

Lerøy Seafood Group

Quarterly report First quarter 2006

May 15th 2006

Ole-Eirik Lerøy

President & CEO

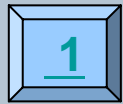
Helge Singelstad

Vice president & vice CEO



SEAFOOD INNOVATION SINCE 1899

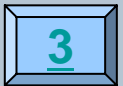
Agenda



Considerations



Key financial figures Q1 2006



Lerøy at a glance

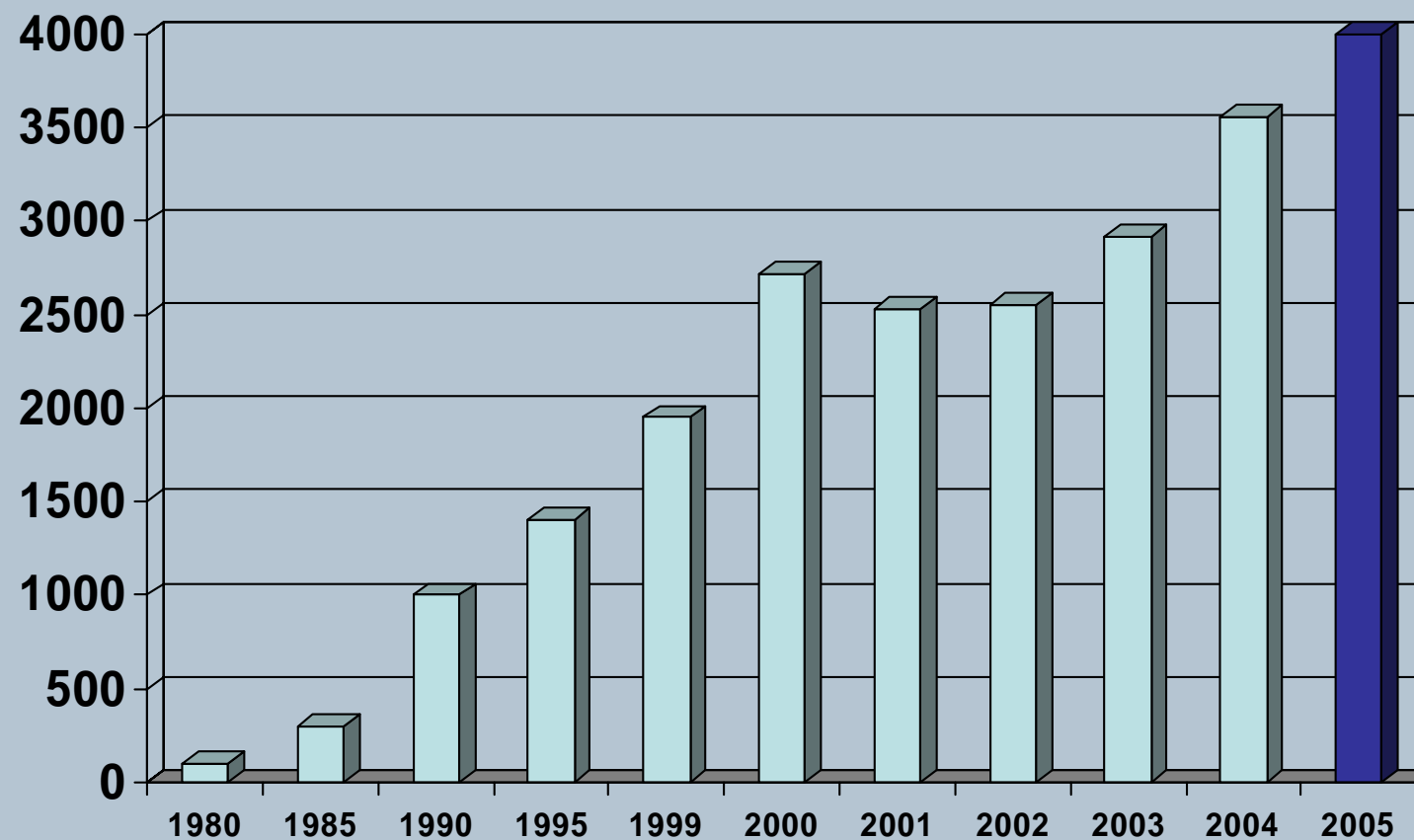


Market glance

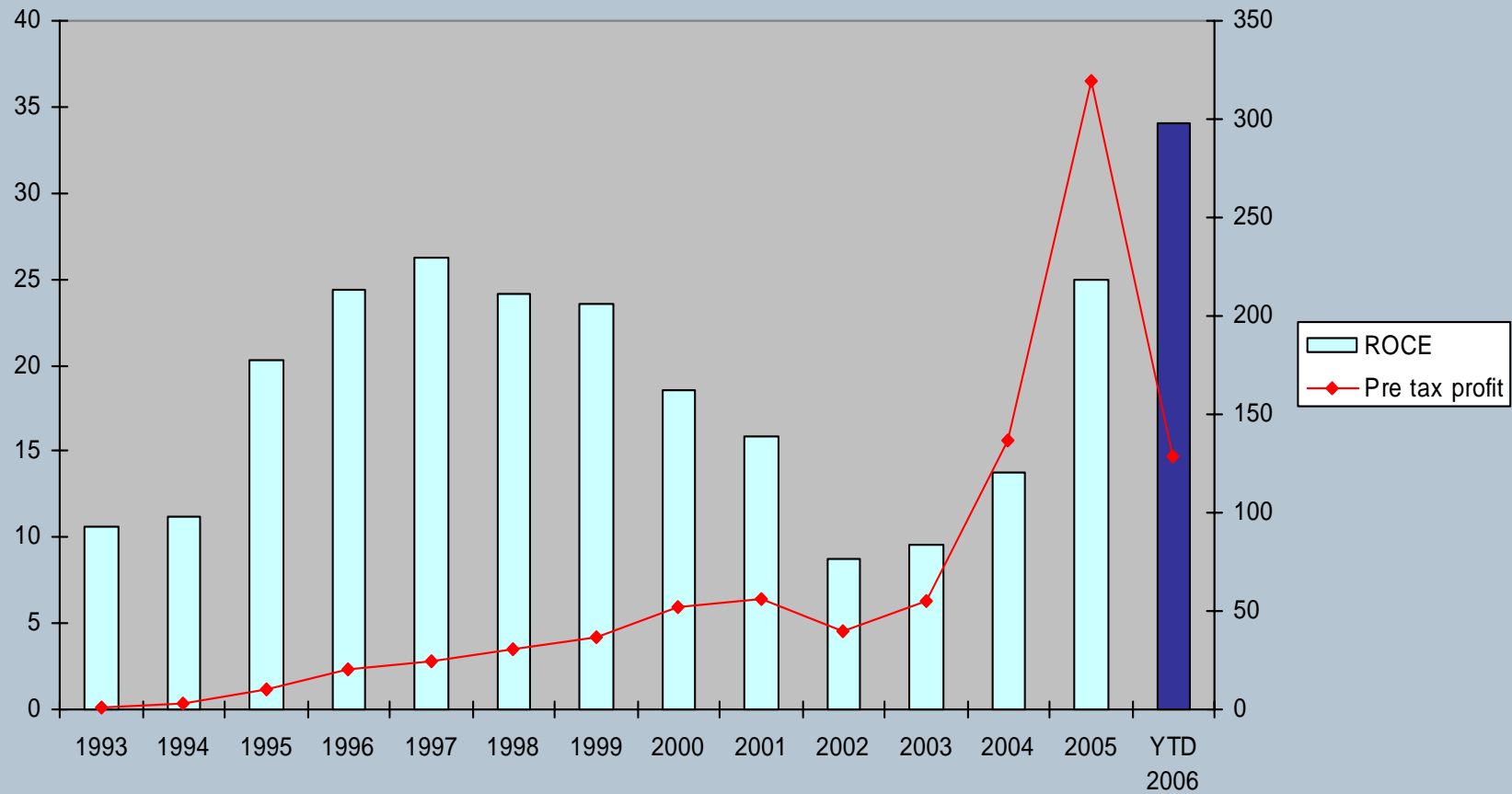


Turnover LSG

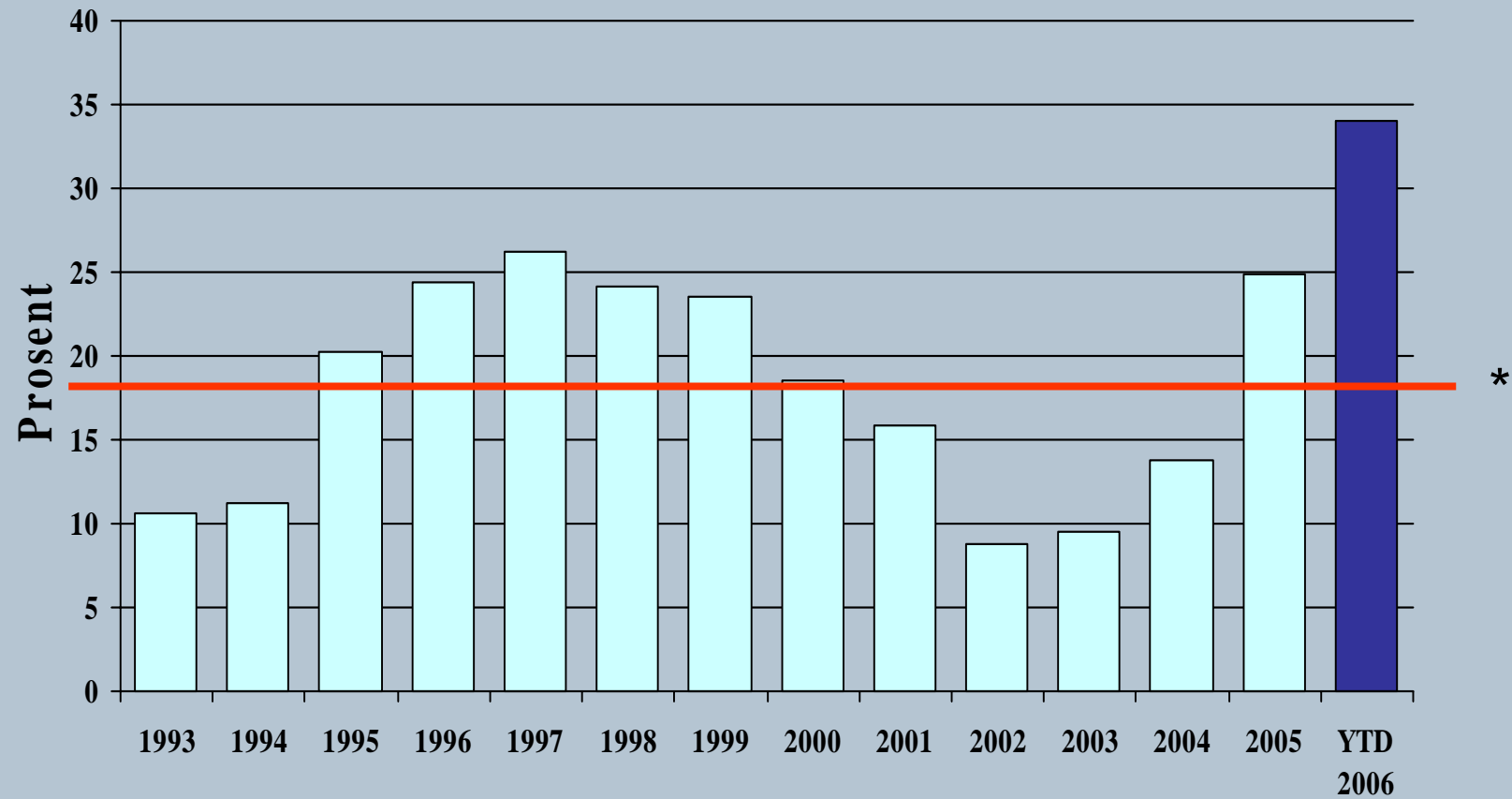
Mill. NOK



ROCE (%) and PTP before biomass adjustments



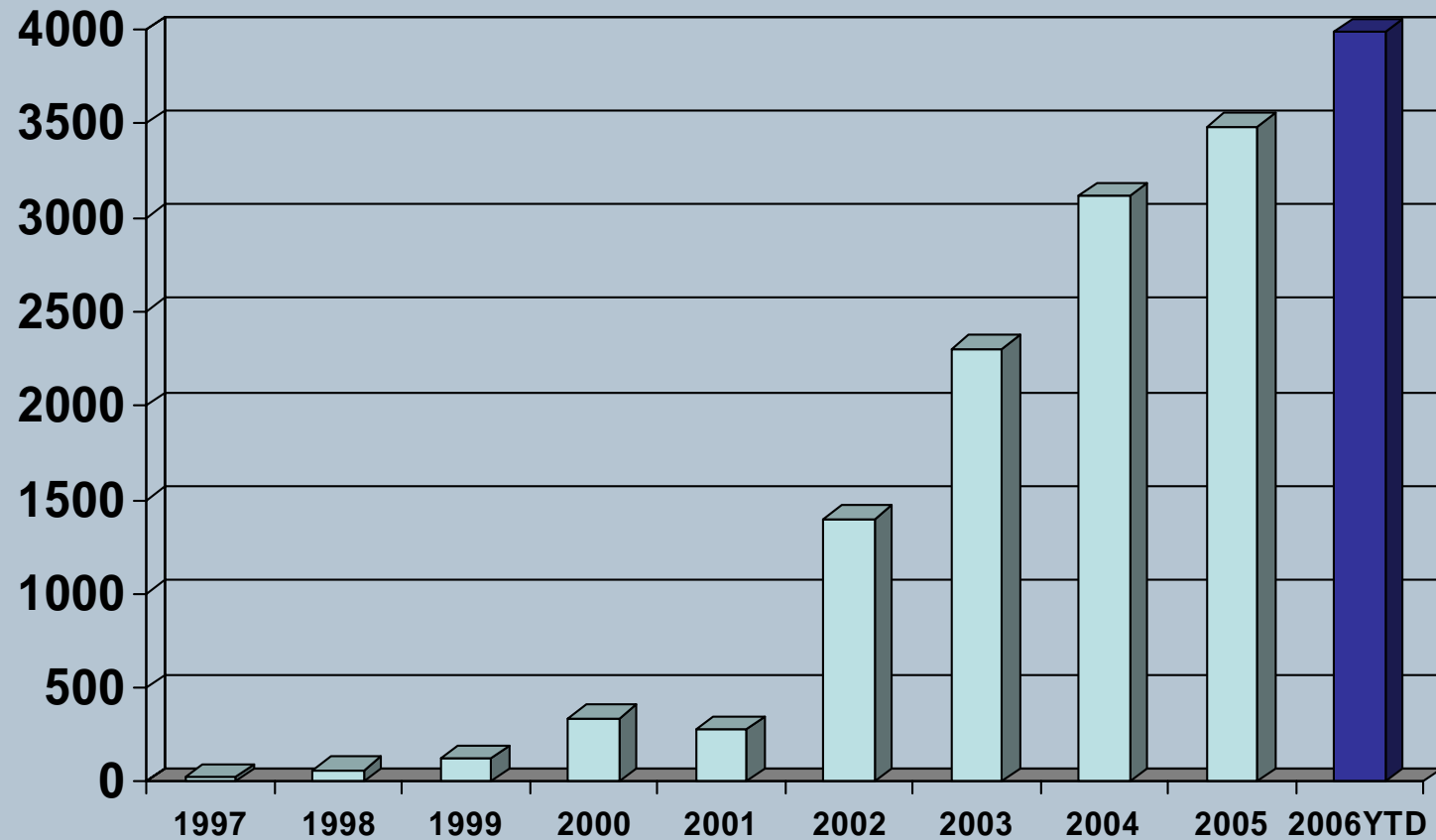
Return on capital employed (ROCE) before biomass adjustments



* Target set before IPO 2002



Number of shareholders



Shareholders 03.05.06

Shareholder	No. of shares	Ownership share
Profond AS*	6 788 040	15,87 %
Pareto Securities ASA	2 098 950	4,91 %
Skagen Vekst	1 800 000	4,21 %
MP Pensjon	1 701 984	3,98 %
Pareto Aksje Norge	1 610 100	3,76 %
Morgan Stanley & Co. Inc.	1 591 251	3,72 %
Ferd AS Invest	1 463 200	3,42 %
Odin Norge	1 200 750	2,81 %
Lime AS*	960 573	2,25 %
Pareto Securities ASA	924 050	2,16 %
Credit Suisse Securities	835 000	1,95 %
Pareto Aktiv	730 000	1,71 %
J.P. Morgan Bank Luxembourg S.A.	605 187	1,41 %
Odin Norden	586 750	1,37 %
Kverva Holding AS	492 826	1,15 %
Meidell AS	483 240	1,13 %
SIS Segaintersettle AG	471 400	1,10 %
George Harald Lerøy	465 000	1,09 %
J.p. Morgan Chase Bank	456 339	1,07 %
Vital Forsikring ASA	445 773	1,04 %
Total 20 largest share owners	25 710 413	60,10 %
Others	17 066 955	39,90 %
Total shares	42 777 368	100,00 %

*controlled by CEO Ole-Eirik Lerøy

The company has a total of 3.983 shareholders



Internal considerations Q1 2006

All figures in mill NOK

	Q1 - 06	Q1 - 05	Change	2005	2004	Change
Turnover	1 114	832	34 %	4 014	3 559	13 %
EBIT bef adj biom	121	39	210 %	274	132	108 %
Operating profit	159	48	231 %	344	133	159 %
Affiliated comp.	9	8	13 %	65	20	225 %
Pre-tax profit	162	52	212 %	391	137	185 %



Internal considerations Q1 2006

Financially Solid

- Well positioned for future organic and strategic growth
- Annual General Meeting of Shareholders 24 May 2006
 - Proposed dividend NOK 1.80 per share
 - Ex-dividend 26 May 2006

3.983 shareholders as of 3 May 2006

Consolidated business areas

- Satisfactory operation in production
 - Development according to plans
- Difficult conditions for operations in sales and distribution
 - Volatile Salmon prices
 - Trade barrier from EU is negative in the long run

Affiliated companies

- Low volumes in Q1 2006
- Satisfactory operation

Acquisition of Fossen AS 23 April

- Consolidated from 1 May 2006



Fossen AS (100%)

Location

- Hordaland, outside Bergen

Smolt

- 1,0 mill. smolt per year
- Remaining on contract

Farming

- 6,7 licences
- 2006E: 5.500 gwt
- 2007E: 7.000 gwt

Smoke house

- processing

Approx 80 employees



Fossen AS

NOKm	Q1 - 2006	Q1 - 2005	2005
Revenues	47	36	208
EBITDA	11	4	29
EBIT bef adj biom	8	2	20
EBIT*	8	2	20
Pre tax	7	0	18
Volumes (gwt)	0,9	0,9	4,8
* Effect IFRS-adjustment	0,0	0,0	0,0
Balance sheet	31.03.2006	31.03.2005	31.12.2005
Licences, Goodwill	22	22	22
Tangible fixed assets	62	66	62
Inventories	64	67	66
Other current assets	39	28	51
Total assets	187	183	201
Equity	76	64	71
Debt	111	119	130
Total equity and debt	187	183	201
Net interest bearing debt	70	80	78



External considerations Q1 2006

Increasingly salmon and trout spot prices

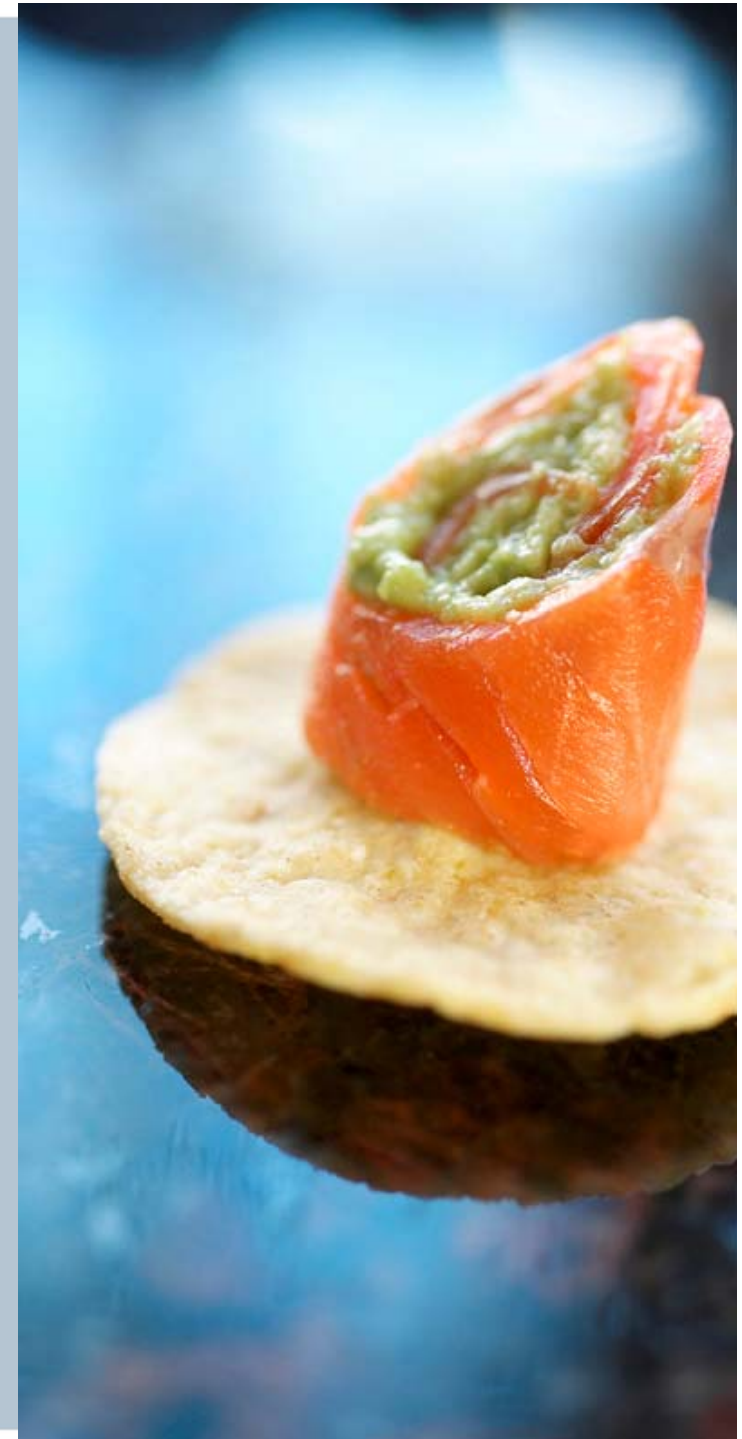
- Prices up 8,9% from Q405, strong market in Q106
- Prices in Q106 20,5% higher than comparable figures in Q105
- Prices so far in Q206 significantly higher than prices in Q106
- Strong market

Currencies

- Future will bring great volatility

Political issues / trade barriers

- 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



Agenda



Key financial figures Q1 2006



Lerøy at a glance



Market glance



Resultatregnskap / Income Statement Q1 2006

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

	Q1 - 2006	Q1 - 2005	2005
Salgsinntekter / Operating revenue	1 113 819	831 848	4 014 454
Vareforbruk / Cost of goods sold	842 669	689 359	3 254 686
Lønnskostnader / Salaries and wages	81 039	55 364	245 819
Andre driftskostnader / Other operating costs	54 570	37 875	191 625
Ordinære avskrivninger / Ordinary depreciation	14 657	10 215	48 214
EBIT før verdij. Biomasse / EBIT bef fair value adjustm biomass	120 884	39 035	274 110
Verdijustering biomasse / Fair value adjustment biomass	37 942	9 216	69 412
Driftsresultat / Operating profit	158 826	48 251	343 522
Inntekt tilknyttede selskaper / Income from affiliated companies	9 056	8 040	64 534
Netto finansposter / Net financial items	-5 713	-3 938	-17 090
Resultat før skattekostnad / Profit before tax	162 169	52 353	390 966
Beregnete skatter / Estimated taxation	-43 008	-12 586	-90 019
Periodens resultat / Profit for the period	119 161	39 767	300 947



Balanse / Balance Sheet Q1 2006

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

	Q1 - 2006	Q1 - 2005	2005
Immaterielle eiendeler / Intangible assets	451 123	287 083	443 908
Varige driftsmidler / Tangible fixed assets	315 200	191 262	284 832
Finansielle anleggsmidler / Financial fixed assets	332 741	260 212	325 348
Sum anleggsmidler / Total fixed assets	1 099 064	738 557	1 054 088
Varer / Inventories	622 291	295 467	623 460
Fordringer / Receivables	612 780	426 154	678 627
Betalingsmidler / Cash and equivalents	304 313	429 886	191 157
Sum omløpsmidler / Total current assets	1 539 384	1 151 507	1 493 244
Sum eiendeler / Total assets	2 638 448	1 890 064	2 547 332



Balanse / Balance Sheet Q1 2006

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

	Q1 - 2006	Q1 - 2005	2005
Innskutt egenkapital / Equity contributions	855 967	782 888	855 967
Opptjent egenkapital / Earned equity	531 430	190 454	413 274
Minoritetsinteresser / Minority interests	6 296	3 953	6 705
Sum egenkapital / Total equity	1 393 693	977 295	1 275 946
Avsetning for forpliktelser / Accrued liabilities	4 191	4 363	4 191
Langsiktig gjeld / Long-term liabilities	614 852	396 384	612 782
Kortsiktige kreditter / Short-term loans	80 392	194 552	131 082
Annen kortsiktig gjeld / Other short-term liabilities	545 320	317 470	523 331
Sum gjeld / Total liabilities	1 244 755	912 769	1 271 386
Sum egenkapital og gjeld / Total equity and liabilities	2 638 448	1 890 064	2 547 332



Key figures - Lerøy Seafood Group Q1 2006

Nøkkeltall / Key figures	Q1 - 2006	Q1 - 2005	2005
Resultatmargin / Profit margin	14,56 %	6,29 %	9,74 %
Driftsmargin / Operating margin	14,26 %	5,80 %	8,56 %
Resultat per aksje / Earnings per share	3,04	1,10	8,14
Utvannet resultat per aksje / Diluted earnings per share	3,00	1,09	8,08
Avkastning på sysselsatt kapital (annualisert) / ROCE	40,83 %	20,94 %	29,53 %
Egenkapitalandel / Equity ratio	52,82 %	51,71 %	50,09 %
Netto rentebærende gjeld / Net interest bearing debt	221 155	84 400	398 470
Kontantstrøm per aksje / Cash-flow per share	5,69	2,06	4,13
Utvannet kontantstrøm per aksje / Dil. cash-flow per share	5,63	2,05	4,11



Lerøy Seafood Group segment information Q1 2006

	Book value	Pre tax profit
Sales and Distribution	216	17
Affiliates	10	1
Total Sales and Distribution	226	18
Production	746	150
Affiliates	320	8
Total Production	1 066	158
Elimination / LSG ASA	102	-14
Total equity / pre tax profit	1 394	162



Affiliated companies, LSG-share profit after tax

All figures in mill NOK

	Q1 2006	Korr.varer / adj.inventory	Q1 2005	Korr.varer / adj.inventory	2005
Hydrotech-Gruppen AS (39%)	2 175	471	2 286	0	27 052
Egersund Fisk AS (27%)	1 867	0	869	0	4 622
Norskott Havbruk AS (50%)	4 403	-4 519	5 067	-2 332	32 217
Andre / Others	611	0	-182	0	643
Sum / Total	9 056	-4 048	8 040	-2 332	64 534



Lerøy Seafood Group Consolidated Key figures 31 March 2006

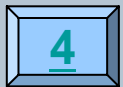
Total equity (53 %)	1.394 mill NOK
Net interest bearing debt	221 mill NOK
Total intangible assets	451 mill NOK
• Licences smolt / fish farming Norway 309 mill	
• Goodwill / def. tax 142 mill	
Total LSG-shares May 2006	42.777.368
• After share issue (3,4 mill shares) 24 April 2006	



Agenda



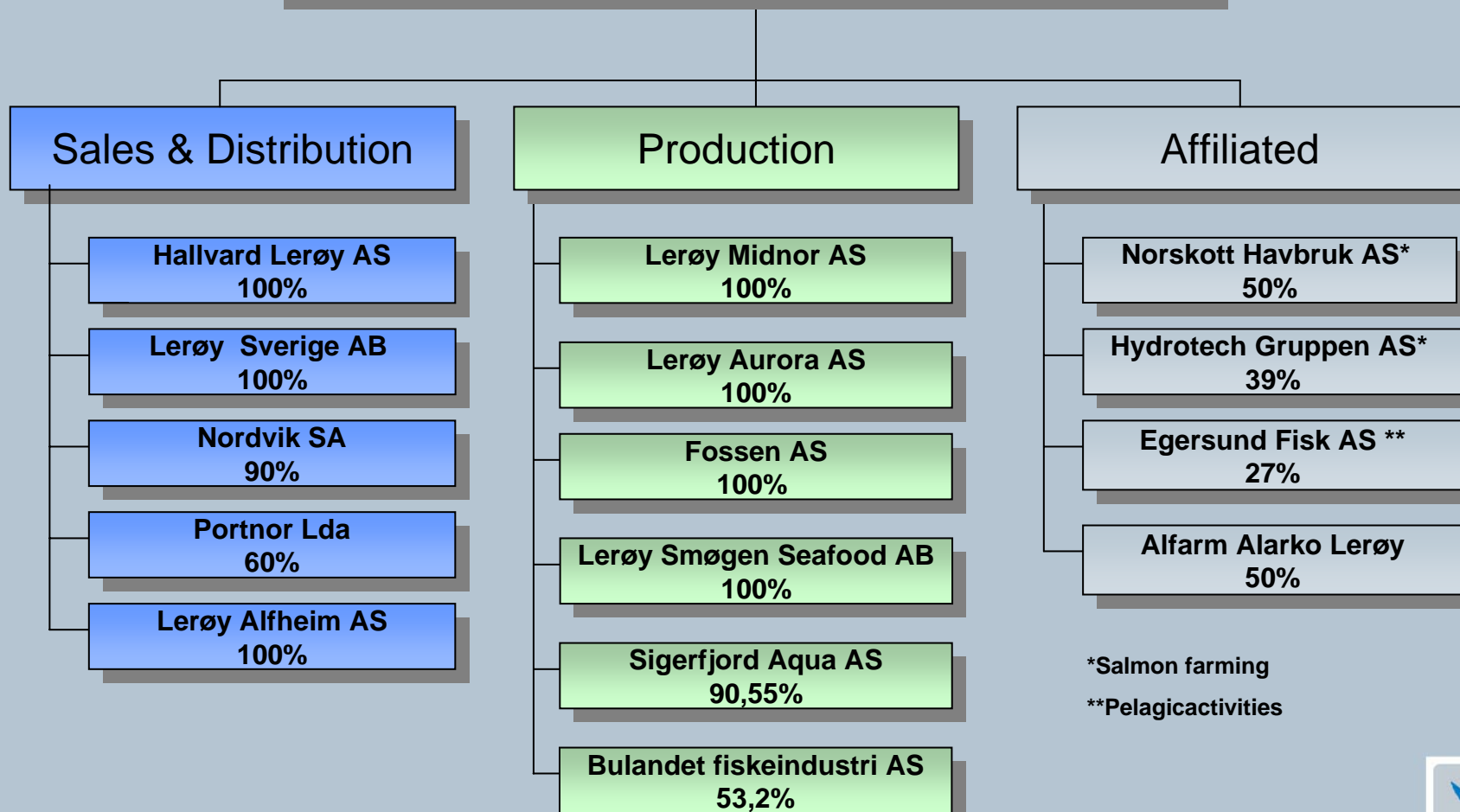
Lerøy at a glance



Market glance



Lerøy Seafood Group ASA



Lerøy Seafood Group

Employees, 12 May 2006

Sales and distribution	372
Production and farming	426
Total Group	798
Affiliates	501
Total included affiliates	1299





Lerøy Seafood Group

Norway's largest seafood exporter in 2005

- 11,0 % share of Norwegian Seafood tot exports value
- 15,4 % of Norwegian salmon export
 - 14,6 % of Norwegian salmon export in 2004
- 30,8 % of Norwegian value added salmon export

Major shareholder in fish farming operations

- Lerøy Midnor AS (100%)
- Lerøy Aurora AS (100%)
- Fossen AS (100%)
- Scottish Sea Farms (50%), 2nd largest Scottish salmon producer
- Hydrotech-Gruppen AS (39%)
- Sigerfjord Aqua AS (90,55 %)





Lerøy Seafood Group

Global distribution network

- Global distribution from Head Office in Bergen
- Local distribution and processing in 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

Market strategy:

Quality

Branding

Diversity in product range

Diversity in customer base

Market-oriented solutions

Geographical spread

Continuity in deliveries

Cost efficiency



PELAGIC

WHITEFISH

FARMED FISH

HALLVARD LERØY AS

DISTRIBUTION
FRANCE

DIRECT EXPORT

DISTRIBUTION
NORWAY

DISTRIBUTION
UK

LERØY
FRANCE

LERØY
PORTUGAL

DISTRIBUTION
SWEDEN

DISTRIBUTION
PORTUGAL

LERØY
CHINA

LERØY
JAPAN

PROCESSING
SWEDEN

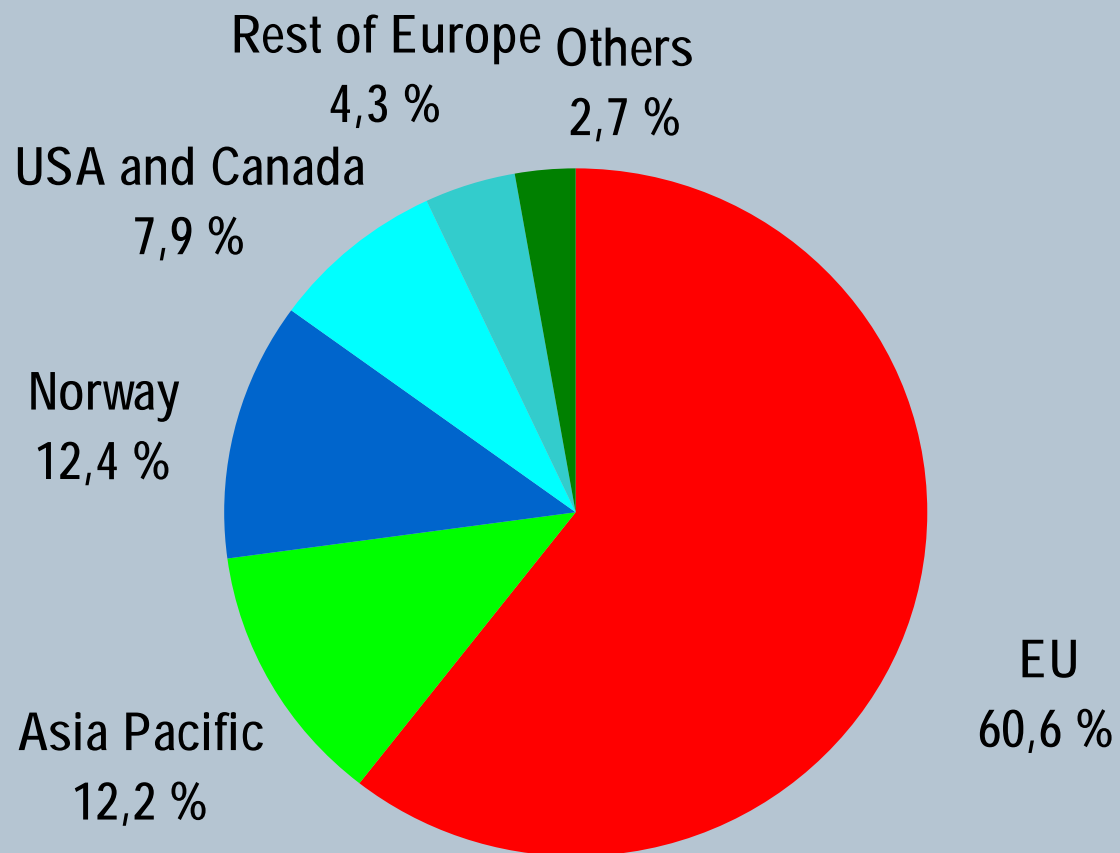
DISTRIBUTION
TURKEY

LERØY
USA

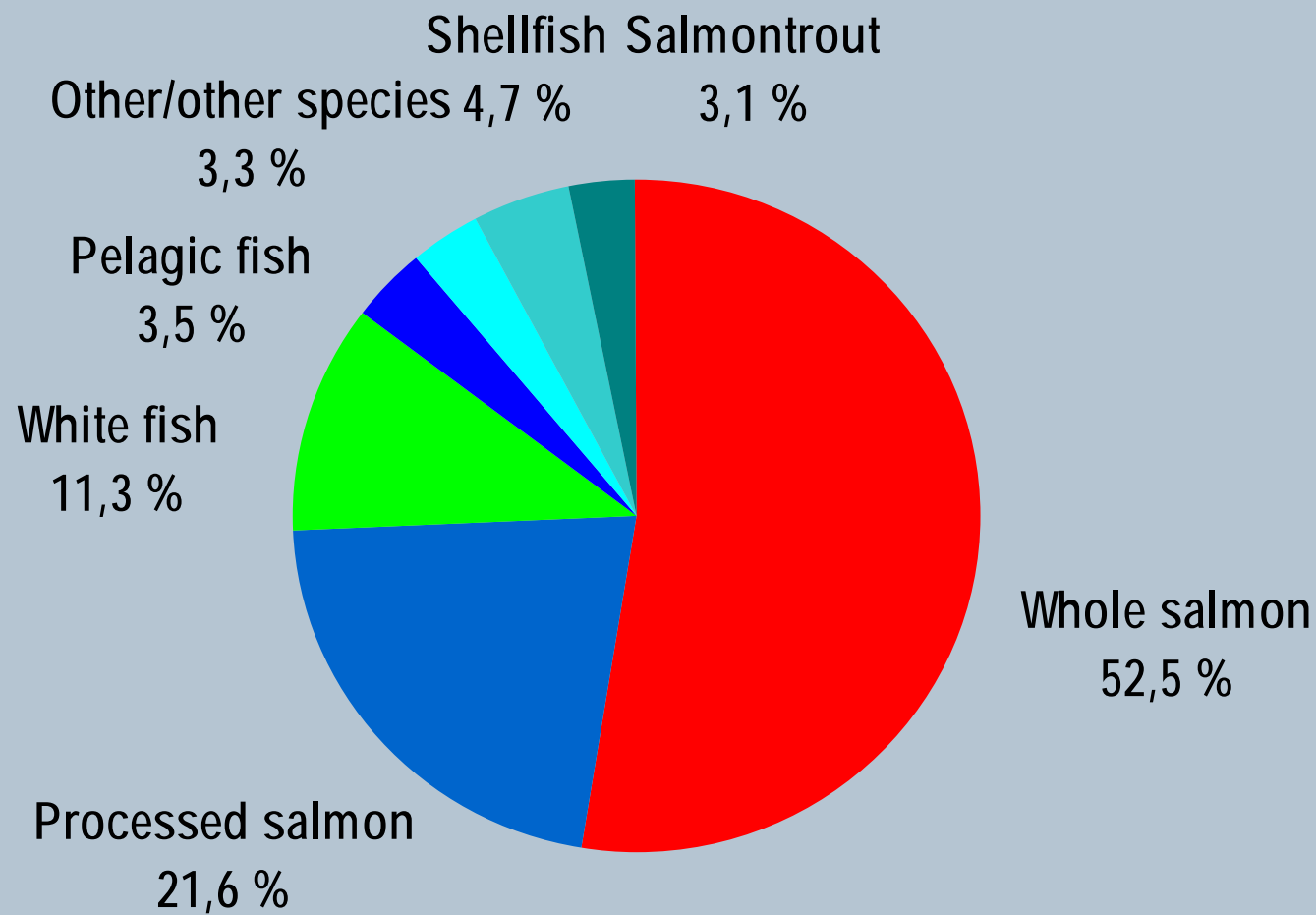
FARMING / PROCESSING
NORWAY



Lerøy Seafood Group - Sales per market Q1 2006



Lerøy Seafood Group - Sales per product Q1 2006



Strannes Røkeri AB



 **Kallrökt norsk lax**

Hel sida, skivad

Hel sida / bit med skinn

Skivad
100 g
200 g
400 g
500 g
1000 g



Lerøy Smøgen Seafood AB




Processing, France



Lerøy Seafood Group – salmon/trout farming

Company	Ownership share	Licences	Mill. smolt individuals	Volume Total	gwt 2006E LSG share	Volume Total	gwt 2007E LSG share
Lerøy Midnor AS	100 %	28	7,0	26 000	26 000	27 000	27 000
Lerøy Aurora AS	100 %	16	3,5	13 000	13 000	13 000	13 000
Fossen AS*)	100 %	6,7	1,0	5 500	5 500	7 000	7 000
Hydrotech Gruppen AS	39 %	17	6,5	15 000	5 900	15 000	5 900
Total Norway		67,7	18,0	59 500	50 400	62 000	52 900
Norskott Havbruk AS (UK)	50 %		6,0	21 000	10 500	25 000	12 500
Total			24,0	80 500	60 900	87 000	65 400

 Consolidated, farming

 Affiliated, farming

*) Consolidated from 1 May 2006



Lerøy Midnor AS

Smolt

- 7,0 mill. smolt per year

Farming

- 28 licences (salmon/trout)
- 2004: 18.000 gwt
- 2005: 22.700 gwt
- 2006E: 26.000 gwt
- 2007E: 27.000 gwt

Processing

- Capacity of 100 tonnes per shift

Value adding

- Capacity of appr. 4.000 t per year
- Production of skin and bone free portions and fillets



Lerøy Midnor AS

NOKm	Q1 - 2006	Q1 - 2005	2005
Revenues	199	127	596
EBITDA	95	23	191
EBIT bef adj biom	88	16	162
EBIT*	100	25	210
Pre tax	98	21	199
Volumes (gwt)	6,8	5,3	22,7
* Effect IFRS-adjustment	12,1	9,2	47,7
Balance sheet	31.03.2006	31.03.2005	31.12.2005
Licences, Goodwill	72	72	72
Tangible fixed assets	137	121	127
Inventories	304	238	316
Other current assets	149	129	77
Total assets	662	560	592
Equity	291	115	220
Debt	371	445	372
Total equity and debt	662	560	592
Net interest bearing debt	167	374	228



Lerøy Aurora AS

Smolt

- 3.5 mill. smolt per year

Farming

- 16 licences
- 2005: 8.500 gwt
- 2006E: 13.000 gwt
- 2007E: 13.000 gwt

Slaughtering station

- Capacity of 60 – 65 tonnes per shift



Lerøy Aurora AS

NOKm	Q1 - 2006	Q1 - 2005	2005
Revenues	100	44	212
EBITDA	30	9	55
EBIT bef adj biom	26	5	41
EBIT*	52	5	63
Pre tax	50	3	53
Volumes (gwt)	3,9	1,7	8,5
* Effect IFRS-adjustment	25,9	0,0	21,7
Balance sheet	31.03.2006	31.03.2005	31.12.2005
Licences, Goodwill	2	9	2
Tangible fixed assets	82	63	77
Inventories	217	106	220
Other current assets	79	8	52
Total assets	380	186	351
Equity	105	12	70
Debt	275	174	281
Total equity and debt	380	186	351
Net interest bearing debt	177	163	234



Norskott Havbruk (Scottish Sea Farms Ltd.)

Smolt

- Self sufficient with high quality smolt

Farming

- 2005: 20.700 gwt
- 2006E: 21.000 gwt
- 2007E: 25.000 gwt
- Additional processing and sales

Processing

- 2 processing plants
 - Scotland mainland
 - Shetland



Norskott Havbruk

NOKm	Q1 - 2006	Q1 - 2005	2005
Revenues	190	197	775
EBITDA	35	28	136
EBIT bef adj biom	29	22	110
EBIT*	16	15	114
Pre tax	12	8	90
Volumes (gwt)	4,2	5,7	20,7
* Effect IFRS-adjustment	-10,7	-5,0	10,4
Balance sheet	31.03.2006	31.03.2005	31.12.2005
Licences, Goodwill	390	377	389
Tangible fixed assets	112	93	111
Inventories	286	292	300
Other current assets	88	108	132
Total assets	876	870	932
Equity	343	288	335
Debt	533	582	597
Total equity and debt	876	870	932
Net interest bearing debt	272	382	273



Hydrotech Gruppen AS (39%)

Smolt

- 6,5 mill. smolt per year

Farming

- 17 licences (salmon/trout)
- 2005: 12.400 gwt
- 2006E: 15.000 gwt
- 2007E: 15.000 gwt

Processing plant

Well-boat shipping co.



Hydrotech Gruppen AS

NOKm	Q1 - 2006	Q1 - 2005	2005
Revenues	74	62	374
EBITDA	13	16	118
EBIT bef adj biom	8	12	99
EBIT*	10	12	102
Pre tax	8	9	96
Volumes (gwt)	1,8	2,4	12,4
* Effect IFRS-adjustment	1,8	0,1	3,4
Balance sheet	31.03.2006	31.03.2005	31.12.2005
Licences, Goodwill	140	140	140
Tangible fixed assets	154	151	149
Inventories	156	133	142
Other current assets	40	27	48
Total assets	490	451	479
Equity	188	118	183
Debt	302	333	296
Total equity and debt	490	451	479
Net interest bearing debt	206	245	187



Egersund Fisk AS (27%)

Shareholder structure

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

Pelagic activity

- Fish oil, fish meal
- Pelagic fish for consumption



Nøkkeltall / Key figures 100%	Q1 - 2006	Q1 - 2005	2005
Turnover	176	96	440
EBIT	9	5	21
Pre tax profits	8	4	21

Agenda

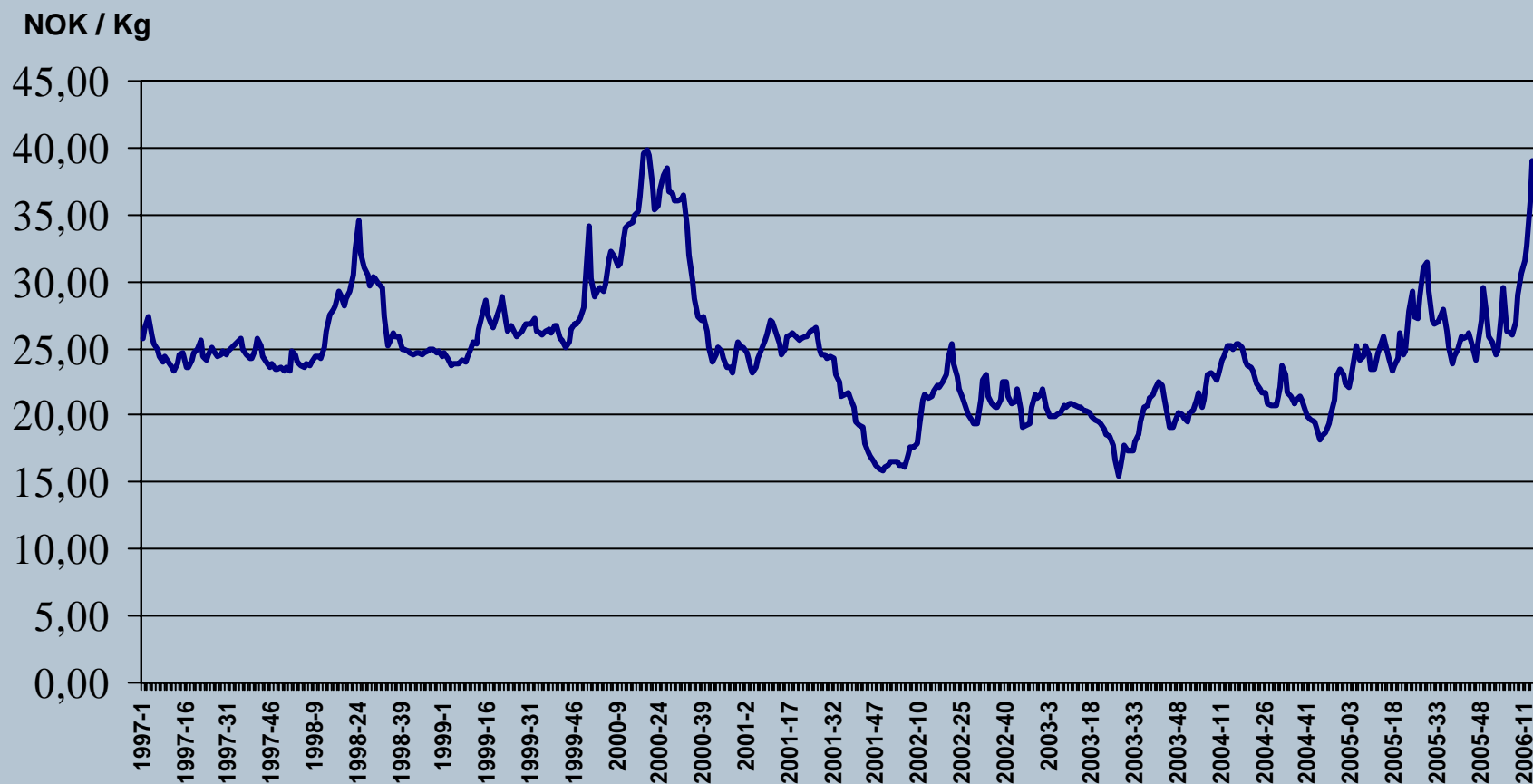


Market glance



Fresh Atlantic Salmon Norway (4-5 kgs)

– price development week 01-1997 – week 19-2006 (FHL/NSL)



Figures per 11.05.06

Source: FHL/NSL



Oslo Salmon export from Norway as of week 19-2006

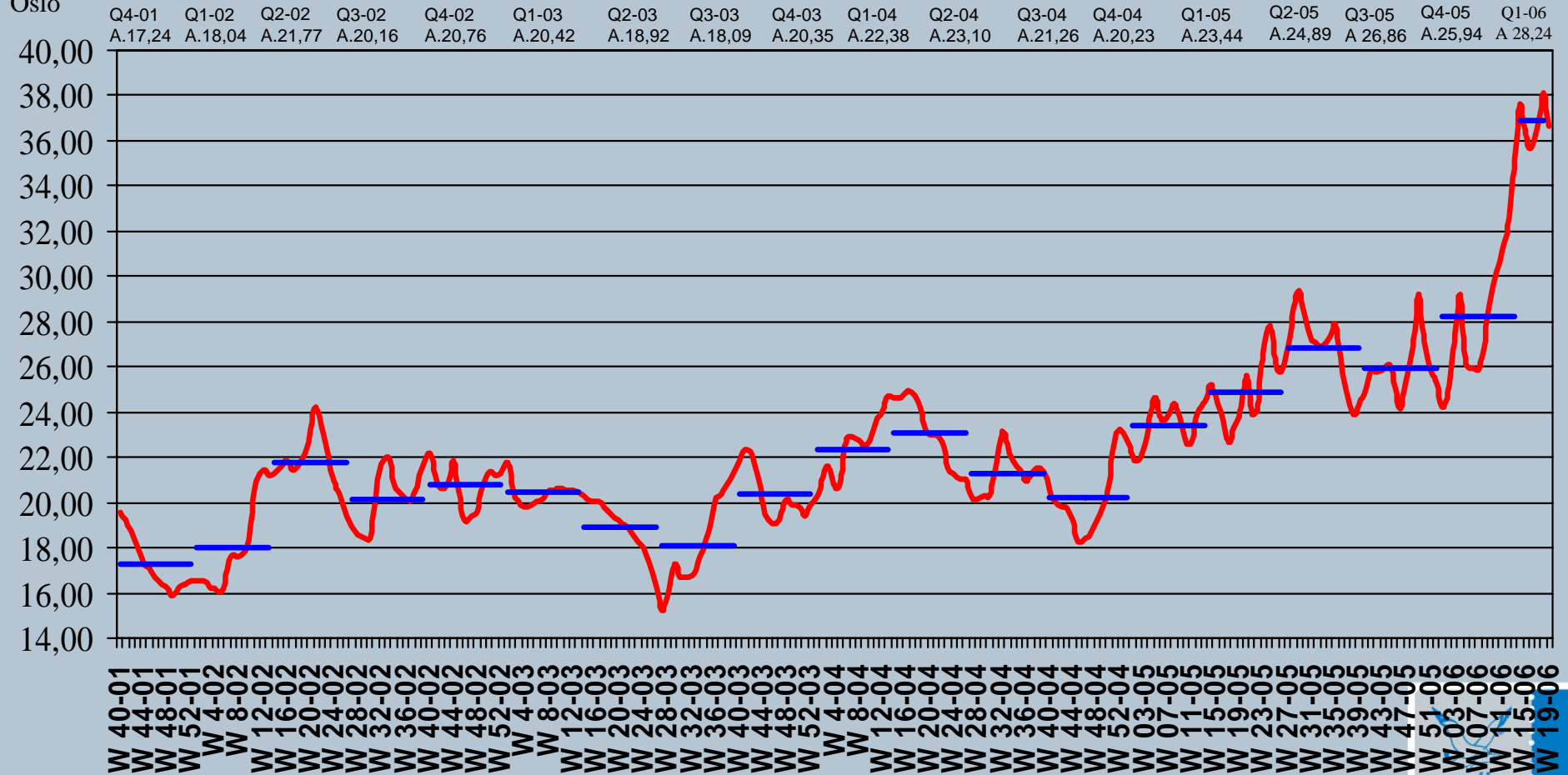
Fresh atlantic salmon, cross-section, FCA.

Av. Q1-05 NOK 23,44
 Av. Q1-06 NOK 28,24
 Up by 20,5 %.

Q2-06
 A 36,85

NOK / kg

Oslo



Source: FHL/NSL

Market development for Atlantic Salmon from Norway Jan - Dec 2004 vs Jan - Dec 2005

	Volume 2004	Volume 2005	Change	Value 2004	Value 2005	Change
EU	380 572	405 724	7 %	8 133 004	9 912 847	22 %
Others	46 777	45 244	-3 %	1 043 576	1 196 588	15 %
Russia	39 214	54 353	39 %	776 188	1 294 392	67 %
Japan	35 849	30 235	-16 %	872 537	803 638	-8 %
USA	11 997	8 848	-26 %	375 295	310 783	-17 %
In total	514 409	544 404	6 %	11 200 600	13 518 248	21 %

Volume in tons round weight.
Value in thousand NOK.

Figures per 31.12.05.
Source: NSEC



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

	Volume 2005	Volume 2006	Change	Value 2005	Value 2006	Change
EU	119 756	132 665	11 %	2 780 689	3 655 651	31 %
Russia	16 056	9 039	-44 %	326 209	238 004	-27 %
Others	13 264	19 778	49 %	311 243	567 956	82 %
Japan	10 533	10 485	0 %	255 032	316 502	24 %
USA	2 985	4 307	44 %	100 732	160 746	60 %
In total	162 594	176 274	8 %	3 773 905	4 938 859	31 %

Volume in tons round weight
Value in thousand NOK

Figures per 05.05.06.
Source: NSEC



Atlantic salmon – supply

Supply		Change		Change
	2005	04-05	2006 E	05-06E
Norway	572 200	7 %	607 800	6 %
Chile	385 200	11 %	403 900	5 %
UK	119 700	-20 %	127 000	6 %
Canada	107 000	20 %	114 000	7 %
Faroe Islands	17 200	-53 %	8 600	-50 %
Ireland	12 400	0 %	14 500	17 %
USA	9 600	-28 %	10 500	9 %
Others	24 900	3 %	23 400	-6 %
In total	1 248 200	3 %	1 309 700	5 %

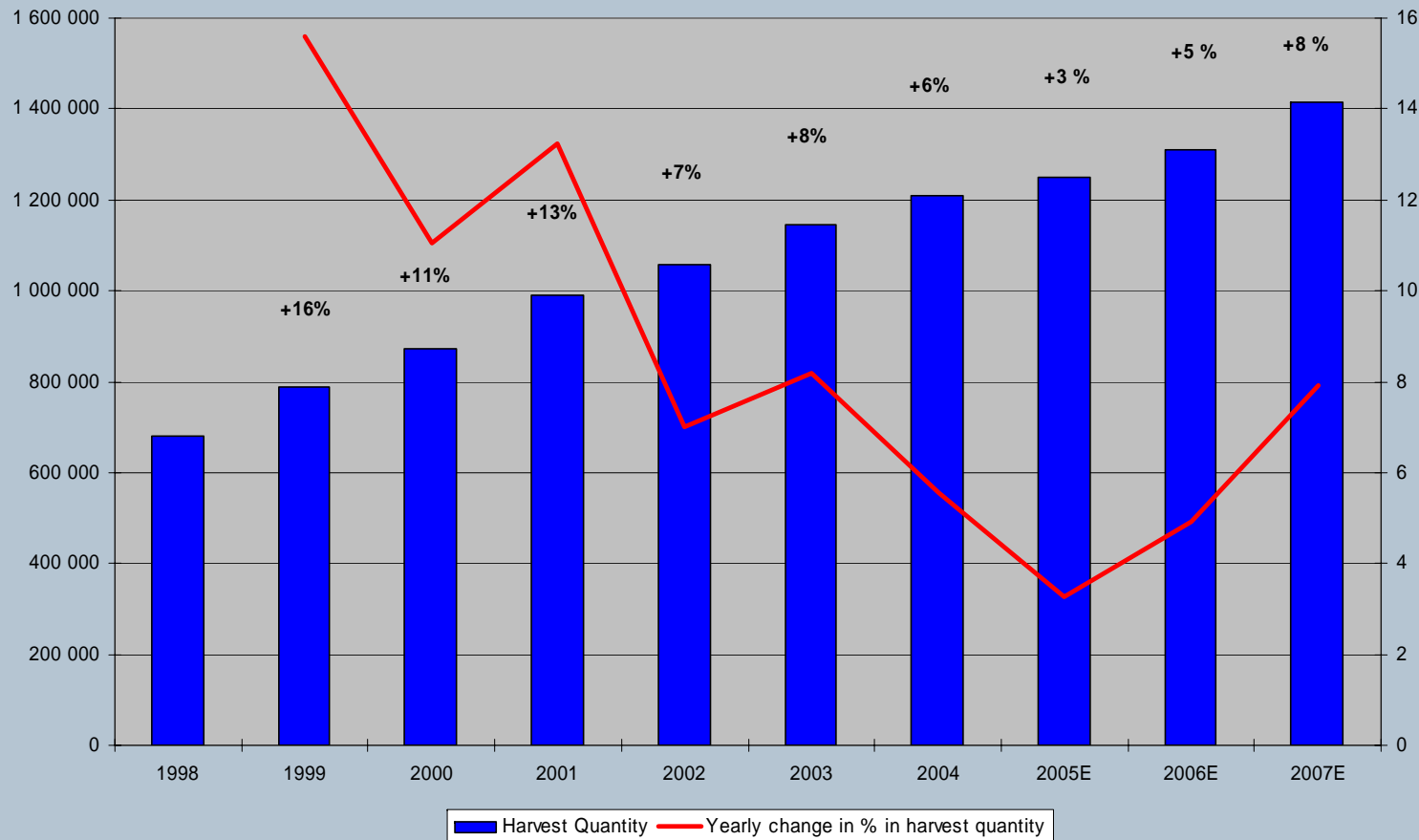
Figures per 04.05.06
Source: Kontali / SSPO / CE / HL



Harvest quantities Atlantic Salmon World Wide

Volumes in tons

Yearly change in %



Figures per 28.04.06
Source: Kontali / SSPO / CE / HL



Drivers Salmon per 30.04.2006

Norway total export volume of Atlantic Salmon (176.274 mt)	+ 8 %
Norway – EU (volume Atlantic Salmon) (132.665 mt)	+ 11 %
Norway – EU (value Atlantic Salmon) (3.655.651 MNOK)	+ 31 %
Sales of fish-feed in Norway (160.970 mt)	+ 0 %

Figures per 05.05.06
Sources: NSEC / Kontali / FHL



Thank you



SEAFOOD INNOVATION SINCE 1895