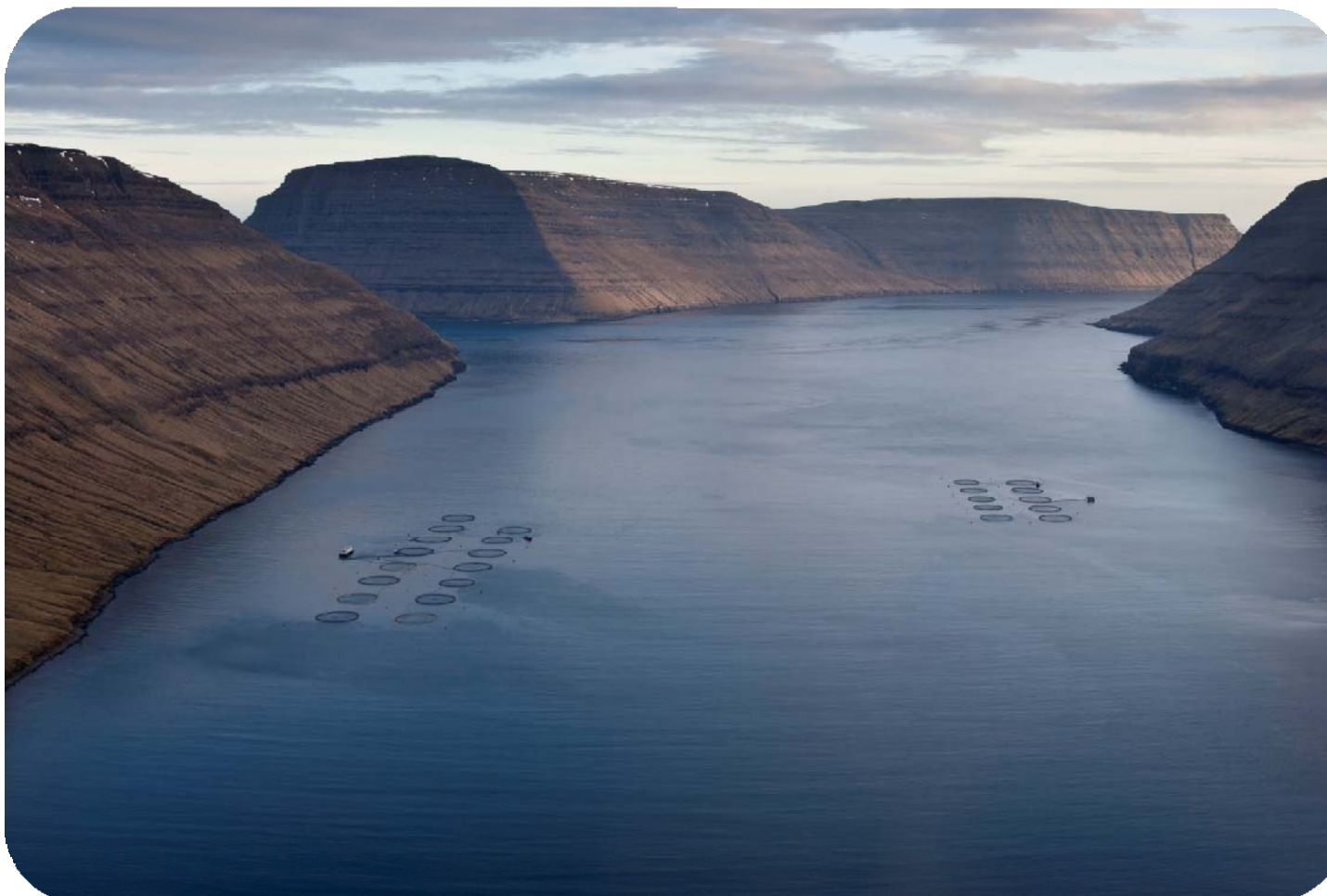


Presentation Q4 2010



CEO Regin Jacobsen
CFO Teitur Samuelsen
Oslo February 21st 2011

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Picture on front page:

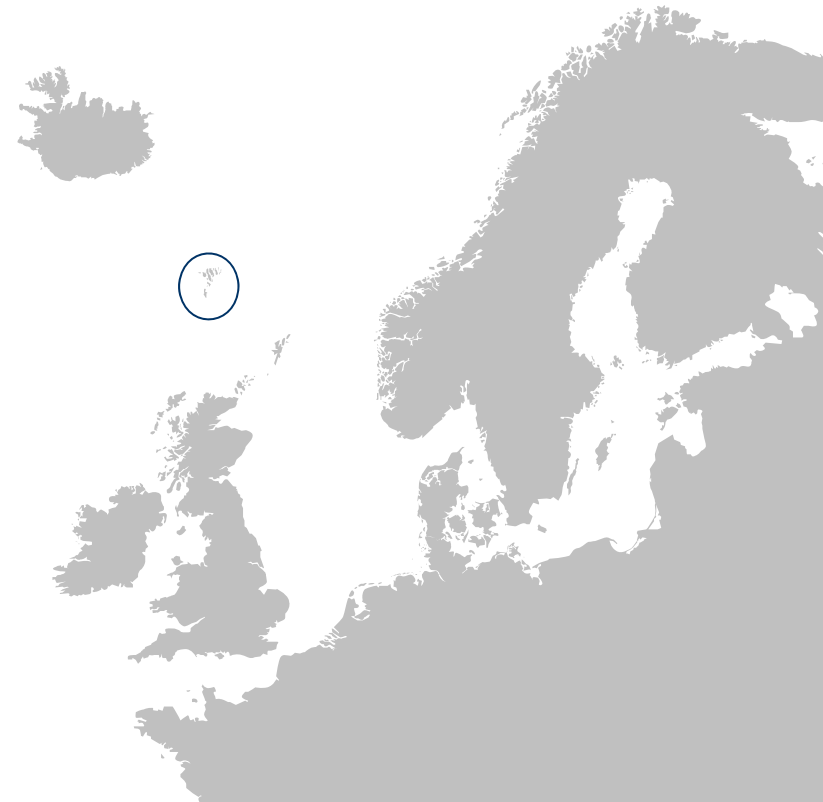
Bakkafrost has 2 fish farms in Hvannasund south, A11 on the west coast (right in the picture) and A21 on the east coast. Each of them equipped with own feeding platform.

The islands Svínøy can be seen in front of the fjord, protecting the fjord from the waves hitting the fish farms directly from the North Atlantic ocean. The current between the Islands can be extreme.

Faroe Islands

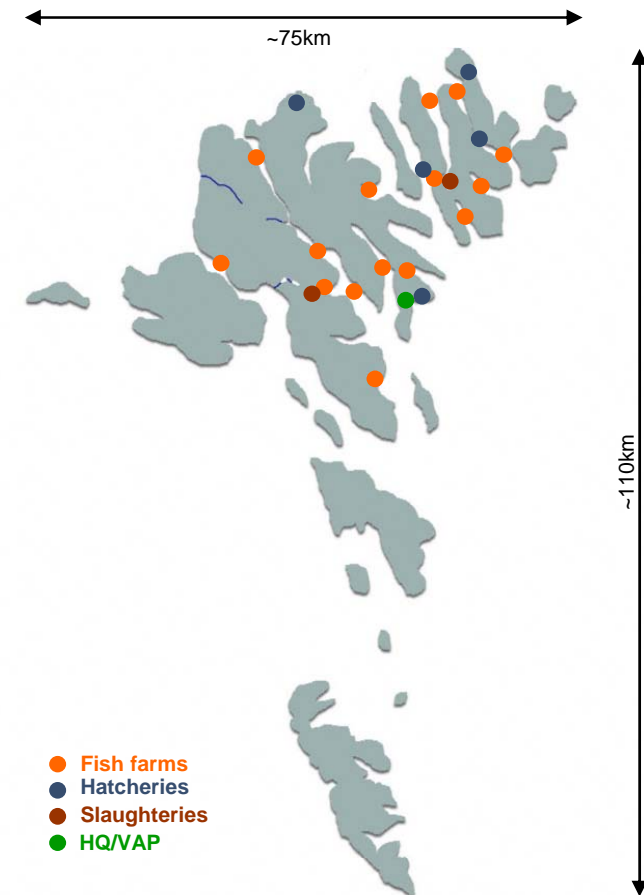


- **18 islands - 1,400 km²**
- **48,650 inhabitants** (1. Jan 2010)
- **Self-governing part of the Kingdom of Denmark**
- **Part of the Danish monetary union**
- **Key sectors (% of wage earners, 2009)**
 - **Service/public admin.:** ~37%
 - **Private service:** ~33%
 - **Fishing industry:** ~17%
- **GDP: DKK 11.784 bn (2009)**
- **GDP/capita: DKK 242,220 (EU: 175,530) (2009)**
- **Total export of products (2010):**
 - **4,360 mio DKK,**
 - **wherof farmed fish accounts for 34%**
- **Corporate Tax: 18%**
- **Farming Licence Tax 2011: 2.5%**



Bakkafrost – The Largest Fish Farming Company in the Faroe Islands

- **Largest salmon farming company in the Faroe Islands**
 - ~55 % of harvest volumes (Q4 2010)
 - ~39 % of existing licenses (01.01.2011)
- **Vestlax was merged into Bakkafrost 1 January 2010**
- **Produced a total of 6,493 gwt in Q4 2010 (8,942 tonnes gwt in Q4 2009)**
- **Revenues DKK 253 million in Q4 2010 (Q4 2009 DKK 264 million)**
- **Operational EBIT* DKK 91 million in Q4 2010 (Q4 2009 of DKK 80 million)**



* Aligned for fair value adjustment of biomass, onerous contracts provisions and costs related to the listing of the company on Oslo Børs.

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

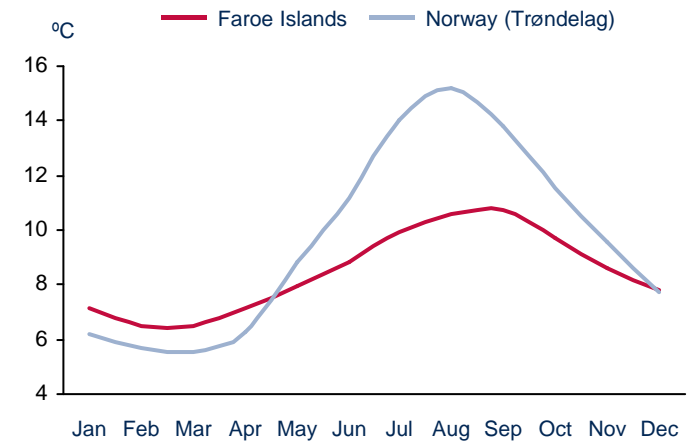
Location

- Efficient distribution to both the European- and US markets

Biomass

- Biological sustainability setting the biomass target per license

Average Seawater Temperatures 2002-2008



Source: Company material, Havforskningsinstituttet

Summary Q4 2010

Market

- Strong demand and high market prices
- Portfolio of VAP-contracts by end of Q4 above prices materialized in Q4

Strategy

- Planned operational changes on track
- M&A's possibilities have been tested

Financial

- Strong financial position and good outlook
- 36% operational EBIT margin for the quarter
- Dividend of NOK 4.10* per share will be proposed for the AGM in April 2011

Biology

- Biological and operational performance – to be further improved due to better capacity utilisation
- Smolt releases in 2010 increased from initial guidance of 7 million to 8.2 million

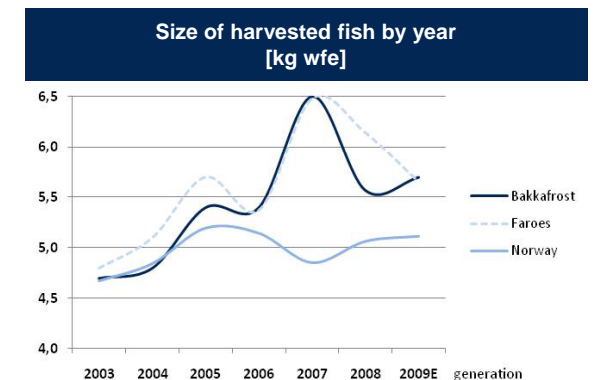
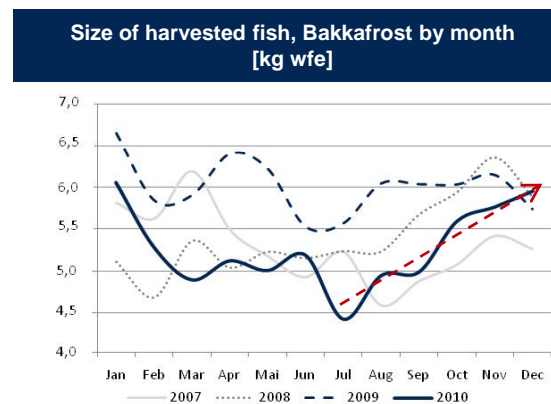
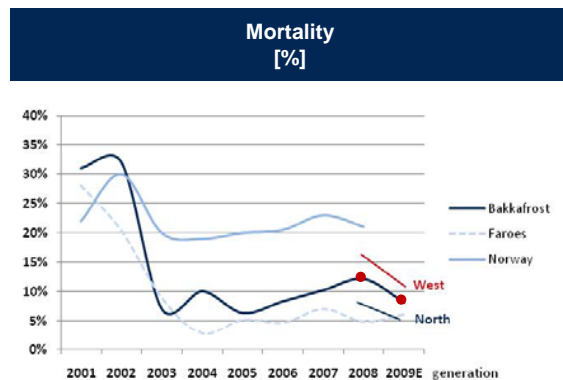
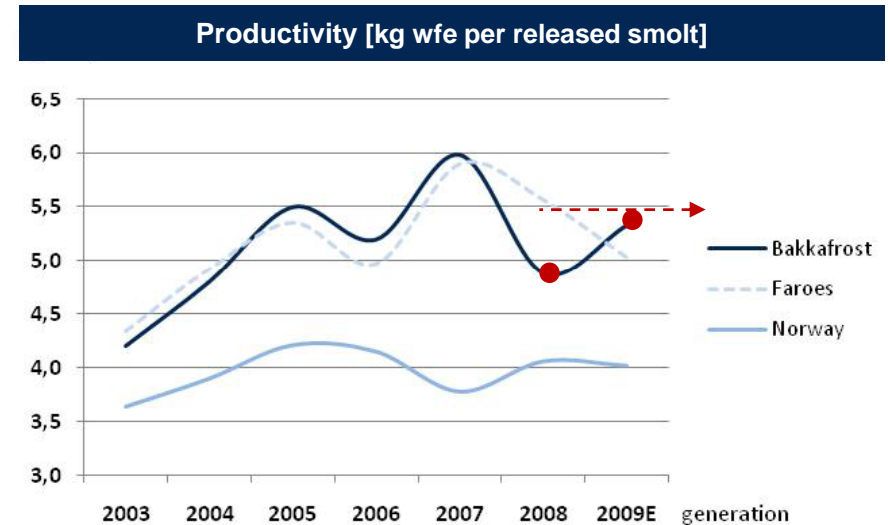
Outlook

- Volume in 2011 expected to 33,000 tonnes gutted weight
- Market prices expected to be strong in 2011
- 30% of total volume for 2011 contracted

*) Subject to changes in the exchange rate DKK/NOK on the date of payout

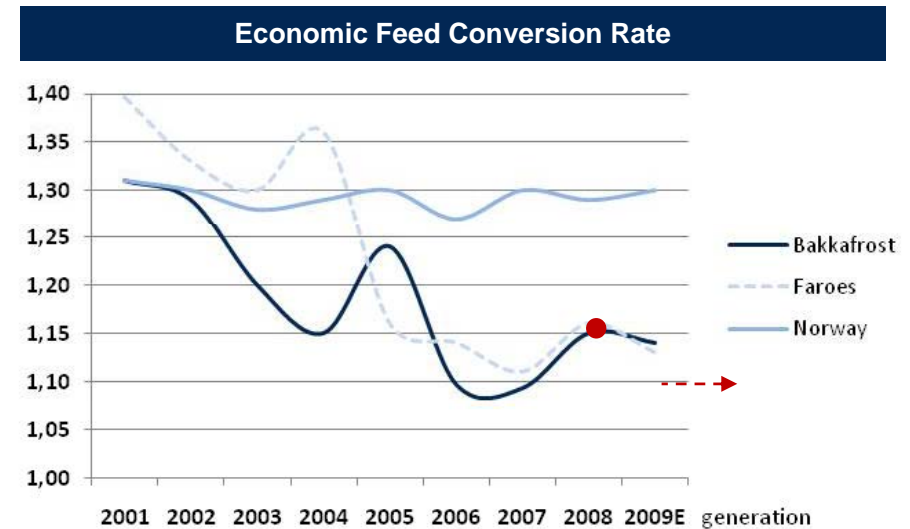
Strong Biological Performance

- Productivity per released smolt was 4.8 kg wfe per released smolt in 2008G
- 2009GE productivity is 5.4 kg wfe per released smolt for Bakka Frost
- The goal is to increase the productivity up to previous level above 5.5 kg wfe per released smolt
- Mortality was in 2008G 12%, and is expected to decrease to 8% for 2009G, which is in line with our goal



Strong Biological Performance

- Economic Feed Conversion Rate was in 2008G 1.16 and is expected to be around 1.13 for 2009G.
The goal is to be better than 1.10



Financial Highlights

- **Margin Significantly Improved Compared with Q4 2009**

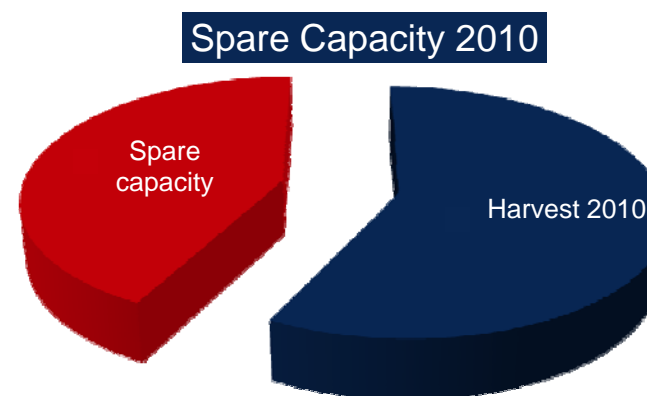
- Improved performance in both regions
- West impressive improvement

- Still further improvements expected as capacity utilization improves
 - Volume increase due to full utilization of existing farming sites
 - Smolt costs to be reduced
 - Harvesting costs to be reduced
 - Overhead costs to be reduced

(NOK)	Q4 2010	Q4 2009 Proforma
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Farming:

	<u>North</u>	<u>West</u>	<u>North</u>	<u>West</u>
EBIT* NOK/kg gwt	16.46	14.81	14.20	8.60
Harvested volumes 1000 [gwt]	2,979	3,514	4,626	4,316



* Aligned for fair value adjustment of biomass, onerous contracts provisions and costs related to the listing of the company on Oslo Børs.

Key Financials, Group

- **Strong Cash flow in Q4 2010 used to finance:**

- **Biomass**
 - Seasonable
 - Increased production
- **Investments**
 - To increase capacity
- **Reduce debt**
 - Dividend capacity

- **Low interest bearing debt**

- **High equity ratio**

<i>(DKKm)</i>	Q4 2010	2009 Proforma
Cash flow from operations	44	298
Total assets	1,184	1,004
NIBD	70	251
Equity ratio	76%	57%



BAKKAFROST

SEGMENT INFORMATION



At the southern foot of the 703 m high mountain, Suður á Nakki, lies one of Bakkafrost's salmon farms (A-12)

There are two settlements on the island of Kunoy: Kunoy (population 64), on the west coast and Haraldssund on the south-east coast (can be seen on the picture). These have been connected by a tunnel since 1988. Haraldssund is connected by a causeway to the neighbouring island of Borðoy to the east of Kunoy. Before the causeway was built, travel to the island was by ferry. Nowadays a bus runs a regular service across the causeway, with a route from Klaksvík to Haraldssund and through the tunnel to Kunoy.

A third settlement, Skarð, was the site of a fishing accident on Christmas Eve, 1913 which killed seven men (all the male population except a 14 year old and a 70 year old). The women decided to move to Haraldssund, and the area is now deserted.

Segments Farming

- Revenues increased 11% despite 27% reduced volume in Q4 2010 compared with Q4 2009
 - High prices on salmon in Q4 2010

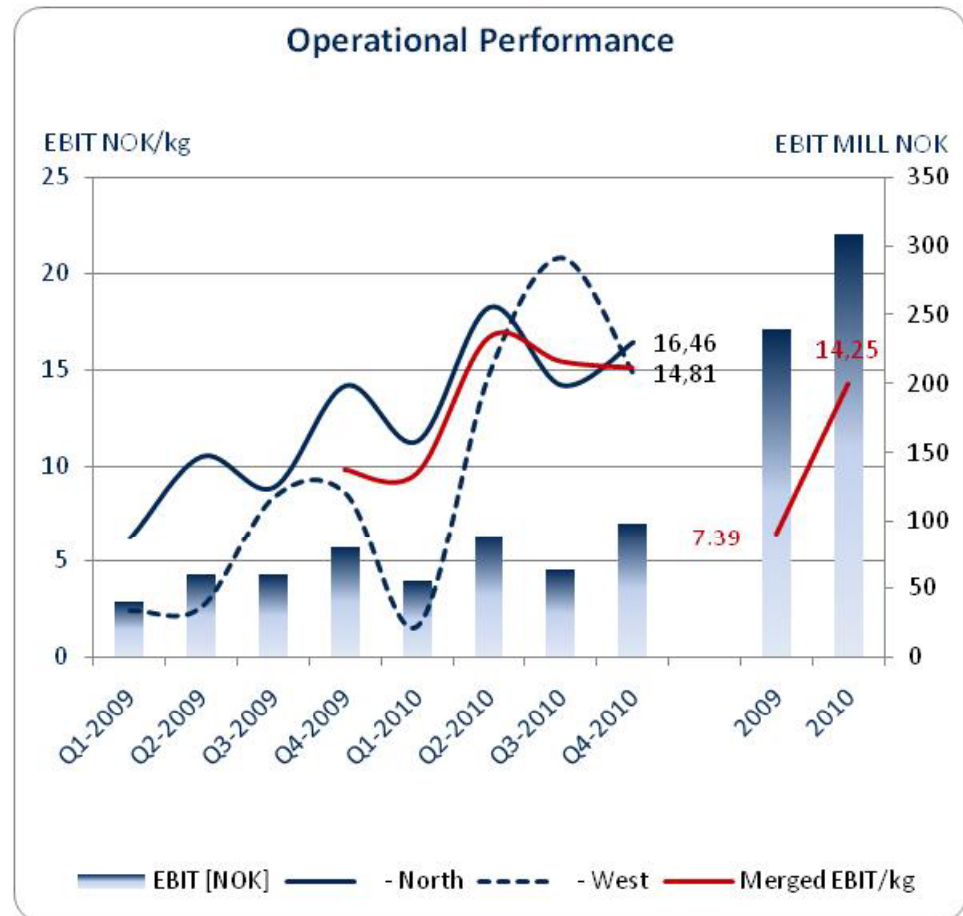
<i>(DKKm)</i>	Q4 2010	Q4 2009 Proforma
Operating revenues	236	213
Operational EBIT*	92	50
Operational EBIT margin	38.9%	23.5%

* EBIT aligned for fair value adjustment of biomass and costs related to the listing of the company on Oslo Børs.

Farming

- Operational Performance

- High margin
 - Gap between North and West reduced
 - Margin doubled from 2009 to 2010
 - Increased quantity from 2011 expected to improve operational performance
 - No trout left in West



* Aligned for fair value adjustment of biomass, onerous contracts provisions and costs related to the listing of the company on Oslo Børs.

Farming

- Harvest Volume [1,000 tonnes gwt]

▪ Harvested volume

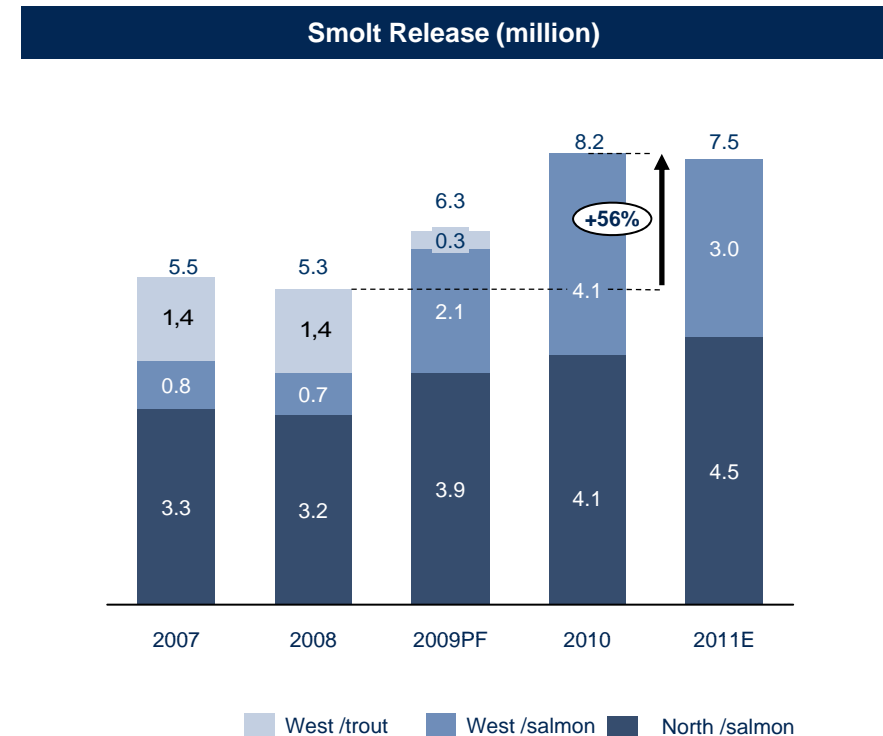
- 27% reduction in Q4 2010 compared with Q4 2009
- Smolt release in 2010 above initial estimate by 17%
 - 8.2 pieces smolt released in 2010
- Forecast for 2011: 33,000 tonnes gwt

	Q4 2010	Q4 2009	2010	2009
[tonnes gwt]				
West	3,514	4,316	7,792	11,970
North	<u>2,979</u>	<u>4,626</u>	<u>13,834</u>	<u>18,680</u>
Total	6,493	8,942	21,626	30,650

Strong Expected Volume Growth in Existing Licenses



- Increased smolt release in 2010 from 7.0 million to 8.2 million (guidance 7.9 at Q3 presentation)
- Released 56% more smolt in 2010 than 2008
- No absolute biomass restrictions
- Still two sites with no fish, to be started up in 2012



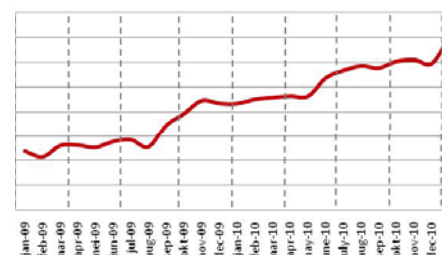
Segments VAP

- Improved prices for end products, but not fully compensated increased raw material prices
- ~70% of VAP capacity for 2011 contracted

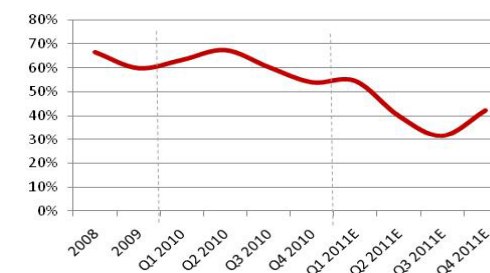
(DKKm)	Q4 2010	Q4 2009 Proforma
Operating revenues	120	131
Operational EBIT*	-1	30

- Further increase in contract prices in 2011 compared with Q4-2010

VAP market price



VAP share of total harvested quantity



* EBIT aligned for onerous contracts provision



Cape Enniberg is the northernmost point of the Faroe Islands, located on the Island of Viðoy. It is 754 m above sea level, altitude that makes it the second highest sea-cliff in Europe (after Hornelen, in Norway).

From the landside, only experienced mountain climbers with a trained local guide should attempt to scale the cliff. As a normal hiker, one can only reach a certain height on the trail without a problem. However, as in the rest of the Faroes, fog can roll in suddenly and linger for a long time.

Bakkafrost has fishfarms on both fjords, that can be seen on the right in the picture (South west of Enniberg)

GROUP FINANCIALS

Group Profit and Loss

	(DKKm)	Q4 2010	Q4 2009 Proforma	2010	2009 Proforma
<ul style="list-style-type: none"> Revenues decreased by 5% but volumes decreased by 27% - strong market in Q4 Operating EBIT higher despite decrease in volumes in Q4 Group EBIT/ of NOK 15.12 (Q4 2009 NOK10.05/kg) Reduced interest costs Tax payable of DKK 8.9 mill. EPS DKK 2.35 in Q4 2010 					
	Operating revenues	252.5	264.3	820.2	921.7
	Purchase of goods	-95.1	-37.7	-301.4	-272.6
	Change in inventory and biological assets (at cost)	27.8	-45.4	75.5	-105.7
	Salary and personnel exp.	-30.5	-35.3	-118.4	-123.9
	Other op. revenue	0	0	0	9.5
	Other op. expenses	-53.2	-57.7	-186.8	-186.7
	Income from associates	0,5	0,7	0.5	0.7
	Depreciation	-11.1	-9.2	-42.3	-38.1
	Operating EBIT	90.8	79.7	247.4	204.9
	Fair value adj.	43.6	7.4	83.9	34.5
	Onerous contr.	-1.9	0	-2.9	0
	Listing costs	0	0	-12.8	0
	EBIT	132.5	87.1	315.6	239.3
	Financial items	-1.8	-8.8	-8.3	-38.2
	EBT	130.6	78.3	307.3	201.1
	Taxes	-15.7	-16.7	-47.5	-36.3
	Profit for the period	114.8	61.6	259.7	164.8

Balance Sheet – as per 31 December 2010



- Investments in PPE to carry out the organic growth
- Building up biomass as planned
- Reduced NIBD significantly
- Strong balance sheet - NIBD/Equity 8%
- Equity ratio 76%
- Dividend of NOK 4.10 per share will be proposed for the AGM in April 2011

	31 Dec. 2010	End 2009 Proforma
(DKKm)		
Intangible assets	136.2	136.2
Property, plant and equipment	356.4	331.1
Financial assets	26.0	16.4
Long term receivables	0.7	0.7
Biological assets	482.1	329.9
Inventory	28.5	24.9
Receivables	145.5	129.0
Cash and cash equivalents	9.1	35.7
Total Assets	1,184.7	1,003.9
Equity	902.3	573.3
Deferred tax	120.0	70.6
Long term interest bearing debt	37.4	71.4
Short term interest bearing debt	42.0	215.2
Account payables	83.0	73.4
Total Equity and liabilities	1,184.7	1,003.9

Cash Flow – for Q4 2010

- Cash flow used to build up biomass to new level and to investments in Q4 2010
- Strong liquidity – approx DKK 320M of undrawn facilities

(DKKm)	Q4 2010	2010	2009 Proforma
Operating profit	132.5	315.6	239.3
Cash flow from operations	44.1	195.0	298.1
Cash flow from investments	-21.5	-71.7	-39.6
Cash flow from financing	-32.1	-149.9	-234.7
Net change in cash	-9.5	-26.6	23.7
Cash at the end of the period	9.1	9.1	35.7

- **Dividend of NOK 4.10 per share will be proposed for the AGM in April 2011**
- **Good market opportunities expected also in 2011**
- **Portfolio of VAP-contracts by end of Q4 2010 on a higher level than prices materialized in Q4 2010**
- **30% of total volume for 2011 committed on contracts**
- **Building up biomass**
- **Harvested volumes expected to increase 53% in 2011 compared with 2010**
- **Continue to pursue opportunities - organic and M&A - in the coming years**

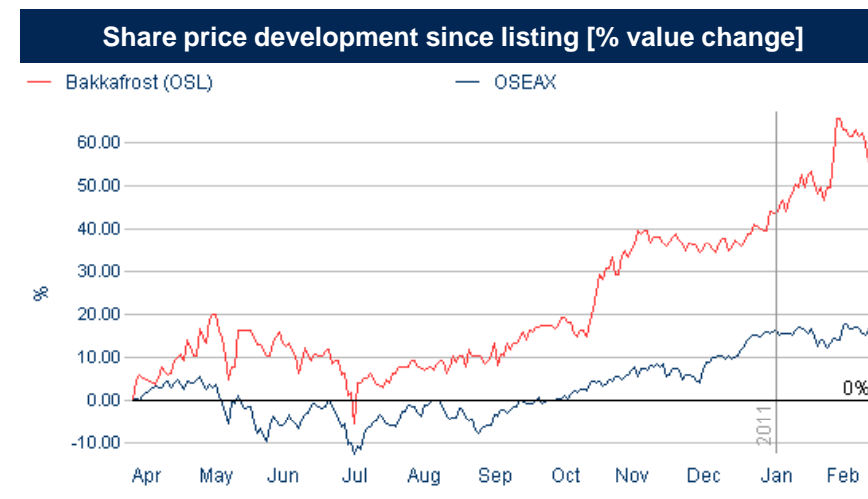


At the western foot of the 844 m high mountain, Villingadalsfjall, lies one of BakkaFrost's salmon farms (A-73)

Largest Shareholders

20 largest shareholders

SalMar ASA, Norway	NOR	23,29%
Havsbrún P/F, Faroes	FRO	16,71%
Jacobsen, Hans, Faroes	FRO	9,40%
Jacobsen, Jóhan Regin, Faroes	FRO	9,19%
Danske Bank a/s, NOM, Denmark	DNK	4,84%
JPMorgan Chase Bank, NOM, GBR	GBR	4,53%
JPMPLSA, Nordea NOM, Lux	LUX	2,13%
Royndin p/f, Faroes	FRO	1,90%
State Street Bank, NOM, USA	USA	1,51%
OM Holding, Norway	NOR	1,43%
MORGAN STANLEY & CO S/A MSIL IPB CLIENT	GBR	1,33%
JPMORGAN CHASE BANK LUXEMBOURG OFFSHORE	LUX	1,13%
Jakobsen, Katrin Elisabeth Dahl, Faroes	FRO	1,12%
HOLBERG NORGE V/HOLBERG FONDSFORVA	NOR	1,01%
BROWN BROTHERS HARRI S/A PIMCO GLOBAL/PAT	USA	1,00%
UBS (LUXEMBOURG) S.A ORDINARY ACCOUNT	LUX	0,99%
VARMA MUTUAL PENSION COMPANY	FIN	0,94%
SKANDINAVISKA ENSKIL A/C CLIENTS ACCOUNT	SWE	0,86%
ALFRED BERG GAMBAK VPF	NOR	0,72%
Jacobsen, Rógvi, Faroes	FRO	0,72%
Total share 20 largest shareholders		84,75%
As per February 10 th 2011		



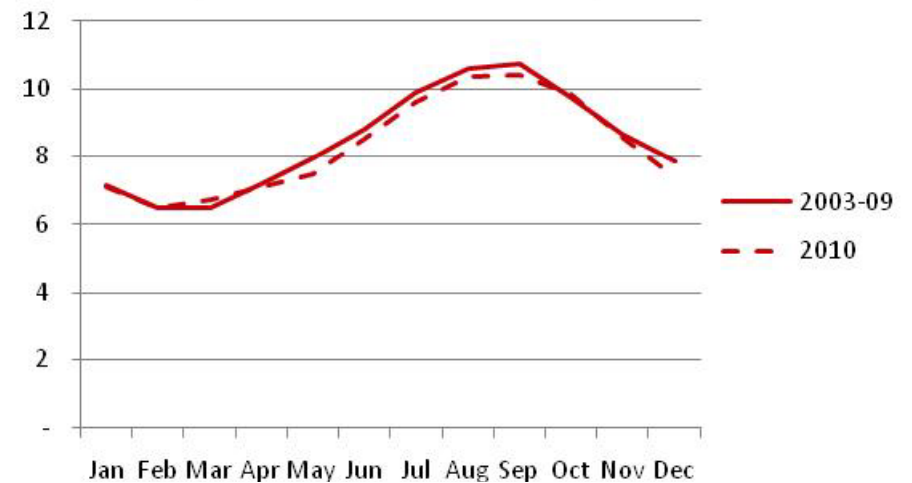
Excellent Conditions for Farming

Stable sea Temperature

The temperature in 2010 is 0.4 degrees lower on average than 2009 temperature and 0.15 degrees lower than average temperature in the period 2003-2009. In December the temperature was 0.61 degrees lower than same period in 2009.

However average temperature in 2005, 2007 and 2008 was lower than in 2010.

Sea Temperature Faroe Islands

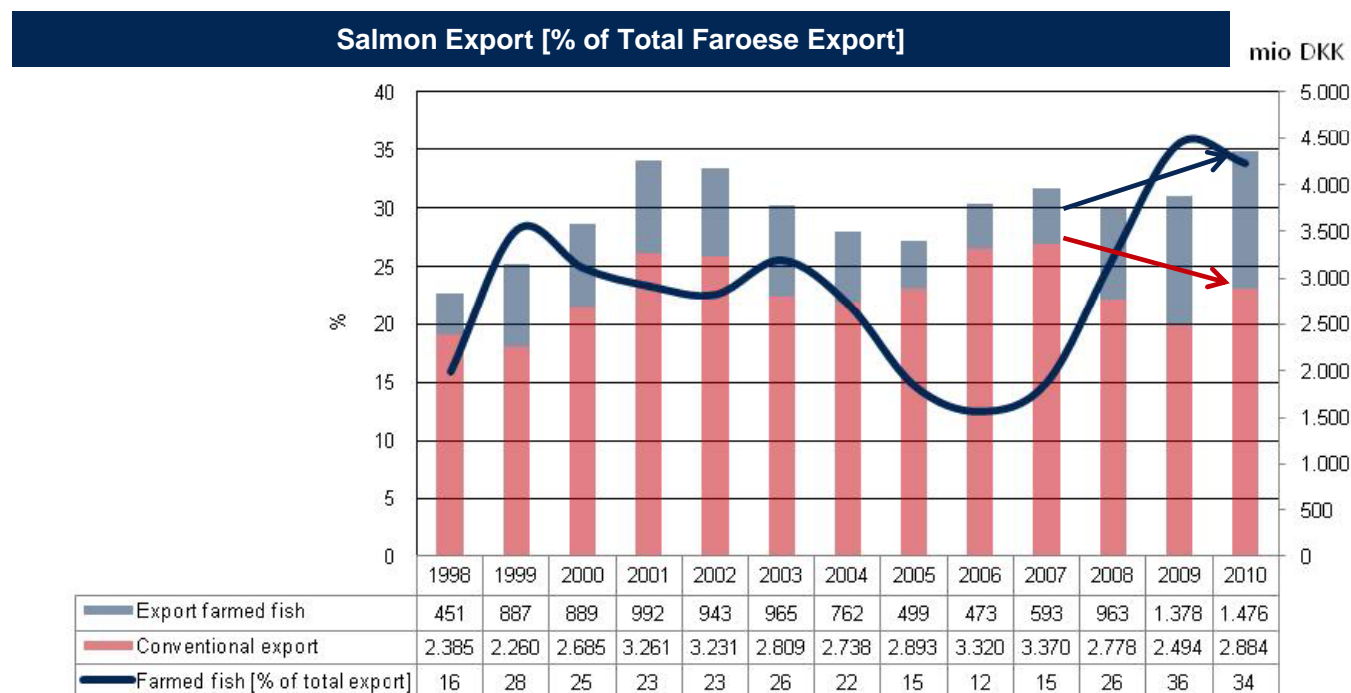


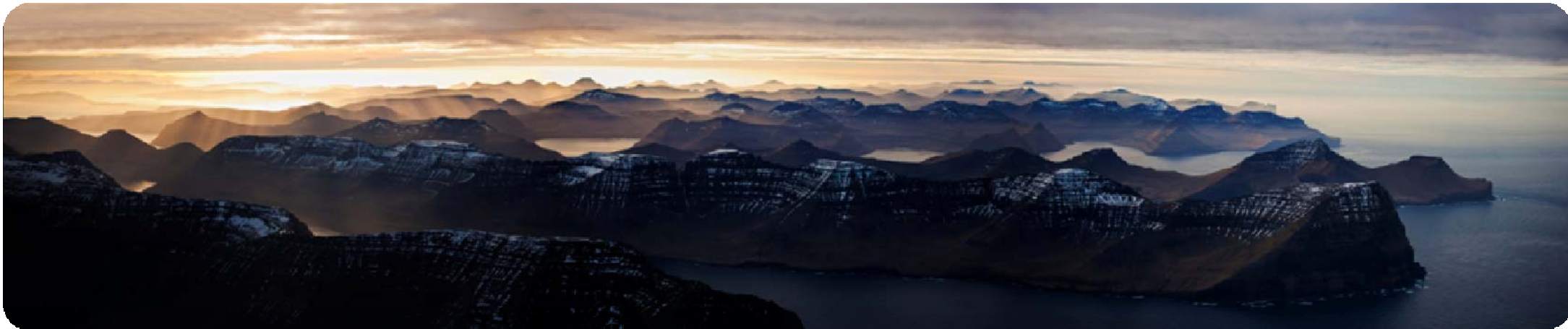
Sea Temperature Faroe Islands °C 18m depth								Avg	
	2003	2004	2005	2006	2007	2008	2009	2003-09	2010
Jan	7,26	7,22	7,20	7,20	7,15	6,73	7,15	7,13	7,08
Feb	6,76	6,52	5,65	7,17	6,80	5,83	6,72	6,49	6,51
Mar	6,78	6,75	5,80	6,80	6,04	6,52	6,76	6,49	6,74
Apr	7,58	7,51	6,76	6,89	7,48	6,79	7,22	7,18	7,08
May	8,17	8,16	7,45	7,74	8,00	8,03	8,02	7,94	7,50
Jun	9,05	9,01	8,13	8,00	8,90	9,20	9,30	8,80	8,52
Jul	10,11	9,87	9,52	9,84	9,75	9,96	10,22	9,90	9,63
Aug	11,07	10,75	10,17	10,53	10,23	10,70	10,80	10,61	10,35
Sep	11,28	11,20	10,00	10,80	9,83	10,93	11,02	10,72	10,42
Oct	10,30	9,90	9,59	10,27	7,76	10,04	10,22	9,73	9,86
Nov	9,18	9,15	8,75	9,02	8,11	6,92	9,38	8,64	8,57
Dec	7,74	7,94	7,80	8,18	7,54	7,65	8,01	7,84	7,40
Avg	8,77	8,67	8,07	8,54	8,13	8,28	8,74	8,46	8,31



Farming Industry Significant Importance for Faroese Economy

- The farming industry stabilizes the export of the Faroe Islands
 - Conventional export reduced 15% from 3,370 mio DKK to 2,884 mio DKK in the period 2007-2010
 - Export of farmed fish increased 150% from 593 mio DKK to 1,476 mio DKK in the period 2007-2010





The 'North Islands' Viðoy, Borðoy and Kallsoy faced in the picture. Eysturoy and Streymoy can be seen in the horizon