preliminary report 2003

February 26th

Ole-Eirik Lerøy
CEO

Helge Singelstad
CFO



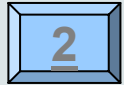
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Agenda



Considerations



Key financial figures 2003



Lerøy at a glance



Lerøy Seafood Group – Company profile



Market glance





Internal considerations 4th Quarter 2003

Main figures for 2003 compared to 2002

All figures in mill NOK

| | 2003 | 2002 | Endring |
|------------------------|-------|-------|---------|
| • Turnover *) | 2.915 | 2.556 | 14,1% |
| • Operating profit | 84 | 55 | 52,7% |
| • Affiliated companies | -21 | -13 | -60,8% |
| • Pre-tax profit | 55 | 40 | 37,5% |

*) Mainly organic growth, Lerøy Midnor will be consolidated from 01.01.04



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Internal considerations 4th Quarter 2003

- **Financially Solid**

- Share issue 4th December 2003, NOK 86,4 mill (2.700.000 shares)
- Well positioned for future organic and strategic growth
- Proposed dividend for 2003 NOK 0,60 per share

- **Appr. 2.700 shareholders per February 2004**

- Increasing number of shareholders
- Considerably improved liquidity

- **Consolidated**

- Satisfactory operations in most areas in year 2003
- Still focus on operations and synergies
- Lerøy Midnor AS well integrated

- **Affiliated companies**

- Poor results, improved but still difficult market situation





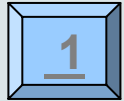
External considerations 4th Quarter 2003

- **Weak salmon and trout prices**
 - Prices increased in Q4
 - Prices in Q4 03 lower than comparable figures in Q4 02 and still at an low level
 - Higher prices needed
 - Prices so far in Q1 04 higher than comparable prices in Q1 03, but uncertainty in price development
- **Weakened financial and operational performances throughout the industry**
 - Enhances restructuring
 - Consolidation
 - Increased market orientation
- **Still difficult market situation in both pelagic and white fish sectors**
- **Currencies**
 - Future will bring great volatility
- **Political issues / trade barriers**
 - Uncertainty regarding regulation of future market access for non-EU producers
 - Salmon-trout case

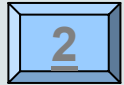




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Lerøy at a glance



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Market glance

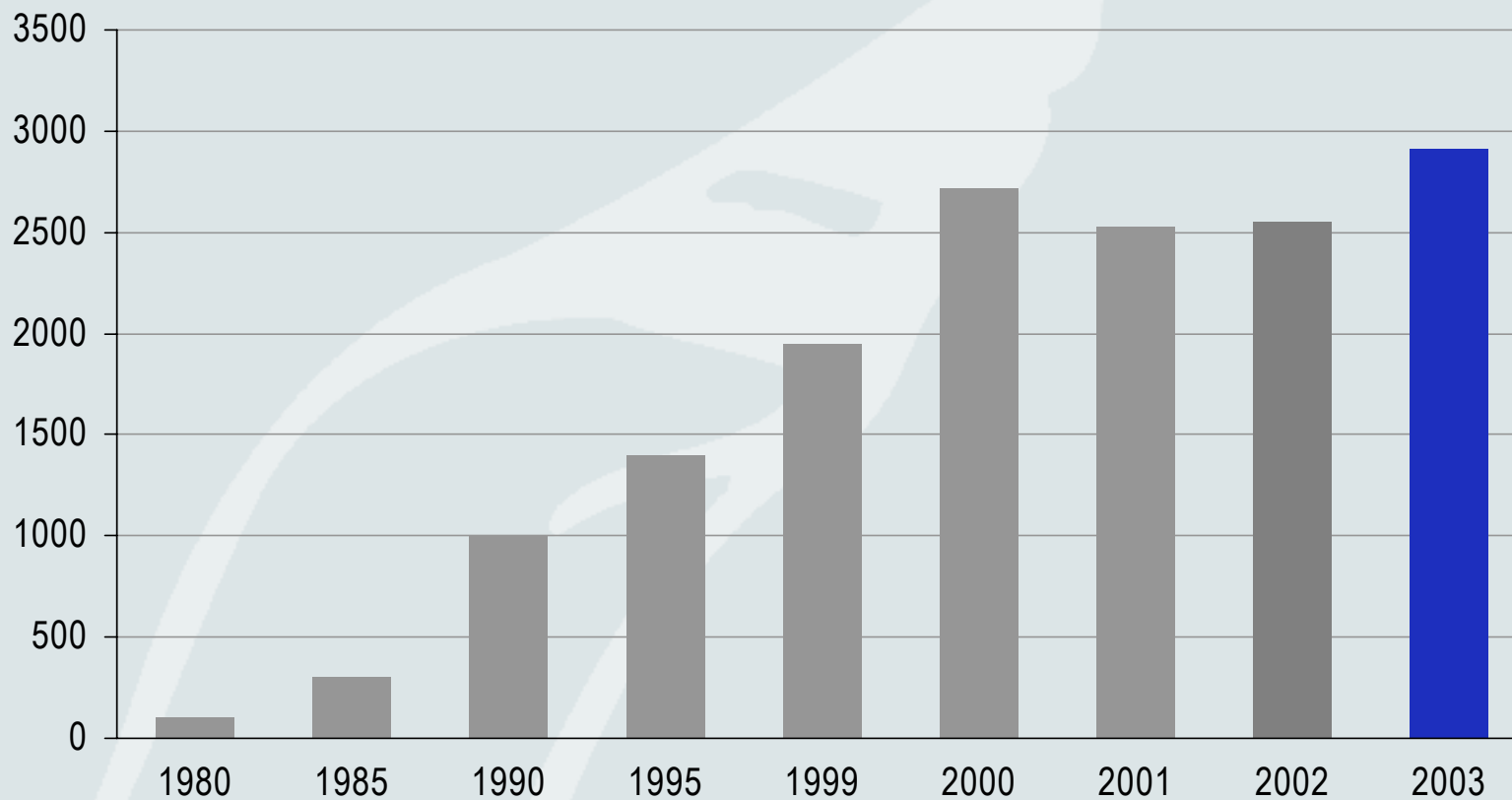


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Yearly turnover LSG

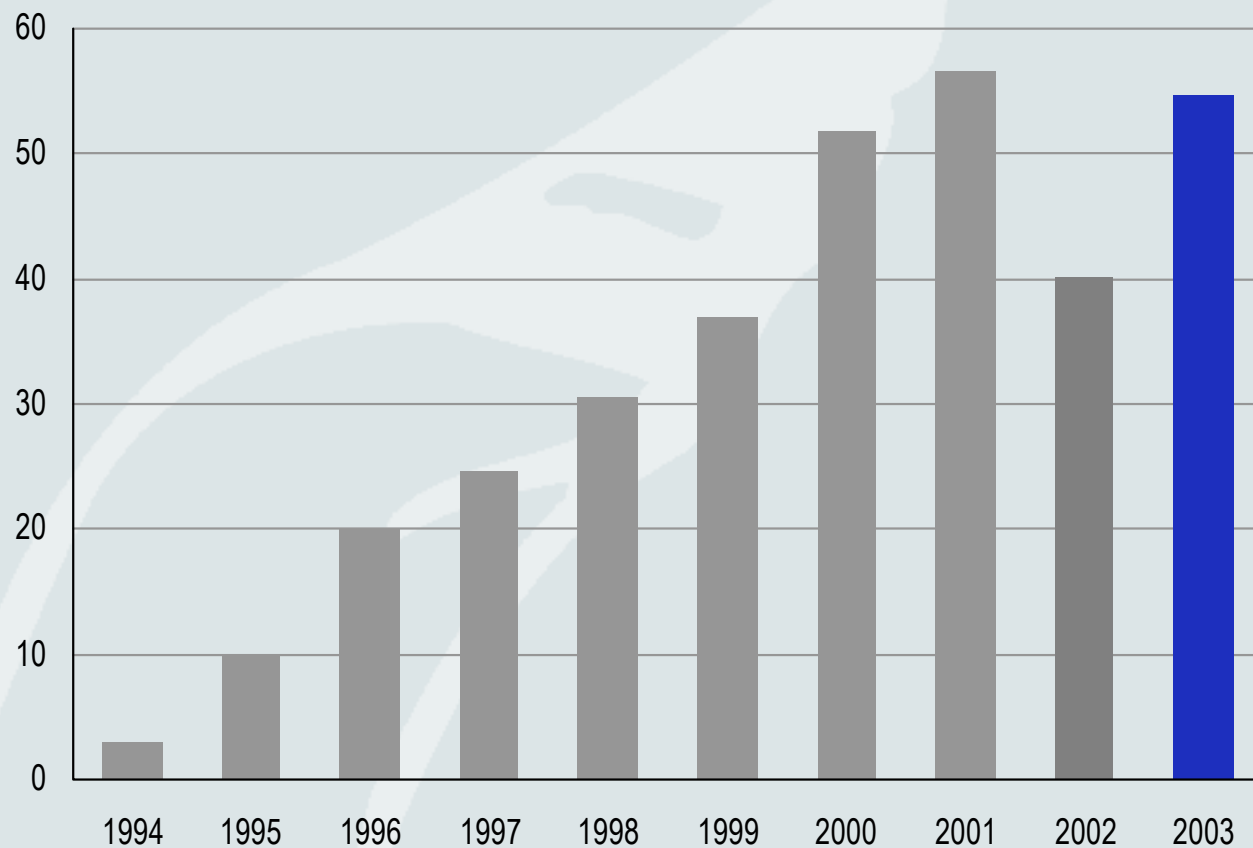
mill. NOK





Pre-tax earnings LSG

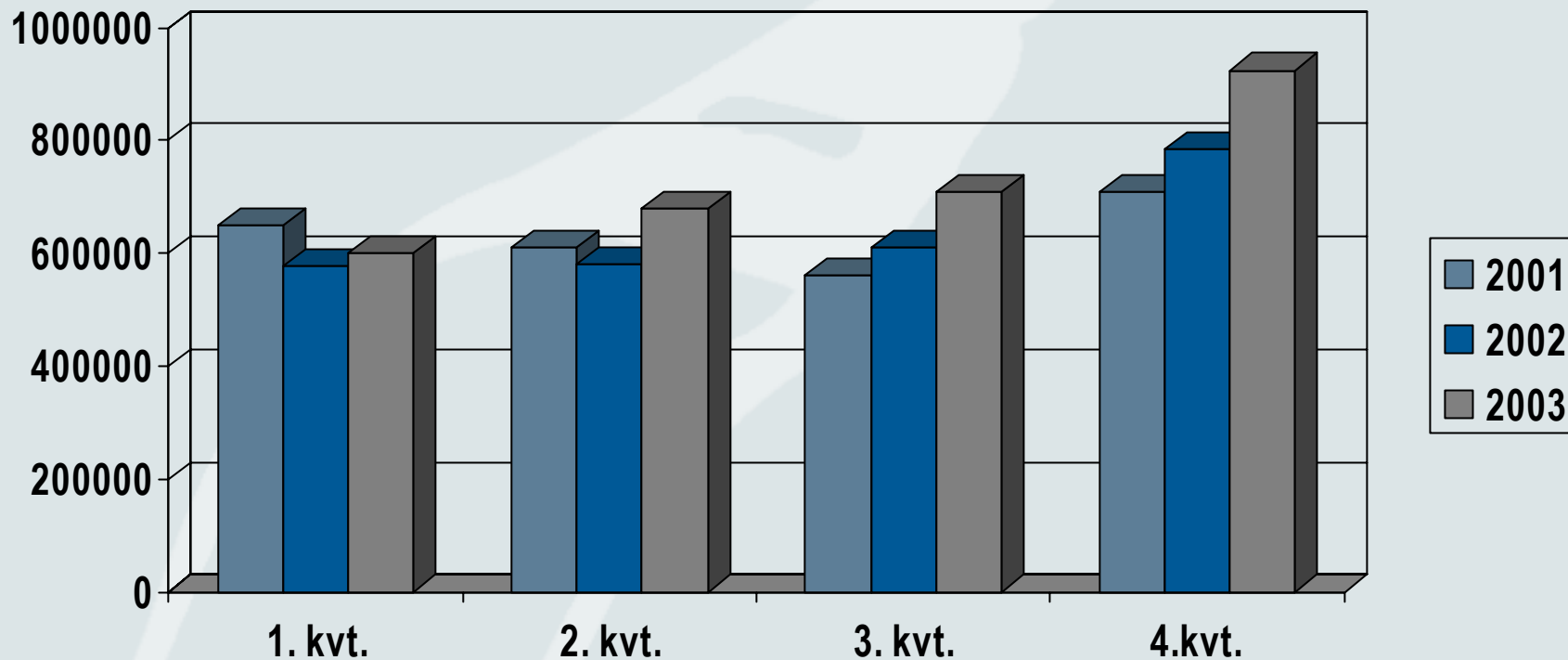
mill. NOK





Quarterly turnover LSG

mill. NOK



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Resultatregnskap / Income Statement Q4-03

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

| | Q4 - 2003 | Q4 - 2002 | 2 003 | 2 002 |
|---|----------------|-----------|------------------|-----------|
| Salgsinntekter / Operating revenues | 924 630 | 783 895 | 2 914 873 | 2 555 606 |
| Vareforbruk / Cost of goods sold | 829 654 | 712 001 | 2 614 210 | 2 326 928 |
| Lønn og andre personalkostnader / Salaries and other personnel expenses | 44 092 | 27 115 | 116 472 | 91 979 |
| Andre driftskostnader / Other operating expenses | 21 062 | 19 760 | 85 674 | 70 447 |
| Ordinære avskrivninger / Ordinary depreciation and amortization | 3 633 | 3 661 | 14 150 | 11 207 |
| Driftsresultat / Operating profit | 26 189 | 21 358 | 84 367 | 55 045 |
| Inntekt tilknyttet selskap / Income from affiliated companies | 128 | -6 019 | -20 511 | -12 753 |
| Netto finansposter / Net financial items | 176 | 1 541 | -9 196 | -2 108 |
| Resultat før skattekostnad / Profit before tax | 26 493 | 16 880 | 54 659 | 40 184 |
| Beregnete skatter / Estimated taxation | -6 418 | -3 704 | -20 577 | -10 663 |
| Periodens resultat / Profit for the period | 20 075 | 13 176 | 34 083 | 29 521 |

Balanse / Balance Sheet Q4-03

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

| | 31.12.03 | 31.12.02 |
|--|------------------|------------------|
| Immaterielle eiendeler / Intangible assets | 272 457 | 23 700 |
| Varige driftsmidler / Tangible fixed assets | 183 417 | 66 714 |
| Finansielle anleggsmidler / Financial fixed assets | 275 063 | 294 951 |
| Sum anleggsmidler / Total fixed assets | 730 937 | 385 365 |
| Varer / Inventories | 274 823 | 69 068 |
| Fordringer / Receivables | 505 917 | 384 338 |
| Betalingsmidler / Cash and equivalents ¹⁾ | 292 749 | 359 484 |
| Sum omløpsmidler / Total current assets | 1 073 489 | 812 889 |
| Sum eiendeler / Total assets | 1 804 426 | 1 198 254 |

1) Tall som inngår i beregningen av netto rentebærende gjeld /
 Figures used in calculation of net interest bearing debt



Balanse / Balance Sheet Q4-03

forts./cont.

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

| | 31.12.03 | 31.12.02 |
|--|------------------|------------------|
| Innskutt egenkapital / Equity contributions | 656 043 | 505 342 |
| Opptjent egenkapital / Earned equity | 127 781 | 113 130 |
| Minoritetsinteresser / Minority interests | 10 325 | 22 604 |
| Sum egenkapital / Total equity | 794 149 | 641 076 |
| Avsetning for forpliktelser / Accrued liabilities | 8 647 | 4 709 |
| Langsiktig gjeld / Long-term liabilities ¹⁾ | 412 195 | 182 432 |
| Kortsiktige kreditter / Short-term loans ¹⁾ | 242 898 | 80 549 |
| Annen kortsiktig gjeld / Other short-term liabilities | 346 537 | 289 489 |
| Sum gjeld / Total liabilities | 1 010 277 | 557 179 |
| Sum egenkapital og gjeld / Total equity and liabilities | 1 804 426 | 1 198 254 |

1) Tall som inngår i beregningen av netto rentebærende gjeld /
Figures used in calculation of net interest bearing debt



LERÖY



Key figures – Lerøy Seafood Group Q4-03

| Nøkkeltall / Key figures | Q4 - 2003 | Q4 - 2002 | 2 003 | 2 002 |
|--|------------------|-----------|---------------|--------|
| Resultatmargin / Profit margin | 2,87 % | 2,15 % | 1,88 % | 1,57 % |
| Driftsmargin / Operating margin | 2,83 % | 2,72 % | 2,89 % | 2,15 % |
| Resultat per aksje / Earnings per share | 0,66 | 0,45 | 1,15 | 1,13 |
| Utvannet resultat per aksje / Diluted earnings per share | 0,66 | 0,45 | 1,15 | 1,13 |





Key figures – Lerøy Seafood Group Q4-03

Nøkkeltall / Key figures

Avkastning på sysselsatt kapital / ROCE

Egenkapitalandel / Equity ratio

Netto renteb. gjeld / Net int. bearing debt

| | Q4 - 2003 | Q4 - 2002 | 2 003 | 2 002 |
|---|-----------|-----------|----------|---------|
| Avkastning på sysselsatt kapital / ROCE | 18,72 % | 11,84 % | 9,60 % | 8,75 % |
| Egenkapitalandel / Equity ratio | | | 44,01 % | 53,50 % |
| Netto renteb. gjeld / Net int. bearing debt | | | -362 344 | - |

Forløpige tall er ikke revidert / Preliminary figures have not been audited



LERØY



Lerøy Seafood Group consolidated 2003

- **Lerøy Seafood Group's total equity is 794,1 mill NOK**
- **Subsidiaries share of group equity is 448,6 mill NOK**
- **Operating profit for YTD 2003 is 84,4 mill NOK**



Affiliated companies

| Balance at | 31.12.03 | 31.12.02 |
|------------------------------------|------------|------------|
| Norskott Havbruk AS (50%) | 155,1 mill | 153,0 mill |
| Hydrotech Gruppen AS (39%) | 91,1 mill | 104,0 mill |
| Egersund Fisk AS (27%) | 22,6 mill | 22,0 mill |
| <hr/> | | |
| Total | 268,8 mill | 279,0 mill |
| Lerøy Seafood Group's total equity | 794,1 mill | 641,1 mill |





Lerøy Seafood Group

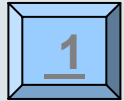
- **Norway's largest seafood exporter**

- 9,1 % market share of Norwegian Seafood total exports (by value)
- 14,6 % of Norwegian salmon export in 2003
- Major shareholder in fish farming operations
 - Lerøy Midnor AS (100%) (Nye Midnor AS)
 - Scottish Sea Farms (50%), 2nd largest Scottish salmon producer
 - Hydrotech-Gruppen AS (39%)
- Japan single largest market, EU most important region overall

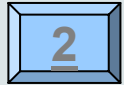




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Key financial figures 2003



Lerøy at a glance



Lerøy Seafood Group – Company profile



Market glance





Lerøy Seafood Group

- **Global distribution network**

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





Lerøy Seafood Group

- **Steady growth in operating profit and strong balance sheet**
 - Stable earnings despite turbulence in the sea food industry
 - Growth potential within recently acquired businesses
 - Satisfactory liquidity / credit facilities
- **Professional and highly educated employees**
- **Partnerships / Network of alliances**



Shareholders 19.02.04

| Shareholder | No. of shares | Ownership share |
|----------------------------------|-------------------|-----------------|
| Ole-Eirik Lerøy | 4 685 000 | 13,60 % |
| Ferd Private Equity | 3 281 307 | 9,53 % |
| Sparebanken Midt-Norge | 1 768 010 | 5,13 % |
| Skagen Vekst | 1 700 000 | 4,94 % |
| Tine Pensjonskasse | 1 317 300 | 3,82 % |
| Knut Hallvard Lerøy | 1 253 210 | 3,64 % |
| Hallvard Lerøy Jr. | 1 190 900 | 3,46 % |
| DnB ASA, Egenkapital Investester | 1 055 218 | 3,06 % |
| Deutsche Bank AG London | 1 015 200 | 2,95 % |
| Lime AS** | 610 573 | 1,77 % |
| George Harald Lerøy | 475 000 | 1,38 % |
| Gambak C/O | 450 000 | 1,31 % |
| Pareto C/O | 450 000 | 1,31 % |
| KOS Bergen AS | 406 640 | 1,18 % |
| Inma AS** | 400 000 | 1,16 % |
| SalMar AS | 386 826 | 1,12 % |
| Sparebanken Rogaland | 386 722 | 1,12 % |
| Gjensidige Nor | 381 473 | 1,11 % |
| Firstnordic Norge VE | 380 500 | 1,10 % |
| Sunnhordland Fjordbruk AS | 341 600 | 0,99 % |
| Total 20 largest share owners | 21 935 479 | 63,69 % |
| Others | 12 505 288 | 36,31 % |
| Total shares | 34 440 767 | 100,00 % |

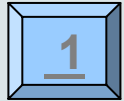
**controlled by CEO Ole-Eirik Lerøy

The company has a total of appr. 2.700 shareholders.

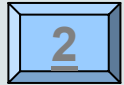




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Lerøy at a glance



Lerøy Seafood Group – Company profile



Market glance





Lerøy Seafood Group ASA

Sales & Distribution

Lerøy Sverige AB
80%

Sales and distribution in Sweden

Strong position towards catering and super-markets

Hallvard Lerøy AS
100%

Sales and distribution ww

Local representation: USA, France, Spain, Italy, UK, Japan, China

Nordvik SA
80%

Sales and distribution in France

Strong position towards Hyper- and super-markets

Production

Lerøy Smøgen Seafood AB
100%

Cold and hot smoked seafood products, salads and shellfish in brine.

Lerøy Midnor AS
100%

Production of Salmon, Salmon trout, Smolt

Slaughtery and processing

Sigerfjord Aqua AS
90,55%

Production of Arctic char

Affiliated

Farming/other

Norskott Havbruk AS 50%

Hydrotech Gruppen AS 39%

Egersund * Fisk AS 27%

Hjaltland 11%

* Pelagic related activities



Lerøy Seafood Group

PELAGIC

WHITEFISH

FARMED FISH

HALLVARD LERØY AS

SALES - MARKETING

DISTRIB. FRANCE
Nordvik

DISTRIBUTION UK
SSF / LERØY

**DIRECT
EXPORT**

**DISTRIBUTION
NORWAY**

**DISTRIBUTION
Lerøy Sweden**

**PROCESSING
Lerøy Sweden**

**FARMING /
PROCESSING
NORWAY**

Lerøy
France

Lerøy
Italy

Lerøy
Spain

Lerøy
China

Lerøy
Japan

Lerøy
US



Lerøy Seafood Group - Global organization



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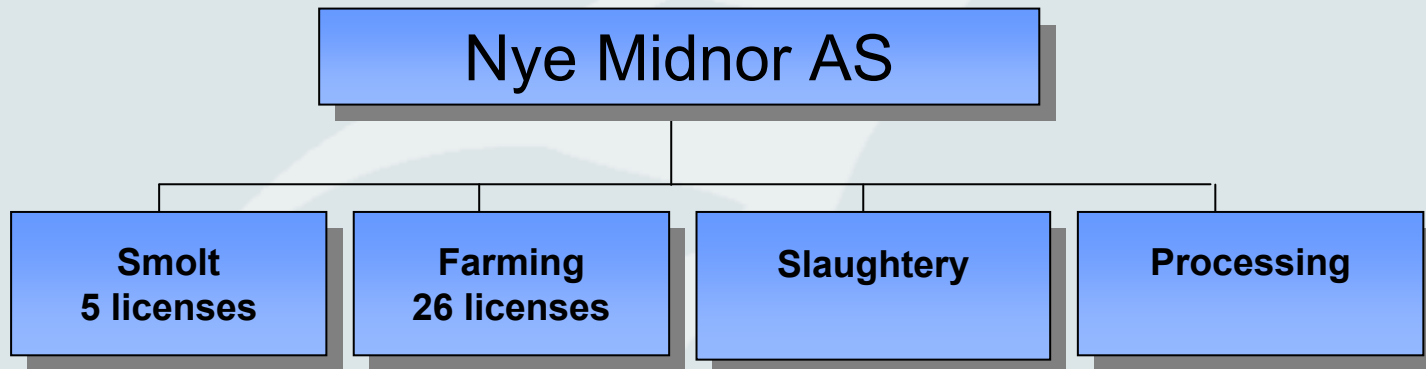
Lerøy Midnor AS



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Structure Nye Midnor AS Production





Description of Lerøy Midnor AS

Production

Smolt:

- 5 licenses
- 6 mill. smolt per year (salmon/trout)

Farming:

- 26 licenses (salmon/trout)
- All production is located along the coast of Møre and Romsdal and Midt-Norge
- 2004E: 16.000 gwt salmon
3.000 gwt salmon trout

Slaughtery:

- Capacity of 65 tonnes per shift
- 47% ownership in Uthaug lakseslakteri AS

Processing:

- Capacity of ca. 3.500 t per year
- Production of skin and bone free portions and fillets

Organisation:

- Competent and committed





Lerøy Midnor AS

Results and balance

NOK

Revenues

EBITDA

EBIT

Pre tax

YTD 2003 *)

216,7

5,9

-17,3

-41,4 **)

Balance sheet

Licences / Goodwill /def. Tax

Fixed assets

Inventories

Other current assets

Total assets

31.12.2003 ***)

62,4

111,0

228,7

117,2

519,3

Equity

Debt

Total equity and debt

28,2

491,1

519,3

* Company established July 11. 03

** Will be consolidated in group P&L from 01.01.04

*** Consolidated in group balance from 31.12.03

Lerøy Seafood Group Consolidated

Key figures



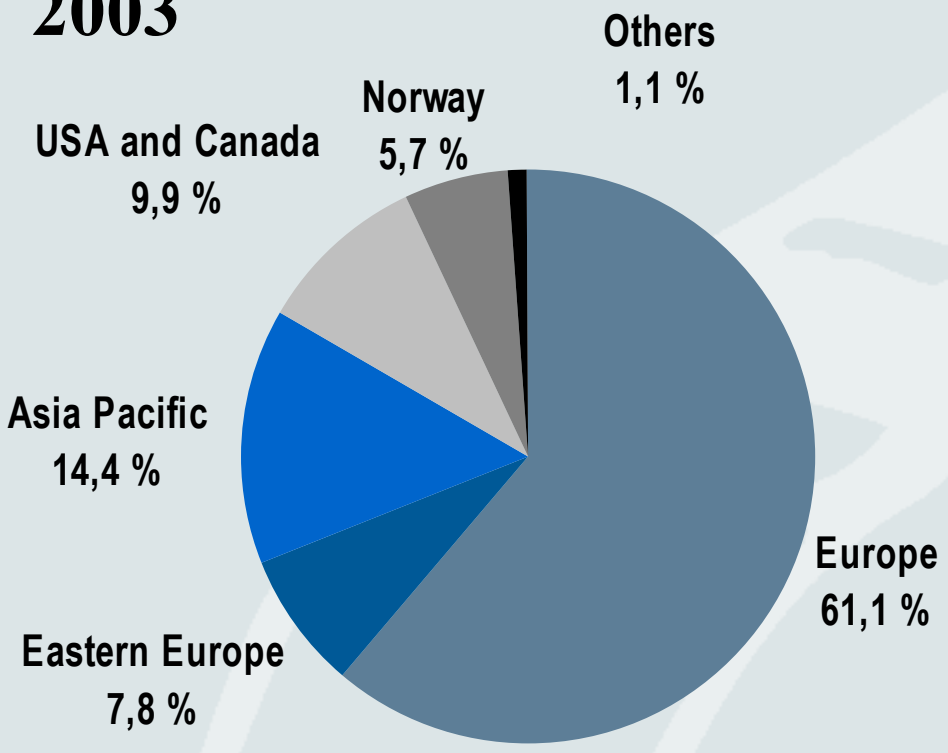
- **Total equity (44,01 %)** **794,1 mill**
- **Net interest bearing debt** **362,3 mill**
- **Total intangible assets** **272,5 mill**
 - Licences fish farming Norway 195,0 mill
 - Goodwill 77,5 mill
- **Total LSG-shares 34.440.767 shares**



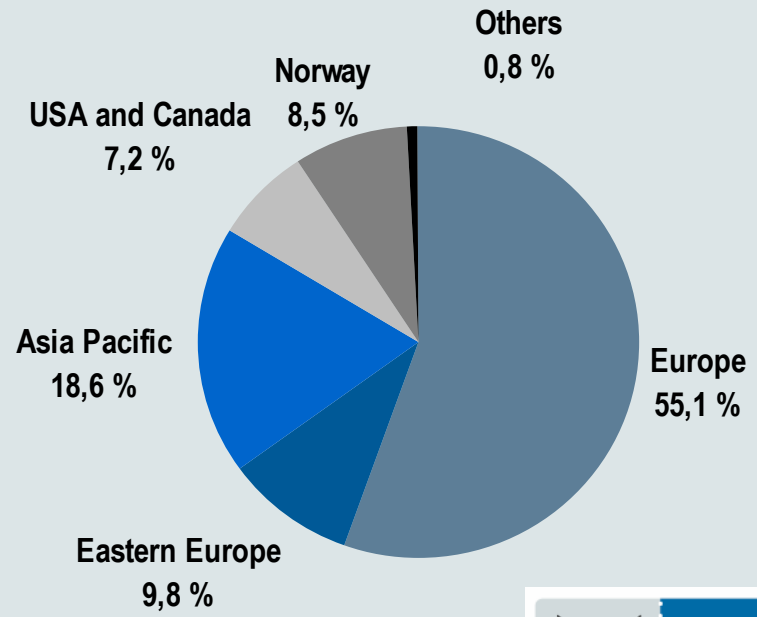


Lerøy Seafood Group - Sales per market

2003



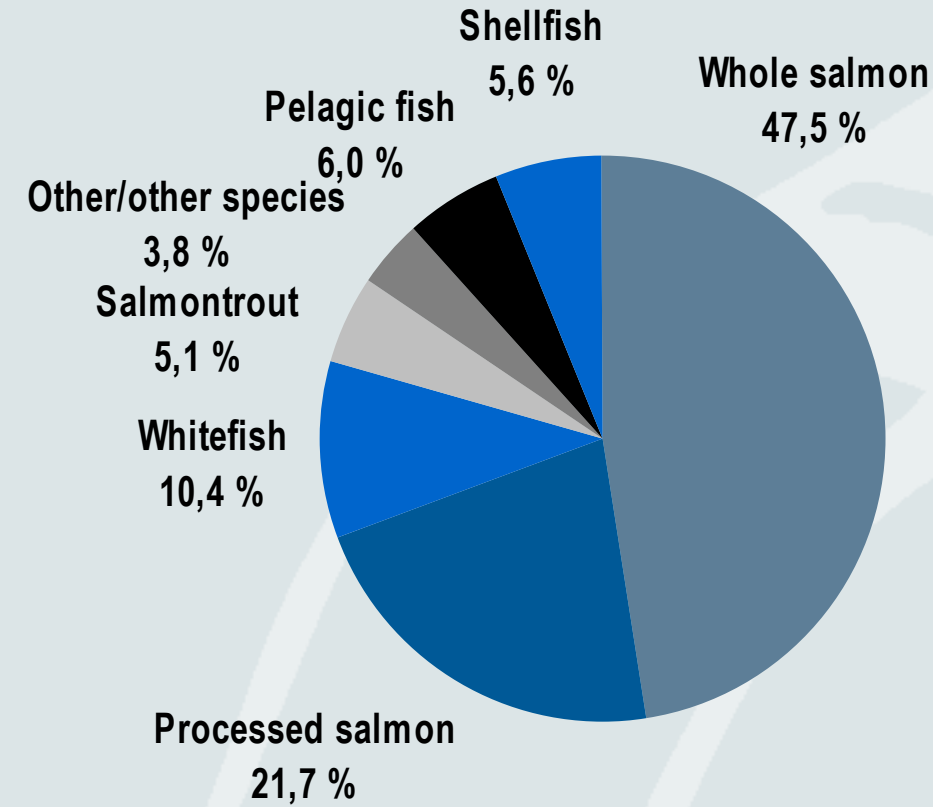
2002



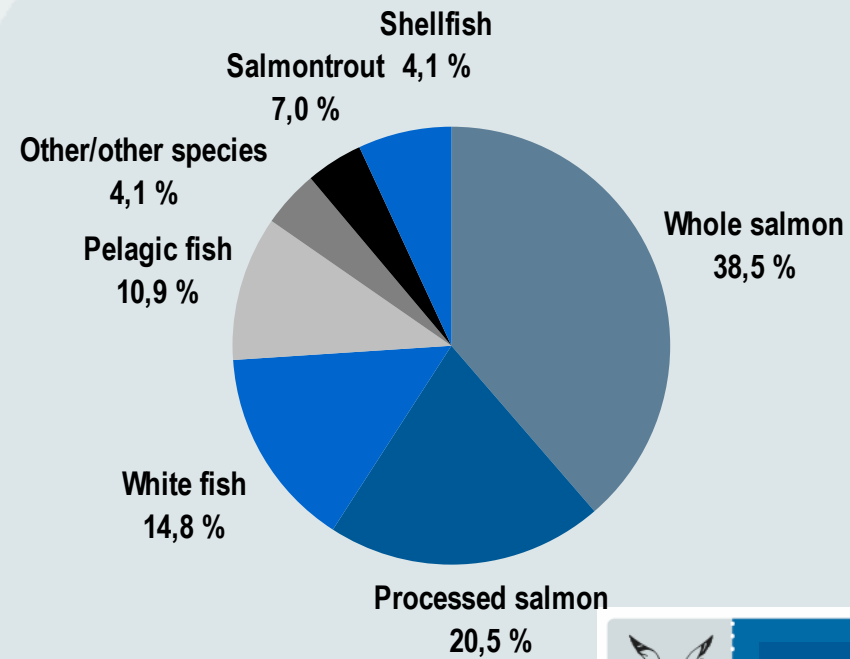


Lerøy Seafood Group - Sales per product

2003



2002





Norskott Havbruk (Scottish Sea Farms Ltd.)

- **Production capacity: 25.000 – 30.000 gwt**
- **Volume harvested in 2003: 24.000 gwt**
- **Est. harvest volume 2004: 21.000 – 23.000 gwt**
- **Additional processing and sales: 5 - 10.000 gwt**
- **2 processing plants**





Norskott Havbruk (Scottish Sea Farms Ltd.)

- **SQS**
- **Label Rouge**
- **ISO 9002**
- **ISO 14 001**
- **Investor in people**
- **VIBES of Scotland**



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Norskott Havbruk

| NOKm | Q4 - 2003 | Q4 - 2002 | 31.12.2003 | 31.12.2002 |
|------------------------------|------------------|------------------|----------------------|---------------------|
| Revenues | 227,4 | 152,8 | 708,3 | 562,8 |
| EBITDA | 25,0 | 2,1 | 57,8 | 37,2 |
| EBIT | 17,6 | 3,3 | 28,2 | 7,9 |
| Pre tax | 10,7 | -4,2 | 2,1 | -20,9 |
| Volumes (gwtt) | | | 24,0 | 19 |
| Balance sheet | | | 31.12.2003**) | 31.12.2002*) |
| Licences, Goodwill | | | 375,9 | 381,7 |
| Fixed assets | | | 90,8 | 91,0 |
| Inventories | | | 323,5 | 333,6 |
| Other current assets | | | 112,6 | 94,4 |
| Cash | | | 7,9 | 1,0 |
| Total assets | | | 910,7 | 901,7 |
| Equity | | | 315,5 | 315,0 |
| Interest bearing debt | | | 472,7 | 457,4 |
| Non interest bearing debt | | | 122,5 | 129,3 |
| Total equity and debt | | | 910,7 | 901,7 |

*) NOK/GBP = 11,62

**) NOK/GBP = 11,89

Hydrotech Gruppen AS (39%)

- **Ownership**
 - 39% owned by Lerøy Seafood Group ASA
 - 57.3% owned by L & K Karlsen Holding AS
 - 3.7% owned by others
- **Wholly integrated fish farms in Norway**
 - 17 wholly owned licenses
- **Estimated sales 2004:**
 - Salmon and trout estimated : 12 gwtt (14 gwtt)
- **Smolt production: appr. 5 mill**
- **Wellboat shipping co.**
- **Slaughtery**
- **Processing plant**





Hydrotech Gruppen

| NOK | Q4 - 2003 | Q4 - 2002 | 31.12.2003 | 31.12.2002* |
|------------------------------|------------------|------------------|-------------------|--------------------|
| Revenues | 124,4 | 48,3 | 381,6 | 349,0 |
| EBITDA | -6,2 | 2,6 | -11,1 | 25,7 |
| EBIT | -14,1 | 0,6 | -33,0 | 6,5 |
| Pre tax | -16,7 | -7,8 | -50,6 | 3,7 |
| Balance sheet | | | 31.12.2003 | 31.12.2002 |
| Licences / Goodwill | | | 139,9 | 141,2 |
| Fixed assets | | | 164,3 | 175,4 |
| Inventories | | | 142,2 | 217,7 |
| Other current assets | | | 18,8 | 52,4 |
| Total assets | | | 465,2 | 586,7 |
| Equity (incl. new issue) | | | 121,2 | 131,8 |
| Debt | | | 344 | 454,9 |
| Total equity and debt | | | 465,2 | 586,7 |
| Net interest bearing debt | | | 270,9 | 363,7 |

* Including gain on sale of assets appr. 25 mill



Egersund Fisk AS (27%)

• Shareholder structure

- Lerøy 27%
- SalMar 27%
- Egersund Fiskeriinvestering 9%
- Others 37%
(less than 4% each)

• Pelagic activity

- Fish oil, fish meal
- Pelagic fish for consumption
- Ownership in vessels for wild catch
- Production of ice

• Part ownership acquired in 2001



| Egersund Fisk 100% | 2003 | 2002 |
|--------------------|-------|-------|
| • Turnover | 312,5 | 364,6 |
| • EBIT | 9,4 | 10,9 |
| • Pre tax profits | 1,8 | 4,5 |

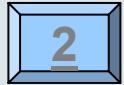




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Lerøy at a glance



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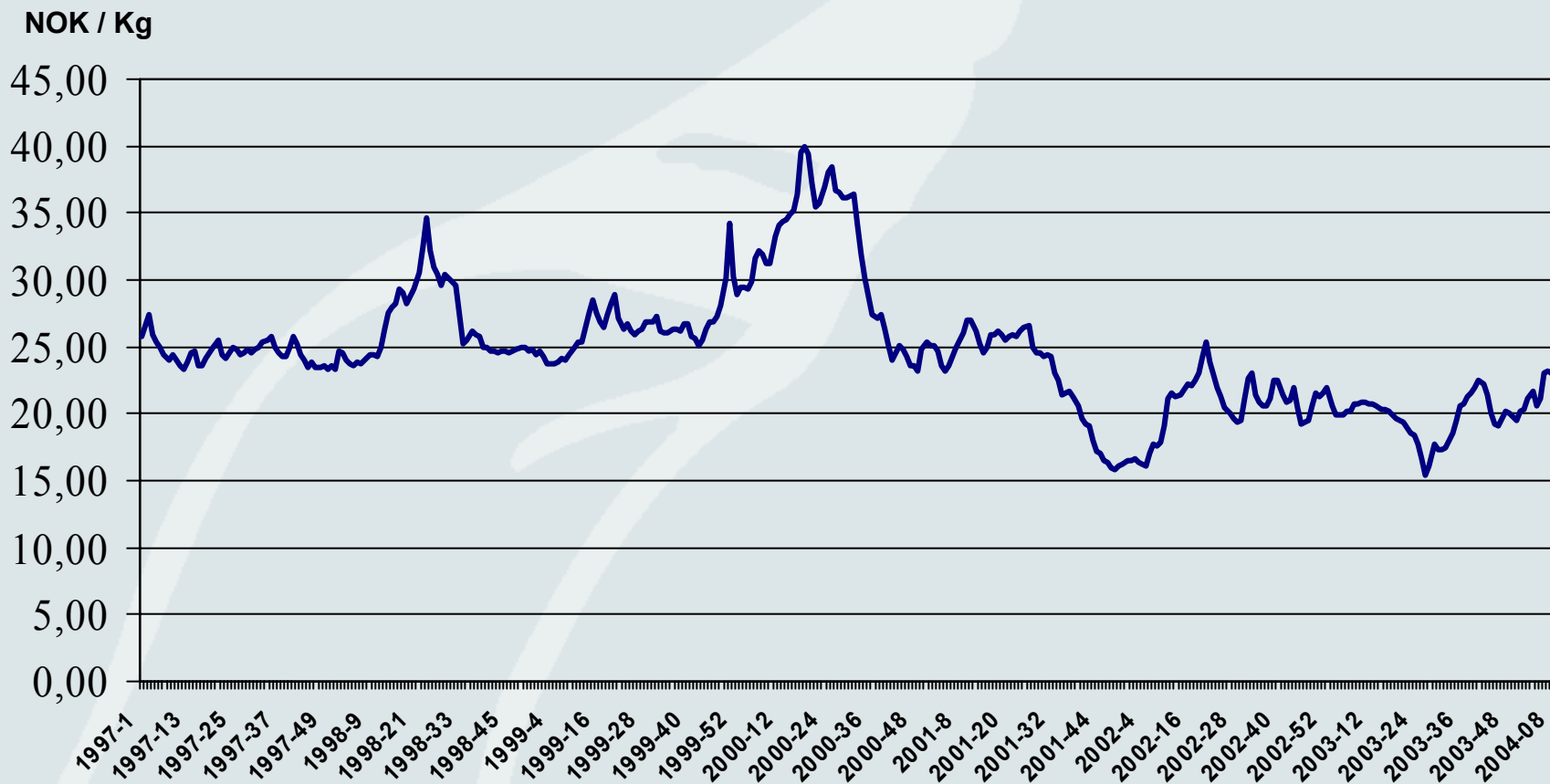
Market glance



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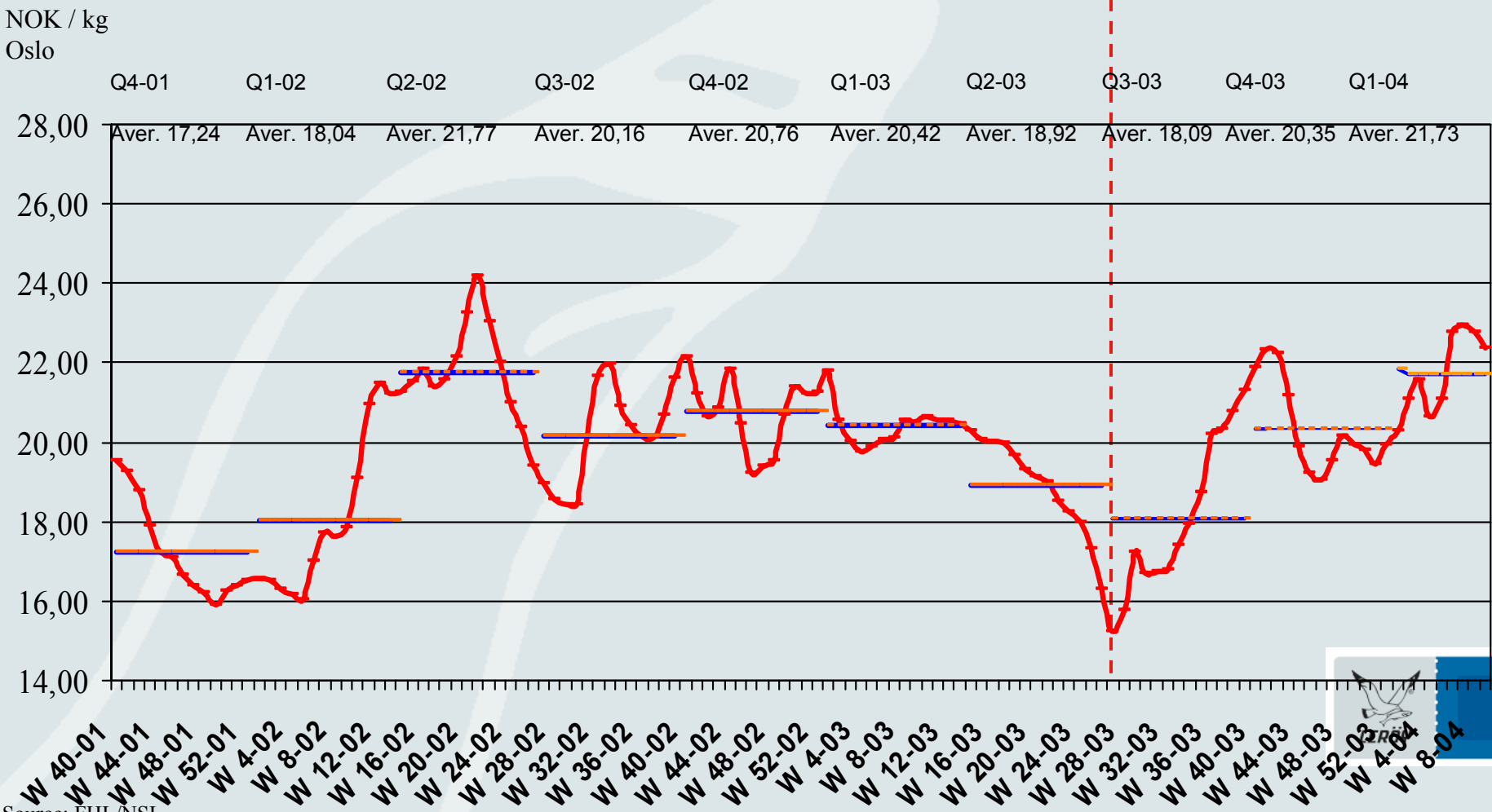


Fresh Atlantic Salmon Norway (4-5 kgs) – price development 1997 - YTD (FHL/NSL)

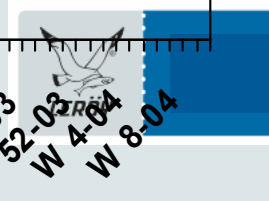




Salmon export from Norway as of week 9-04. Fresh atlantic salmon, cross-section, FCA Oslo.



Source: FHL/NSL





Atlantic salmon – supply side

| SUPPLY | | Change | | Change |
|-----------------|------------------|--------------|------------------|--------------|
| | 2003 | 02-03 | 2004 E | 03-04E |
| Norway | 508 600 | 14,3 % | 501 000 | -1 % |
| Chile | 280 800 | 4,7 % | 340 900 | 21 % |
| UK | 160 300 | 14,4 % | 137 200 | -14 % |
| Canada | 92 000 | -17,9 % | 86 000 | -7 % |
| Faroe Islands | 47 000 | 11,6 % | 31 500 | -33 % |
| Ireland | 18 400 | -17,5 % | 17 600 | -4 % |
| USA | 18 200 | 37,9 % | 13 300 | -27 % |
| Australia | 14 000 | 7,7 % | 15 200 | 9 % |
| Iceland | 4 200 | 20,0 % | 4 700 | 12 % |
| Others | 1 800 | -10,0 % | 2 400 | 33 % |
| | | | | |
| In total | 1 145 300 | 7,9 % | 1 149 800 | 0,4 % |

Figures per 24.02.04

Source: Kontali



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Atlantic salmon – demand side

| DEMAND | Change | | Change | |
|----------|-----------|---------|-----------|--------|
| | 2003 | 02-03 | 2004 E | 03-04E |
| EU | 537 400 | 8,5 % | 587 000 | 9 % |
| USA | 312 700 | 6,1 % | 331 500 | 6 % |
| Japan | 50 200 | -23,1 % | 50 600 | 1 % |
| Others | 236 300 | 10,5 % | 257 400 | 9 % |
| In total | 1 136 600 | 6,3 % | 1 226 500 | 8 % |

Figures per 24.02.04

Source: Kontali



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Drivers year 2003

- **Norway – EU (+ 46.696 mt) + 17,0 %**
- **Norway – Eastern Europe (14.184 mt) + 78,9 %**
- **Norway - Japan (- 5.066 mt) - 15,0 %**
- **Norway - Feed sales (768 100 mt) + 5,0 %**



Thank you !



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