

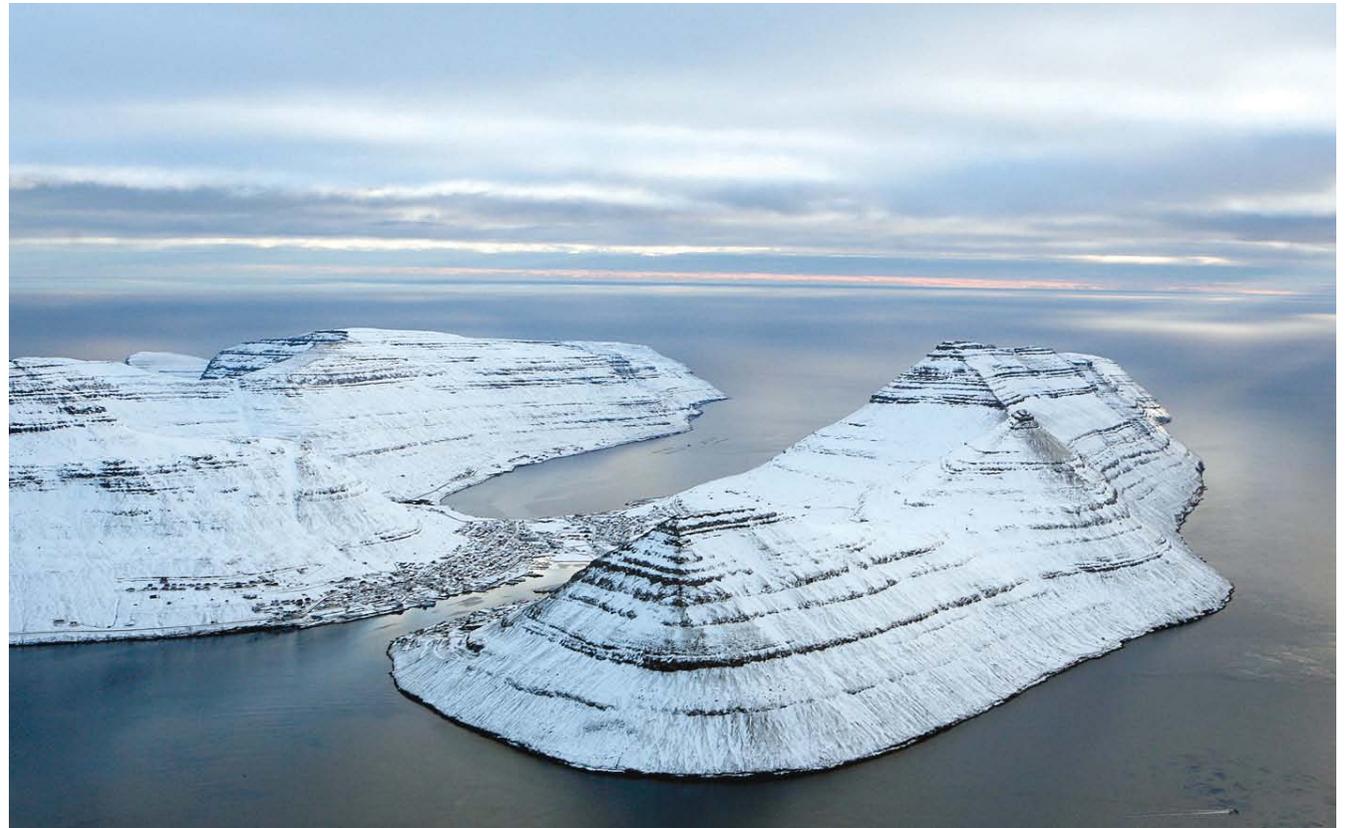
PRESENTATION Q4 2011

CEO Regin Jacobsen / CFO Teitur Samuelsen

Oslo February 28th 2012

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- Summary of Q4 2011
- Market
- Financial Highlights
- Segment Information
- Group Financials
- Outlook

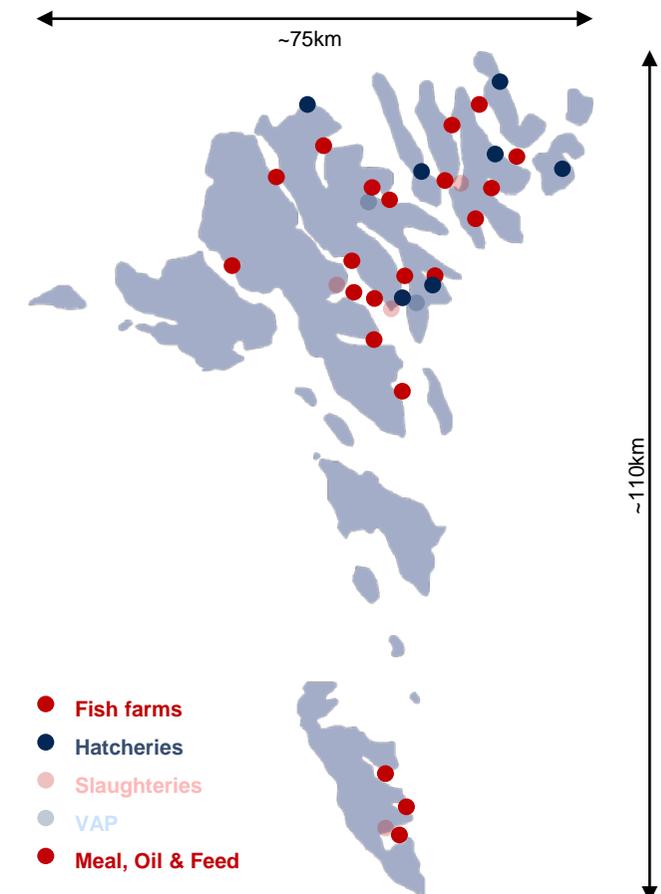


BAKKAFROST

– THE LARGEST FISH FARMING COMPANY IN THE FAROE ISLANDS



- **Largest salmon farming company in the Faroe Islands**
 - ~75 % of harvest volumes (Q4 2011)
 - ~57 % of farming licenses (01.07.2011)
- **Harvested a total of 11,538 gwt in Q4 2011 (6,493 tonnes gwt in Q4 2010)**
- **Feed sale of 23,612 tonnes in Q4 2011**
- **Revenues DKK 397 million in Q4 2011 (Q4 2010 DKK 253 million)**
- **Operational EBIT DKK 46 million in Q4 2011 (Q4 2010 DKK 90 million)**
- **All segments positive margins**
- **Established a new 5 year financing**
- **Proposes a dividend of DKK 1.00 per share, corresponding to DKK 48.9 million in total**



STATUS ON INTEGRATION OF HAVSBRÚN INTO BAKKAFROST



- Havsbrún included in P&L from 1st July 2011
- Strong quarter for Havsbrún
- Integration carried out as planned, start to see benefits from the acquisition:
 - Reduced costs of biomass, implementing Bakkafrost standards in all sites
 - Strong results from feed, meal & oil resulting in a solid cash flow stream
 - Increased VAP capacity from Q1 2012 with minimum investments into acquired processing facility
 - Optimisation of Group cash management and financing

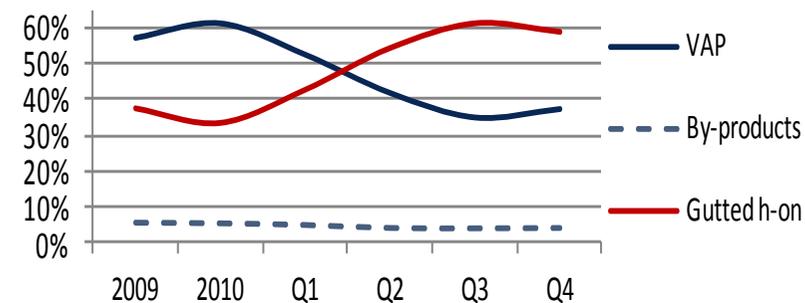
- Reduced costs in farming operation
- Harvested volumes increased by 78% from Q4 2010 to Q4 2011
- VAP segment had a record high margin in the quarter
- 85,000 tonnes of feed sold in 2011
- High supply growth and market prices under pressure
 - Prices dropped 3-6 NOK/kg in the period
- Operational EBIT DKK 46 million (DKK 90 million in Q4 2010)
- New 5 year financing structure established
- Proposes a dividend of DKK 1.00 per share

Market prices were reduced in the quarter due to high increase in market supply in Q4-2011

- Sales from Bakkafrost increased from DKK 253 million in Q4 2010 to DKK 397 million in Q4 2011 (57% increase)
- EU far largest market with 59% market share in Q4 2011 compared with 61% in Q4 2010
- US market share decreased from 31% in Q4 2010 to 17% in Q4 2011
- Far East market share increased from 7% in Q4 2010 to 11% in Q4 2011
- East Europe market share increased from 1% in Q4 2010 to 13% in Q4 2011
- Decreased VAP share mainly as total harvested volume increased, but also due to the extremely volatile market in the year

Market share by value	Q4 2011	Q4 2010	2011	2010
EU	59%	61%	60%	71%
US	17%	31%	23%	15%
Far East	11%	7%	9%	7%
Eastern Europe	13%	1%	8%	7%

Sales split by product



FINANCIAL HIGHLIGHTS



Solid results in a challenging market

- Increased revenue driven by increased volumes
- Decrease in EBITDA and EBIT margins due to lower salmon prices

All segments contribute with positive results

- Satisfactory EBIT/Kg (Farming/VAP) of NOK 3.83 in a challenging quarter
- Strong EBITDA margin in Fish meal, oil and feed

(DKKm)	Q4 2011	Q4 2010	2011	2010
Operating revenues	397.2	252.5	1,321.1	820.2
Operational EBITDA	68.8	101.5	402.5	289.0
Operational EBIT	45.9	90.4	335.1	246.8
Profit for the period	85.6	114.8	323.4	259.7
Operational EBITDA margin	17.3%	40.2%	30.4%	35.2%
Operational EBIT margin	11.6%	35.8%	25.4%	30.1%
Operational EBIT/Kg (Farming and VAP) (NOK)	3.83	15.03	9.59	12.27
EBITDA margin (Fish meal, oil and feed)	12.4%	-	13.5%	-

KEY FINANCIALS, GROUP

- Strong cash flow from operations
- Total assets increased by 94%
- NIBD increased to finance the purchase of Havsbrún and has a negative impact on equity ratio
- Undrawn loan facility of DKK 283.2 mill
- Proposed dividend of DKK 1.00 per share

(DKKm)	Q4 2011	Q4 2010
Cash flow from operations	86.7	44.1
Total assets	2,301.8	1,184.7
NIBD	816.8	70.2
Equity ratio	46.1%	76.1%
Proposed dividend	48.9	191.0



SEGMENT INFORMATION

FARMING – HARVEST VOLUME

Harvested volume:

- Increased 78% from 6,493 tonnes in Q4 2010 to 11,538 tonnes in Q4 2011
- Total harvest volume in 2011 of 34,355 tonnes

Smolt transfer:

- Smolt transfer in 2011 was 8.6 million pieces
- Smolt transfer in December was delayed to the beginning of 2012

[tonnes gwt]	Q4 2011	Q4 2010	2011	2010	2009
West	4,031	3,514	6,160	7,792	11,970
North	4,168	2,979	21,052	13,834	18,680
Viking	1,706		3,426*		
Faroe Farming	1,633		3,717*		
Total	11,538	6,493	34,355**	21,626	30,650



* Viking and Faroe Farming included from July 1st 2011

** Excluding 2,067 tonnes harvested by Viking and Faroe Farming in H1 2011

FARMING – OPERATIONAL PERFORMANCE

The farming segment had in general good operational performance in the quarter:

- Low mortality
 - Very good growth rate
 - Bakkafrost Farming
 - Good biological performance and low costs
 - Viking Seafood
 - Excellent biological performance and low costs
 - Faroe Farming
 - Higher production costs, good biological performance
-
- Revenues increased in Q4 2011 compared with Q4 2010 from DKK 236 million to DKK 249 million
 - Margin reduced from 38.7% in Q4 2010 to 3.6% in Q4 2011 due to lower market prices

(NOK)	Q4 2011		
Farming:	Bakkafrost Farming	Faroe Farming	Viking
Operational EBIT/kg gwt	0.70	-0.58	2.68
Harvested volumes 1000 [gwt]	8,199	1,633	1,706

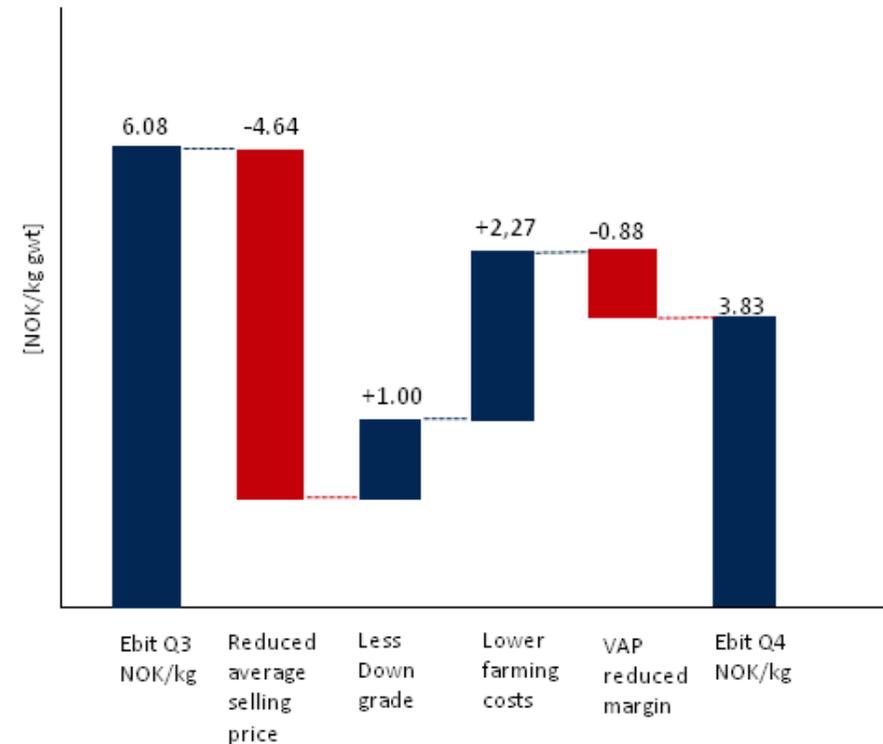
(DKKm)	Q4 2011	Q4 2010
Operating revenues	249	236
Operational EBIT	9	91
Operational EBIT margin	3.6%	38.7%



FARMING – MARGIN DEVELOPMENT

- The operational EBIT in Q4 2011 was NOK 3.83 per kg for Farming and VAP segment compared with NOK 6.08 per kg in Q3 2011
- Reduced selling price accounted for NOK -4.64 per kg
- Lower downgrade in Q4 than in Q3 accounted for NOK 1.00 per kg
- Lower costs increased the margin NOK 2.27 per kg
 - Viking Seafood site with the best operational performance in the period.
 - Faroe Farming had higher costs due to smaller farming sites, lower capacity utilization. Good biological performance
 - North and West had good operational performance
- VAP accounted for an operational EBIT of NOK 9.35 per kg raw material allocated to VAP in the period
 - The margin was NOK 0.88 per kg lower compared with Q3
 - All fish sold to VAP is sold on NOS based prices

Operational EBIT/kg [NOK]



Smolt transfer 8.6 million in 2011

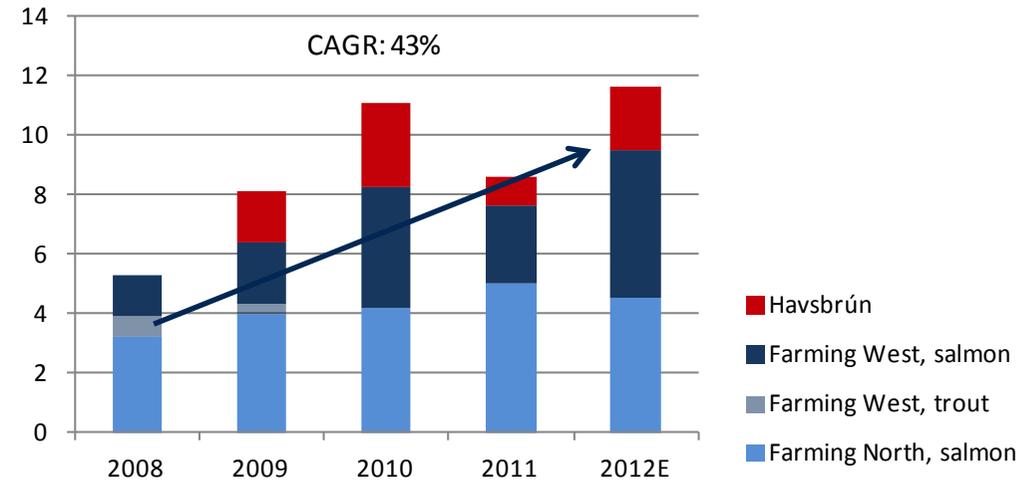
- Due to delayed smolt transfer in December, planned smolt transfer in 2012 increased to 11.6 million
- CAGR from 2008 to 2012 in transferred smolt is 43%

Biomass 31.12.2011 vs 31.12.2010:

- Number of fish: 32% higher
- Average size: 42% higher
- Biomass: 88% higher

Smolt Transfer (million)

million pcs

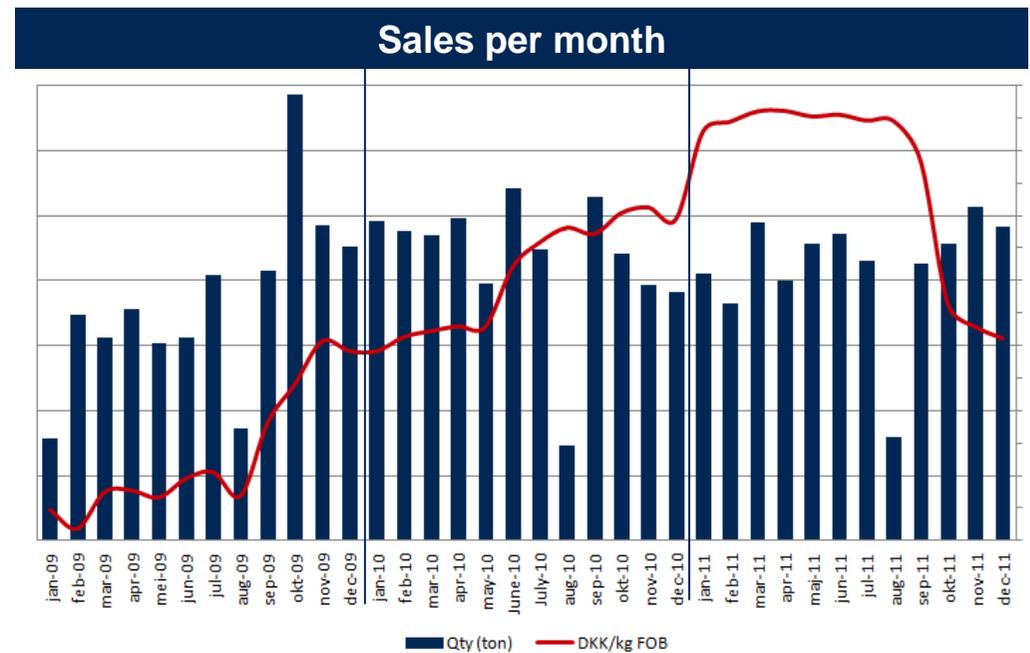


SEGMENT VAP

- Highest margin ever in VAP segment
- Operational EBIT margin 27% in Q4 2011 compared to -1% in Q4 2010
- New VAP factory started up in Jan 2012, will increase capacity 15-25% in 2012
- Contract level unchanged from last presentation
- Prices reduced on back of changed market situation
- Promotions and special offers again available to customers



(DKKm)	Q4 2011	Q4 2010
Operating revenues	127	120
Operational EBIT	34	-1
Operational EBIT margin	27%	-1%



- Sales in tonnes increased 40% in 2011 compared with 2010
- EBITDA margin, which includes the margin from own production of fish meal/oil, in 2011 on a normalized level
- Raw material intake for fishmeal/oil production only 65,500 tonnes in 2011
- Quotas will increase in 2012, expected to improve raw material intake
- Estimated sale of fish feed in 2012: 85,000 tonnes

Meal, Oil and Feed

(DKKm)	Q4 2011	2011***	2010*	2009*
Operating revenues**	232	771	576.6	491.5
EBITDA	28.9	95.8	159.4	72.1
EBITDA Margin	12.4%	12.4%	27.6%	14.7%
Sale of feed (tonnes)	23,612	84,431	60,250	68,107



* FO GAAP

** Including sale to Bakkafrost 75% of feed volumes in 2011

*** Only H2 2011 included in P&L for Bakkafrost (from date of change of control)



GROUP FINANCIALS

GROUP PROFIT AND LOSS

- Overall 2011 best year ever for Bakkafrost
- Revenue up by 145m (57%) from Q4 2010 -
 - Main impact from increased harvest and the inclusion of Havsbrún
- Operating EBIT decreased by 45m (50%) from Q4 2010
 - due to lower salmon prices
- Financial items in Q4 impacted by:
 - Havsbrún Group refinanced in Q4
 - One off costs of DKK 10.2m
 - Acquisition financing refinanced in Q4 2011 with better terms
- Fair value calculation of biomass impacted by revised approach (DKK 53m)
 - Amended practice supports building industry standard
- No provision for onerous contracts
- Result for 2011 up by 25% to record level

(DKKm)	Q4 2011	Q4 2010	2011	2010
Operating revenues	397.2	252.5	1,321.1	820.2
Operational EBITDA	68.8	101.5	402.5	289.0
Operational EBIT	45.9	90.4	335.1	246.8
Fair value adj.	86.0	43.6	-45.9	83.9
Impairment of biomass	0.7	0	0	0
Onerous contr.	0	-2.0	2.9	-2.9
Listing costs	0	0	0	-12.8
Income from associate	-0.2	0.5	-2.0	0.5
Acquisition costs	-1.0	0	-16.0	0
Badwill	2.0	0	126.6	0
EBIT	133.4	132.5	400.7	315.6
Financial items	-23.5	-1.9	-30.5	-8.3
EBT	109.9	130.6	370.2	307.3
Taxes	-24.3	-15.7	-46.8	-47.5
Profit for the period	85.6	114.8	323.4	259.7
Operational EBITDA margin	18.1%	40.2%	30.5%	35.2%
Operational EBIT margin	11.6%	35.8%	25.4%	30,1%
Operational EBIT/Kg (Farming and VAP) (NOK)	3.83	15.03	9.59	12.27
EBITDA margin (Fish meal, oil and feed)	12.4%	-	13.5%	-

*Operational EBITDA and EBIT adjusted for fair value adjustment of biomass, onerous contracts, income/loss from associate, acquisition costs and badwill

BALANCE SHEET

- Increase in biological assets due to increase in fair value adjustment
 - Seasonal decrease in inventory of fish meal and fish oil
 - Receivables down partly from seasonal lower volumes in Havsbrún
-
- Changes in long- and short term interest bearing debt reflects the new loan agreement
 - NIBD DKK 816.8m
 - Equity ratio 46%

(DKKm)	Q4 2011	Q3 2011	2010
Intangible assets	370.0	370.0	136.2
Property, plant and equipment	828.5	824.1	356.4
Financial assets	35.9	34.6	26.0
Long term receivables	0	0.7	0.7
Biological assets	700.3	611.3	482.1
Inventory	179.2	247.8	28.5
Receivables	171.1	260.3	145.5
Cash and cash equivalents	16.9	46.4	9.1
Total Assets	2,301.8	2,395.1	1,184.7
Equity	1,061.0	975.3	902.3
Deferred tax and other taxes	256.0	321.3	120.0
Long term interest bearing debt	733.7	349.6	37.4
Short term interest bearing debt	100.0	549.5	42.0
Account payables	151.0	199.5	83.0
Total Equity and Liabilities	2,301.8	2,395.1	1,184.7

PLANNED INVESTMENTS IN 2012

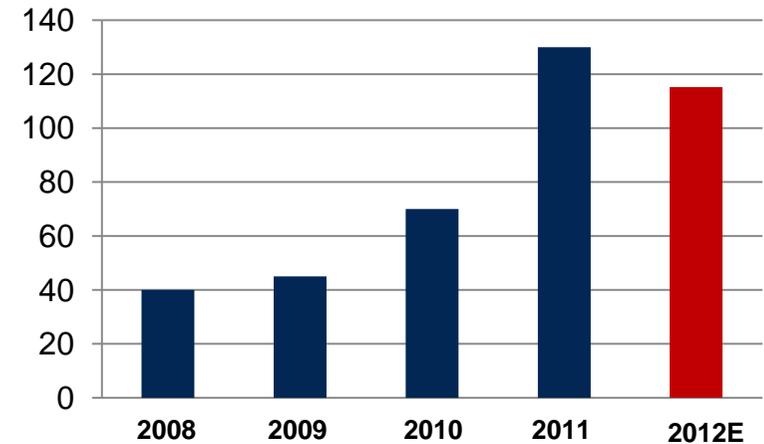
Investments in PPE is estimated to be 115 million DKK in 2012, which is DKK 15 million lower than in 2011

- The investments are made in:
 - Hatchery division
 - Fish meal/oil and feed
 - Farming division
 - Harvesting division and
 - VAP division

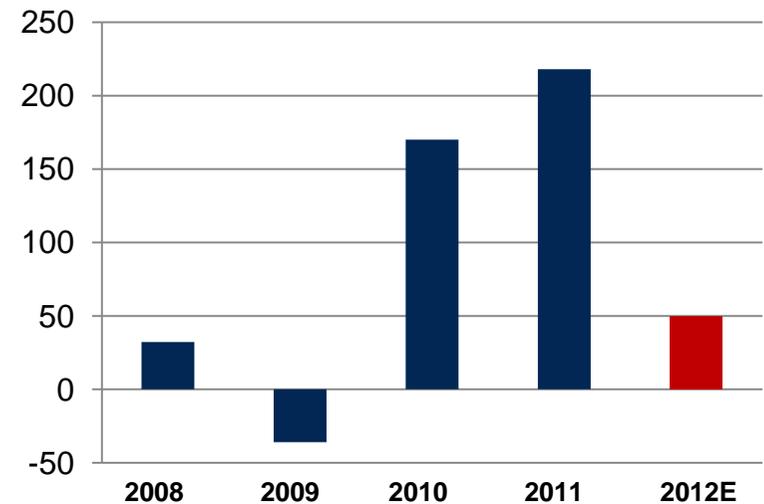
Moderate growth in biomass in 2012 compared to 2010 and 2011

- Farming sites better utilized in 2011-12 than previous years
- Still room for improved utilization
- Moderate growth in existing sites the coming years

Investments in PPE (DKKm)



Increased biomass (DKKm)



Solid cash flow in the quarter:

- Strong cash flow from operations in Q4 2011
- CF from investments reflects payment of investments in PPE of DKK 27.8m in Q4 2011
- Financing for the new Bakkafrost Group in place
 - Reduced financing costs in Havsbrún, Faroe Farming and Viking in the future
- Undrawn loan facility of DKK 282.2 mill

(DKKm)	Q4 2011	Q4 2010	2011	2010
Cash flow from operations	86.7	44.1	409.9	195.0
Cash flow from investments	-27.3	-21.5	-723.7	-71.7
Cash flow from financing	-88.9	32.1	321.6	-149.9
Net change in cash	-29.5	-9.5	7.7	-26.6
Cash at the end of the period	16.9	9.1	16.9	9.1
Available undrawn facilities	282.2	~ 330.0	283.2	~ 320.0

OVERVIEW OF NEW 5 YEAR FINANCING

Long term financing of the Group established in Q4:

- New financing established totalling DKK 1,100 million
 - Instalment loan of DKK 500 million, repayable over 5 years (DKK 25 million/quarter*)
 - Revolving credit facility of DKK 600 million due in 5 years
- NIBD end Q4 2011: DKK 816 million
- Replacing all interest bearing debt in the Group



Covenants:

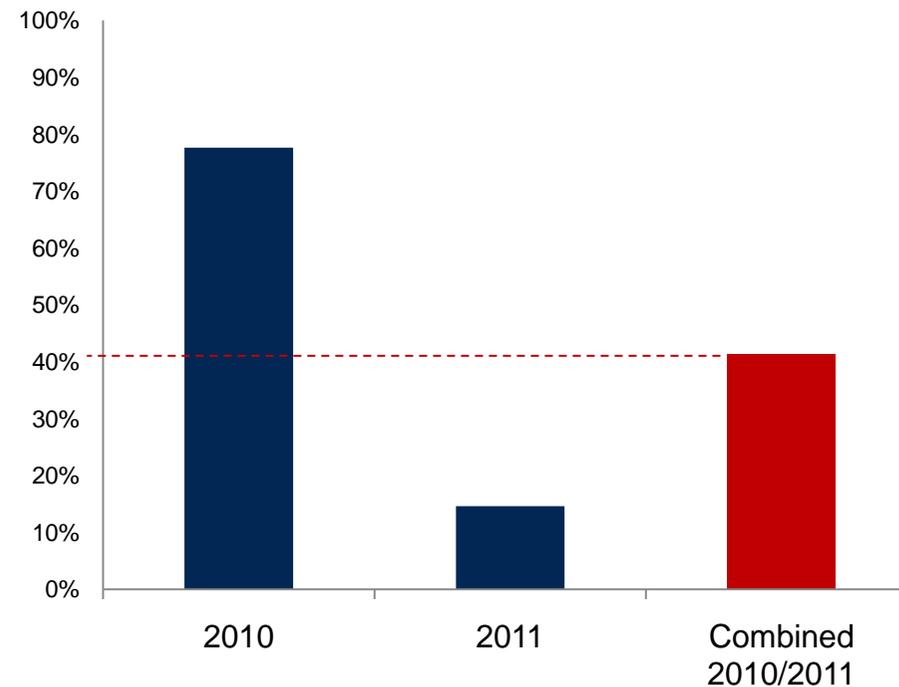
- NIBD/ EBITDA max 3.5 over 12 months
- Equity ratio min: 35%
- From end 2012: 37.5%
- From end 2013: 40.0%

*) First payment at the end of Q1 2012

Proposed dividend 2011:

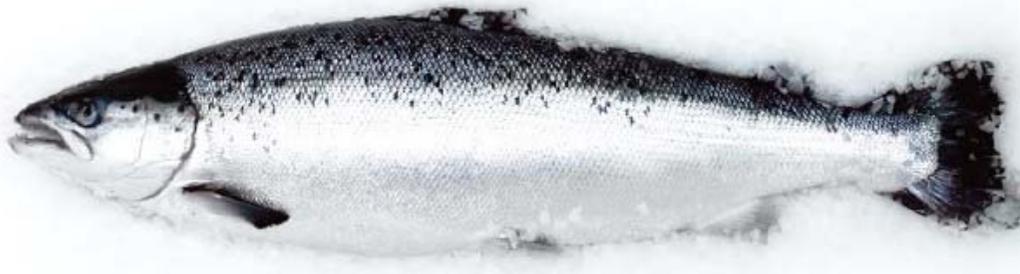
- DKK 1.00 per share (NOK 1,01)
~40% of combined Operating EBIT for 2010 and 2011 paid out as dividend in addition to a significant acquisition made in 2011
- 15% of operating EBIT 2011
 - Lower than in 2010 due to acquisition of Havsbrún Group
 - 41% of operating EBIT 2010-11 paid out as dividend
- A total dividend of DKK 48.9m (NOK 49.3m)

Dividend in % of Operating EBIT



QUALITY SALMON

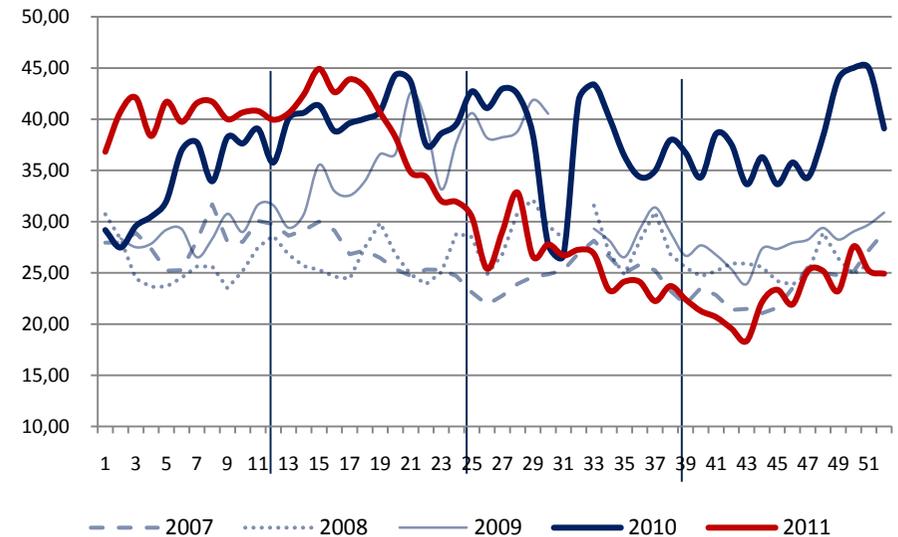
FROM THE NORTH ATLANTIC



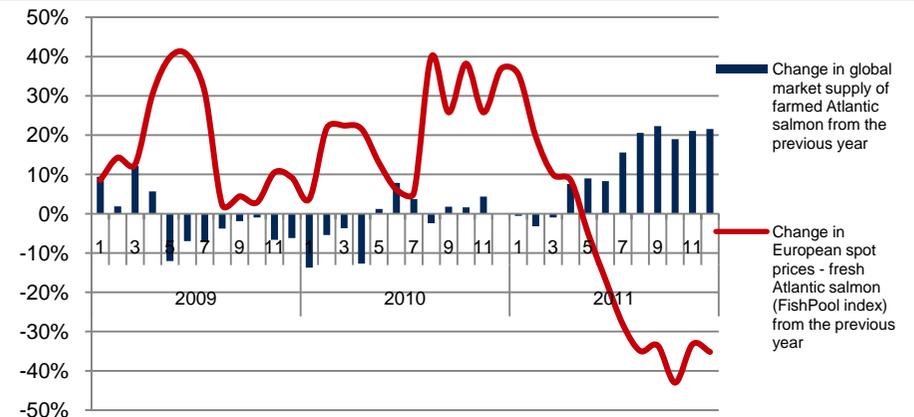
MARKET & OUTLOOK

- Salmon price dropped 3-6 NOK per kg on back of high volumes in the 4th quarter
- The price on large salmon (>6 kg) reduced more than the price on smaller sizes
- Global salmon supply increased in all markets in the fourth quarter, per month:
 - 7-16% increase in EU
 - 17-26% increase in USA
 - 43-71% increase in Japan
 - 23-36% increase in other markets
- Total increase in volumes sold globally: 19-22% each month in Q4 compared the previous year
- Global supply growth in 2012 expected to come down to around 14-16% from 20-22% 2H 2011

Spot prices on fresh salmon [NOK/kg HOG]



Change in global market supply and market price

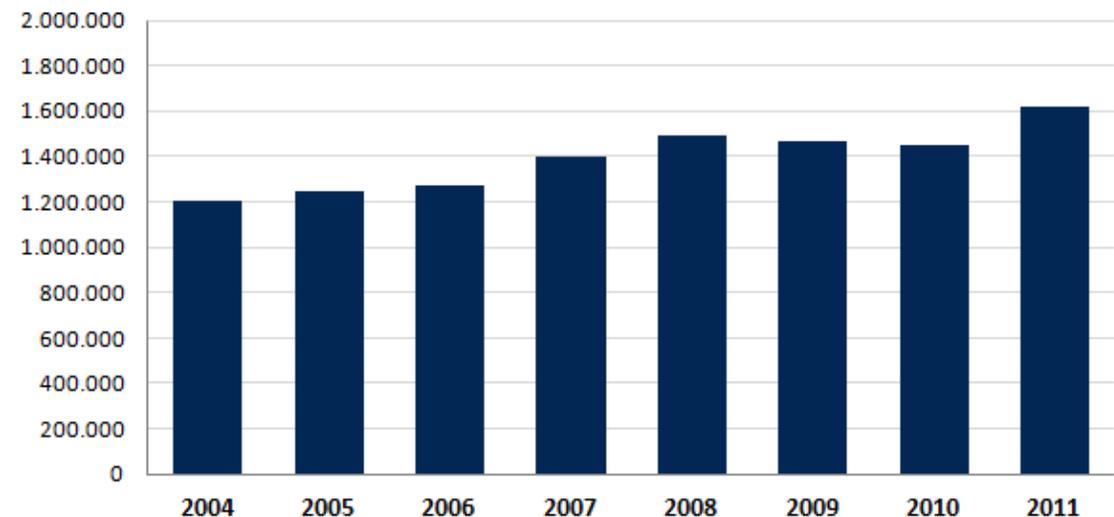


Source: Kontali Analyse

Global Supply of Atlantic Salmon to All Markets 2002-2011E [tonnes wfe]

12% growth in 2011, after 3 years without global supply growth

- The global supply growth rate was heavily back end loaded in 2011, with around 20% growth in second half of the year



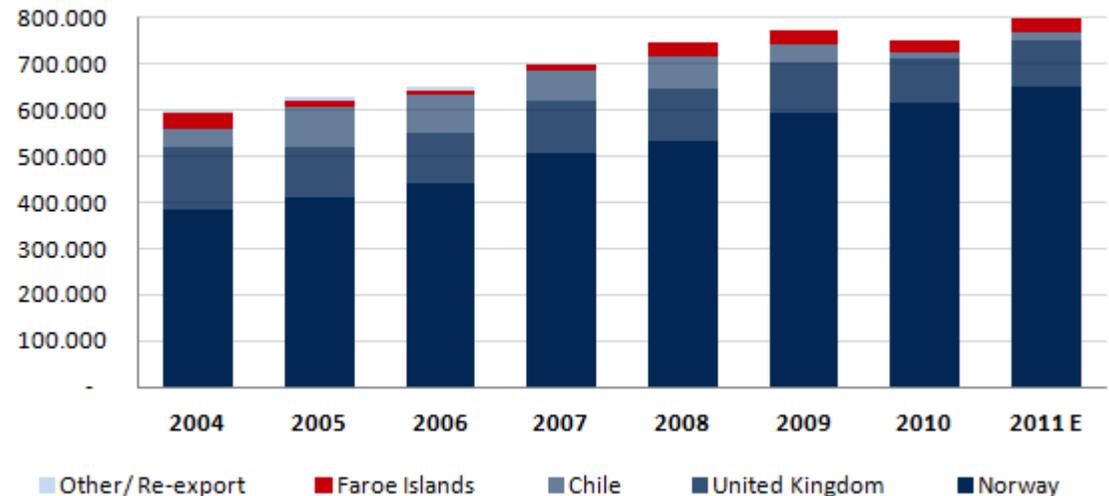
Global supply of Atlantic salmon		<i>tonnes wfe</i>							
Country	2004	2005	2006	2007	2008	2009	2010	2011	
Norway	536.900	573.500	598.600	723.100	740.900	855.700	944.600	1.003.600	
Chile	346.200	385.200	368.600	356.400	403.100	239.800	129.600	221.000	
UK	149.800	119.700	127.400	134.800	136.500	144.900	141.800	157.000	
Canada	89.000	107.500	115.000	109.500	118.500	115.400	118.000	110.000	
Faroe Islands	36.700	17.100	11.900	19.200	37.800	48.100	42.100	56.500	
USA	13.300	9.600	10.200	12.300	17.000	16.400	18.000	18.000	
Ireland	12.400	12.400	14.500	15.300	11.400	14.800	17.800	16.000	
Others	20.700	24.400	23.400	25.300	26.700	33.400	34.400	38.000	
Total	1.205.000	1.249.400	1.269.600	1.395.900	1.491.900	1.468.500	1.446.300	1.620.100	
Growth rate		4%	2%	10%	7%	-2%	-2%	12%	

Source: Kontali Analyse

Supply of Atlantic Salmon to the EU Market 2002-2011E [tonnes wfe]

Steady growth in more than 7 years (except 2010)

- The supply to the EU market increased approximately 8% in 2011
- Market growth from 600,000 to 800,000 tonnes from 2004 to 2011



Supply of Atlantic salmon to EU market

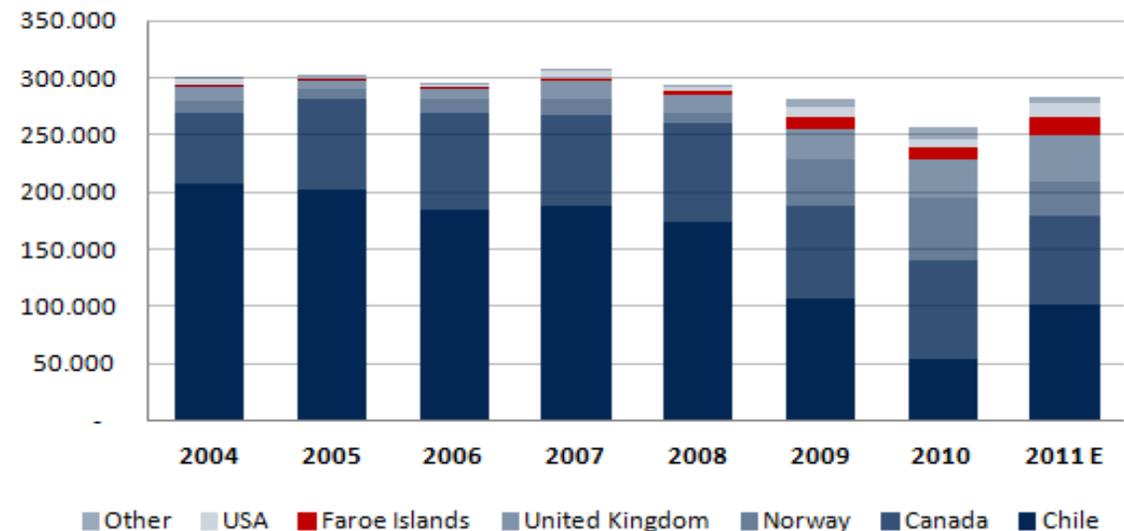
Country	2004	2005	2006	2007	2008	2009	2010	2011 E
Norway	383.600	411.800	440.800	506.800	532.100	591.700	615.400	648.500
United Kingdom	134.300	109.300	111.100	112.800	115.700	110.300	97.600	101.000
Chile	42.200	84.000	80.700	67.800	67.100	39.800	10.600	18.000
Faroe Islands	32.800	16.100	9.700	13.100	29.900	30.000	26.300	32.000
Other/ Re-export	6.500	8.400	7.400	3.800	(8.200)	(5.700)	(12.900)	(6.000)
Total	599.400	629.600	649.700	704.300	736.600	766.100	737.000	793.500
Change	4%	5%	3%	8%	5%	4%	-4%	8%

Source: Kontali Analyse

Supply of Atlantic Salmon to the US Market 2002-2011E [tonnes wfe]

An undersupplied market in more than 7 years

- The supply to the US market increased approximately 10% in 2011
- From 2004 to 2011 the US market has not grown in volume



Supply of Atlantic salmon to the US market

Country	2004	2005	2006	2007	2008	2009	2010	2011 E
Chile	207.900	202.900	184.100	187.500	174.200	107.100	53.200	101.000
Canada	62.200	78.900	86.000	80.100	86.300	81.100	87.600	79.000
Norway	10.200	9.000	11.000	14.300	9.800	40.300	53.800	29.000
United Kingdom	11.100	6.200	9.500	15.700	15.700	26.500	34.700	41.000
Faroe Islands	1.100	900	300	1.600	2.700	11.200	10.000	16.000
USA	6.100	3.000	3.000	7.100	4.500	8.800	6.900	12.000
Other	2.800	800	900	800	1.500	6.100	10.800	5.000
Total	301.400	301.700	294.800	307.100	294.500	281.100	257.000	283.000
Change	-3%	0%	-2%	4%	-4%	-5%	-9%	10%

Source: Kontali Analyse

- With low costs, Bakkafrost makes profit at current price level
- The current market price is boosting demand both on existing and new markets
- Harvested volumes for Bakkafrost estimated to be between 48,000 - 50,000 tonnes gwt in 2012
- Transfer of smolts is estimated to be 11.6m in 2012
- 80% of “old” VAP capacity committed for 2012
- Increased VAP production by opening second VAP factory with minimum investments
- Feed sales estimated to 85,000 tonnes in 2012
- Better utilisation of acquired farming sites

APPENDIX



- Acquisition of Havsbrún and non-controlling interests in Viking Seafood
- **Badwill identified**
 - Value of Havsbrún's shares in Bakkafrost decreased between agreement made and approval of final agreement and change of control
 - Fair value identified in farming licenses
 - Fair value identified in PPE

(DKKm)	1 st July 2011
Payment:	
Cash	627
Havsbrún's shares in Bakkafrost	350
Total Payment	977
<hr/>	
Total net identifiable assets	1,103
Badwill	126



- **18 islands – 1,400 km²**
- **48,400 inhabitants** (1. Nov 2011)
- **Self-governing part of the Kingdom of Denmark**
- **Part of the Danish monetary union**
- **Key sectors (% of wage earners, 2009)**
 - Service/public admin.: ~37%
 - Private service: ~33%
 - Fishing industry: ~17%
- **GDP: DKK 11.784 bn (2009)**
- **GDP/capita: DKK 242,220 (EU: 175,530) (2009)**
- **Total export of products (2011):**
 - 5,359 mill DKK
 - whereof farmed fish accounts for 34%
- **Corporate Tax: 18%**
- **Farming Licence Tax 2012: 2.5%**



Source: Hagstova Føroya

FAROE ISLANDS

– EXCELLENT CONDITIONS FOR COST EFFECTIVE FARMING

GEOGRAPHY

- Faroese fjords provide separation between locations
- Improves biological control and area management

WATER

- Stable seawater temperatures throughout the year between 6-12 degrees Celsius
- Excellent water quality and circulation conditions

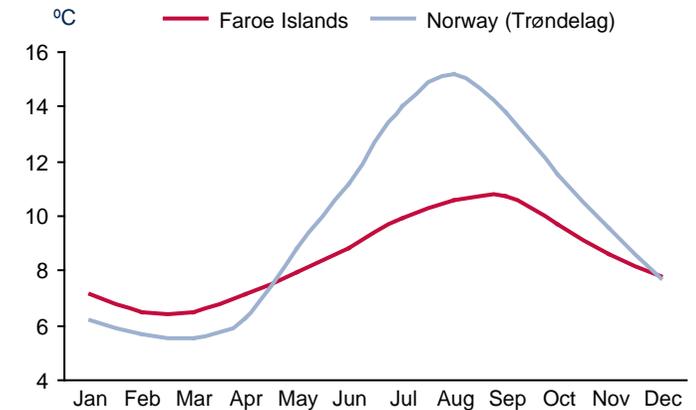
LOCATION

- Efficient distribution to both the European- and US markets

BIOMASS

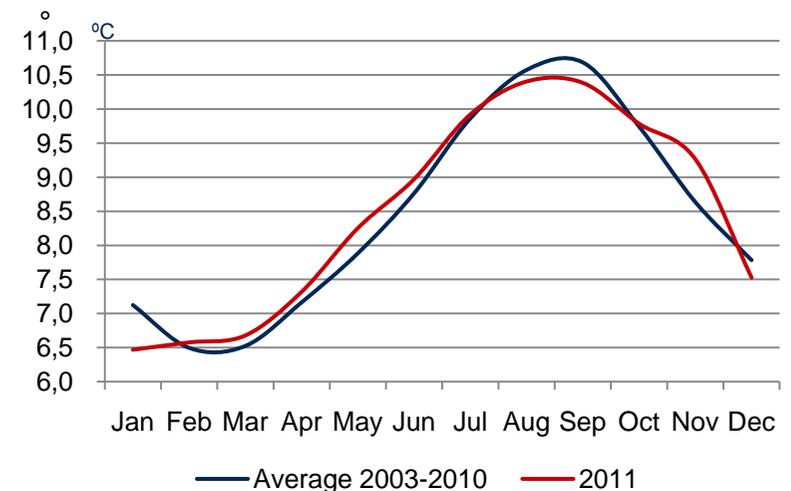
- Biological sustainability setting the biomass target per license

Average Seawater Temperatures 2003-2009



Source: Company material, Havforskningsinstituttet

Average Seawater Temperatures 2011



LARGEST SHAREHOLDERS

20 largest shareholder

Salmar ASA	NOR		24,80
Danske Bank a/s 3887 Operations SEC.	NOM	DNK	13,05
Jacobsen Hans	FRO		9,40
Jacobsen Johan Regin	FRO		9,19
JP Morgan Chase Bank	NOM	GBR	3,24
Six Sis AG Account 2	NOM	CHE	2,39
P/F Føroya Livstrygging	FRO		2,08
State Street Bank an A/C Sec Fin Prin ECM	NOM	USA	2,07
JPMBSA Nordea Lux Lending	NOM	GBR	1,89
Holberg Norge Verdipapirfondet v/Holberg Fondsførva	NOR		1,69
Nordea Bank Denmark a/s	NOM	DNK	1,49
Morgan Stanley & Co	NOM	GBR	1,43
Holberg Norden Verdipapirfondet v/Holberg Fondsførva	NOR		1,14
JPMORGAN Chase Bank Luxembourg Offshore	NOM	LUX	1,12
UBS (LUXEMBOURG) S.A. Ordinary Account	NOM	LUX	1,07
Storebrand Verdi JP Morgan Europe Ltd.	NOR		1,03
Verdipapirfondet Han Norge	NOR		0,99
P/F Hvalnes	FRO		0,98
Nordea Nordic Fund	FIN		0,92
Pimco GL Inv S/Eqs P c/o Brown Brothers	IRL		0,92

TOTAL SHARE 20 LARGEST SHAREHOLDERS

80,89%

As per February 22nd 2012

Share price development since listing in NOK



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