

Lerøy Seafood Group

Quarterly report Second quarter 2006

August 17th 2006

Ole-Eirik Lerøy

President & CEO

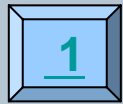
Helge Singelstad

Vice president & vice CEO



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Considerations



Key financial figures Q2 2006



Lerøy at a glance

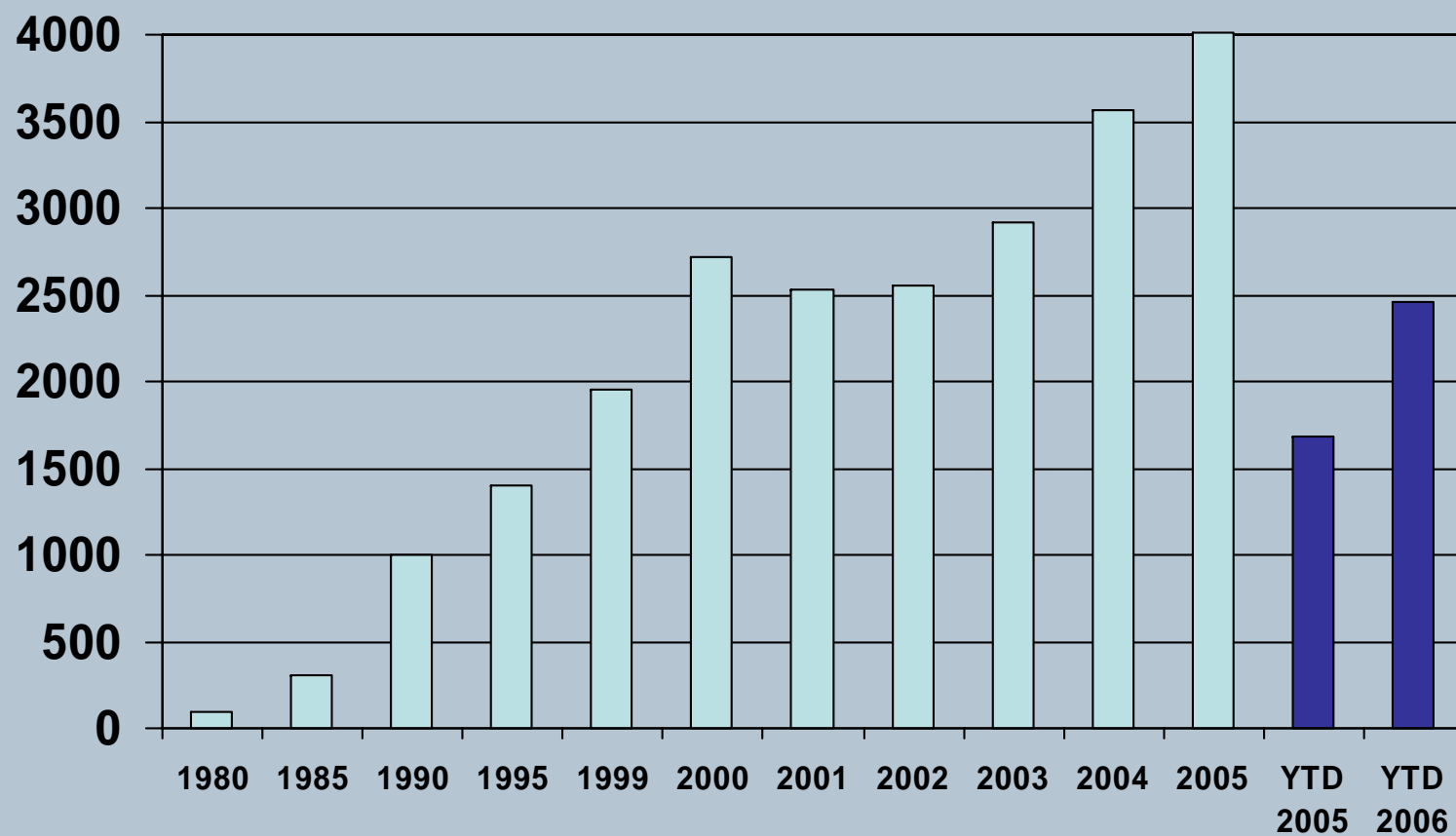


Market glance

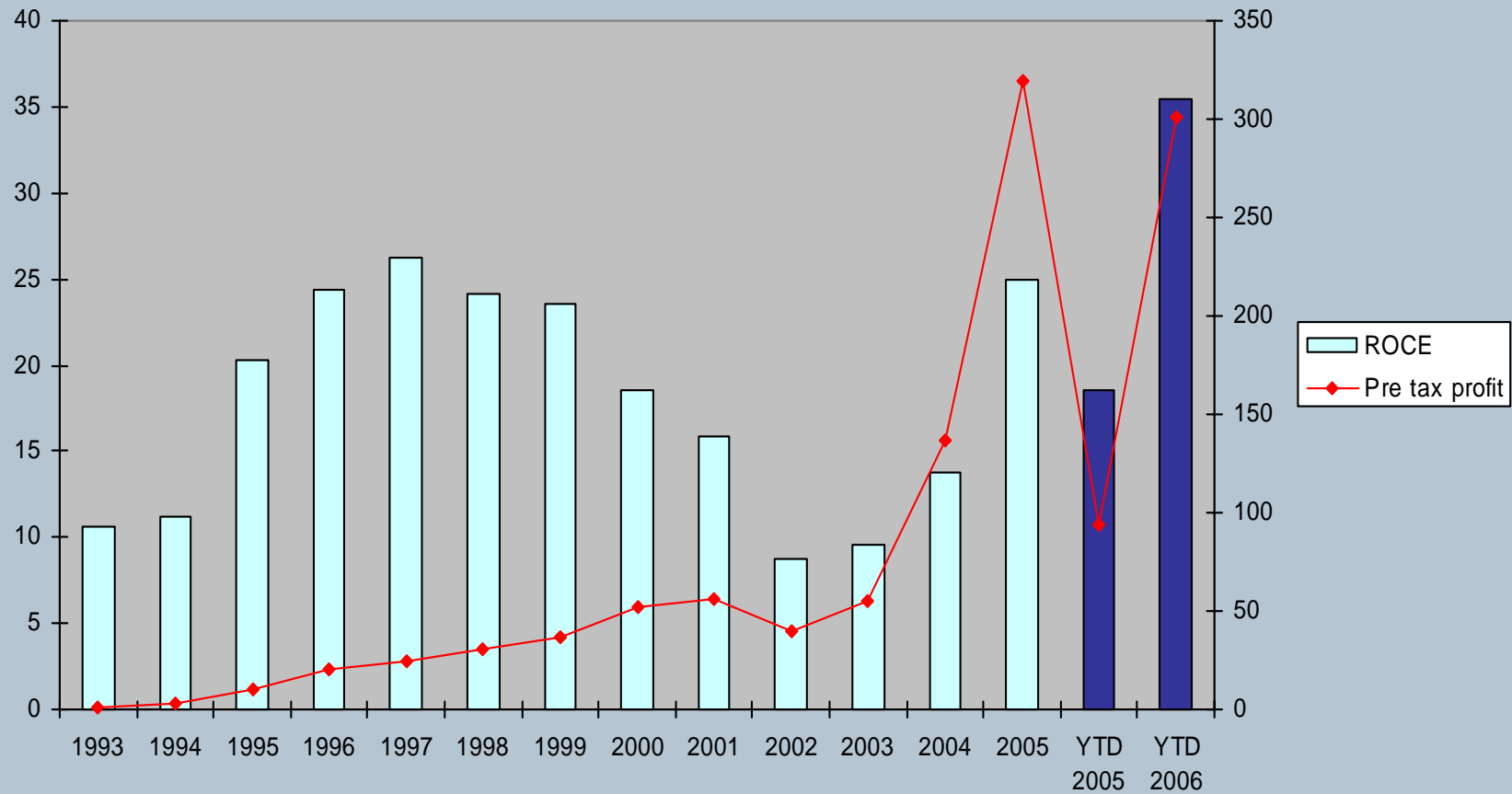


Turnover LSG

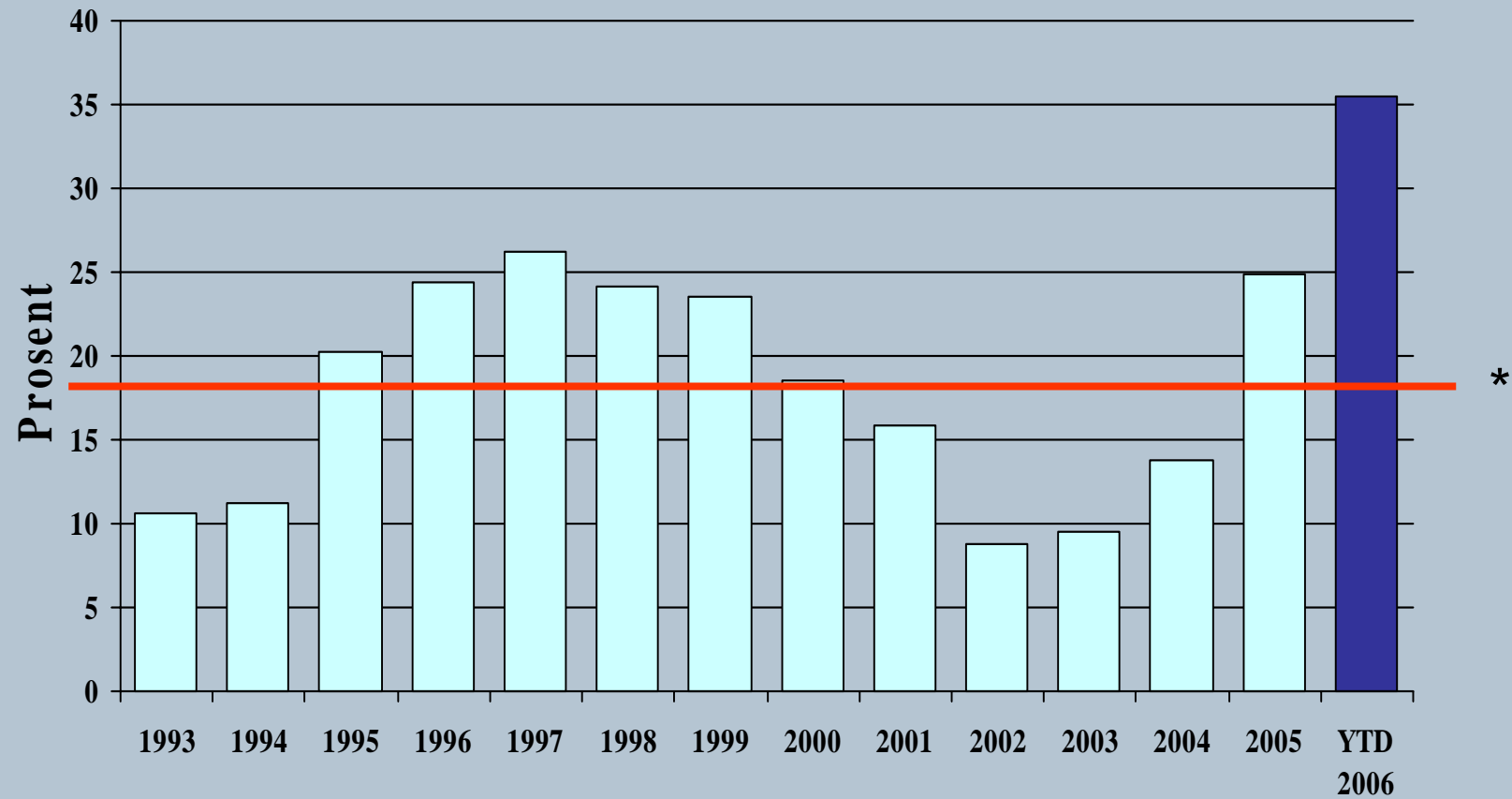
Mill. NOK



ROCE (%) and PTP before biomass adjustments



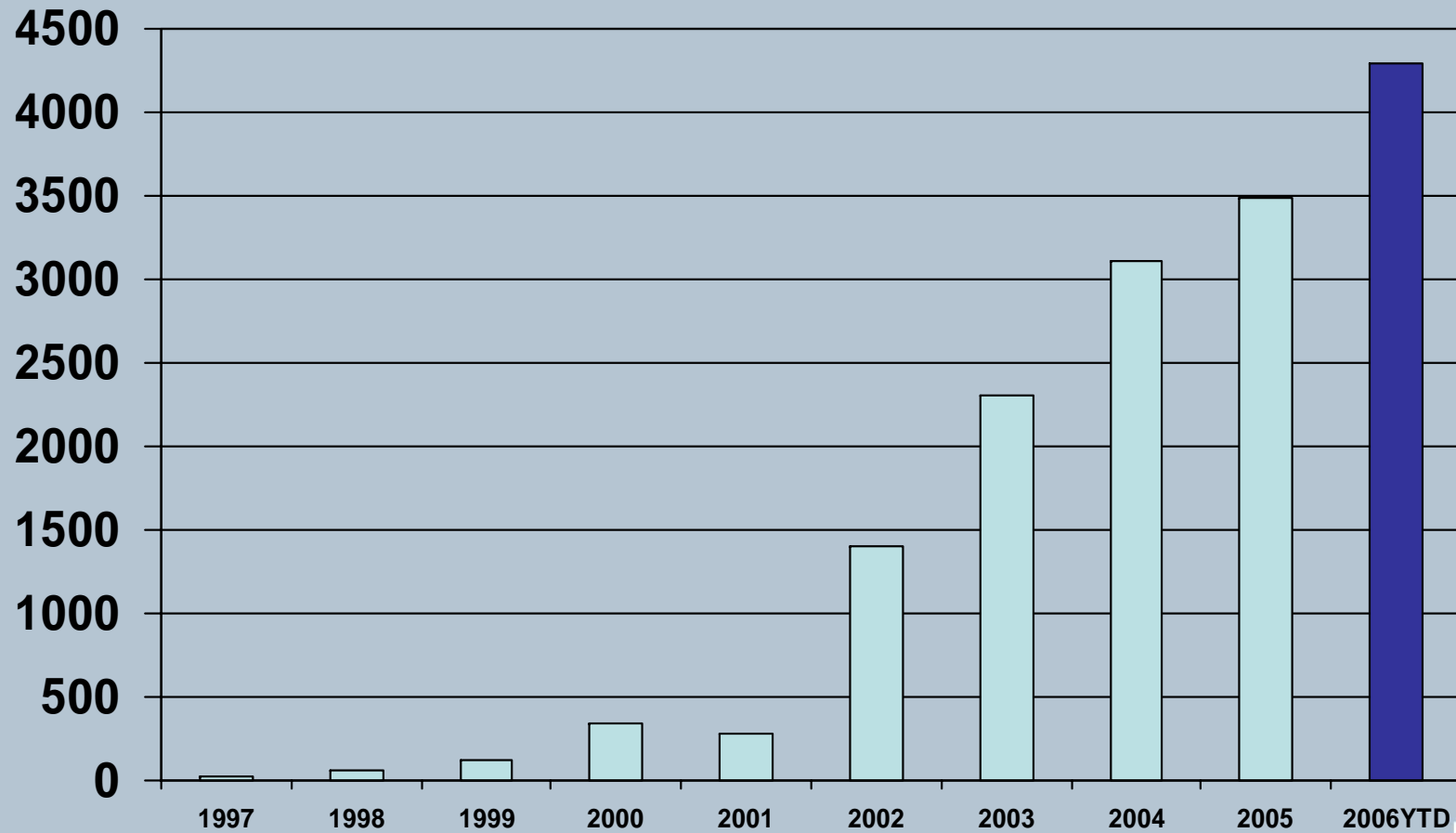
Return on capital employed (ROCE) before biomass adjustments



* Target set before IPO 2002



Number of shareholders



Shareholders 09.08.06

Shareholder	No. of shares	Ownership share
Profond AS*	6 788 040	15,87 %
Skagen Vekst	1 786 500	4,18 %
MP Pensjon	1 701 984	3,98 %
Pareto Aksje Norge	1 662 800	3,89 %
Ferd AS Invest	1 466 300	3,43 %
Credit Suisse Securities	1 220 700	2,85 %
Odin Norge	1 124 150	2,63 %
Morgen Stanley & Co.	1 012 888	2,37 %
Lime AS*	960 573	2,25 %
J.P. Morgan Bank Luxembourg S.A.	850 187	1,99 %
JPMorgan Chase Bank	764 441	1,79 %
Pareto Aktiv	762 500	1,78 %
Bank of New York	599 503	1,40 %
Odin Norden	586 750	1,37 %
JPMorgan Chase Bank	539 604	1,26 %
Kverva Holding AS	492 826	1,15 %
Meidell AS	483 240	1,13 %
George Harald Lerøy	465 000	1,09 %
Bear Stearns Securities	451 300	1,05 %
KOS Bergen AS	406 640	0,95 %
Total 20 largest share owners	24 125 926	56,40 %
Others	18 651 442	43,60 %
Total shares	42 777 368	100,00 %

*controlled by CEO Ole-Eirik Lerøy

The company has a total of 4.293 shareholders



Internal considerations Q2 2006

All figures in mill NOK

	Q2 - 06	Q2 - 05	Change	YTD 2006	YTD 2005	Change
Turnover	1 342	849	58 %	2 456	1 681	46 %
EBIT bef adj biom	149	37	303 %	270	76	255 %
Operating profit	170	57	198 %	328	105	212 %
Affiliated comp.	34	11	209 %	43	19	126 %
Pre-tax profit	196	65	202 %	359	117	207 %





Internal considerations Q2 2006

Financially Solid

- Well positioned for future organic and strategic growth

4.293 shareholders as of 8 August 2006

- Up from 3.484 shareholders at year end 2005

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

- Satisfactory operation





Internal considerations Q2 2006

- Sales and distribution
 - Acquisitions done in H106
 - Delico AS, Stavanger
 - Haarberg & Larssen AS, Trondheim
 - Fisker'n Maritime Produkter AS, Oslo
- Production
 - Lerøy Fossen AS acquired smolt business
 - Present capacity 1,7 million smolt
 - Extension possibilities



External considerations Q2 2006

Increasing salmon and trout spot prices

- Prices up 40,7 % from Q106, strong market in Q206
- Prices in H106 40,65 % higher than comparable figures in H105
- Prices so far in Q306 significantly higher than prices in H106
- 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 Q2 2006



Lerøy at a glance



Market glance



Resultatregnskap / Income Statement Q2 2006

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

	Q2 - 2006	Q2 - 2005	YTD 2006	YTD 2005	2005
Salgsinntekter / Operating revenue	1 342 152	849 218	2 455 971	1 681 067	4 014 454
Vareforbruk / Cost of goods sold	1 018 055	712 841	1 860 724	1 402 200	3 254 686
Lønnskostnader / Salaries and wages	77 944	45 732	158 983	101 096	245 819
Andre driftskostnader / Other operating costs	77 591	42 995	132 161	80 870	191 625
Ordinære avskrivninger / Ordinary depreciation	19 444	10 214	34 101	20 429	48 214
EBIT før verdij. Biomasse / EBIT bef fair value adjustm biomass	149 118	37 436	270 002	76 472	274 110
Verdijustering biomasse / Fair value adjustment biomass	20 470	19 279	58 412	28 495	69 412
Driftsresultat / Operating profit	169 588	56 715	328 414	104 967	343 522
Inntekt tilknyttede selskaper / Income from affiliated companies	33 875	10 736	42 931	18 776	64 534
Netto finansposter / Net financial items	-6 885	-2 594	-12 598	-6 532	-17 090
Resultat før skattekostnad / Profit before tax	196 578	64 857	358 747	117 211	390 966
Beregnete skatter / Estimated taxation	-46 113	-15 035	-89 121	-27 621	-90 019
Periodens resultat / Profit for the period	150 465	49 822	269 626	89 590	300 947



Balanse / Balance Sheet Q2 2006

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

	Q2 - 2006	Q2 - 2005	2005
Immaterielle eiendeler / Intangible assets	661 031	286 955	443 908
Varige driftsmidler / Tangible fixed assets	442 504	197 021	284 832
Finansielle anleggsmidler / Financial fixed assets	367 662	279 271	325 348
Sum anleggsmidler / Total fixed assets	1 471 197	763 247	1 054 088
Varer / Inventories	750 393	321 948	623 460
Fordringer / Receivables	741 687	447 701	678 627
Betalingsmidler / Cash and equivalents	481 297	311 002	191 157
Sum omløpsmidler / Total current assets	1 973 377	1 080 651	1 493 244
Sum eiendeler / Total assets	3 444 574	1 843 898	2 547 332



Balanse / Balance Sheet Q2 2006

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

	Q2 - 2006	Q2 - 2005	2005
Innskutt egenkapital / Equity contributions	1 269 412	782 886	855 967
Opptjent egenkapital / Earned equity	608 496	201 089	413 274
Minoritetsinteresser / Minority interests	10 031	3 751	6 705
Sum egenkapital / Total equity	1 887 939	987 726	1 275 946
Avsetning for forpliktelser / Accrued liabilities	4 401	2 762	4 191
Langsiktig gjeld / Long-term liabilities	729 732	394 878	612 782
Kortsiktige kreditter / Short-term loans	94 938	118 204	131 082
Annen kortsiktig gjeld / Other short-term liabilities	727 564	340 328	523 331
Sum gjeld / Total liabilities	1 556 635	856 172	1 271 386
Sum egenkapital og gjeld / Total equity and liabilities	3 444 574	1 843 898	2 547 332



Key figures - Lerøy Seafood Group Q2 2006

Nøkkeltall / Key figures	Q2 - 2006	Q2 - 2005	YTD 2006	YTD 2005	2005
Resultatmargin / Profit margin	14,65 %	7,64 %	14,61 %	6,97 %	9,74 %
Driftsmargin / Operating margin	12,64 %	6,68 %	13,37 %	6,24 %	8,56 %
Resultat per aksje / Earnings per share	3,64	1,32	6,55	2,48	8,14
Utvannet resultat per aksje / Diluted earnings per share	3,60	1,31	6,49	2,46	8,08
Avkastning på sysselsatt kapital (annualisert) / ROCE	44,88 %	24,55 %	40,29 %	22,52 %	29,53 %
Egenkapitalandel / Equity ratio	54,81 %	53,57 %	54,81 %	53,57 %	50,09 %
Netto rentebærende gjeld / Net interest bearing debt	124 290	121 006	124 290	121 006	398 470
Kontantstrøm per aksje / Cash-flow per share	3,67	0,48	9,12	2,56	4,13
Utvannet kontantstrøm pr aksje/Dil. cash-flow pr share	3,62	0,48	9,02	2,54	4,11



Lerøy Seafood Group segment information Q2 2006

YTD Q2 2006	Book value	Pre tax profit
Sales and Distribution	314 131	40 955
Affiliates	8 686	581
Total Sales and Distribution	322 817	41 536
Production	1 087 675	295 126
Affiliates	354 397	42 350
Total Production	1 442 072	337 476
Elimination / LSG ASA	123 049	-20 265
Total equity / pre tax profit	1 887 938	358 747



Affiliated companies, LSG-share profit after tax

All figures in mill NOK

	Q2 2006	Q2 2005	YTD 2006	Korr.varer / adj.inventory	YTD 2005	Korr.varer / adj.inventory
Hydrotech-Gruppen AS (39%)	21 265	5 781	23 440	1 619	8 067	913
Egersund Fisk AS (27%)	-1 381	571	486	0	1 440	0
Norskott Havbruk AS (50%)	14 021	3 853	18 424	-2 088	8 920	-6 185
Andre / Others	-30	531	581	0	349	0
Sum / Total	33 875	10 736	42 931	-469	18 776	-5 272



Lerøy Seafood Group Consolidated

Key figures 30 June 2006

Total equity (54,81 %)	1.888 mill NOK
Net interest bearing debt	124 mill NOK
Total intangible assets	661 mill NOK
• Licences smolt / fish farming Norway 436 mill	
• Goodwill / def. tax 225 mill	
Total LSG-shares August 2006	42.777.368



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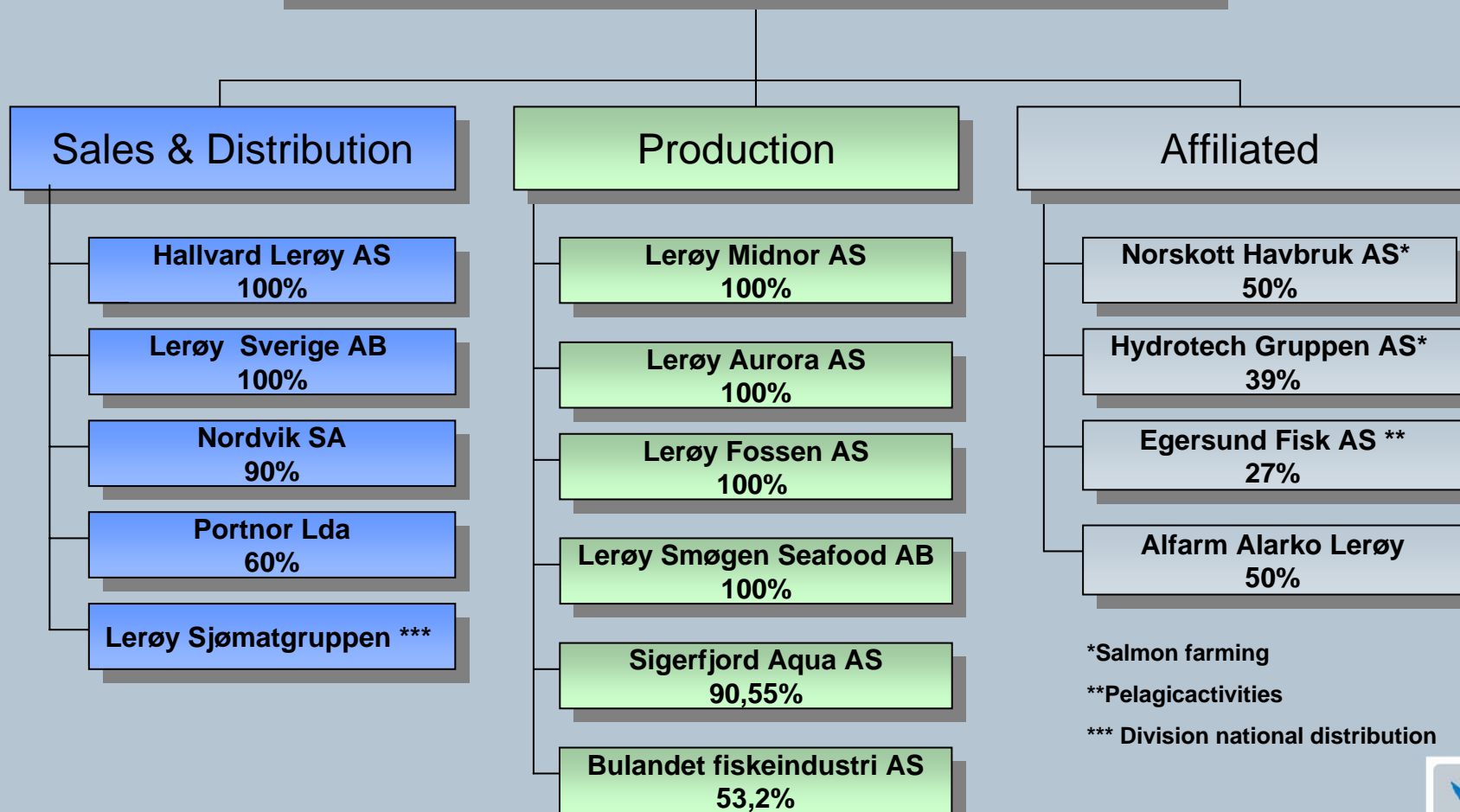
Lerøy at a glance



Market glance



Lerøy Seafood Group ASA



Lerøy Seafood Group

Employees, 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%)
- Lerøy 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 Norway, 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

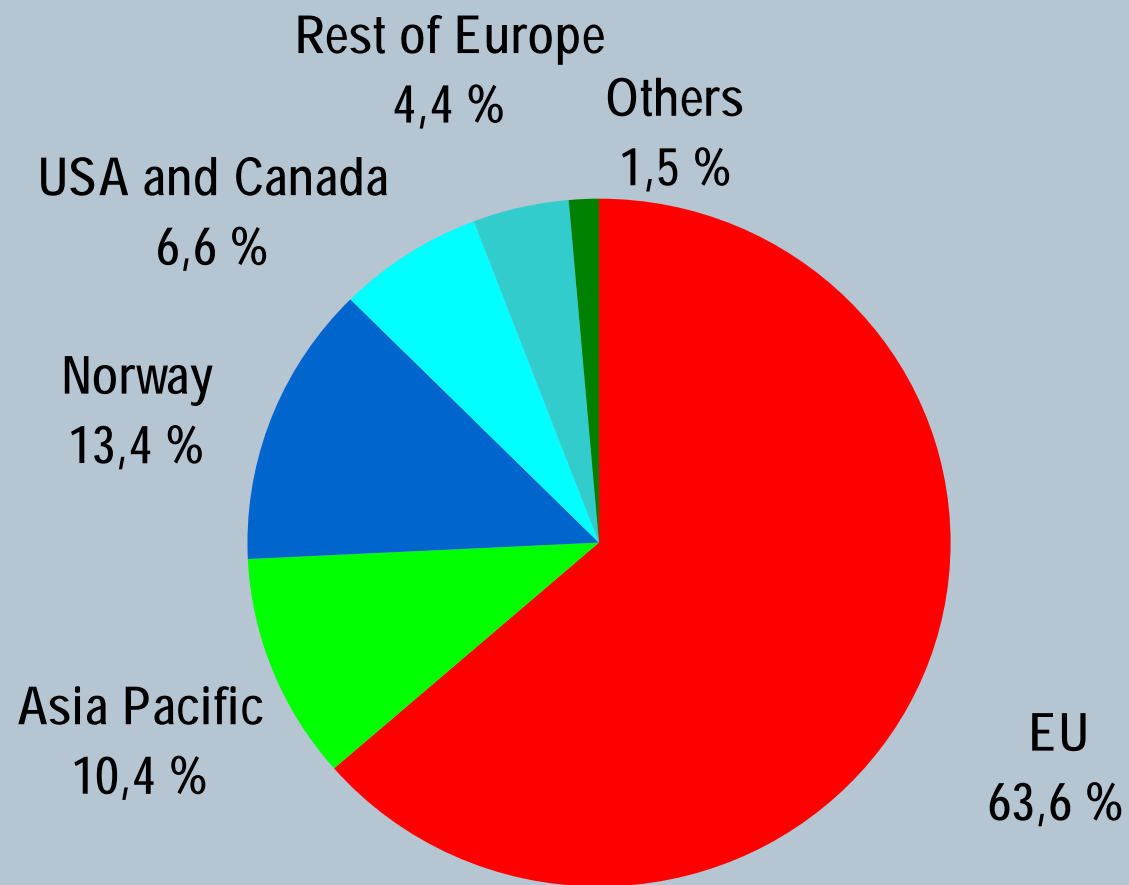
DISTRIBUTION
TURKEY

LERØY
USA

FARMING / PROCESSING
NORWAY



Lerøy Seafood Group - Sales per market Q2 2006



Lerøy Seafood Group - Sales per product Q2 2006



Strannes Røkeri AB

 **Kallrøkt 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

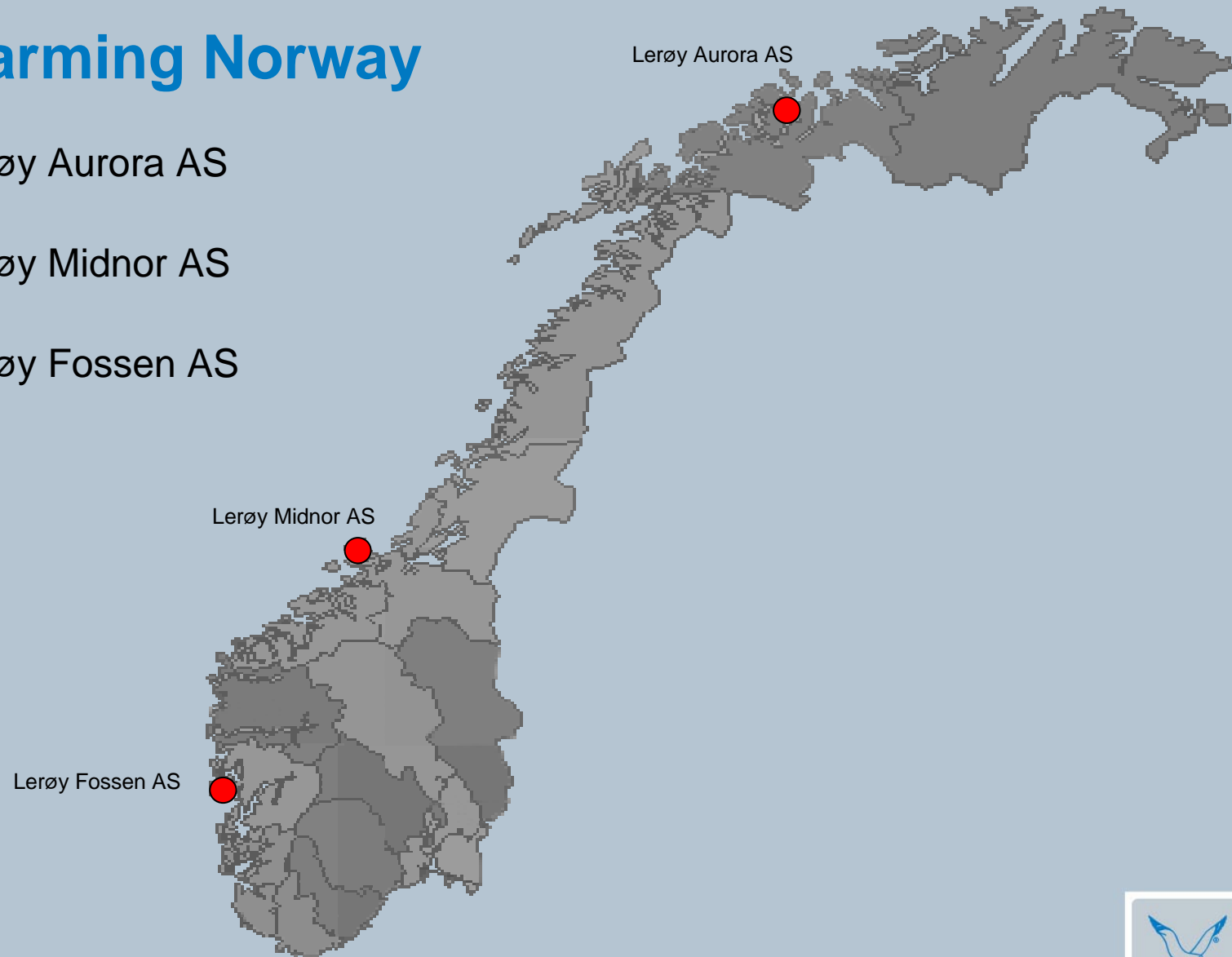


Farming Norway

Lerøy Aurora AS

Lerøy Midnor AS

Lerøy Fossen AS



Lerøy Seafood Group – salmon/trout farming

Company	Ownership share	Licences	Mill. smolt individuals	Volume Total	Volume gwt 2006E LSG share	Volume Total	Volume 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
Lerøy Fossen AS*	100 %	6,7	2,7	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	19,7	59 500	50 400	62 000	52 900
Norskott Havbruk AS (UK)	50 %		6,0	21 000	10 500	25 000	12 500
Total			25,7	80 500	60 900	87 000	65 400

 Consolidated, farming

 Affiliated, farming

*) Consolidated from 1 May 2006



Farming Norway

NOKm	Q2 - 2006	Q2 - 2005*)	YTD 2006	YTD 2005*)	2005*)
Revenues	337	195	682	402	1016
EBITDA	141	44	277	78	274
EBIT bef adj biom	126	31	249	54	223
EBIT	147	50	307	83	293
Pre tax	141	46	296	72	270
Volumes (gwt)	9,1		20,7	15,1	36,0
Balance sheet			30.06.2006	30.06.2005*)	31.12.2005*)
Licences, Goodwill			102	103	96
Tangible fixed assets			318	239	266
Inventories			654	482	603
Other current assets			313	113	180
Total assets			1387	937	1145
Equity			579	223	361
Debt			809	714	784
Total equity and debt			1388	937	1145

*) Proforma figures



Norskott Havbruk

NOKm	Q2 - 2006	Q2 - 2005	YTD 2006	YTD 2005	2005
Revenues	177	162	367	359	775
EBITDA	45	28	79	57	136
EBIT bef adj biom	38	22	67	44	110
EBIT	45	11	61	26	114
Pre tax	41	4	52	13	90
Volumes (gwt)	3,6	4,3	7,8	10,0	20,7
Balance sheet			30.06.2006	30.06.2005	31.12.2005
Licences, Goodwill			388	379	389
Tangible fixed assets			114	100	111
Inventories			343	299	300
Other current assets			93	78	132
Total assets			938	856	932
Equity			370	296	335
Debt			567	560	597
Total equity and debt			937	856	932
Net interest bearing debt			280	363	273



Hydrotech Gruppen AS

NOKm	Q2 - 2006	Q2 - 2005	YTD 2006	YTD 2005	2005
Revenues	147	81	220	143	374
EBITDA	80	25	93	41	118
EBIT bef adj biom	75	20	83	32	99
EBIT	79	24	89	35	102
Pre tax	77	22	85	30	96
Volumes (gwt)	3,5	2,6	5,3	5,0	12,4
Balance sheet			30.06.2006	30.06.2005	31.12.2005
Licences, Goodwill			140	140	140
Tangible fixed assets			156	150	149
Inventories			161	130	142
Other current assets			51	36	48
Total assets			508	456	479
Equity			244	132	183
Debt			264	324	296
Total equity and debt			508	456	479
Net interest bearing debt			145	239	187



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Market glance





Fresh Atlantic Salmon Norway (4-5 kgs)

– price development week 01-1997 – week 32-2006 (FHL/NSL)

NOK / Kg



Figures per 02.08.06

Source: FHL/NSL



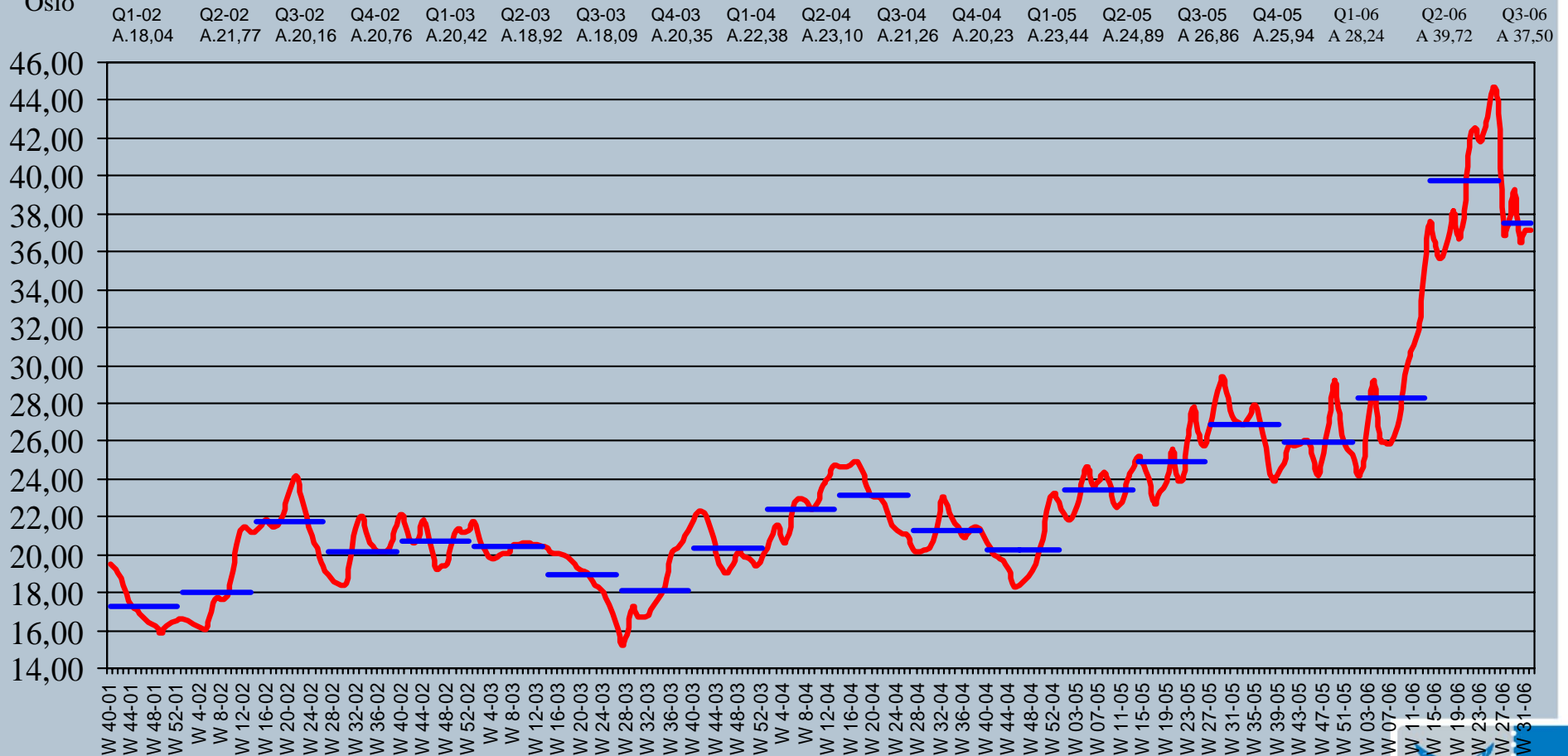
Oslo Salmon export from Norway as of week 32-2006

Fresh atlantic salmon, cross-section, FCA.

Av. H1-05 NOK 24,16
 Av. H1-06 NOK 33,98
 Up by 40,65 %.
 Av. H2-05 NOK 26,40

NOK / kg

Oslo



Figures per 02.08.06

Source: FHL/NSL



Market development for Atlantic Salmon from Norway

Jan-Jun 2005 vs Jan-Jun 2006

	Volume 2005	Volume 2006	Change	Value 2005	Value 2006	Change
EU	179 635	202 191	13 %	4 236 947	6 137 608	45 %
Others	20 098	26 871	34 %	486 197	833 135	71 %
Japan	15 286	13 779	-10 %	378 266	437 274	16 %
Russia	22 330	13 980	-37 %	459 878	405 535	-12 %
USA	4 167	6 034	45 %	140 954	228 717	62 %
In total	241 516	262 855	9 %	5 702 242	8 042 269	41 %

Volume in tons round weight.

Value in thousand NOK.

Figures per 02.08.06.

Source: NSEC



Atlantic salmon – supply

In tonnes WFE

	2004	Change 03-04	2005	Change 04-05	2006 E	Change 05E-06E	2007 E	Change 06E-07E
Norway	537 000	6 %	572 200	7 %	609 100	6 %	620 500	2 %
United Kingdom	149 800	-8 %	119 700	-20 %	128 100	7 %	140 900	10 %
Faroe Islands	36 800	-22 %	17 200	-53 %	9 400	-45 %	14 600	55 %
Ireland	12 400	-33 %	12 400	0 %	14 500	17 %	17 000	17 %
Iceland	6 600	78 %	6 500	-2 %	4 000	-38 %	2 000	-50 %
Total Europe	742 600	0 %	728 000	-2 %	765 100	5 %	795 000	4 %

Chile	346 200	23 %	385 200	11 %	397 800	3 %	458 800	15 %
Canada	89 000	-3 %	107 000	20 %	114 000	7 %	118 000	4 %
Australia	15 200	9 %	16 000	5 %	17 000	6 %	17 500	3 %
USA	13 300	-26 %	9 600	-28 %	10 500	9 %	11 800	12 %
Others	2 400	33 %	2 400	0 %	2 400	0 %	2 400	0 %
Total America	466 100	14,6 %	520 200	12 %	541 700	4 %	608 500	12 %

Total World-wide	1 208 700	5,4 %	1 248 200	3 %	1 306 800	5 %	1 403 500	7 %
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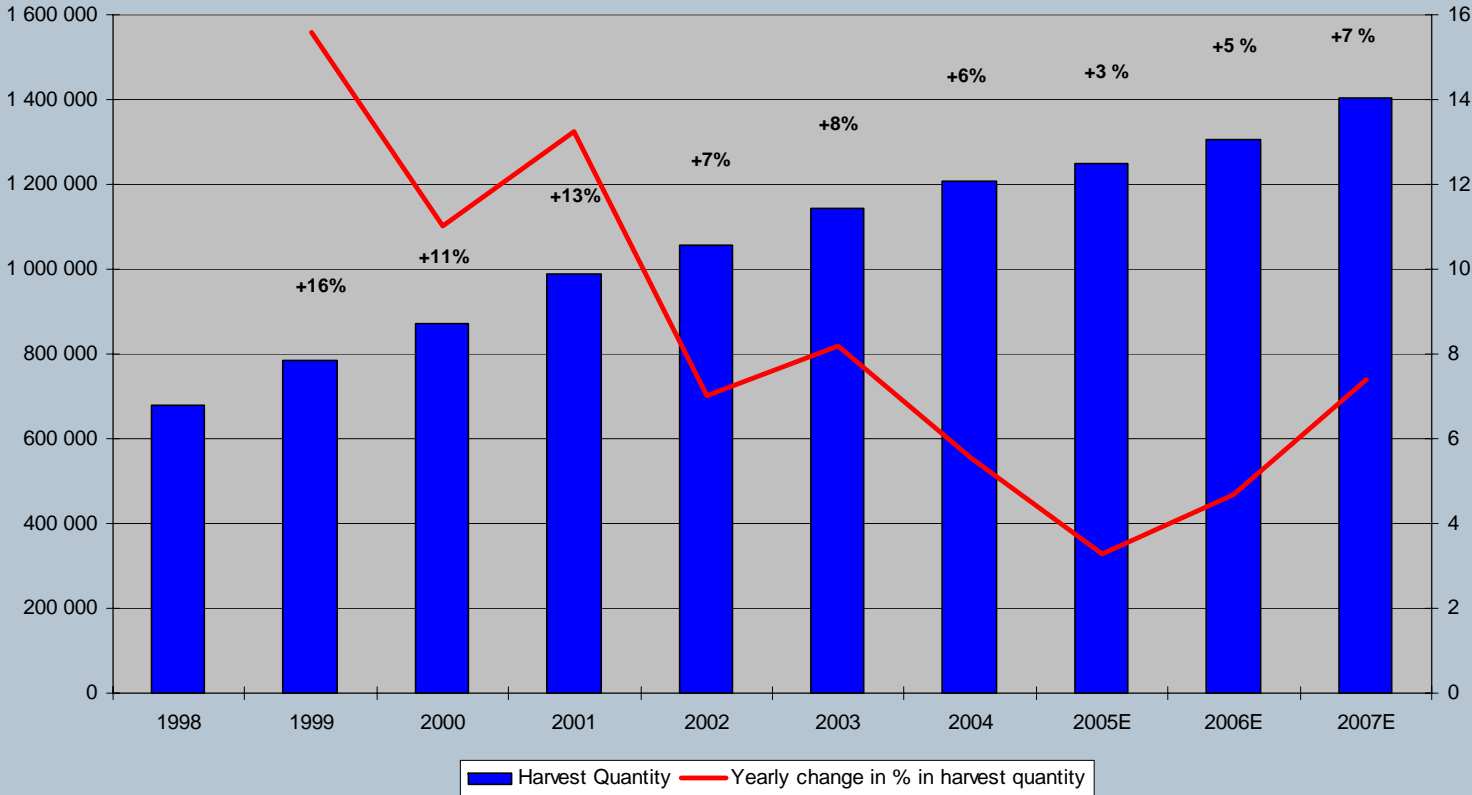
Figures per 02.08.06
Source: Kontali / SSPO / CE / HL



Harvest quantities Atlantic Salmon World Wide

Volumes in tons

Yearly change in %



Figures per 02.08.06
 Source: Kontali / SSPO / CE / HL



Drivers Salmon per 30.06.2006

Norway total export volume of Atlantic Salmon (262.855 mt)	+ 9 %
Norway – EU (volume Atlantic Salmon) (202.191 mt)	+ 13 %
Norway – EU (value Atlantic Salmon) (6.317.608 MNOK)	+ 45 %
Sales of fish-feed in Norway (321.700 mt)	+ 5 %



Thank you



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