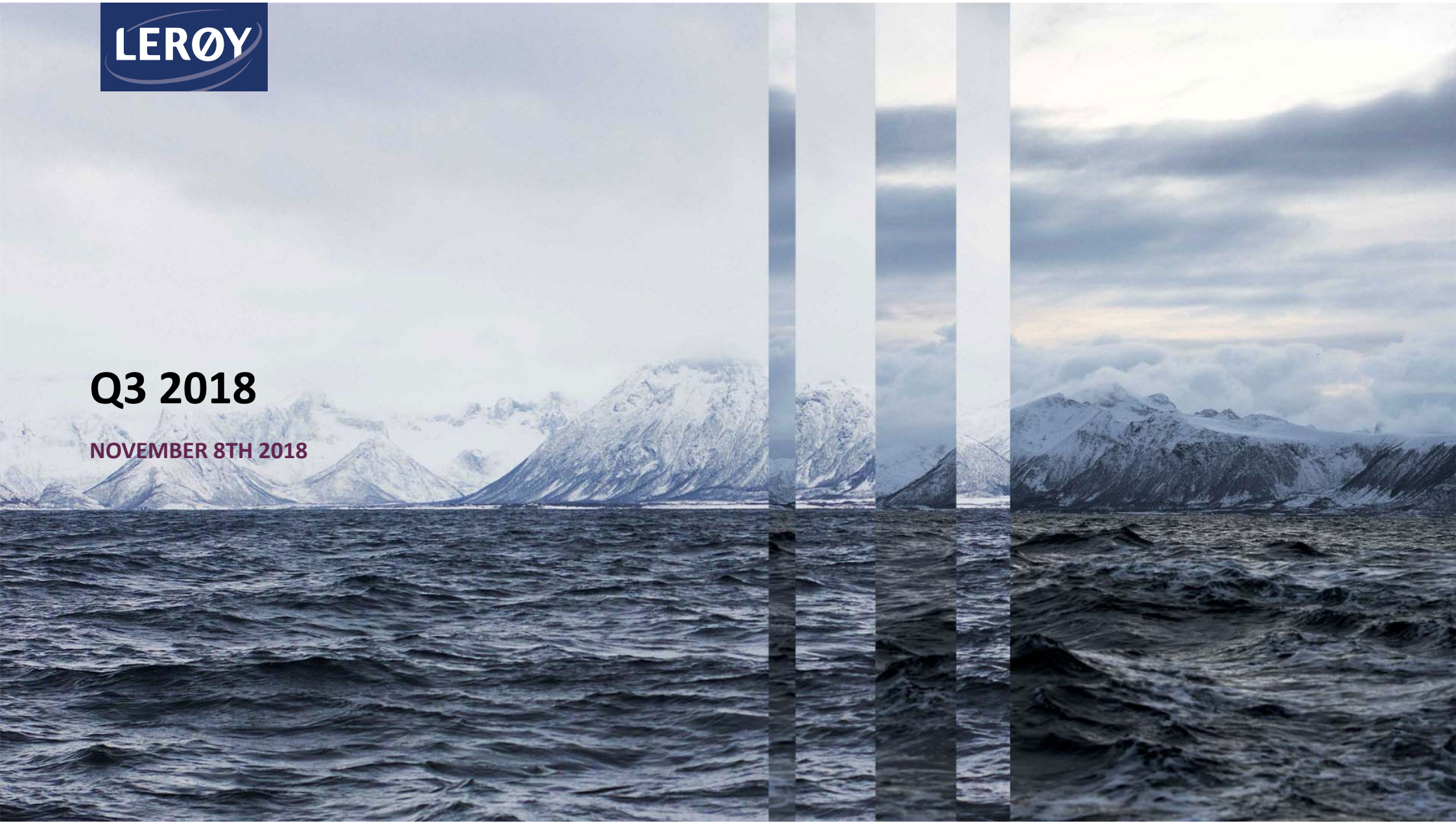




Q3 2018

NOVEMBER 8TH 2018



1. Highlights
2. Key Financial Figures
3. Outlook

Agenda

Highlights



Q3 2018

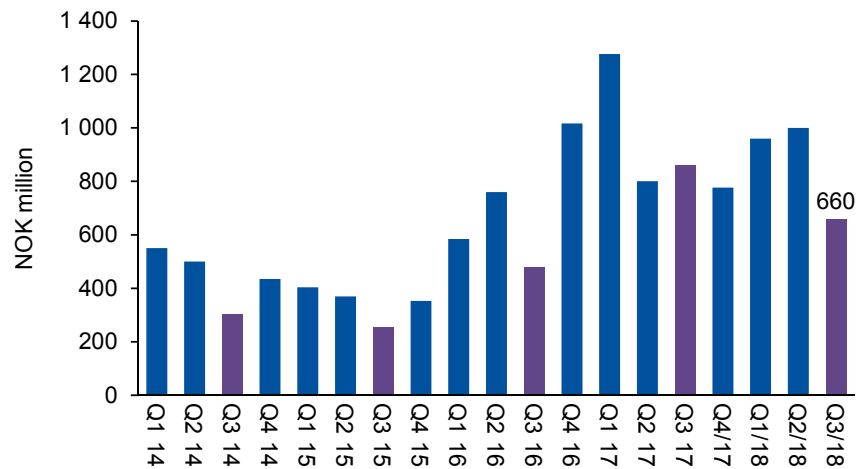
- EBIT before FV adj. NOK 660 million
- Harvest volume 37 227 GWT
- EBIT/kg all incl. (excl. EBIT Havfisk & LNWS) of NOK 16.6
- Contract share of 25%
- NIBD NOK 3 111 million
- Harvest guidance 166 000 GWT for 2018
- Expected catch volume around 65,000 tons for 2018



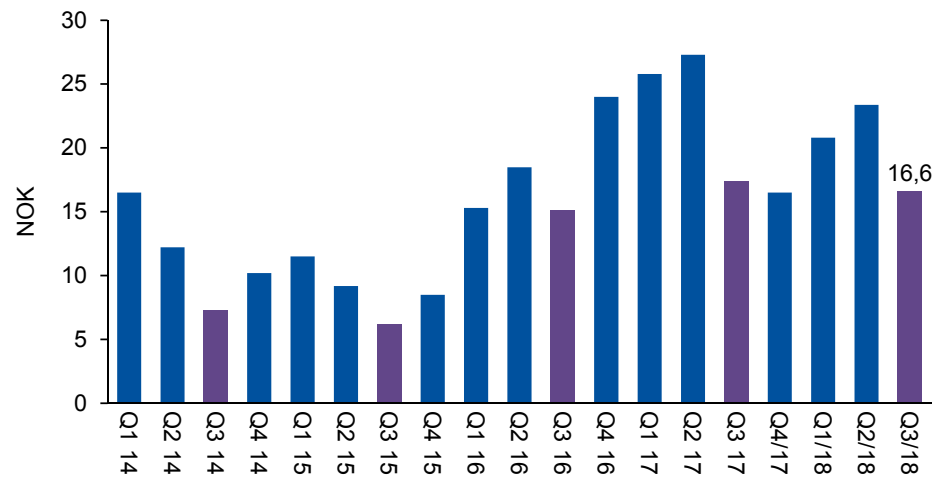


Quarterly historic figures

EBIT*



EBIT/kg**, all inclusive



*before biomass adjustment

**before biomass adjustment excl. EBIT contribution from Wild Catch



Lerøy Seafood Group ASA

Farming

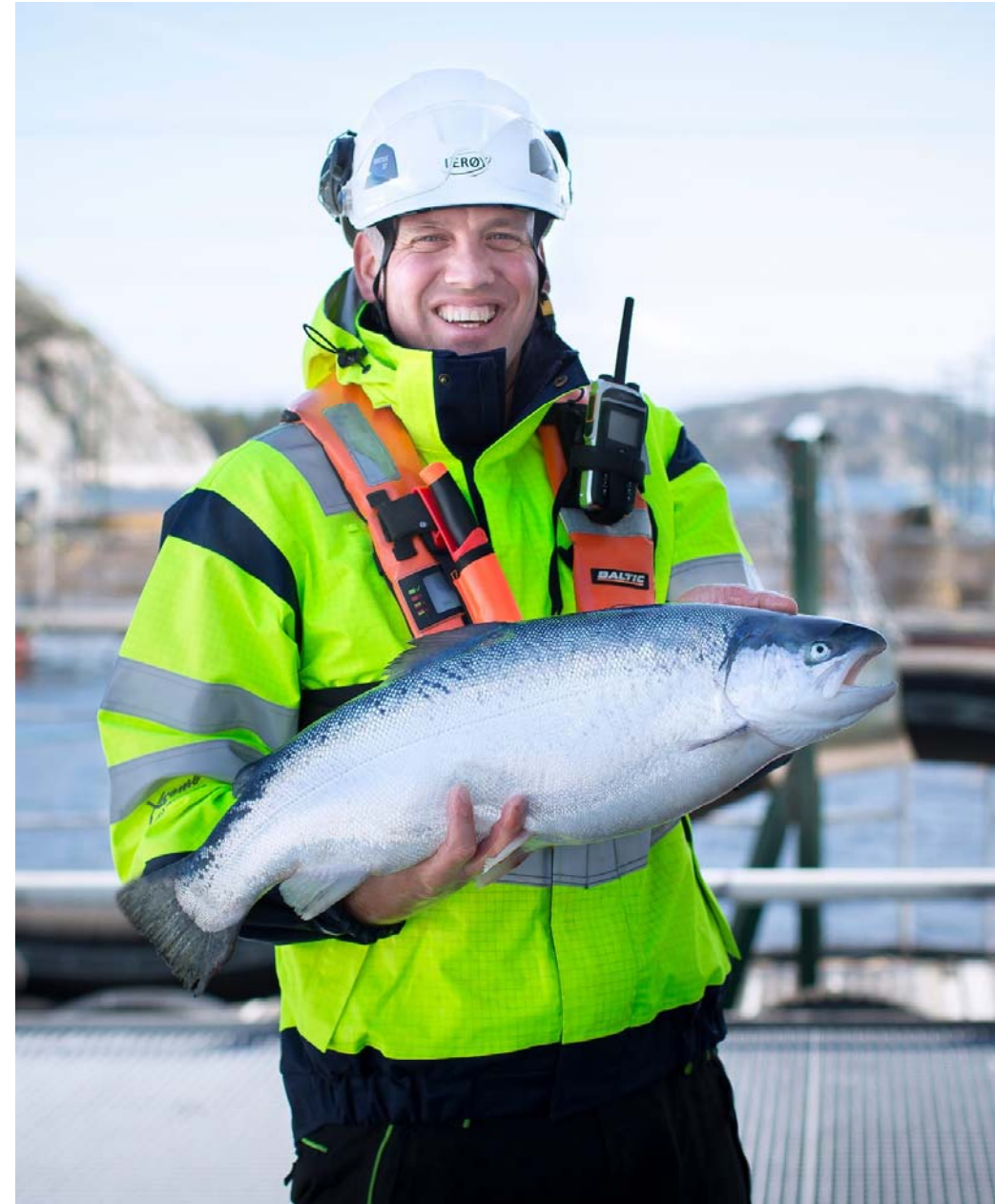
Wild catch

VAP, Sales and Distribution



Q3 2018: Farming Highlights

- Spot prices below last year
 - NSI Q3/18 NOK 54.8 vs NOK 56.4 in Q3/17 (-3%)
 - Down NOK 14/kg q-o-q, and down NOK 2/kg y-o-y
- Trout price achievement well below salmon
- Contract prices above spot prices
- Cost (RFS) down q-o-q and y-o-y
- Biomass at sea
 - End Q3/18 at 112,624 LWT vs 108,441 LWT end Q3/17 (+4%)





Farming volumes

	2013 GWT	2014 GWT	2015 GWT	2016 GWT	2017 GWT	2018E GWT	2019E GWT
Lerøy Aurora AS*	24 200	26 800	29 200	30 000	39 200	36 500	37 000
Lerøy Midt AS	58 900	68 300	71 400	52 200	64 500	71 000	71 000
Lerøy Sjøtroll	61 700	63 200	57 100	68 000	54 000	58 500	66 000
Total Norway	144 800	158 300	157 700	150 200	157 800	166 000	174 000
Villa Organic AS**		6 000					
Norskott Havbruk (UK)***	13 400	13 800	13 500	14 000	15 500	13 000	16 000
Total	158 200	178 100	171 200	164 200	173 300	179 000	190 000

*) Included harvested volume from Villa Organic after split July 2014

**) LSG's share of Villa Organic's volume in H1 2014, not consolidated

***) LSG's share, not consolidated

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Q3 2018: Wild Catch

- Q3/18 harvest volume at 14,282 tons, decrease in catch of cod and haddock and increase in shrimp compared with Q3/17
- Average prices up 23% y-o-y. Y-o-y prices for cod up 23%, haddock 38% while saithe down 5%.
- As it takes time to adjust prices to end-market, increase in raw material prices is a challenge within processing





Remaining quotas Havfisk/Wild Catch

	Catch volume Q3/18	Catch volume Q3/17	Catch volume YTD 2018	Catch volume YTD 2017	Remaining quota 2018	Remaining quota 2017
Cod	4 714	7 662	17 805	21 154	6 475	8 470
Haddock*	1 008	2 464	7 995	11 894	2 136	3 586
Saithe	3 908	3 436	12 992	12 862	6 506	2 977
Shrimps	2 703	165	7 307	1 161		
Other	1 950	3 303	8 641	7 313		
Total	14 282	17 029	54 740	54 384	15 117	15 033

*) Quota for Haddock was increased during 2017 and 2018 (redistributed). This number shows status as of Q3



Q3 2018: VAP, Sales and Distribution

- Volatile prices, and start up of new facilities have had a negative impact on profitability in 2018
- Good development with key customers
- EBIT in Q3/18 of NOK 72m compared to NOK 111m in Q3/17



Key Financial figures



Key financial figures – Q3 2018

<i>(NOKm)</i>	Q3 2018	Q3 2017	▲%
Revenue	4 456	4 373	2 %
Other gains and losses	0	0	
EBITDA	820	1 008	-19 %
Depreciation & amortisation	160	146	
EBIT*	660	861	-23 %
Income from associates*	74	80	
Net finance	-44	-42	
Pre-tax profit*	691	899	-23 %
EPS (NOK)*	0,90	1,14	-21 %
Harvested Volume (GWT)	37 227	46 024	-19 %
EBIT*/kg all inclusive, excl Wildcatch (NOK)	16,6	17,4	-4 %
ROCE* (%)	16,5 %	23,9 %	-31 %

* Before biomass adjustment



Key financial figures – YTD 2018

<i>(NOKm)</i>	YTD 2018	YTD 2017	▲%
Revenue	14 498	14 057	3 %
Other gains and losses	35	8	
EBITDA	3 095	3 379	-8 %
Depreciation & amortisation	474	439	
EBIT*	2 620	2 939	-11 %
Income from associates*	228	242	
Net finance	-120	-149	
Pre-tax profit*	2 729	3 033	-10 %
EPS (NOK)*	3,49	3,78	-8 %
Harvested Volume (GWT)	112 625	115 487	-2 %
EBIT* all incl. excl. Wildcatch	20,3	22,8	-11 %
ROCE* (%)	22,2 %	27,5 %	-19 %

* Before biomass adjustment



Balance sheet

<i>(NOKm)</i>	30.09.2018	30.09.2017	▲%
Intangible assets	8 176	8 039	2 %
Tangible fixed assets	6 270	4 745	34 %
Financial non-current assets	970	1 038	-7 %
<i>Total non-current assets</i>	15 416	13 821	12 %
Biological assets at cost	3 984	3 602	11 %
Fair value adjustment of biomass	2 288	1 711	25 %
Other inventory	1 175	893	32 %
Receivables	2 390	2 334	2 %
Cash and cash equivalents	2 515	3 034	-21 %
<i>Total current assets</i>	12 352	11 573	7 %
Total assets	27 768	25 394	9 %
Equity	16 742	14 468	16 %
Equity ratio	60,3 %	57,0 %	6 %
NIBD	3 111	2 733	12 %

* Before biomass adjustment



Funding

NOK million	2018	2019	2020	2021	2022	Later	Total
To be paid	150	723	547	1 646	374	1 635	5 075
Total	1 507	723	547	1 646	374	1 635	6 432

	Covenants	Q3 2018
NIBD/EBITDA	<5	0.77
Adj. Equity ratio	>30 %	67.6 %



Cash flow

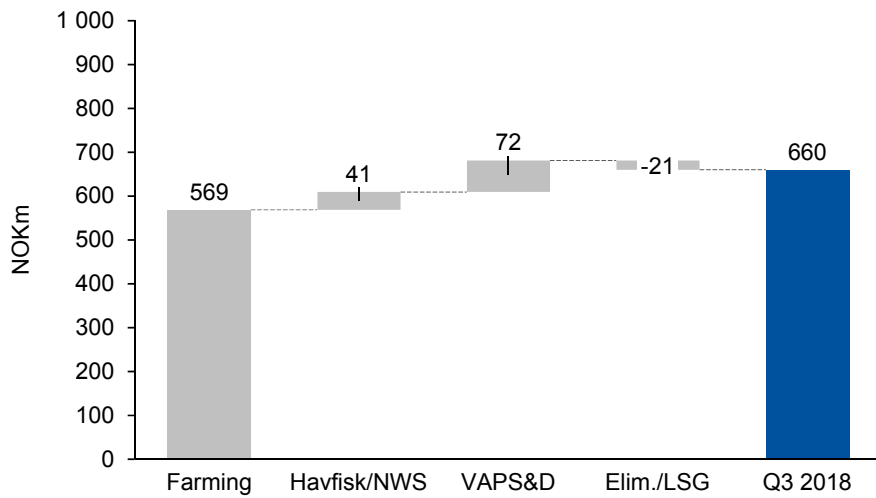
	Q3 2018	Q3 2017	YTD 2018	YTD 2017	FY 2017
EBITDA before fair value adjustment on biological assets	820	1 008	3 095	3 379	4 300
Paid tax	4	-4	-818	-482	-494
Change in working capital	-518	-128	-566	-252	-97
Other	0	0	-36	-8	-21
Cash from operating activities	306	876	1 675	2 637	3 688
Business combinations and redemption of non-controlling interests *	0	0	-127	-1	-6
Net investments in capex and intangibles	-428	-388	-1 650	-950	-1 484
Dividends received	80	27	242	137	164
Other changes in non-current assets	-8	-19	48	-102	-104
Cash from investing activities *	-356	-380	-1 487	-916	-1 430
Net financial cost	-44	-47	-130	-140	-188
New equity	2	0	2	0	0
Dividends distributed	-5	0	-950	-834	-834
Cash from financing activities	-47	-47	-1 077	-974	-1 023
Change in NIBD from business combinations	-1	0	20	0	0
Other changes (incl.currency effects)	-1	7	21	-46	-64
Net cash flow / change in NIBD	-98	456	-849	700	1 171
NIBD at beginning	3 013	3 190	2 262	3 433	3 433
Change in NIBD	98	-456	849	-700	-1 171
NIBD at end	3 111	2 733	3 111	2 733	2 262

* The amount may differ from the corresponding amount in the cash flow statement in the quarterly report, as cash acquired through business combination is not included.

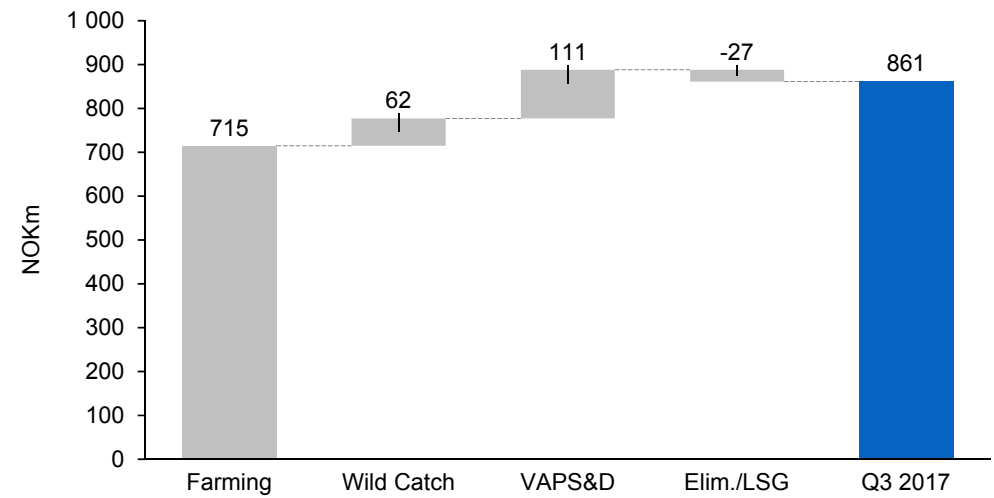


EBIT per segment

EBIT* Q3 2018



EBIT* Q3 2017

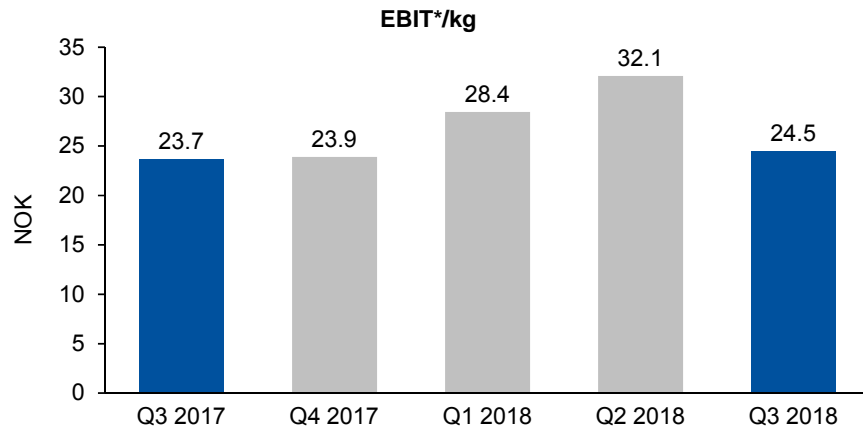


* Before biomass adjustment



Lerøy Aurora

	Q3 2018	Q3 2017	YTD 2018	YTD 2017
Revenue (NOKm)	415	813	1 504	1 790
EBIT* (NOKm)	161	326	635	752
Harvested volume (GWT)	6 577	13 768	22 363	27 799
EBIT/kg* (NOK)	24.5	23.7	28.4	27.1



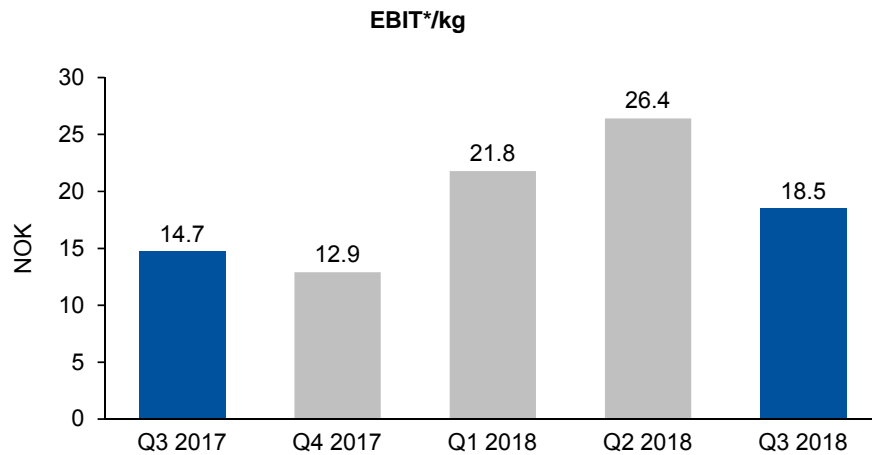
* Before biomass adjustment

- Strong profitability in quarter
- RFS (Release-from-stock) cost remains at low level, albeit some impact from higher industry cost in quarter
- Construction of expansion of RAS-smolt facility according to plan
- As of today, expectations are continued low costs in 2018 and into 2019



Lerøy Midt

	Q3 2018	Q3 2017	YTD 2018	YTD 2017
Revenue (NOKm)	1 099	1 037	2 865	2 781
EBIT* (NOKm)	361	272	1 049	900
Harvested volume (GWT)	19 554	18 485	47 693	45 758
EBIT/kg* (NOK)	18.5	14.7	22.0	19.7



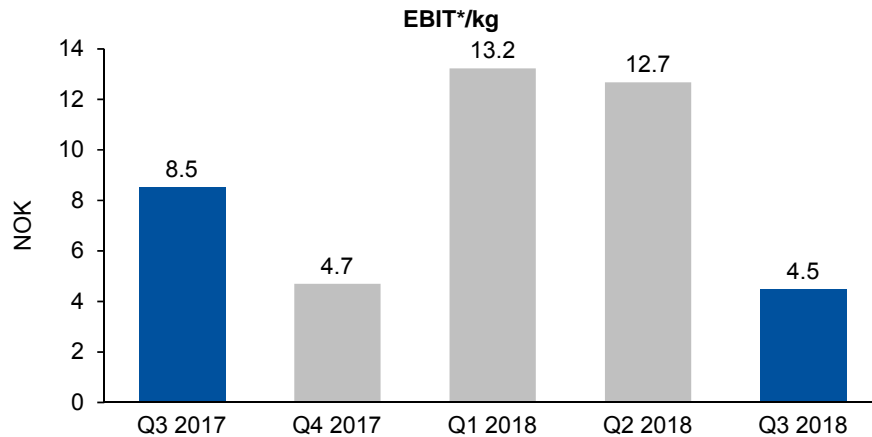
* Before biomass adjustment

- Positive development continues, fifth quarter in a row with decline in RFS cost
- New industry facility in start up
- Potential for further cost reductions into 2019



Lerøy Sjøtroll

	Q3 2018	Q3 2017	YTD 2018	YTD 2017
Revenue (NOKm)	571	779	2 405	2 578
EBIT* (NOKm)	50	118	458	722
Harvested volume (GWT)	11 096	13 771	42 569	41 930
EBIT/kg* (NOK)	4.5	8.5	10.8	17.2



* Before biomass adjustment

- Weak profitability on back- of final harvesting of the V17G, which was high cost
- ~50% of quarterly harvest volume trout. Price achievement for the Group NOK 7/kg lower for trout than for salmon
- New smolt facility progressing according to plan. First release of smolt from new facility in 2019. Significant potential for both volume and costs
- Positive development in biology. Cost down q-o-q, but expectations for significant cost reduction from Q4/18



Wild Catch (Havfisk/LNWS)

	Q3 2018	Q3 2017	YTD 2018	YTD 2017
EBITDA (NOKm)	74	91	432	392
EBIT (NOKm)	41	62	335	307

Havfisk, catch volume	Q3 2018	Q3 2017	YTD 2018	YTD 2017
Cod	4 714	7 662	17 805	21 154
Haddock	1 008	2 464	7 995	11 894
Saithe	3 908	3 436	12 992	12 862
Shrimps	2 703	165	7 307	1 161
Other	1 950	3 303	8 641	7 313
Total	14 282	17 029	54 740	54 384

Havfisk, prices	Q3 2018	Q3 2017	YTD 2018	2017
Cod	31.2	25.5	30.6	26.7
Haddock	24.2	17.5	23.5	18.9
Saithe	10.7	11.2	11.2	11.6

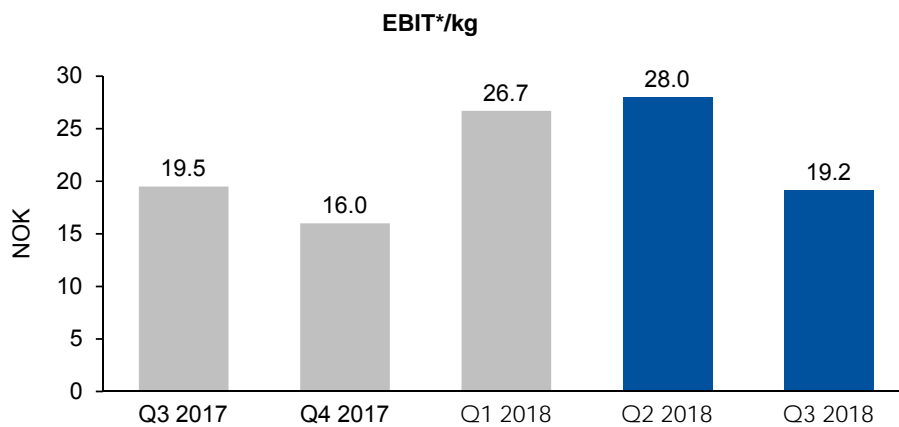
- Lower quotas on cod and haddock, and positive development in demand, gives lift in prices for cod and haddock
- Investments in fleet gives capacity for more shrimp catches
- Development of the white fish processing industry in Norway is challenging. Several initiatives are initiated. The solution is higher efficiency in operations, and broader market reach
- The solution will require time, and investments. Lerøy is expecting stability in framework conditions to make necessary steps possible for a turn-around of this industry in Norway



Norskott Havbruk (associate, 50% owned by LSG)**

	Q3 2018	Q3 2017	YTD 2018	YTD 2017
Revenue (NOKm)	547	632	1 545	1 603
EBIT* (NOKm)	156	184	503	554
Harvested volume (GWT)	8 088	9 429	20 813	23 784
EBIT/kg* (NOK)	19.2	19.5	24.2	23.3

- Satisfactory result, with good biological performance in all regions
- Good harvest size in quarter, but some increase in costs q-o-q on higher cost in Shetland region
- New RAS facility being built with first eggs in Q4 2018 and first release of smolt in 2019
- Potential for sustainable, organic growth in coming years



* Before biomass adjustment
 ** Figures based on 100% basis

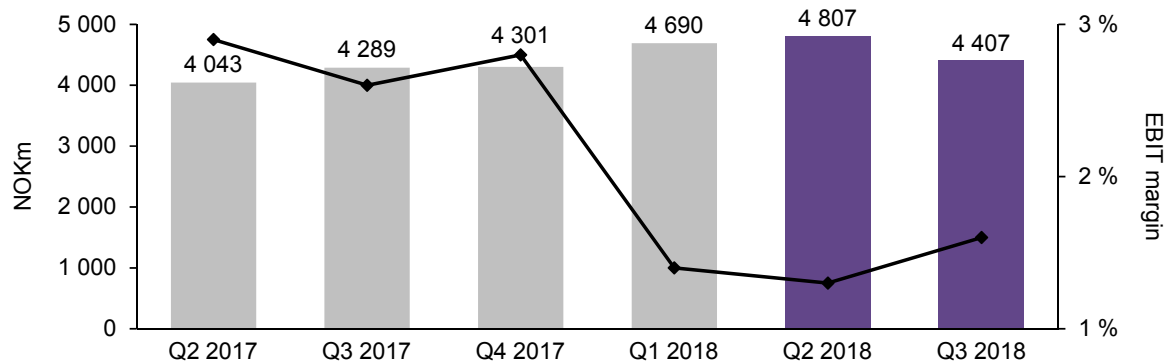


VAP&D – VAP, Sales and Distribution

	Q3 2018	Q3 2017	YTD 2018	YTD 2017
Revenue (NOKm)	4 407	4 289	13 905	13 324
EBIT (NOKm)	72	111	199	313
EBIT margin	1.6 %	2.6 %	1.4 %	2.3 %

- Volatile prices has been a challenge in 2018
- New facilities in start up in both Netherlands and Spain impact profitability level
- Improvements expected from Q4/18

Revenue and EBIT margin (line graph)



Outlook

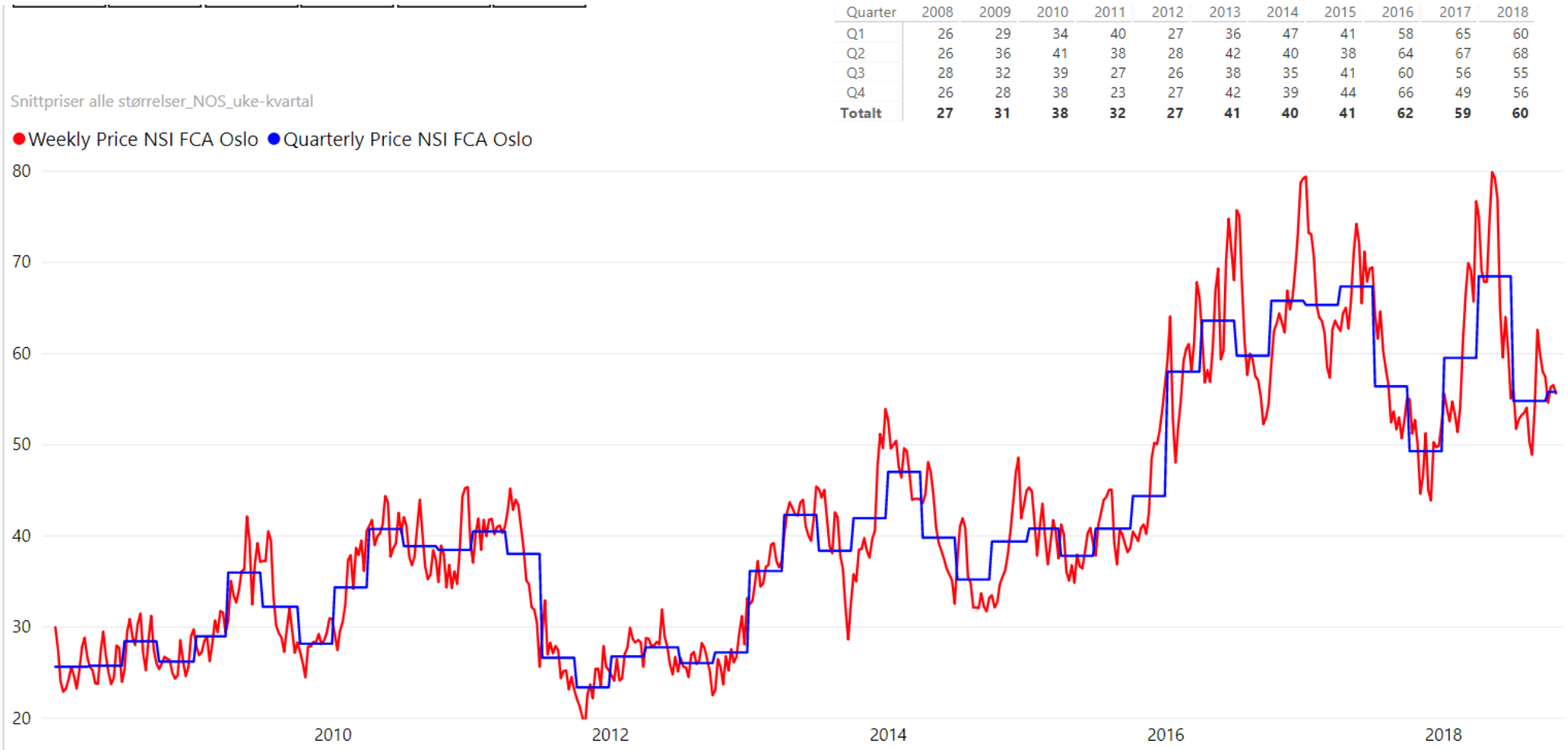
Atlantic salmon – Supply in tons WFE

	2013	Change 12-13	2014	Change 13-14	2015	Change 14-15	2016	Change 15-16	2017	Change 16-17	2018	Change 17-18	2019	Change 18-19
Norway	1,143,600	-3.3 %	1,199,000	4.8 %	1,234,200	2.9 %	1,171,100	-5.1 %	1,207,800	3.1 %	1,262,600	4.5 %	1,319,300	4.5 %
United Kingdom	157,800	-1.0 %	170,500	8.0 %	166,300	-2.5 %	157,400	-5.4 %	177,200	12.6 %	150,600	-15.0 %	176,600	17.3 %
Faroe Islands	72,600	3.3 %	82,700	13.9 %	75,600	-8.6 %	77,300	2.2 %	80,300	3.9 %	71,600	-10.8 %	76,000	6.1 %
Ireland	10,600	-32.1 %	12,300	16.0 %	15,700	27.6 %	15,800	0.6 %	17,000	7.6 %	14,300	-15.9 %	17,000	18.9 %
Iceland	3,350	3.1 %	4,400	31.3 %	3,600	-18.2 %	8,100	125.0 %	11,500	42.0 %	13,600	18.3 %	18,500	36.0 %
Total Europe	1,387,950	-3.1 %	1,468,900	5.8 %	1,495,400	1.8 %	1,429,700	-4.4 %	1,493,800	4.5 %	1,512,700	1.3 %	1,607,400	6.3 %
Chile	468,100	28.6 %	582,900	24.5 %	598,200	2.6 %	504,400	-15.7 %	564,200	11.9 %	652,500	15.7 %	663,700	1.7 %
Canada	115,100	-15.7 %	95,000	-17.5 %	135,200	42.3 %	146,000	8.0 %	139,000	-4.8 %	146,000	5.0 %	152,000	4.1 %
USA	20,300	3.6 %	24,000	18.2 %	20,200	-15.8 %	22,500	11.4 %	21,700	-3.6 %	18,500	-14.7 %	17,500	-5.4 %
Australia	39,000	-2.5 %	42,000	7.7 %	54,400	29.5 %	50,900	-6.4 %	61,800	21.4 %	60,700	-1.8 %	61,800	1.8 %
Others	11,200	38.3 %	15,200	35.7 %	13,700	-9.9 %	12,500	-8.8 %	12,800	2.4 %	14,900	16.4 %	20,500	37.6 %
Total Others	653,700	15.0 %	759,100	16.1 %	821,700	8.2 %	736,300	-10.4 %	799,500	8.6 %	892,600	11.6 %	915,500	2.6 %
Total World-wide	2,041,650	2.1 %	2,228,000	9.1 %	2,317,100	4.0 %	2,166,000	-6.5 %	2,293,300	5.9 %	2,405,300	4.9 %	2,522,900	4.9 %

Figures as per 30.10.2018

Source: Kontali

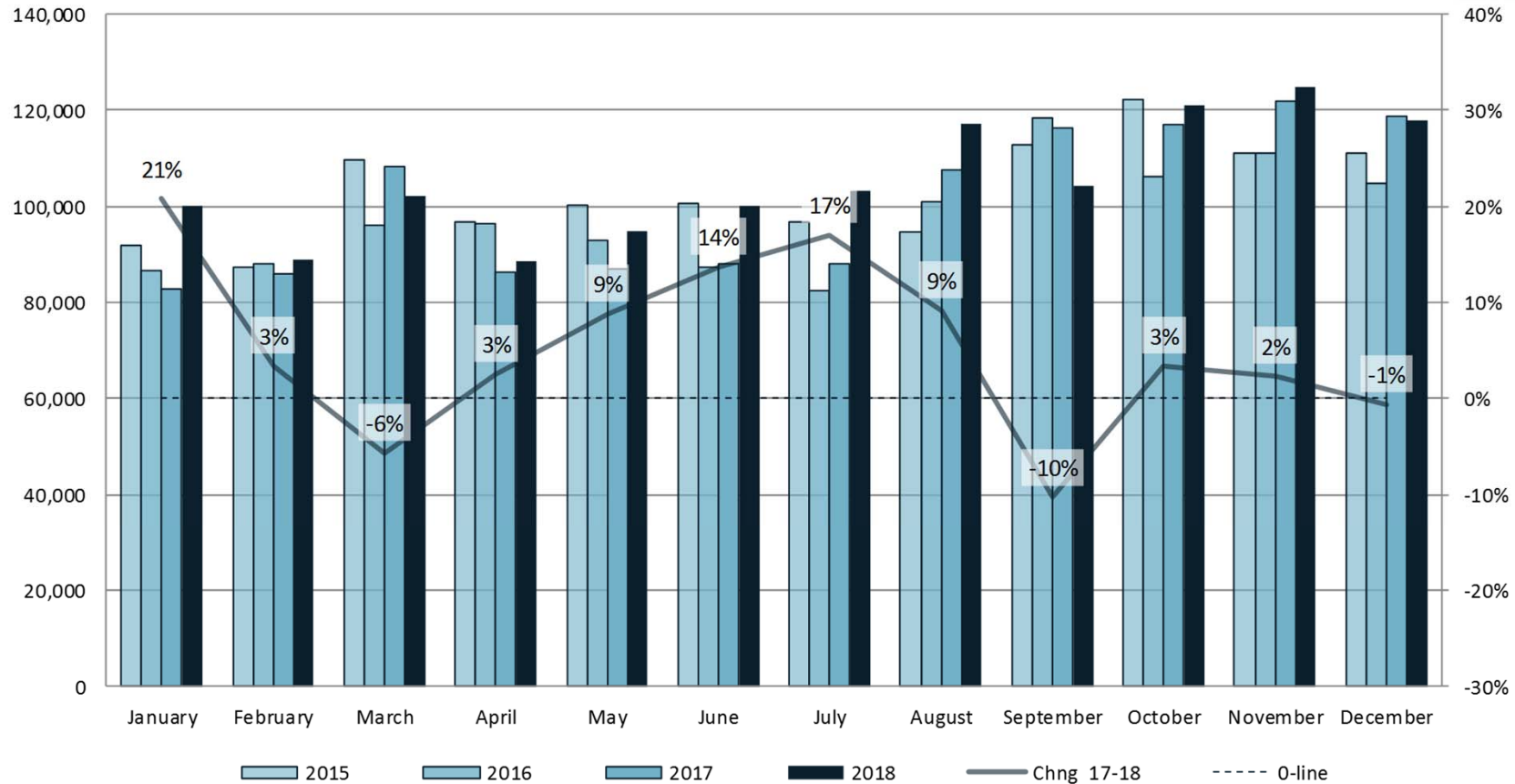
SPOT prices, fresh Atlantic salmon
cross-section, FCA Oslo
as of week 42-2018 (Superior quality).



Atlantic salmon - Harvest Quantities Norway in tons WFE

Harvest qty, YTD Sept:
1 019 800 +5,4% (967 100)

2018



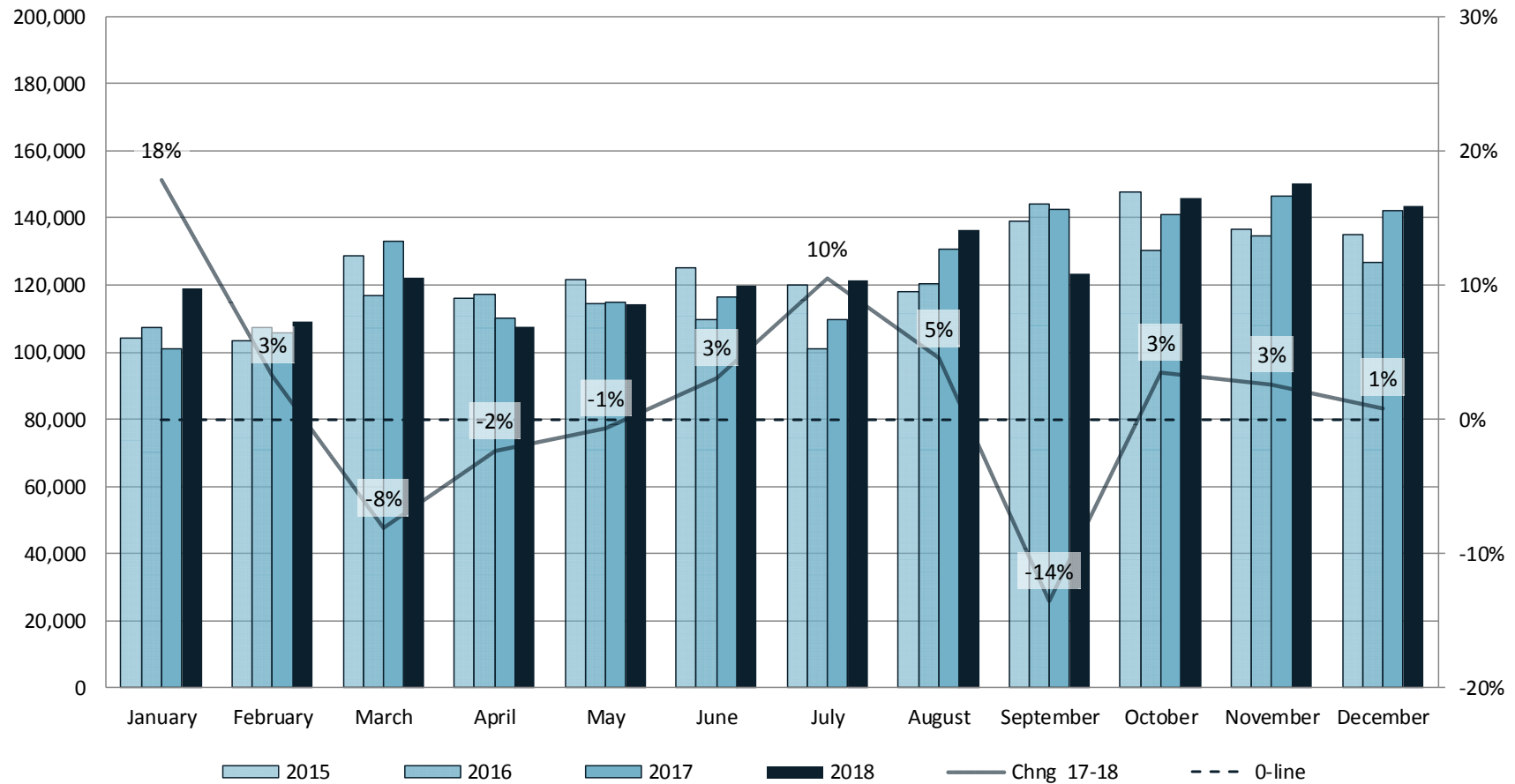
Figures as per 30.10.2018

Source: Kontali

Atlantic salmon - Harvest Quantities Europe in tons WFE

Harvest qty, YTD Oct:
1 218 900 +1,2% (1 205 000)

2018

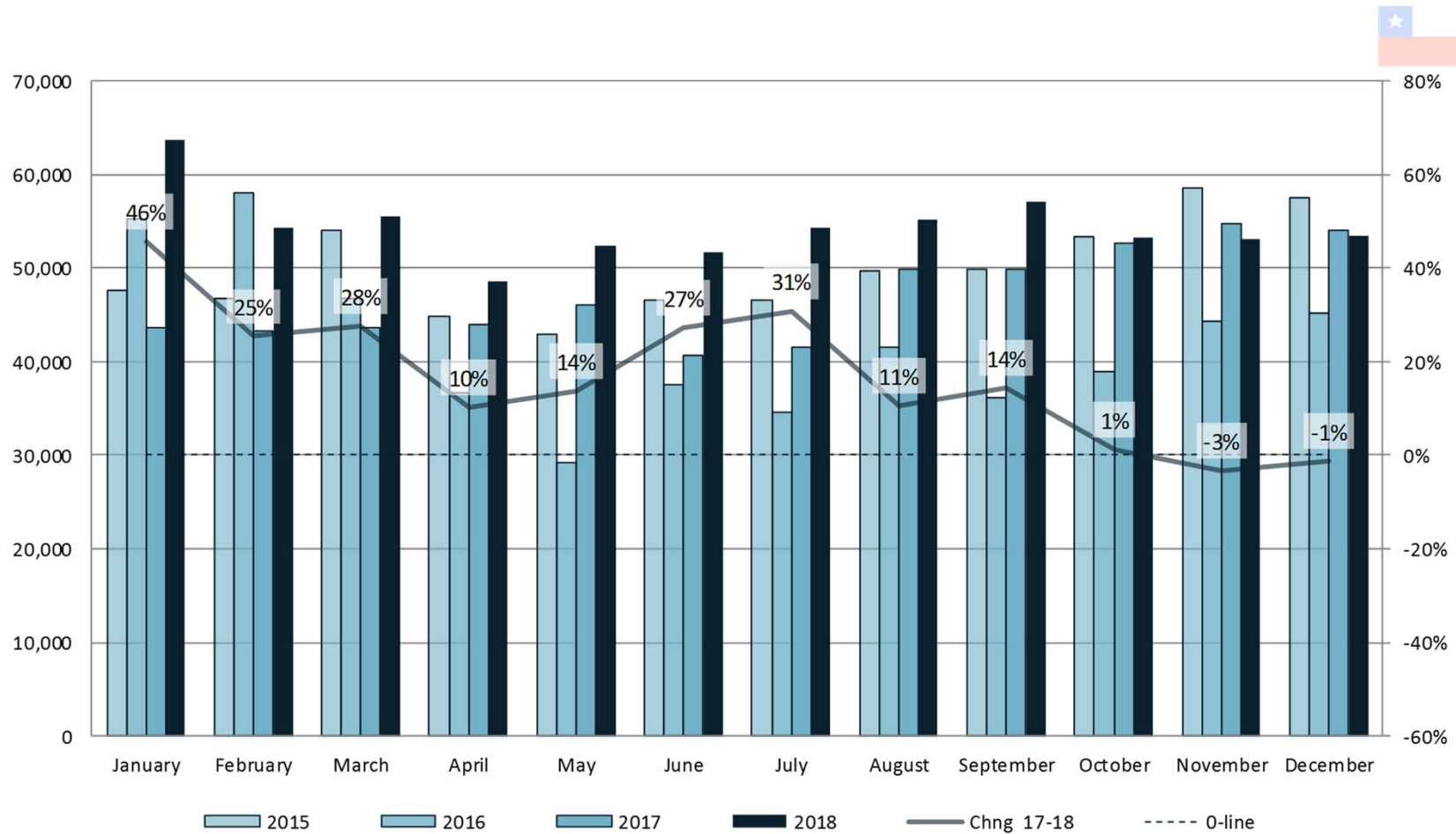


Figures as per 30.10.2018

Source: Kontali

Atlantic salmon - Harvest Quantities Chile in tons WFE

Harvest qty, YTD Sept: 2018
546 100 +19,9% (455 300)



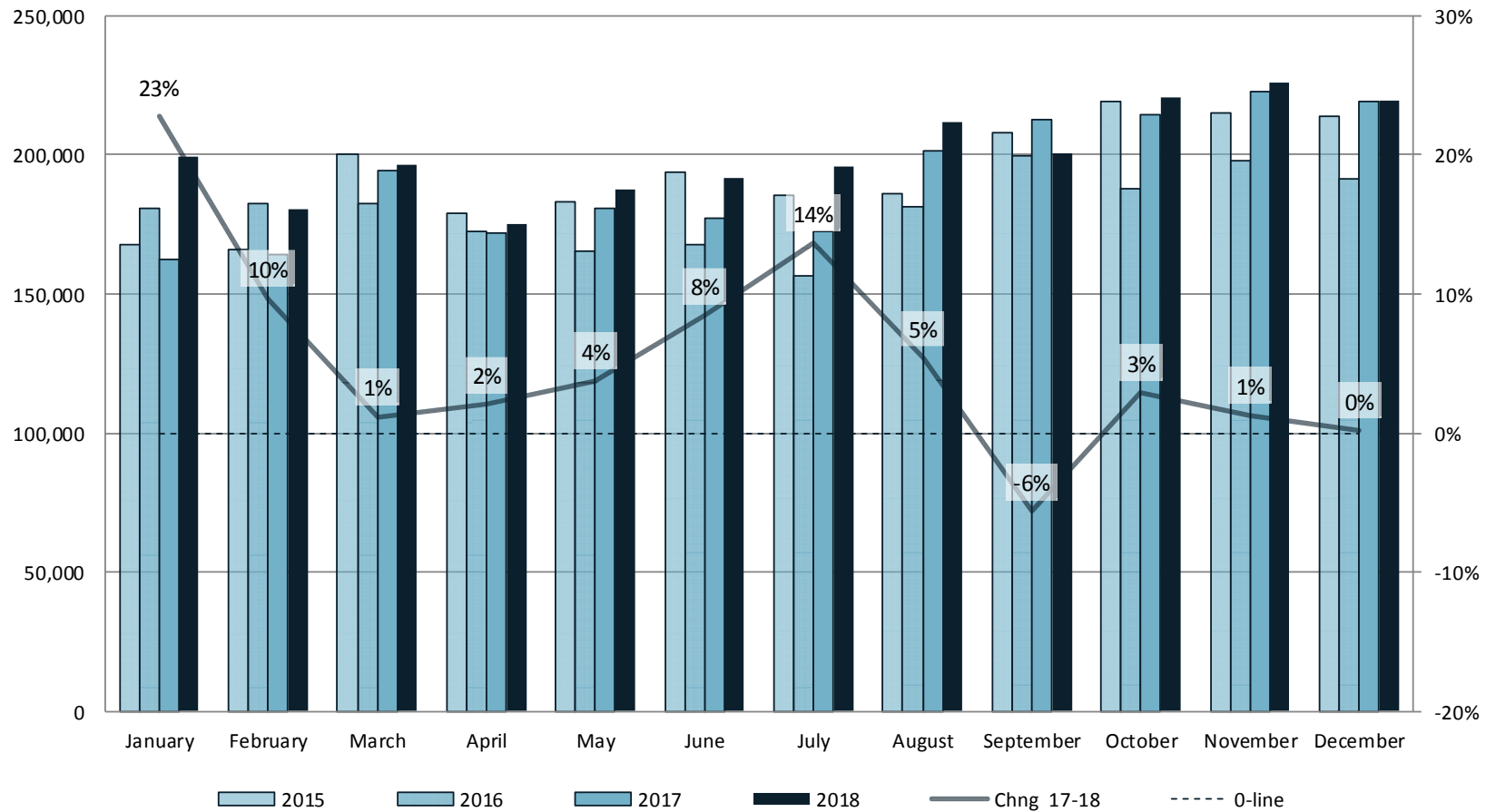
Figures as per 30.10.2018

Source: Kontali

Atlantic salmon - Harvest Quantities WW in tons WFE

Harvest qty, YTD Oct:
1 959 900 +5,9% (1 851 100)

2018



Figures as per 30.10.2018

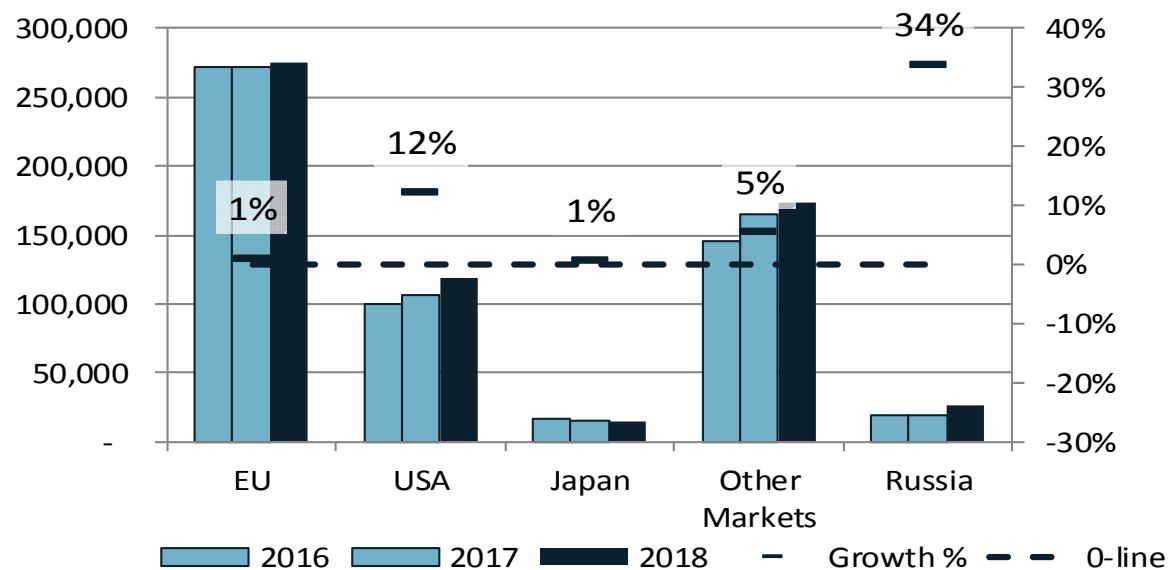
Source: Kontali

Atlantic Salmon Consumption Q3

NOK/KG (NSI 3-6) Q3:
55,36 -3,0 % (57,10)

Salmon

Market	2016	2017	2018	Growth	Growth %
EU	272,400	272,400	275,200	2,800	1%
USA	99,400	106,300	119,300	13,000	12%
Japan	16,200	14,800	14,900	100	1%
Other Markets	145,900	164,800	173,700	8,900	5%
Russia	19,500	19,800	26,500	6,700	34%
Total Consumption	553,400	578,100	609,600	31,500	5%



Figures as per 30.10.2018

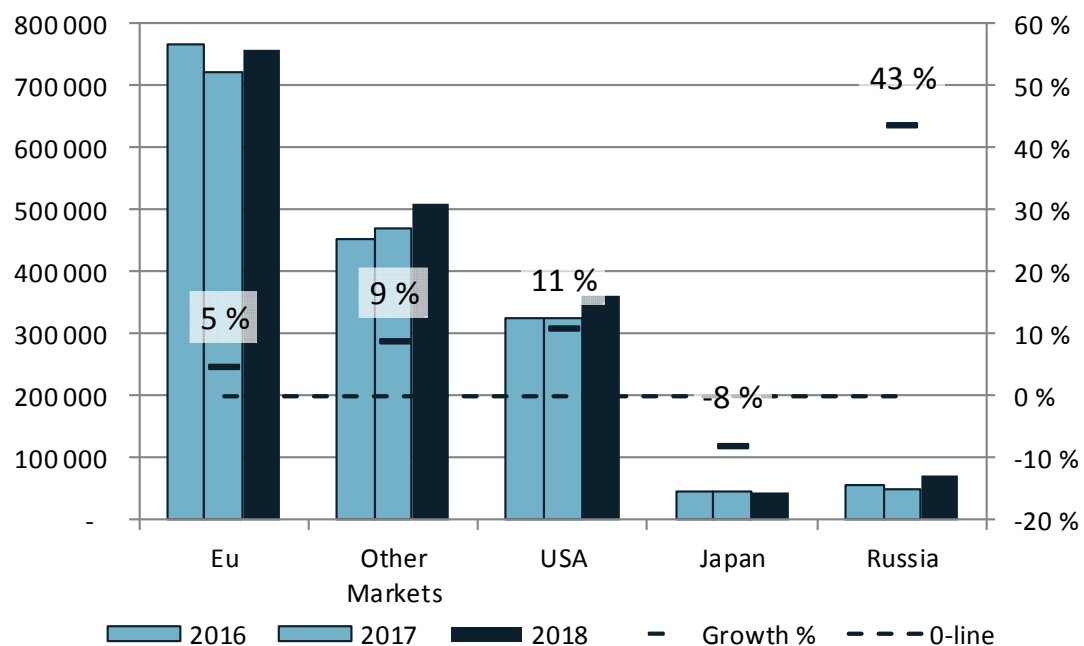
Source: Lerøy/Nasdaq

Atlantic Salmon Consumption

YTD September

NOK/KG (NSI 3-6) YTD w38:
62,22 -3,1 % (64,48)

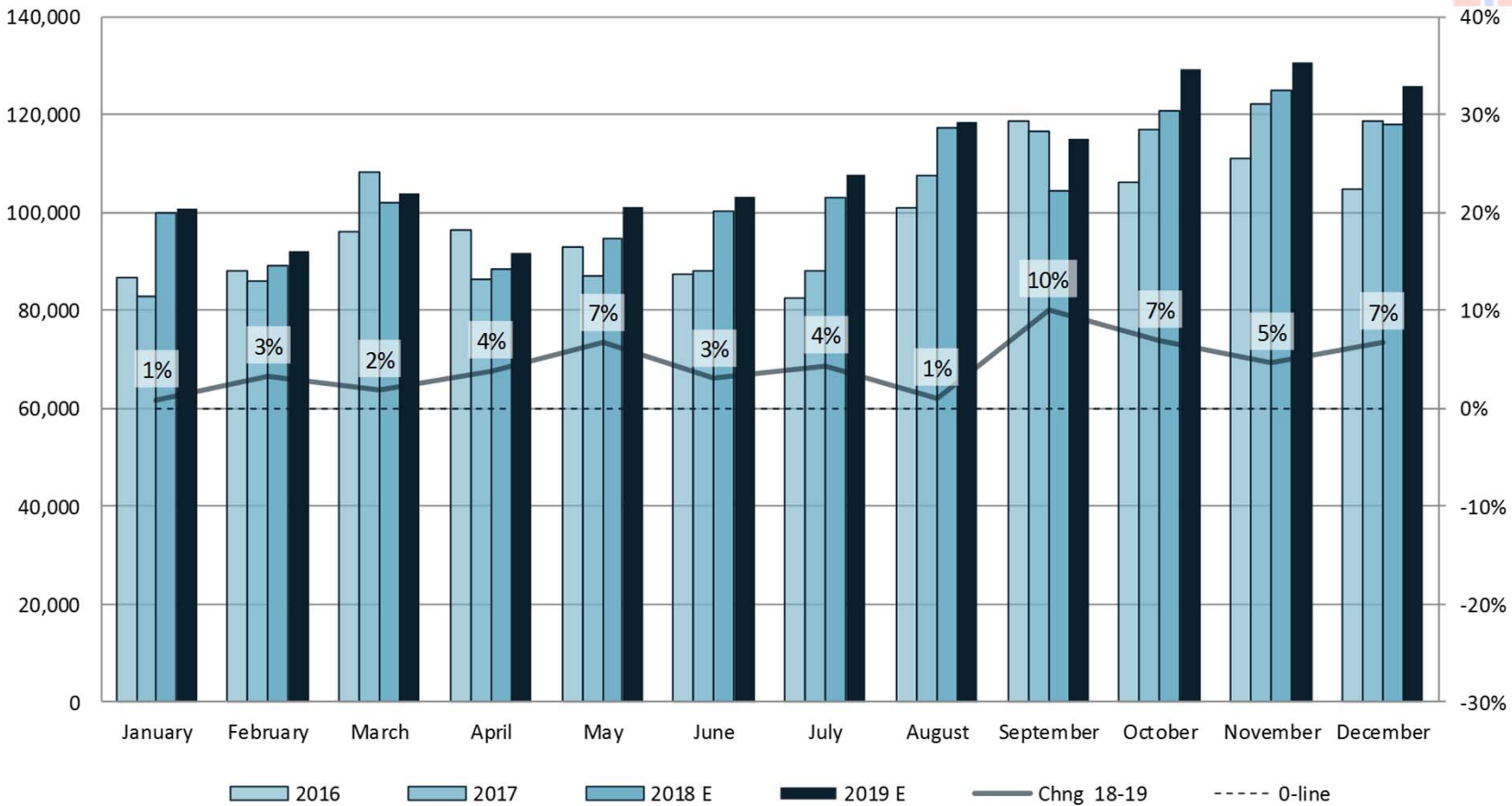
Market - Salmon	2016	2017	2018	Grow th	Grow th %
Eu	767 900	723 700	758 000	34 300	5 %
Other Markets	452 600	470 200	511 500	41 300	9 %
USA	324 600	326 400	362 100	35 700	11 %
Japan	46 500	46 400	42 700	-3 700	-8 %
Russia	54 900	50 600	72 600	22 000	43 %
Total Consumption	1 646 500	1 617 300	1 746 900	129 600	8 %



Figures as per 30.10.2018

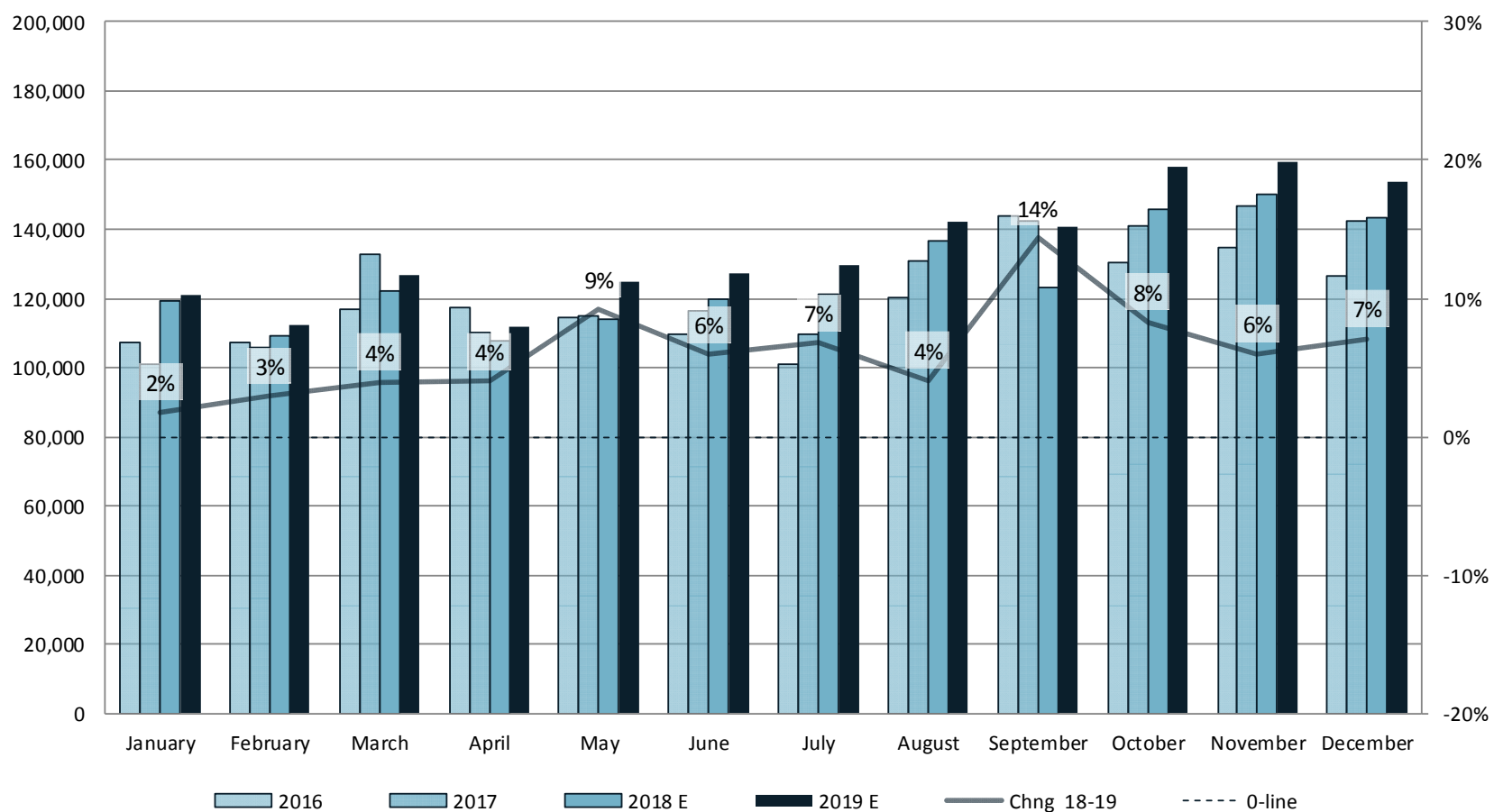
Source: Lerøy/Nasdaq

Atlantic salmon - Harvest Quantities Norway in tons WFE



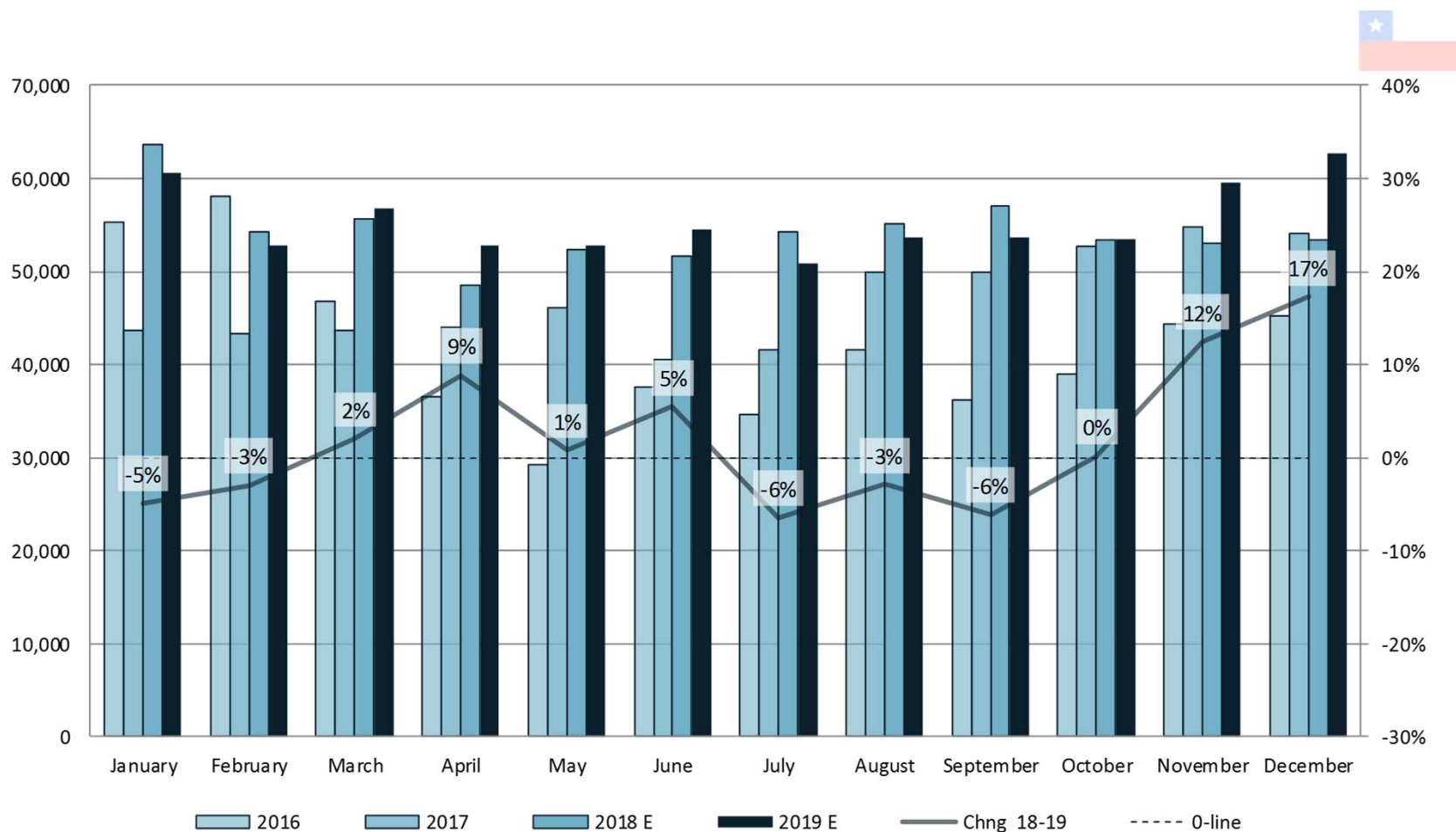
Figures as per 30.10.2018
Source: Kontali

Atlantic salmon - Harvest Quantities Europe in tons WFE



Figures as per 30.10.2018
Source: Kontali

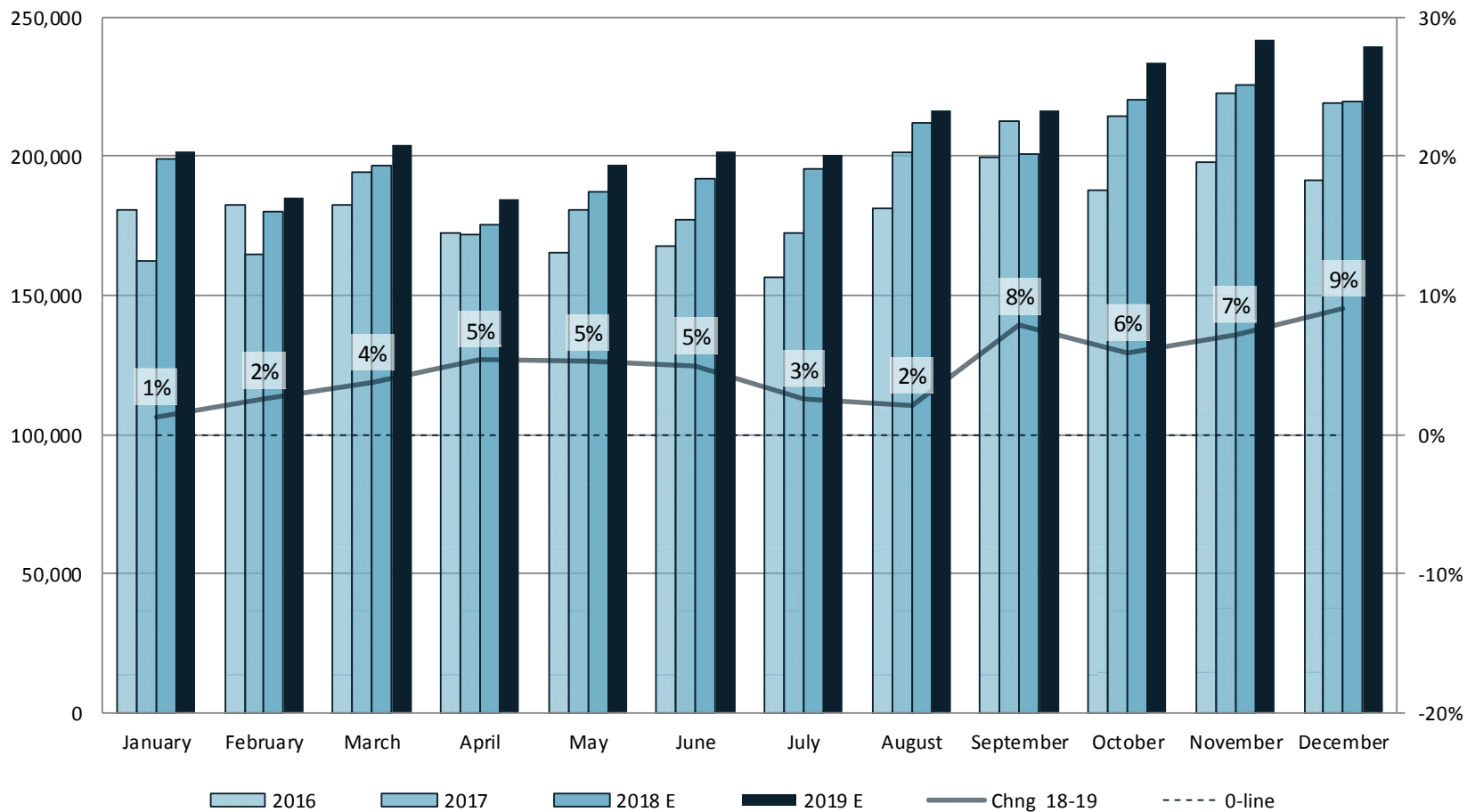
Atlantic salmon - Harvest Quantities Chile in tons WFE



Figures as per 30.10.2018

Source: Kontali

Atlantic salmon - Harvest Quantities WW in tons WFE



Figures as per 30.10.2018
Source: Kontali

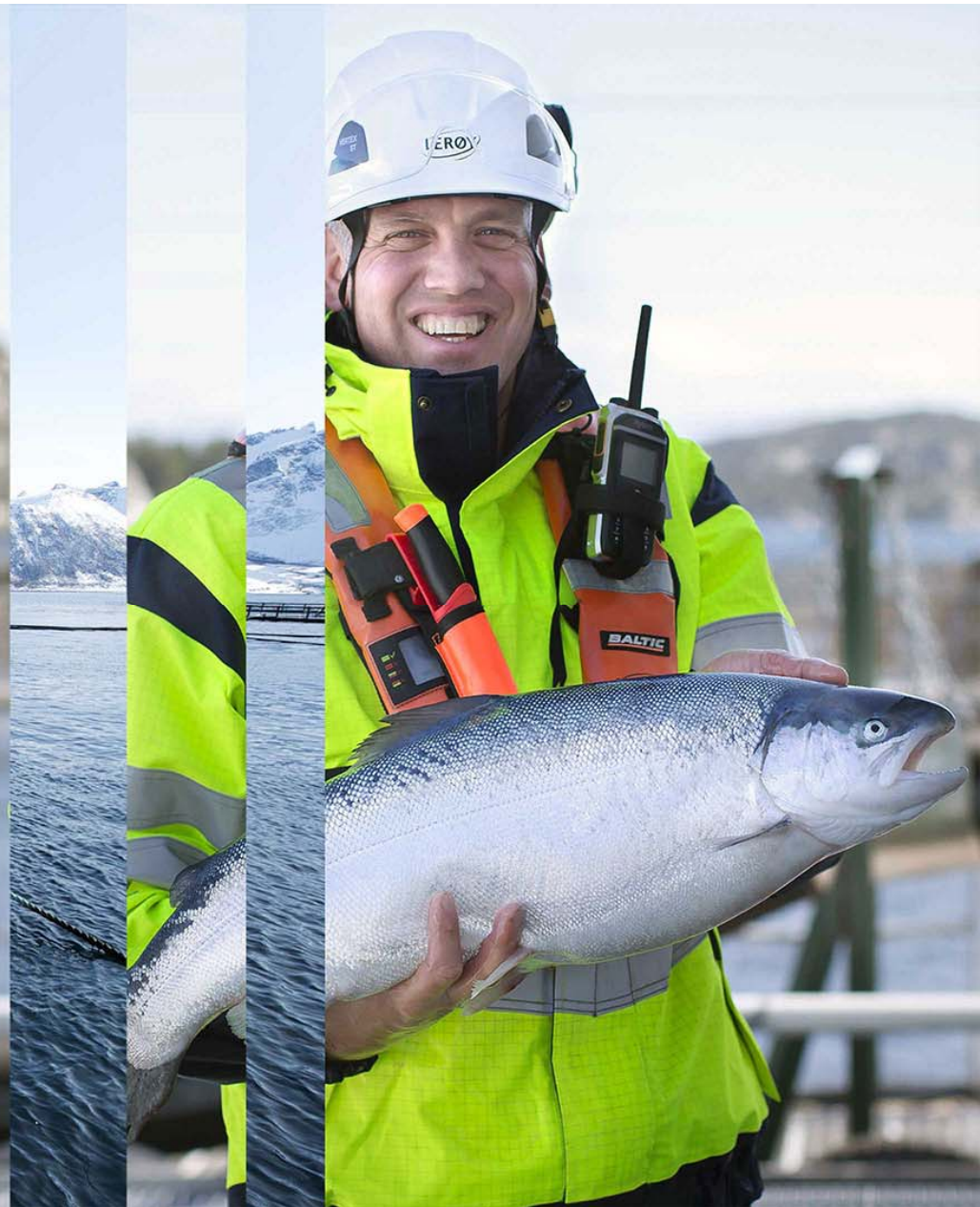


Outlook

- Demand for seafood remains strong, outlook remains positive
- Harvest guidance for salmon and trout including associates 179.000 GWT for 2018, and 190.000 GWT for 2019
- Expected contract share for salmon and trout in Q4/18 ~20%
- Significant potential in whitefish.
 - Expected catch volume around 65,000 tonnes in 2018
 - 2019 Quota set for cod down 6.5%, and haddock down 15%, Greenland halibut unchanged, and redfish up 64%
 - 2019 Quota advice for saithe down 13% north of 62°, and up 21% in the North Sea



LERØY



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