

Lerøy Seafood Group

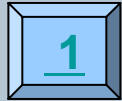
- Quarterly report
- 2nd Quarter 2005
- August 12th 2005

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



SEAFOOD INNOVATION SINCE 1899

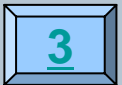
Agenda



Considerations



Key financial figures Q2 2005



Lerøy at a glance



Lerøy Seafood Group – Company profile



Market glance



Internal considerations Q2 2005

Main figures

All figures in mill NOK

	Q2-05	Q2-04	Change	YTD-05	YTD-04	Change
Turnover	849	851	-0,2 %	1 681	1 709	-1,6 %
Operating profit	57	23	147,8 %	105	57	84,2 %
Affiliated comp.	11	6	83,3 %	19	5	280,0 %
Pre-tax profit	65	25	160,0 %	117	54	116,7 %

Internal considerations 2nd Quarter 2005

Financially Solid

- Well positioned for future organic and strategic growth

3.041 shareholders as of 09. August 2005

- Considerable rise in share price in Q2 05
- Improved liquidity in traded shares

Consolidated business areas

- Satisfactory operation in production
- Difficult conditions for operations in sales and distribution
- Trade barrier from EU is negative in the long run
- Acquired 100% of the shares in Aurora Salmon AS
 - Secured smolt production

Affiliated companies

- Improved



Aurora Salmon AS - acquisition July 2005

- Acquisition price 133 mill NOK
 - Shares 70 mill NOK (1.432.079 shares)
 - Cash 63 mill NOK
- Employees: 65
- All activity in one region with head office in Tromsø
- 16 licenses for salmon farming



Aurora Salmon AS



Aurora Salmon AS*

NOKm	YTD 2005	31.12.2004 (NGAAP)
Revenues	63,8	287,8
EBITDA	13,9	** 6,9 **
EBIT	7,5	-6,3
Pre tax	2,7	-17,4
Volumes (gwt)	3,0	
Balance sheet	30.06.2005	31.12.2004
Licences, Goodwill	8,7	8,7
Fixed assets	52,5	64,5
Inventories	159,0	122,2
Other current assets	15,8	15,8
Total assets	236,0	211,2
Equity	11,0	8,3
Debt	225,0	202,9
Total equity and debt	236,0	211,2
Net interest bearing debt	208	189

* Will be consolidated from 01.07.05

** Under strong influence from ISA – attack in 2003



Aurora Salmon AS

- Estimated harvested volume in 2005
 - salmon 10.000 gwt
- Estimated harvested volume in 2006
 - salmon 13.000 gwt
- Slaughtering station
- LSG entered into agreement to acquire smolt producer in the region with a production of 2,5 – 3 mill smolt
 - Significantly higher capacity due to good supply of fresh water



External considerations 2nd Quarter 2005

Improved salmon and trout prices

- Prices continued to increase in Q2 05
- Prices in Q2 05 higher than comparable figures in Q2 04
- Prices so far in Q3 05 significantly higher than prices in Q2 05
- Strong market

Currencies

- Future will bring great volatility

Political issues / trade barriers

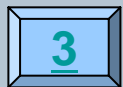
- Minimum import price to the EU for Norwegian salmon and trout
 - Process is unfair and based on faulty information
 - Damaging for all parties in the global seafood business



Agenda



Key financial figures Q2 2005



Lerøy at a glance



Lerøy Seafood Group – Company profile



Market glance



Resultatregnskap / Income Statement Q2 2005

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

	Q2 - 2005	Q2 - 2004	YTD 2005	YTD 2004	2004
Salgsinntekter / Operating revenue	849 218	851 254	1 681 067	1 708 653	3 559 399
Vareforbruk / Cost of goods sold	712 841	734 666	1 402 200	1 467 272	3 033 920
Justering fisk i sjø > 4 kg / Ad. fish in the sea > 4	-19 279	7 806	-28 495	3 871	-207
Lønnskostnader / Salaries and wages	45 732	42 074	101 096	90 128	201 211
Andre driftskostnader / Other operating exp.	42 995	33 656	80 870	70 395	152 202
Ordinære avskrivninger / Ordinary depr.	10 214	9 898	20 429	19 648	39 598
Driftsresultat / Operating profit	56 715	23 154	104 967	57 339	132 675
Inntekt tilkn.selskap / Income from aff. Comp.	10 736	5 763	18 776	4 553	19 984
Netto finansposter / Net financial items	-2 594	-4 117	-6 532	-8 359	-15 958
Resultat før skattekostnad / Profit before tax	64 857	24 800	117 211	53 533	136 701
Beregnete skatter / Estimated taxation	-15 035	-5 186	-27 621	-13 340	-55 402
Periodens resultat / Profit for the period	49 822	19 614	89 590	40 193	81 299

Balanse / Balance Sheet Q2 2005

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

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

	30.06.05	30.06.04	31.12.04
Immaterielle eiendeler / Intangible assets	286 955	269 829	287 237
Varige driftsmidler / Tangible fixed assets	197 021	178 755	193 139
Finansielle anleggsmidler / Financial fixed assets	273 538	232 054	246 231
Sum anleggsmidler / Total fixed assets	757 514	680 638	726 607
Varer / Inventories	321 948	282 222	332 060
Fordringer / Receivables	447 701	401 841	482 232
Betalingsmidler / Cash and equivalents	311 002	263 966	260 236
Sum omløpsmidler / Total current assets	1 080 651	948 029	1 074 528
Sum eiendeler / Total assets	1 838 165	1 628 667	1 801 135



Balanse / Balance Sheet Q2 2005

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

	30.06.05	30.06.04	31.12.04
Innskutt egenkapital / Equity contributions	782 886	656 113	656 103
Opptjent egenkapital / Earned equity	195 356	103 046	146 323
Minoritetsinteresser / Minority interests	3 751	10 742	4 106
Sum egenkapital / Total equity	981 993	769 901	806 532
Avsetning for forpliktelser / Accrued liabilities	2 762	4 348	4 363
Langsiktig gjeld / Long-term liabilities	394 878	371 639	403 307
Kortsiktige kreditter / Short-term loans	118 204	171 531	207 137
Annen kortsiktig gjeld / Other short-term liabilities	340 328	311 248	379 796
Sum gjeld / Total liabilities	856 172	858 766	994 603
Sum egenkapital og gjeld / Total equity and liabilities	1 838 165	1 628 667	1 801 135

Key figures – Lerøy Seafood Group Q2 2005 (IFRS)

Nøkkeltall / Key figures	Q2 - 2005	Q2 - 2004	YTD 2005	YTD 2004
Resultatmargin / Profit margin	8,95 %	2,91 %	6,97 %	3,13 %
Driftsmargin / Operating margin	8,05 %	2,72 %	6,24 %	3,36 %
Resultat per aksje / Earnings per share	1,54	0,57	2,48	1,17
Utvannet resultat per aksje / Diluted earnings per share	1,53	0,57	2,46	1,16
Avkastning på sysselsatt kapital (annualisert) / Return on Capital Employed (ROCE) (annualised)	28,35 %	10,84 %	22,64 %	11,60 %
Egenkapitalandel / Equity ratio	53,42 %	47,27 %	53,42 %	47,27 %
Netto rentebærende gjeld / Net interest bearing debt	121 006	252 321	121 006	252 321
Kontantstrøm per aksje / Cash-flow per share	0,48	0,64	2,56	4,23
Utvannet kontantstrøm per aksje / Diluted cash-flow per share	0,48	0,63	2,54	4,22

Lerøy Seafood Group consolidated Q2 2005

Lerøy Seafood Group's total equity is 982 mill NOK

Subsidiaries share of group equity is

• Hallvard Lerøy AS	100%	133
• Lerøy Midnor AS	100%	298
• Lerøy Sverige AB	100%	36
• Lerøy Smøgen Seafood AB	100%	64
• Sigerfjord Aqua AS	90%	8
• Nordvik SA	80%	7
• Portnor Lda	60%	5
• Others		23
<hr/>		
• Total book value		574 mill NOK

Operating profit for YTD 2005 is 105 mill NOK



Affiliated companies

All figures in mill NOK

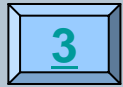
	Q2 - 2005	Q2 - 2004	YTD 2005	YTD 2004
Hydrotech-Gruppen AS (39%)	5 781	-1 097	8 067	-2 510
Egersund Fisk AS (27%)	571	680	1 440	1 095
Norskott Havbruk AS (50%)	3 853	6 180	8 920	5 968
Andre / Others	531	0	349	0
Sum / Total	10 736	5 763	18 776	4 553

Lerøy Seafood Group Consolidated

Key figures 30.06.05

Total equity (53,4 %)	982 mill NOK
Net interest bearing debt	121 mill NOK
Total intangible assets	287 mill NOK
• Licences smolt / fish farming Norway 205 mill	
• Goodwill / def. tax 82 mill	
Total LSG-shares January 2005:	37.884.767
Share issue July 2005, share price 48,88NOK	1.432.079
<hr/>	
New total:	39.316.876

Agenda



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, France, Portugal and Turkey
- Local representative offices in some key markets (France, Italy, Japan, China, USA)



PELAGIC

WHITEFISH

FARMED FISH

HALLVARD LERØY AS

DISTRIBUTION FRANCE
NORDVIK

DIRECT EXPORT

DISTRIBUTION
NORWAY

DISTRIBUTION UK
SFF / LERØY

LERØY
FRANCE

LERØY
ITALY

LERØY
SPAIN

DISTRIBUTION
LERØY SWEDEN

DISTRIBUTION PORTUGAL
PORTNOR

PROCESSING
LERØY SWEDEN

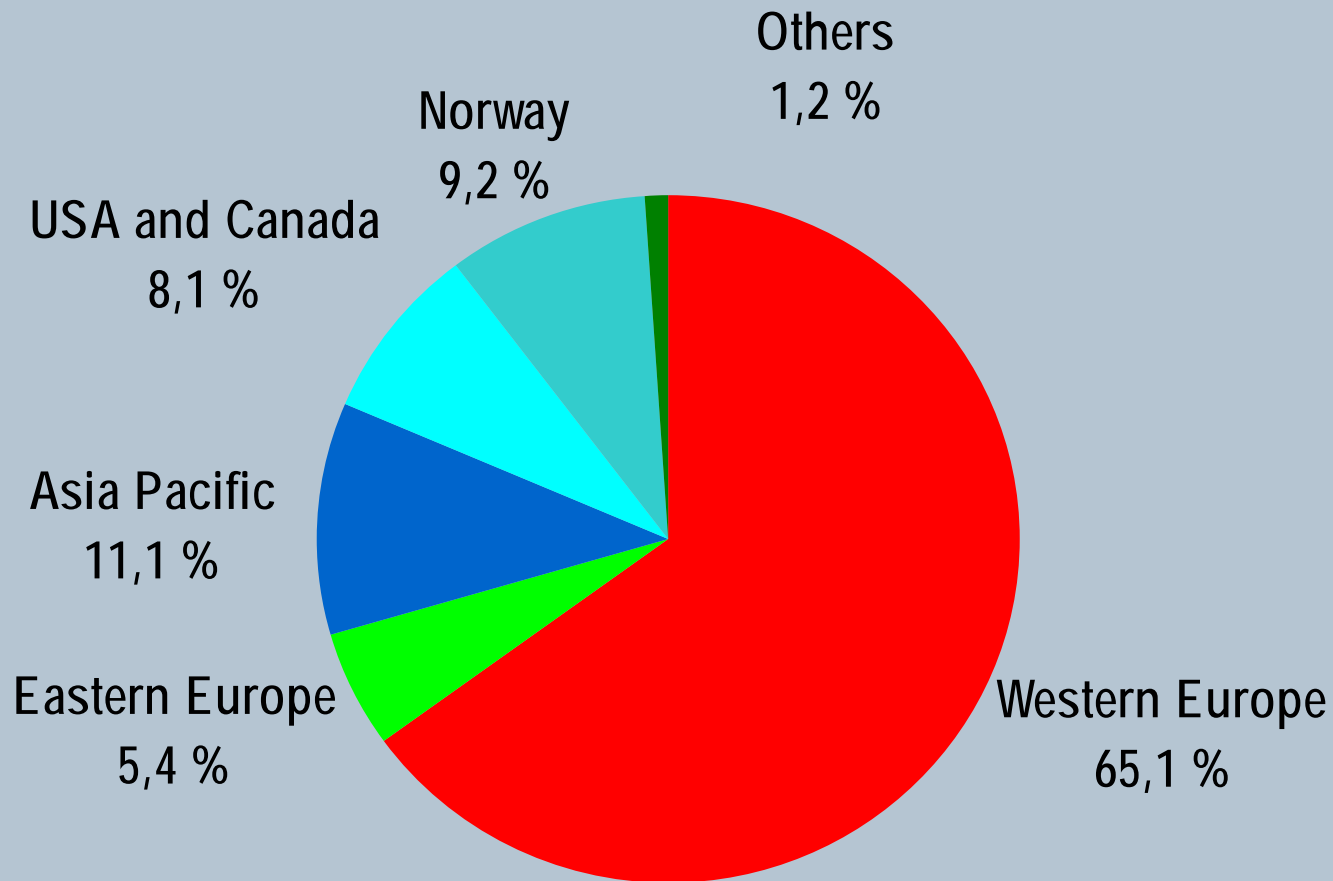
LERØY
CHINA

LERØY
JAPAN

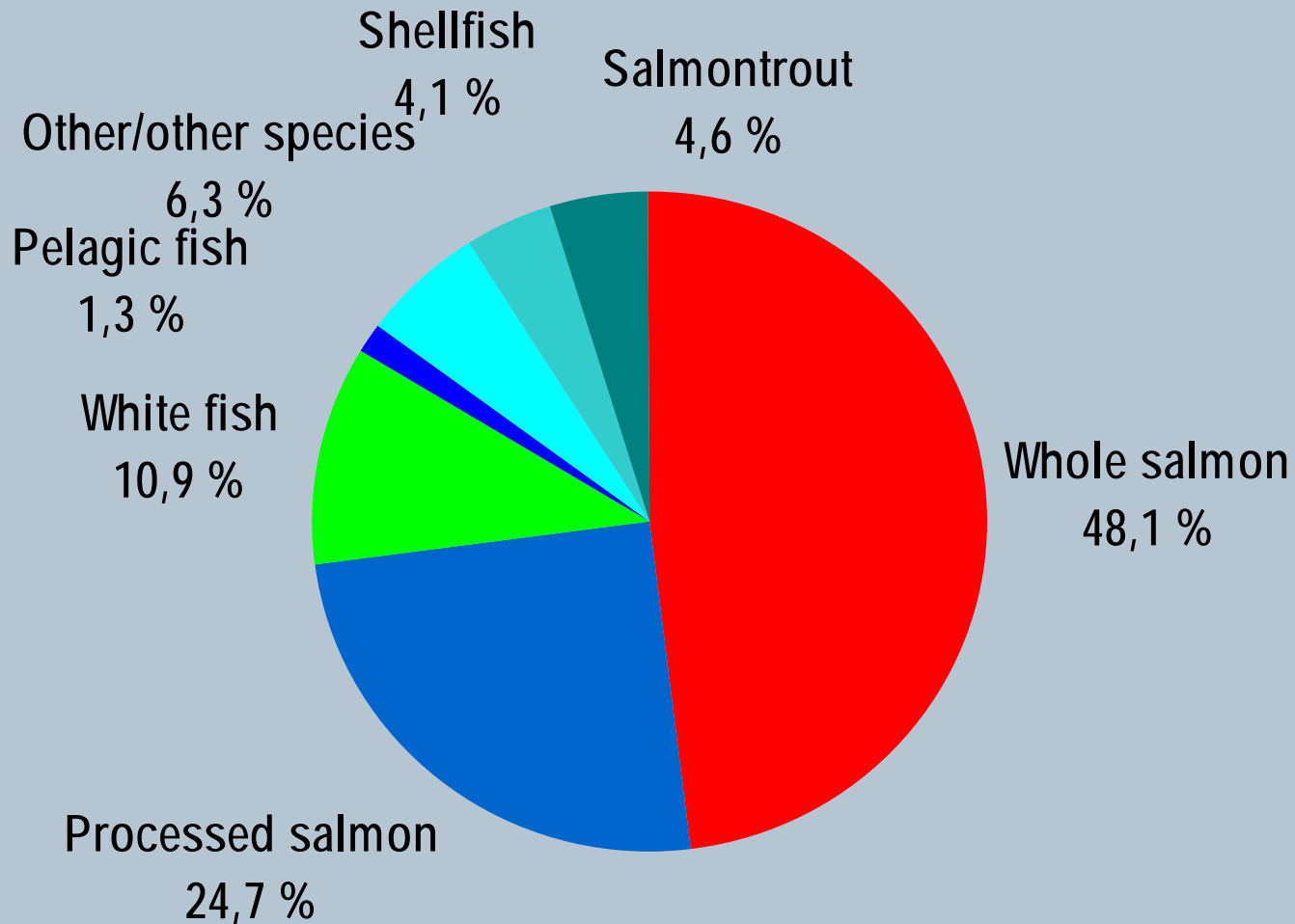
FARMING / PROCESSING
NORWAY

LERØY
US

Lerøy Seafood Group - Sales per market Q2 2005



Lerøy Seafood Group - Sales per product Q2 2005



Lerøy Seafood Group

Norway's largest seafood exporter in 2004

- 10,6 % share of Norwegian Seafood tot exports value
- 14,6 % of Norwegian salmon export
 - 11,9 % of Norwegian salmon export in 2003
- 27,6 % of Norwegian value added salmon export

Major shareholder in fish farming operations

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



Lerøy Seafood Group

Steady growth in operating profit and strong balance sheet

- Satisfactory earnings despite turbulence in the sea food industry
- Growth potential within recently acquired businesses
- Satisfactory liquidity

Professional and highly motivated employees

Strong partnerships / Network of alliances



Lerøy Seafood Group

Market strategy:

Quality

Diversity in product range

Diversity in customer base

Market-oriented solutions

Geographical spread

Continuity in deliveries

Cost efficiency



Shareholders 09.08.05

Shareholder	No. of shares	Ownership share
Ole-Eirik Lerøy	4 685 000	11,92 %
Ferd Invest AS	3 000 000	7,63 %
DnB Nor Bank ASA	2 316 279	5,89 %
Odin Norge	2 065 500	5,25 %
Morgan Stanley & Co	1 949 200	4,96 %
Skagen Vekst	1 855 835	4,72 %
MP Pensjon	1 655 984	4,21 %
Goldman Sachs & Co.	1 372 731	3,49 %
Pareto	1 290 200	3,28 %
Knut Hallvard Lerøy	1 253 210	3,19 %
Hallvard Lerøy Jr.	1 190 900	3,03 %
Vital Forsikring ASA	759 773	1,93 %
Verdipapirfondet Pareto	617 400	1,57 %
Lime AS*	610 573	1,55 %
Credit Suisse First	607 400	1,54 %
DnB Nor Norge	572 400	1,46 %
Alsaker Fjordbruk AS	483 240	1,23 %
George Harald Lerøy	465 000	1,18 %
SalMar AS	446 826	1,14 %
KOS Bergen AS	406 640	1,03 %
Total 20 largest share owners	27 604 091	70,21 %
Others	11 712 755	29,79 %
Total shares	39 316 846	100,00 %

*controlled by CEO Ole-Eirik Lerøy

The company has a total of 3.041 shareholders.



Agenda



Lerøy Seafood Group – Company profile



Market glance



Lerøy Seafood Group ASA

Sales & Distribution

Hallvard Lerøy AS
100%

Lerøy Sverige AB
100%

Nordvik SA
80%

Portnor Lda
60%

Alfarm Alarko
50%

Production

Lerøy Midnor AS
100%

Aurora Salmon AS
100%

Lerøy Smøgen Seafood AB
100%

Sigerfjord Aqua AS
90,55%

Affiliated

Norskott Havbruk AS*
50%

Hydrotech Gruppen AS*
39%

Egersund Fisk AS **
27%

*Salmon farming

**Pelagic activities



Lerøy Midnor AS

Smolt:

- 6,0 mill. smolt per year (salmon/trout)

Farming:

- 28 licences (salmon/trout)
- 2004: 18.000 gwt
- 2005E: 20.000 gwt

Processing:

- Capacity of 85-90 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	Q2 - 2005	Q2 - 2004	YTD 2005	YTD - 2004	31.12.2004
Revenues	129,2	82,5	255,8	190,0	413,0
EBITDA*	54,1	6,0	85,9	25,7	61,2
EBIT	47,1	-1,2	71,8	11,7	33,3
Pre tax	44,3	-4,0	65,6	5,4	20,6
Volumes (gwt)	4,8	3,3	10,1	8,0	18,3
<i>*Effect IFRS-adjustment</i>	19,3	-7,8	28,5	-3,9	0,2

Balance sheet

	30.06.2005	30.06.2004	31.12.2004
Licences, Goodwill	72,4	62,4	72,4
Fixed assets	123,4	108,6	121,0
Inventories	256,6	224,2	262,6
Other current assets	66,9	41,0	128,2
Total assets	519,3	436,2	584,2
Equity	110,2	1,3	62,9
Debt	408,9	434,9	521,3
Total equity and debt	519,1	436,2	584,2
Net interest bearing debt	286,3	350,5	382,2

Norskott Havbruk (Scottish Sea Farms Ltd.)

BRC

SQS

ISO 9002

ISO 14 001

Label Rouge

Investor in people

VIBES of Scotland



Norskott Havbruk (Scottish Sea Farms Ltd.)

Production capacity: 25 000 – 30 000 gwt

Self sufficient with high quality smolt

- Opportunity to sell surplus high quality smolt

Volume harvested in 2004: 24 100 gwt

Est. harvest volume 2005E: 20 000 – 21 000 gwt

Additional processing and sales: 5 – 10 000 gwt

2 processing plants



Norskott Havbruk

NOKm	Q2 - 2005	Q2 - 2004	YTD - 2005	YTD - 2004	31.12.2004
Revenues	162,3	169,8	358,8	316,5	706,1
EBITDA*	17,3	27,0	38,9	39,6	96,3
EBIT	11,1	21,1	26,1	27,2	73,5
Pre tax	4,4	13,6	12,5	12,6	43,6
Volumes (gwt)	4,3	4,6	10,0	9,5	24,1
<i>*Effect IFRS-adjustment</i>	-11,0	4,3	-17,7	2,5	18,1

Balance sheet

	30.06 2005	30.06 2004	31.12.2004
Licences, Goodwill	379,4	379,4	379,3
Fixed assets	99,9	83,1	92,1
Inventories	299,4	375,1	330,7
Other current assets	77,9	84,7	84,4
Total assets	856,6	922,3	886,5
Equity	296,2	258,0	279,1
Debt	560,4	664,4	607,4
Total equity and debt	856,6	922,4	886,5
Net interest bearing debt	363,3	470,1	406,6

Hydrotech Gruppen AS (39%)

Fish farms in Norway

- 17 licenses

Estimated sales 2005:

- Salmon and trout estimated :
11 gwt -12 gwt

Smolt production: appr. 5 mill

Well-boat shipping co.

Processing plant



Hydrotech Gruppen AS

NOKm	Q2 - 2005	Q2 - 2004	YTD 2005	YTD - 2004	31.12.2004
Revenues	80,8	68,2	142,7	132,1	318,6
EBITDA*	28,3	5,2	44,5	9,0	37,9
EBIT	23,7	0,6	35,2	-0,2	19,3
Pre tax	21,6	-2,3	30,4	-5,7	9,4
Volumes (gwt)	2,6	2,0	5,0	9,5	11,6
<i>*Effect IFRS-adjustment</i>	3,3	0,0	3,3	0,0	0,0

Balance sheet	30.06 2005	30.06 2004	31.12.2004
Licences, Goodwill	140,1	140,1	139,9
Fixed assets	150,0	158,9	149,6
Inventories	130,4	129,0	130,5
Other current assets	35,6	21,5	29,2
Total assets	456,1	449,5	449,2
Equity	114,3	79,9	92,3
Debt	341,8	369,6	356,9
Total equity and debt	456,1	449,5	449,2
Net interest bearing debt	239,5	270,6	247,1

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
- Ownership in vessels for wild catch

Part ownership acquired in 2001



Nøkkeltall / Key figures	Q2 - 2005	Q2 - 2004	YTD 2005	YTD 2004	2004
Turnover	66,3	93,4	161,8	180,3	388,2
EBIT	4,6	6,6	9,7	8,1	24,6
Pre tax profits	2,8	3,3	7,1	4,2	13,2

Agenda

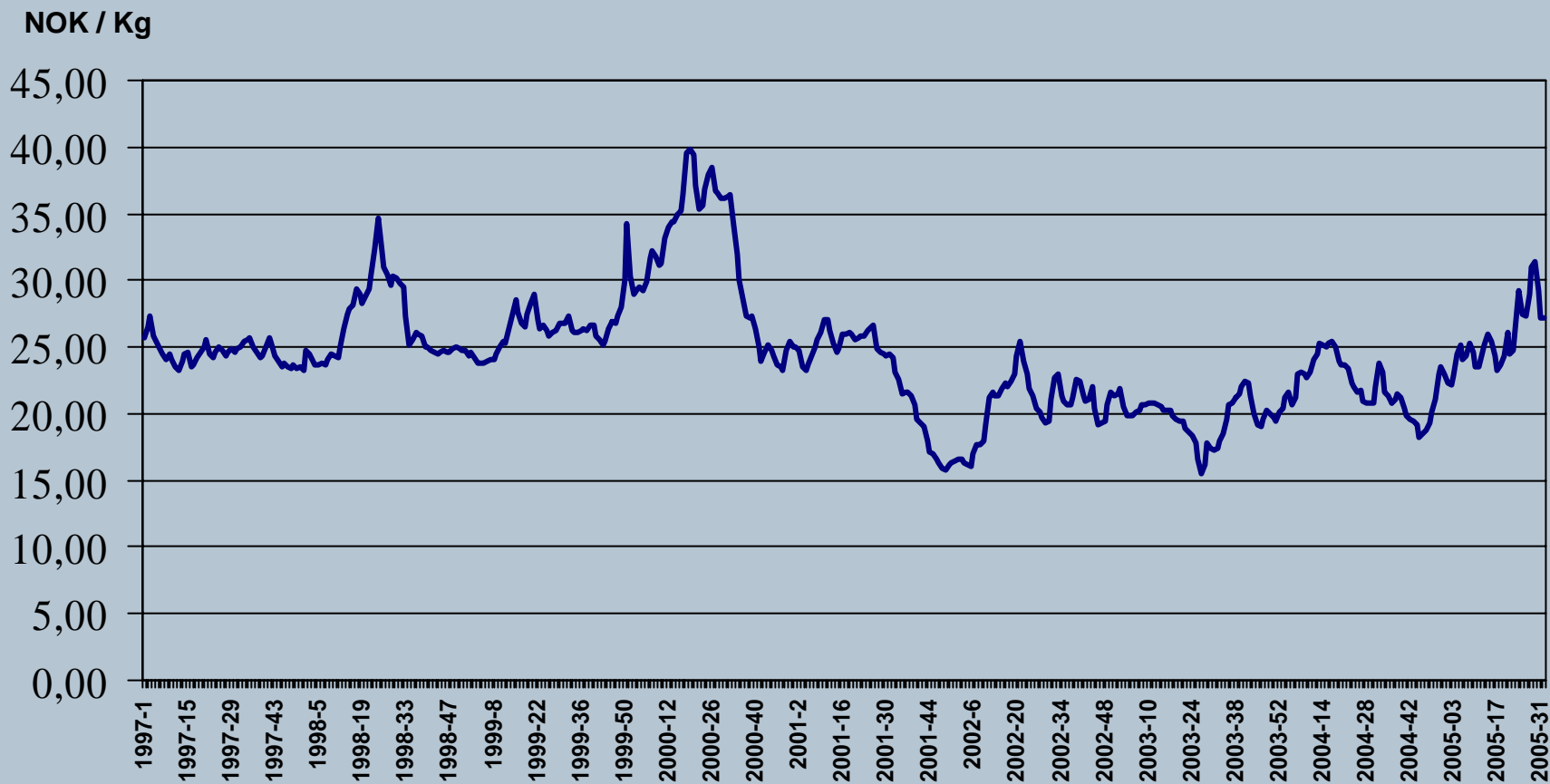


Market glance





Fresh Atlantic Salmon Norway (4-5 kgs) – price development week 01-1997 – week 32-2005 (FHL/NSL)



Figures per 08.08.05.

Source: FHL/NSL

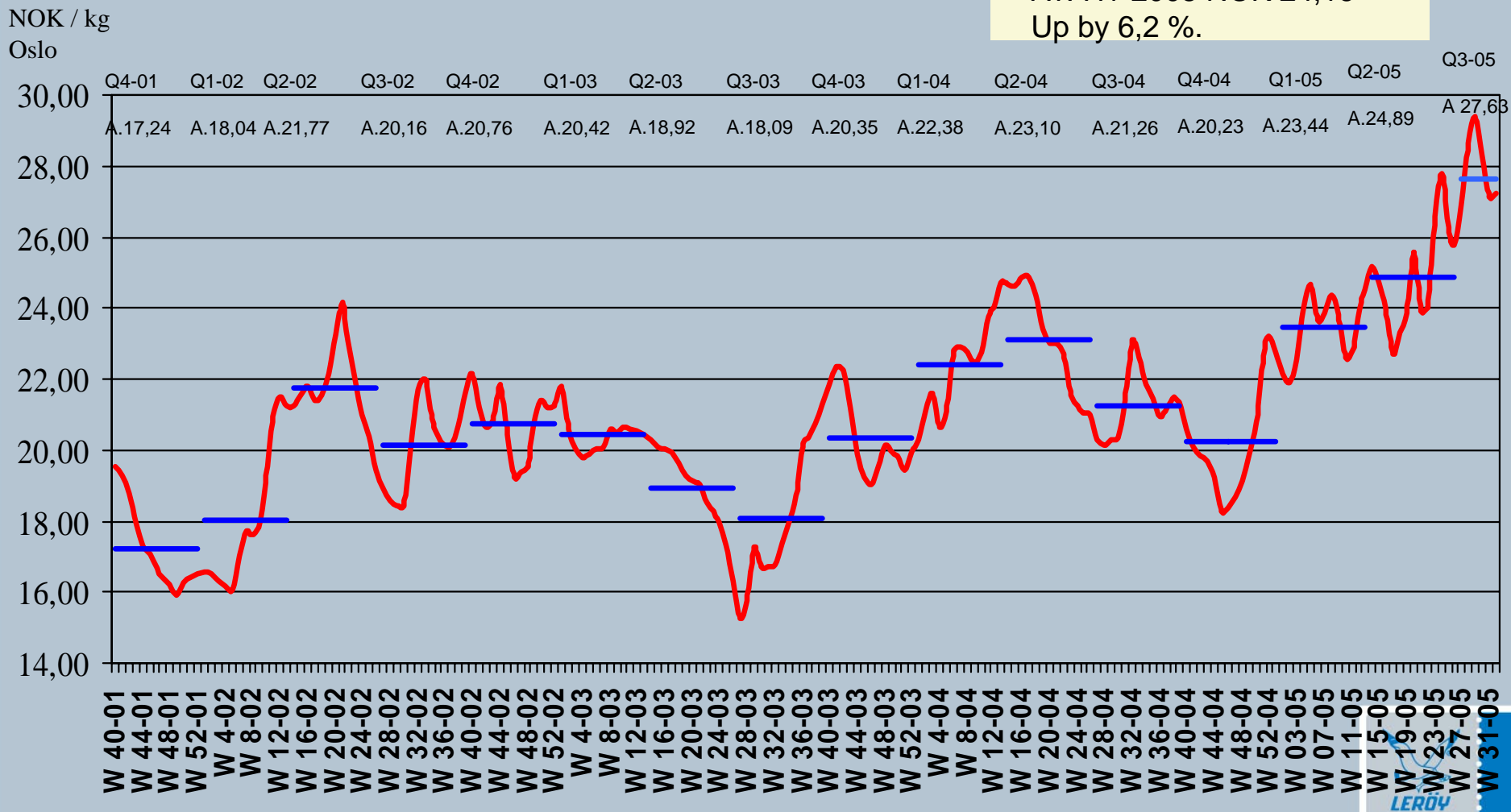


Salmon export from Norway as of week 32-05. Fresh atlantic salmon, cross-section, FCA Oslo.



Av. Q2-2004 NOK 23,10
Av. Q2-2005 NOK 24,89
Up by 7,7 %.

Av. H1-2004 NOK 22,74
Av. H1-2005 NOK 24,16
Up by 6,2 %.



LERØY

Market development for Atlantic Salmon from Norway H1-2004 vs H1-2005 (01.01-30.06 2004 vs 2005)

	Volume 2004	Volume 2005	Change	Value 2004	Value 2005	Change
EU	170 628	182 110	7 %	3 761 238	4 305 004	14 %
Japan	18 086	15 174	-16 %	459 825	374 469	-19 %
USA	6 312	4 114	-35 %	194 775	140 249	-28 %
Others	36 357	42 604	17 %	793 092	952 350	20 %
In total	231 383	244 002	5 %	5 208 930	5 772 072	11 %

Volume in tons round weight.
Value in thousand NOK.

Figures per 30.06.05.
Source: NSEC



Atlantic salmon – supply

Supply		Change		Change		Change
	2004	03-04	2005 E	04-05E	2006 E	05E-06E
Norway	537 000	6 %	545 500	2 %	531 400	-3 %
Chile	346 200	23 %	381 400	10 %	407 500	7 %
UK	159 800	-2 %	116 300	-27 %	117 800	1 %
Canada	89 000	-3 %	95 600	7 %	97 500	2 %
Faroe Islands	36 800	-22 %	15 400	-58 %	7 200	-53 %
Ireland	12 100	-34 %	14 000	16 %	18 500	32 %
USA	13 300	-26 %	9 600	-28 %	11 700	22 %
Others	24 200	21 %	24 900	3 %	25 900	4 %
In total	1 218 400	6,2 %	1 202 700	-1 %	1 217 500	1 %

Figures per 20.07.05

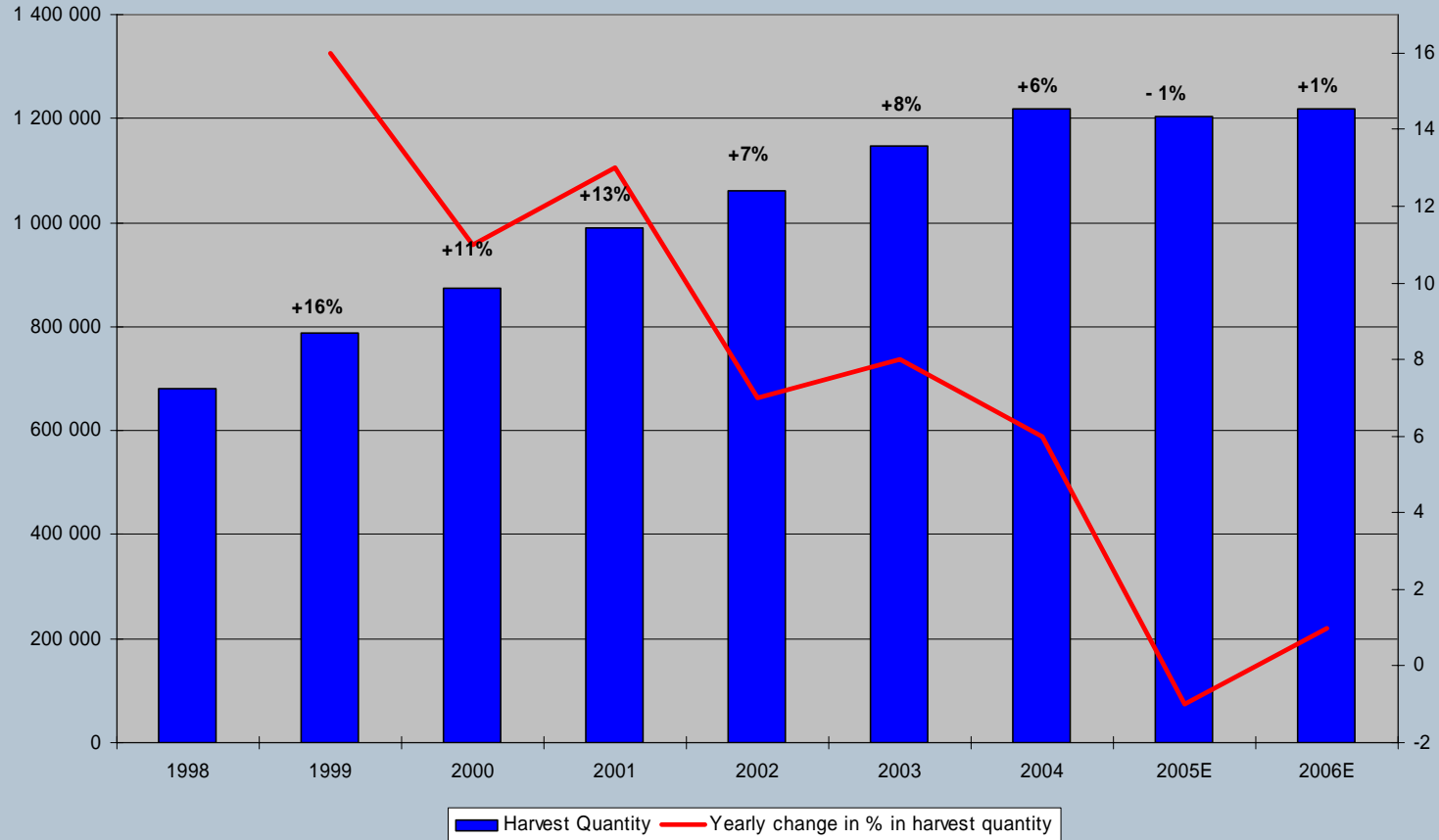
Source: Kontali / SSPO / CE / HL



Harvest quantities Atlantic Salmon World Wide

Volumes in tons

Yearly change in %



Figures per 20.07.05

Source: Kontali / SSPO / CE / HL



Drivers Salmon per 30.06.2005

Norway total export volume of Atlantic Salmon (244.002 mt)	+ 5 %
Norway – EU (volume Atlantic Salmon) (182.110 mt)	+ 7 %
Norway – EU (value Atlantic Salmon) (4.305.004 TNOK)	+ 14 %
Norway – Russia (volume Atlantic Salmon) (22.734 mt)	+ 53 %
Norway – Feed sales (255.000 mt)	+ 6 %
Norway – Biomass of Atlantic Salmon (289.800 mt)	- 3 %



Thank you

