



GRIEG SEAFOOD ASA
Q2 2019

AGENDA

- HIGHLIGHTS
- OPERATIONAL REVIEW
- FINANCIAL REVIEW
- OUTLOOK & SUMMARY



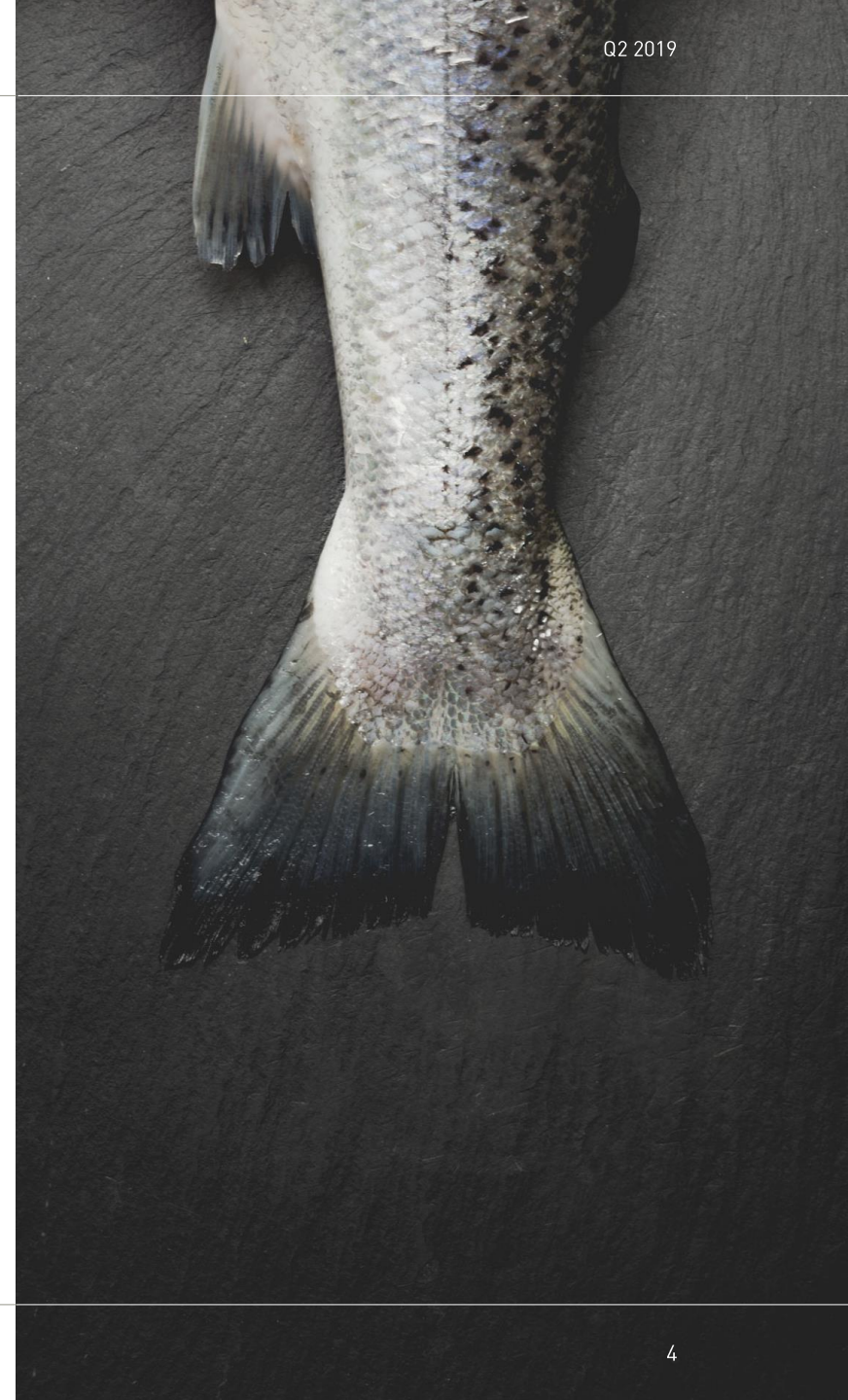


HIGHLIGHTS



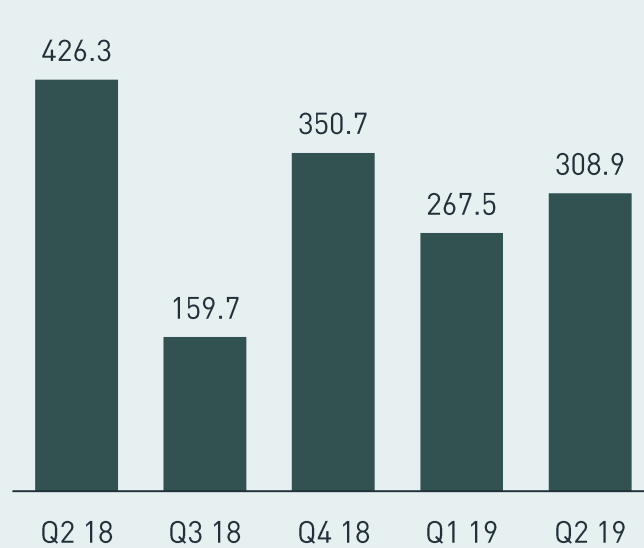
Highlights

- Earnings driven by overall high prices and cost reductions in Rogaland
- Strong biological performance in Norway
- Strategic evaluation of farming area Skye in Shetland initiated
- Biological challenges related to sea lice and algae in British Columbia
- Targeting harvest volume of 82 000 tonnes in 2019 and remaining confident in 2020 production and cost target
- We are committed to our ambition for sustainable salmon farming and long-term value creation

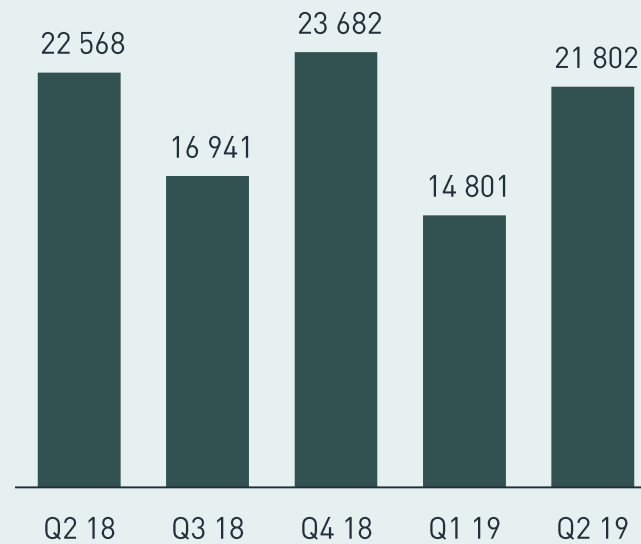


Financial highlights Q2 2019

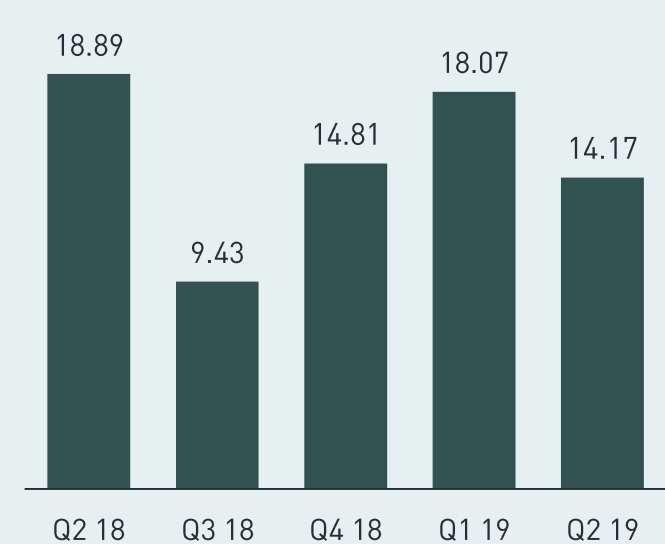
EBIT * (NOK MILLION)



HARVEST VOLUME (TONNES GWT)



EBIT/kg * (NOK)

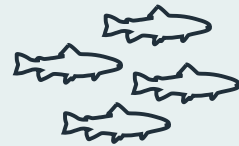


* EBIT before fair value adjustment of biological assets

Our strategic focus areas



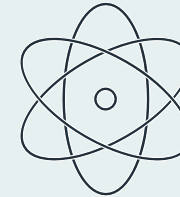
Sustainability



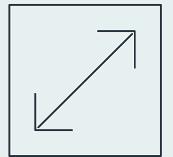
Post-smolt strategy



Digitalization in
salmon farming



Biosecurity and fish
welfare



Expansion
opportunities

Our approach to sustainable business

With our five pillars, we are committed to sustainable and long-term value creation for all our stakeholders.

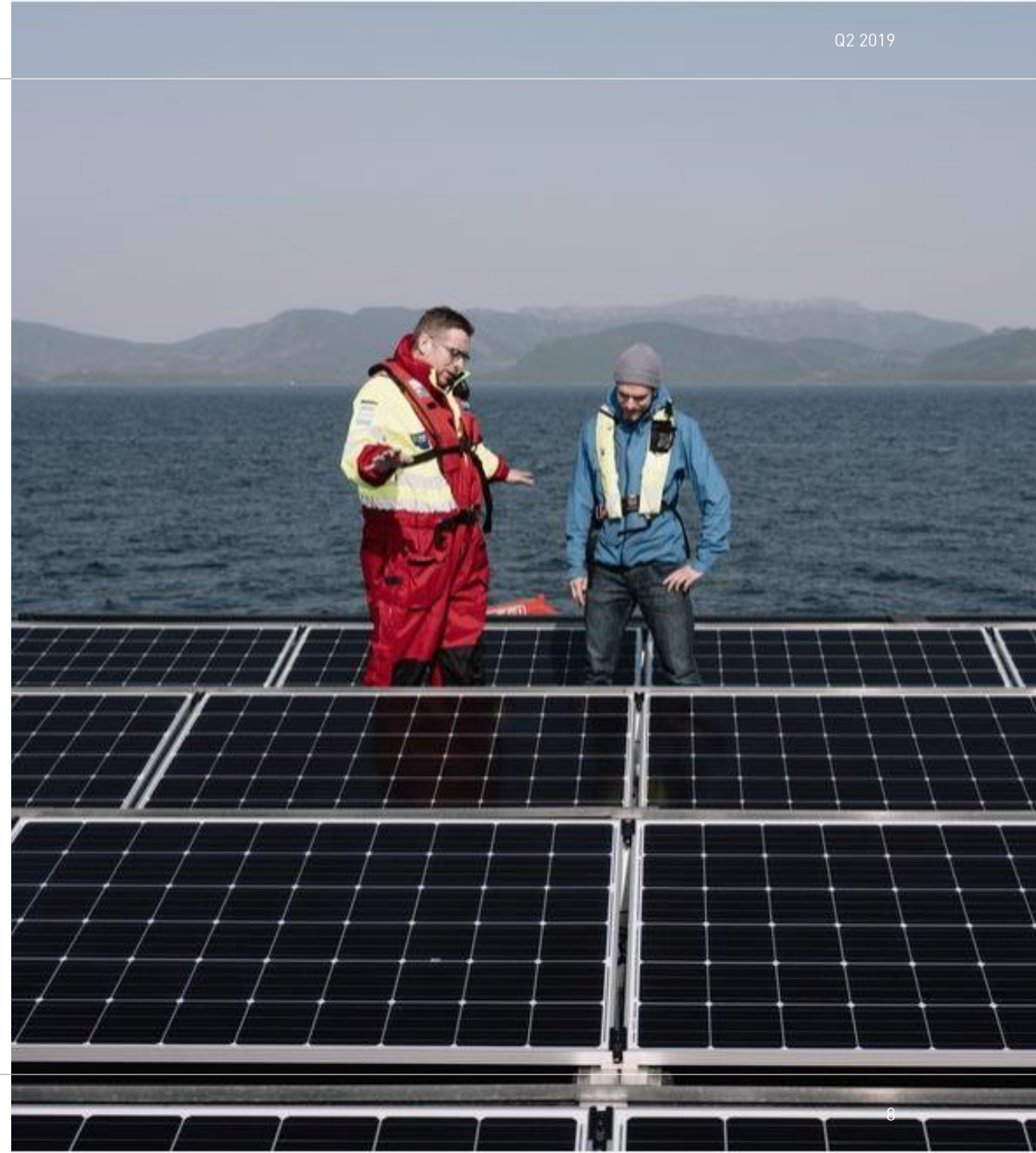
FARMING THE OCEAN FOR A BETTER FUTURE

PROFIT & INNOVATION	HEALTHY OCEANS	SUSTAINABLE FOOD	PEOPLE	LOCAL COMMUNITIES
<ul style="list-style-type: none"> • Seafood demand • Economic productivity • Profitable growth • Precision farming • Research and innovation 	<ul style="list-style-type: none"> • Fish health and welfare • Sea lice control • Escape control • Limiting local emissions • Interaction with wild life 	<ul style="list-style-type: none"> • Safe and healthy food • Sustainable feed • Reducing carbon emissions • Waste management 	<ul style="list-style-type: none"> • Creating attractive jobs • Keeping our employees safe • Transparency, integrity and anti-corruption • Data security and privacy 	<ul style="list-style-type: none"> • Local value creation and ripple-effects • Local procurement • Sponsorships • Transparency and dialogue

Sustainable business

-Reducing carbon emissions

- The World's first fish farm outfitted with solar panels and wind power introduced in Rogaland in Q2 2019
- The combination of wind power, solar panels and batteries results in a substantial reduction of carbon emissions. On this site we will save 36 000 liters of diesel annually



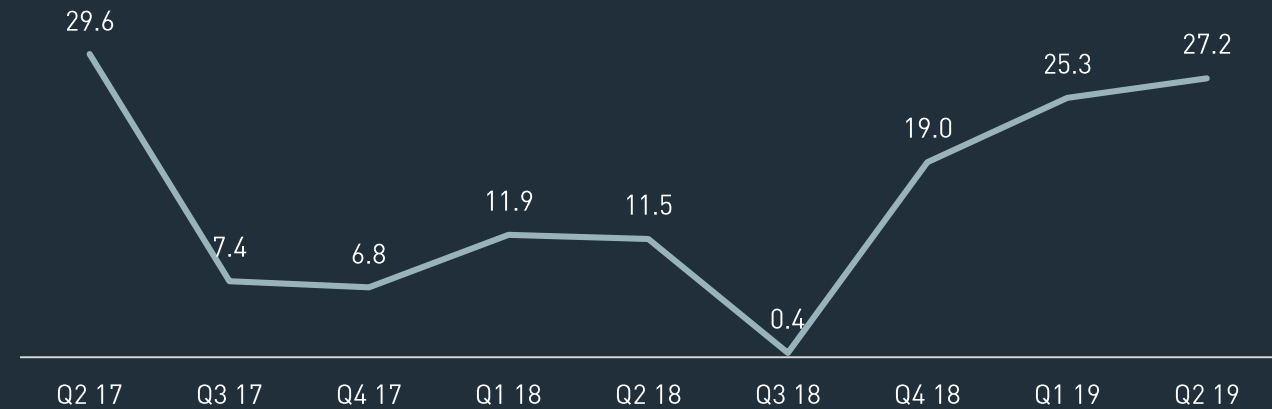


OPERATIONAL REVIEW

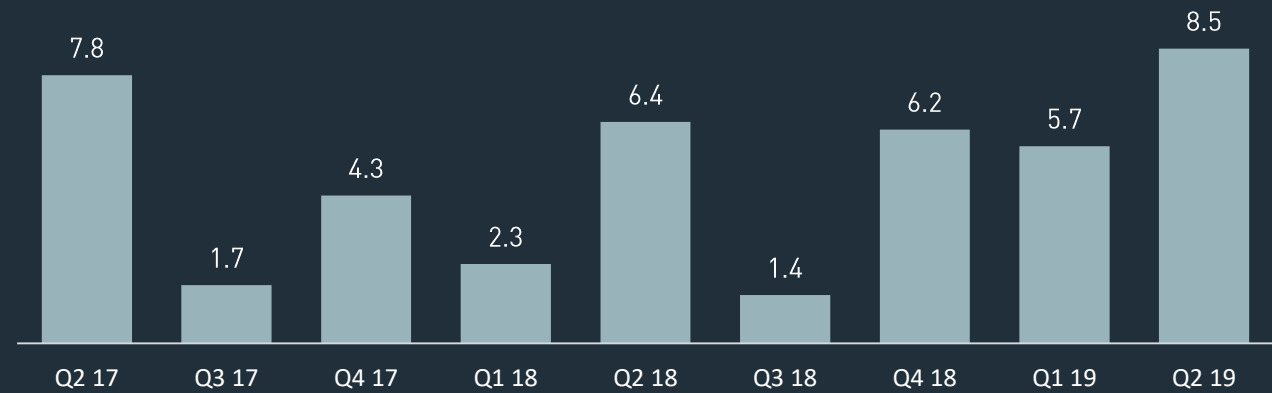


GSF Rogaland

EBIT/kg (NOK)



Harvest volume (1 000 tonnes GWT)



GSF Rogaland

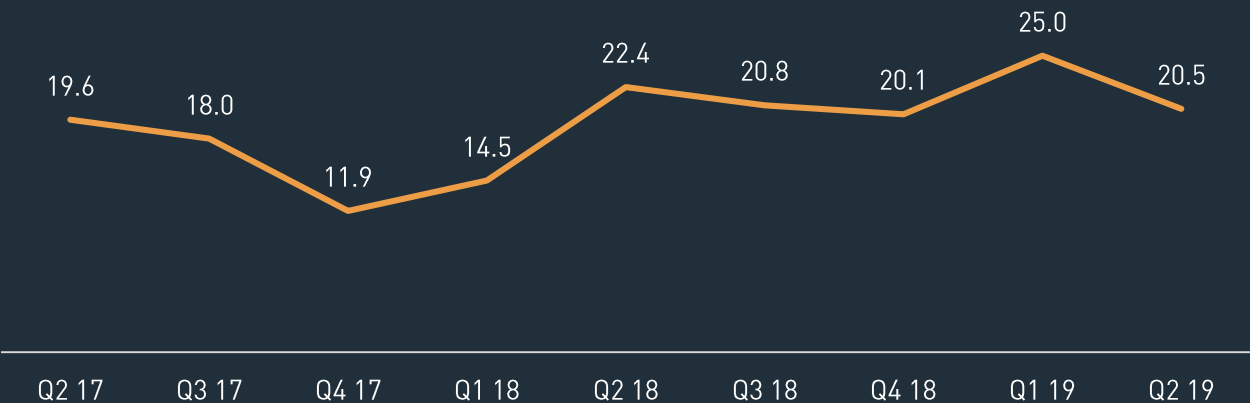
- Strong biological performance resulted in high harvest weights and improved price achievement
- Cost stable from Q1 and down y-o-y due to higher mean harvest size and improved fish health
- No sites affected by PD at end of Q2
- Survival rate of 94% over the last 12 months
- Encouraging results with large size smolt spending less than 12 months in the sea
- Eight sites monitored and fed from pilot Precision Farming operations center
- Expected harvest volume of 2 800 tonnes in Q3 2019 and higher cost/kg due to lower volume
- Targeting 22 000 tonnes for 2019 and 25 000 tonnes in 2020

NOK million	Q2 2019	Q2 2018	YTD 2019	YTD 2018
Revenues	562.6	380.7	933.9	528.2
EBITDA *	255.9	85.4	418.5	124.0
EBIT *	232.1	73.9	377.1	101.3
Harvest volume (tonnes GWT)	8 526	6 409	14 257	8 704
EBIT/ kg* (NOK)	27.22	11.53	26.45	11.64

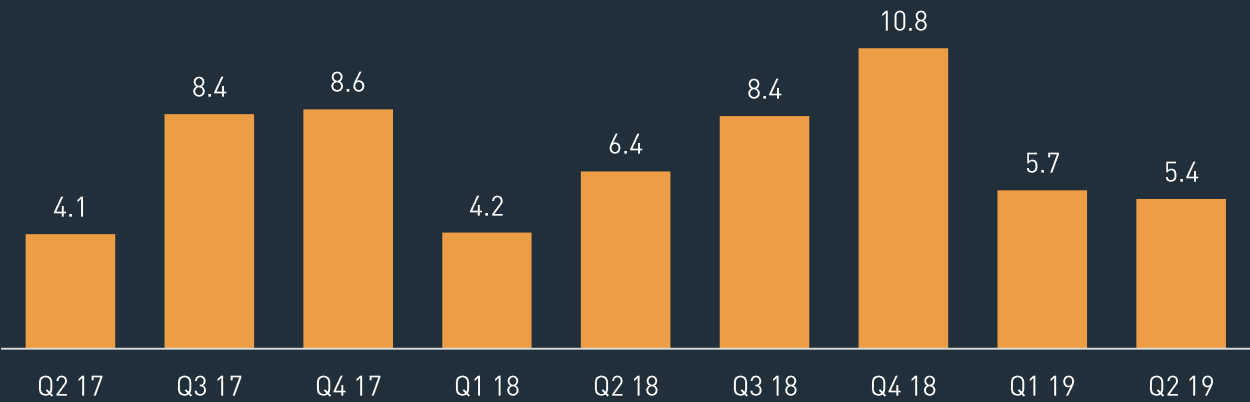
* EBIT and EBITDA before fair value adjustment of biological assets.
Q2 and YTD 2019 include IFRS 16 effects.

GSF Finnmark

EBIT/kg (NOK)



Harvest volume (1 000 tonnes GWT)



GSF Finnmark

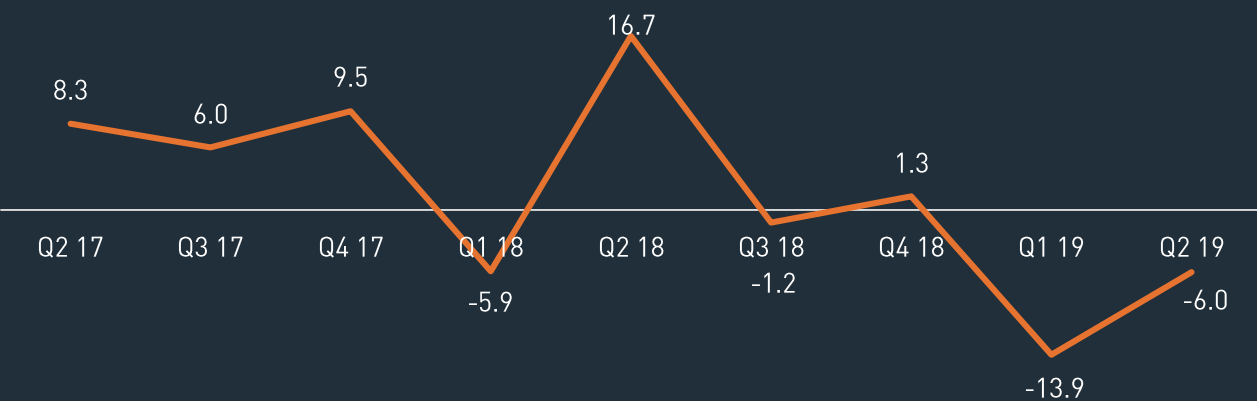
- Strong overall biological performance and survival rate of 96% over the last 12 months
- Cost/kg higher than Q1 2019 as a result of early harvest on one site due to winter-ulcer. Stable cost y-o-y
- Another three sites ASC certified in Q2 brings the total to eight ASC certified sites in Finnmark
- Expected harvest volume of 10 600 tonnes in Q3 2019, with higher cost due to harvesting of high-cost sites (winter-ulcer and MAB limits)
- Targeting 34 000 tonnes harvest in 2019 and 38 000 tonnes in 2020

NOK million	Q2 2019	Q2 2018	YTD 2019	YTD 2018
Revenues	319.6	378.7	666.1	608.0
EBITDA *	141.9	164.4	315.4	248.4
EBIT *	110.7	142.7	253.7	203.2
Harvest volume (tonnes GWT)	5 391	6 387	11 111	10 565
EBIT/ kg* (NOK)	20.53	22.35	22.84	19.23

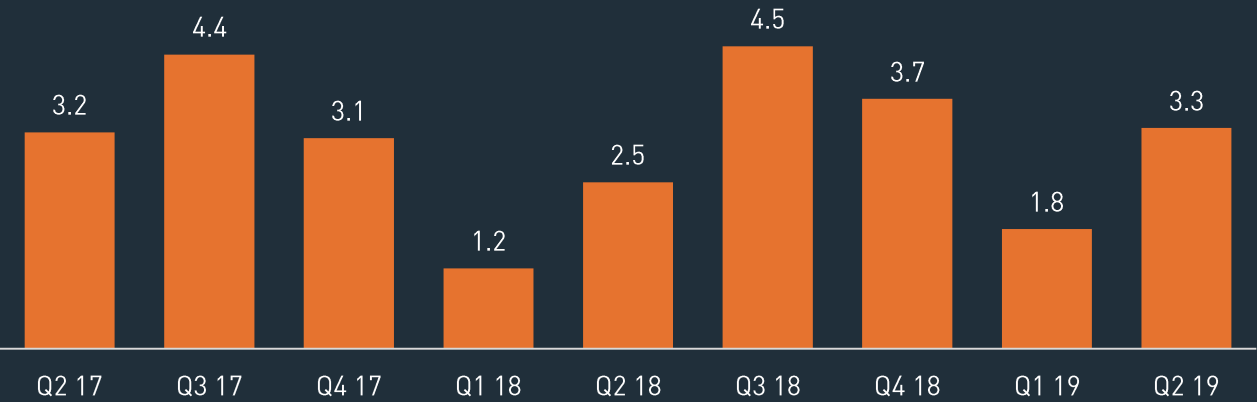
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Q2 and YTD 2019 include IFRS 16 effects.

GSF Shetland

EBIT/kg (NOK)



Harvest volume (1 000 tonnes GWT)



GSF Shetland

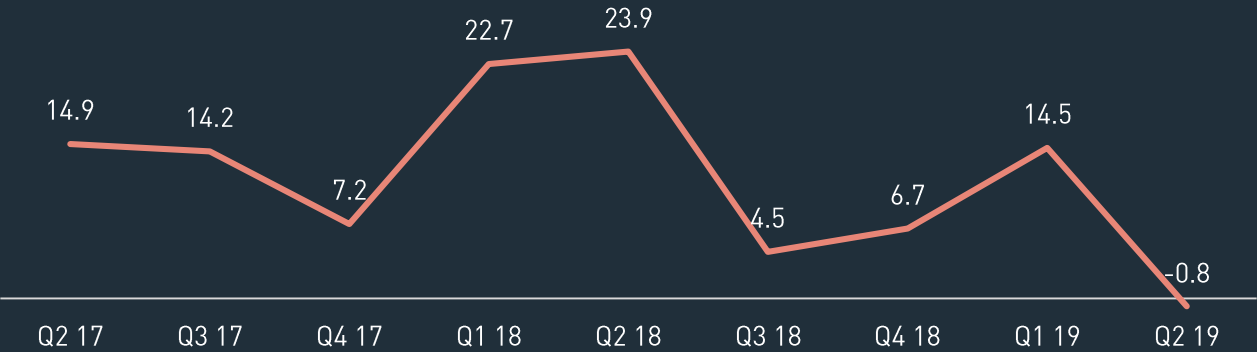
- Volume and revenue growth compared to Q2 2018. Lower price achievement due to reduction in spot prices
- Superior share of 96%
- Improved smolt quality
- Continued challenging biological conditions related to algae blooms and gill-related diseases in Q2 2019
- Strategic evaluation of Skye, to focus resources and operations
- Cost expected to remain high in Q3, but improved fish health and increased production will gradually reduce cost/kg
- Estimated harvest volume of 3 400 tonnes in Q3 2019
- Targeting harvest volume of 12 000 for 2019 and 17 000 tonnes in 2020

NOK million	Q2 2019	Q2 2018	YTD 2019	YTD 2018
Revenues	225.4	193.1	347.7	279.9
EBITDA *	5.2	52.7	4.5	58.0
EBIT *	-19.8	41.5	-44.7	34.4
Harvest volume (tonnes GWT)	3 297	2 482	5 086	3 683
EBIT/ kg* (NOK)	-6.00	16.72	-8.79	9.34

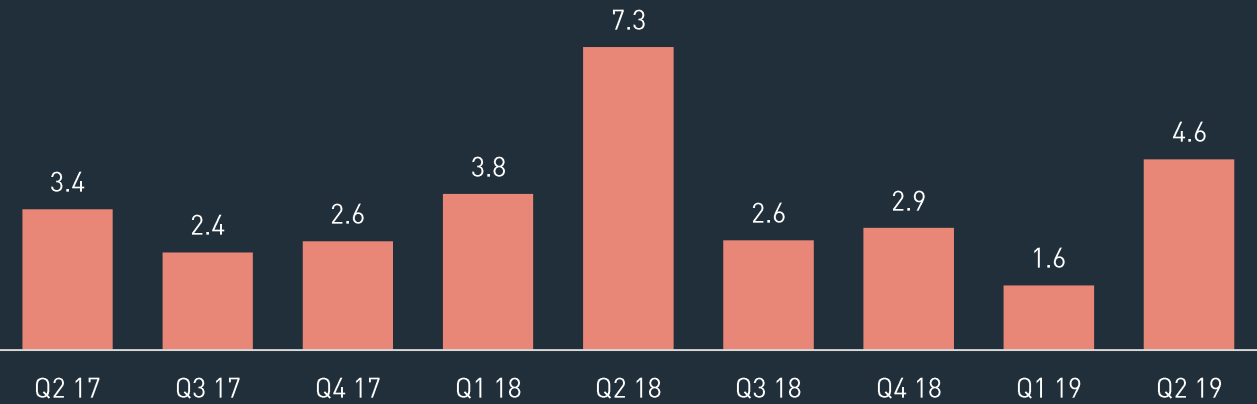
* EBIT and EBITDA before fair value adjustment of biological assets.
Q2 and YTD 2019 include IFRS 16 effects.

GSF British Columbia

EBIT/kg (NOK)



Harvest volume (1 000 tonnes GWT)



GSF British Columbia (BC)

- Earnings down 42% y-o-y due to lower volume and price.
 - USD spot market prices down -11% y-o-y
- NOK -32 million write-down from extraordinary mortality. EBIT effect of NOK 7.09/kg
- Challenging biological conditions due to sea lice, algae and low oxygen level. Continued focus on algae mitigation and digital monitoring
 - New wellboat increasing lice treatment capacity at end of 2019
- Expansion of Gold River smolt facility on track
- Estimated harvest volume of 4 700 tonnes in Q3 2019 with somewhat lower cost/kg
- Targeting harvest volume of 14 000 in 2019 and 20 000 tonnes in 2020

NOK million	Q2 2019	Q2 2018	YTD 2019	YTD 2018
Revenues	280.2	492.7	379.7	725.8
EBITDA *	13.7	184.4	53.2	279.2
EBIT *	-3.5	173.9	19.2	259.0
Harvest volume (tonnes GWT)	4 587	7 290	6 149	11 049
EBIT/ kg* (NOK)	-0.77	23.85	3.12	23.44

* EBIT and EBITDA before fair value adjustment of biological assets.
Q2 and YTD 2019 include IFRS 16 effects.



FINANCIAL REVIEW



Profit & loss

- Total revenues decreased by 3% in Q2 2019 compared to Q2 2018 mainly driven by lower average spot price
- Farming cost increased y-o-y, mainly due to higher costs in Shetland and BC related to biological challenges with sea lice and algae blooms
- Higher depreciation following growth investments and effect of adopting IFRS 16 leases at 1 January 2019 (IFRS 16 effect on depreciation of NOK 31 million in Q2)
- Negative fair value adjustment mainly due to lower forward prices

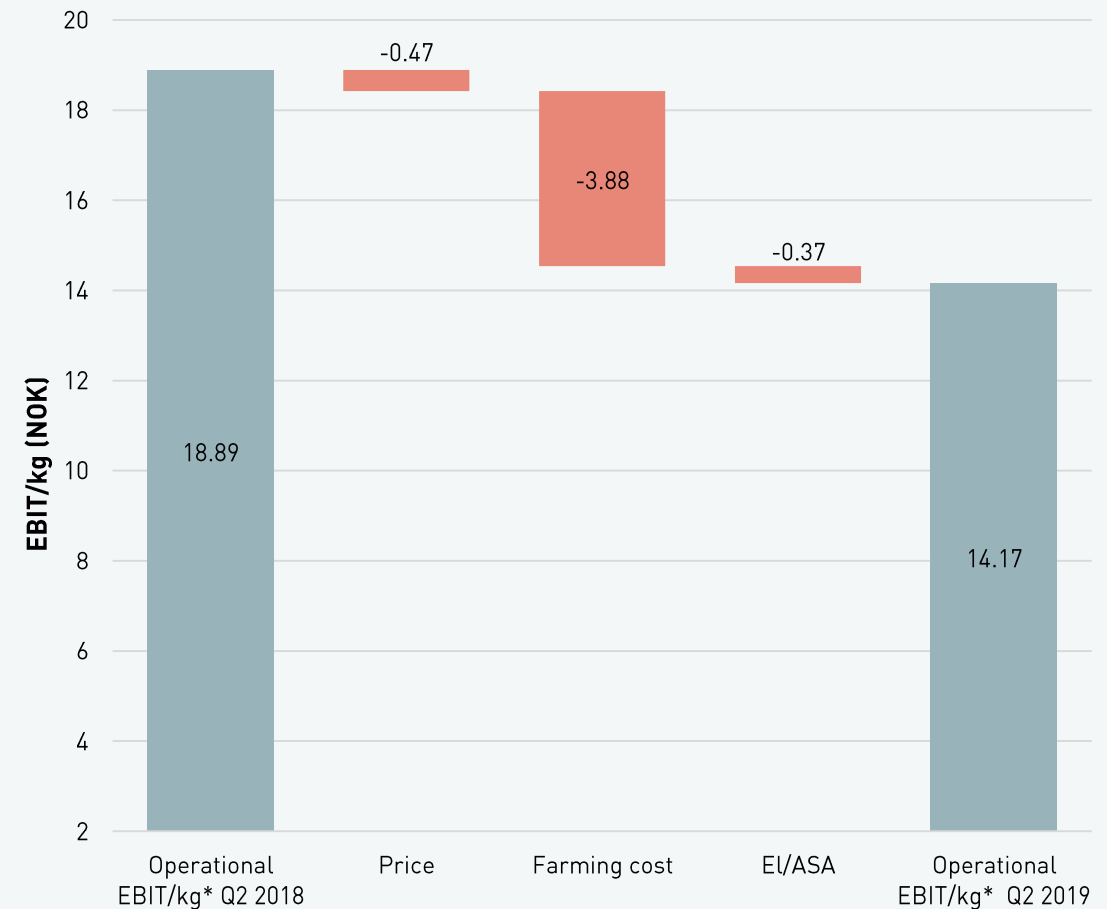
Profit & loss (NOK 1 000)	Q2 2019**	Q2 2018	YTD 2019**	YTD 2018
Total revenues	2 238 850	2 318 660	3 889 324	3 835 654
EBITDA *	408 459	482 610	767 236	702 909
Depreciation and amortization	-99 599	-56 297	-190 896	-114 526
EBIT *	308 860	426 313	576 340	588 383
Fair value adjustments	-86 510	-189 621	-35 151	-11 273
EBIT after fair value	222 350	236 692	541 189	577 109
Net financial items	-34 309	-20 424	-21 810	-47 253
Profit before tax	188 042	216 269	519 379	529 856
Estimated taxation	-40 770	-50 548	-116 534	-136 403
Net profit in the period	147 272	165 721	402 845	393 453

* EBIT and EBITDA before fair value adjustment of biological assets.

**Q2 and YTD 2019 include IFRS 16 effects.

EBIT and cost development

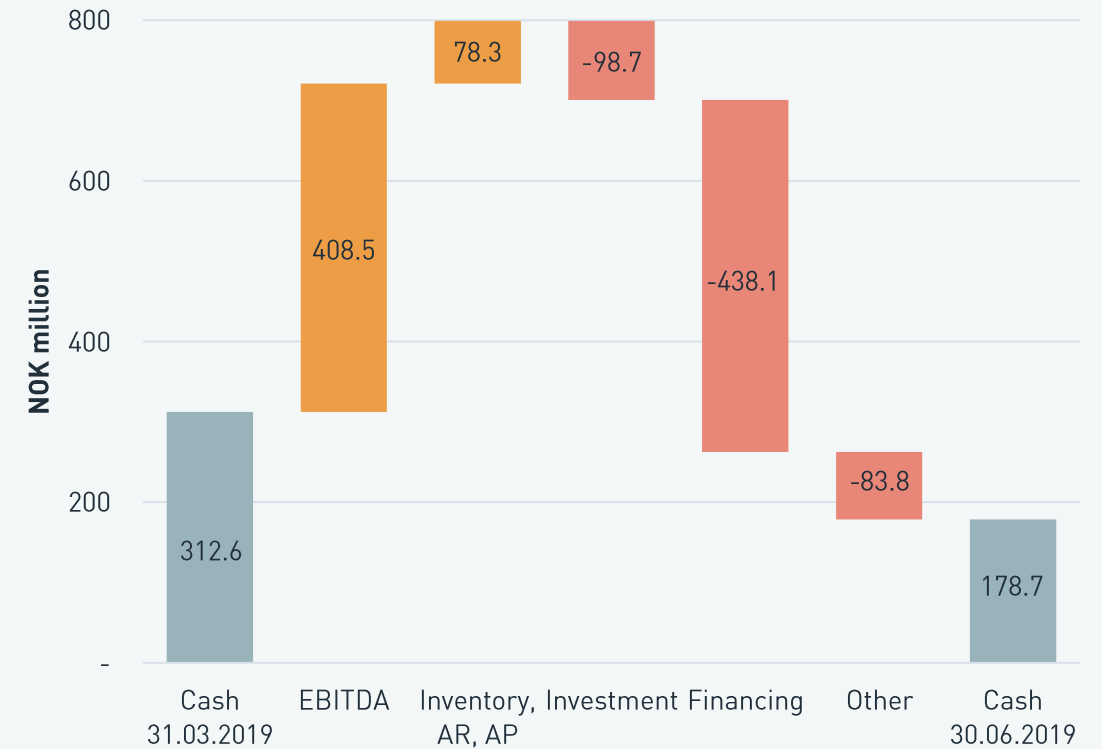
- Average realized price down compared to Q2 2018, mainly driven by lower spot prices
 - Partly offset by high price achievement on larger mean harvest size in Rogaland
- Farming cost increased compared to last year, driven by biological challenges in BC and Shetland
- Cost/kg expected to be stable in Q3 2019 compared to Q2 2019
 - Lower volume and harvesting from sites with somewhat higher cost will negatively impact cost/kg in Q3



**EBIT is before fair value adjustment of biological assets*

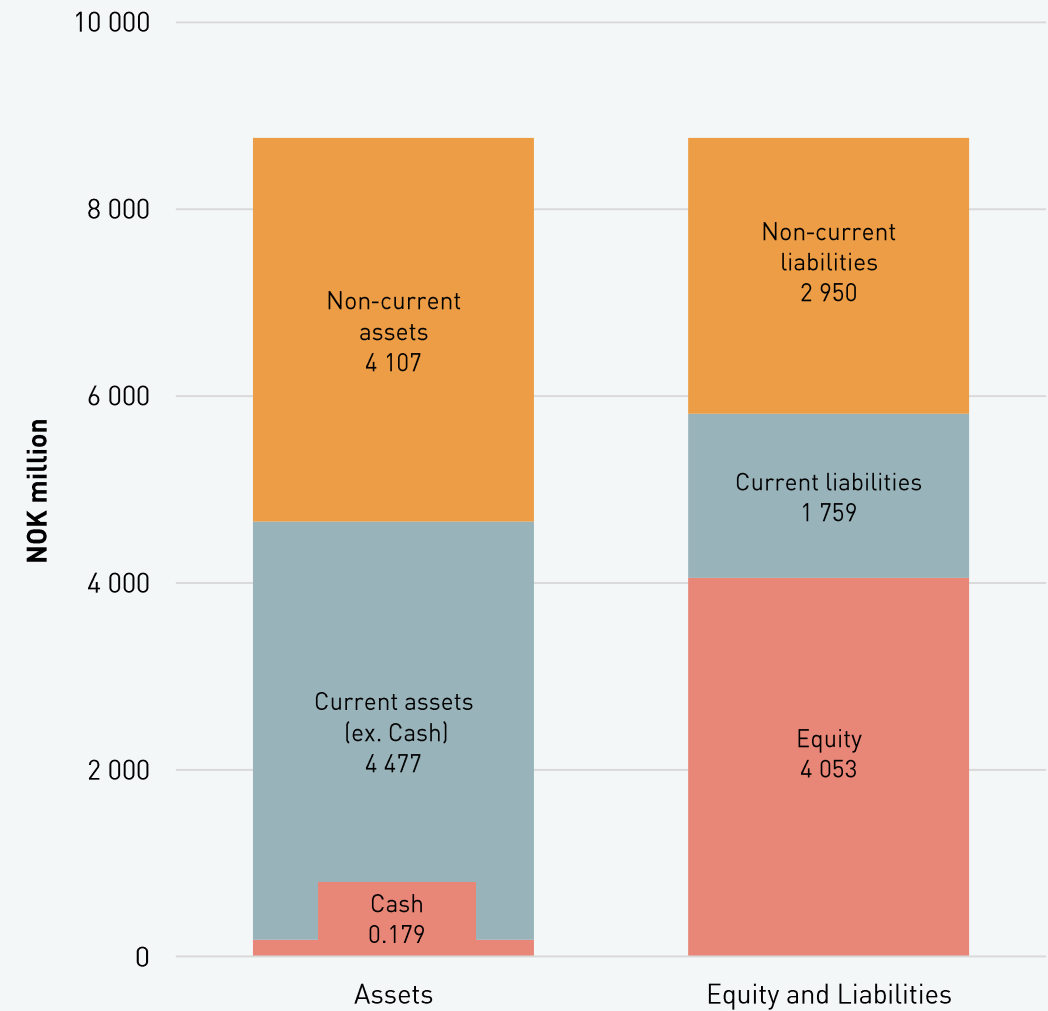
Cash flow

- Gross investments amounted to NOK 110 million, whereof NOK 26 million were financed by leasing
- Positive effect from working capital following reduction in biomass
- Estimated NOK 180 million in working capital needed to grow biomass in H2 2019



Financial position Q2 2019

- Total balance of NOK 8 763 million
- Equity was NOK 4 053 million, corresponding to an equity share of 46%
- ROCE 21% (34% in Q2 2018)

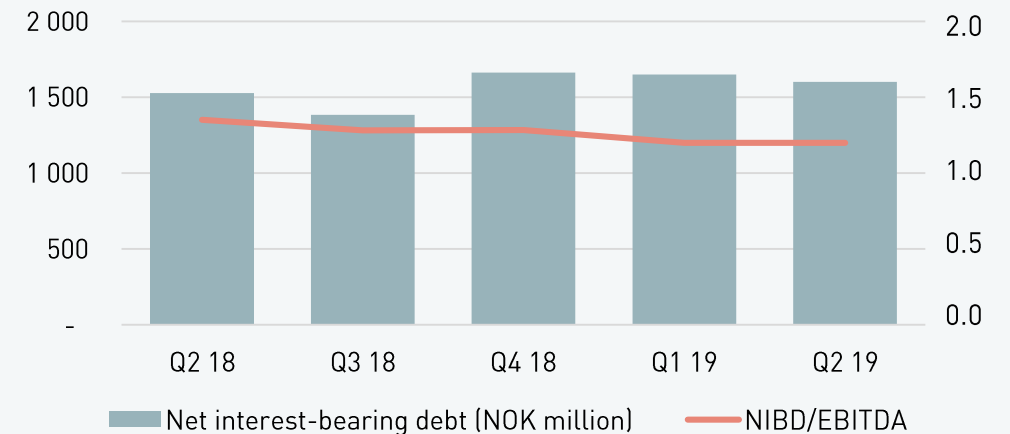


Funding

- NIBD decreased to NOK 1 601 million in Q2 2019
- Revolving credit and overdraft facility of NOK 1 100 million
 - NOK 918 million available cash and credit facilities at the end of Q2 2019
- Dividend of NOK 2.0 per share paid out during Q2 2019

NIBD (NOK 1 000)	Q2 2019*	Q2 2018
Term loan	1 082 823	1 170 690
Revolving credit	348 805	190 000
Leasing	383 721	354 001
Other interest-bearing liabilities	-35 403	11 024
Cash- closing balance	-178 709	-198 536
NIBD excl. factoring *	1 601 237	1 527 179

* IFRS 16 adopted 1 January 2019. Effects of IFRS 16 not included in Q2 2019 (NOK 405 million)



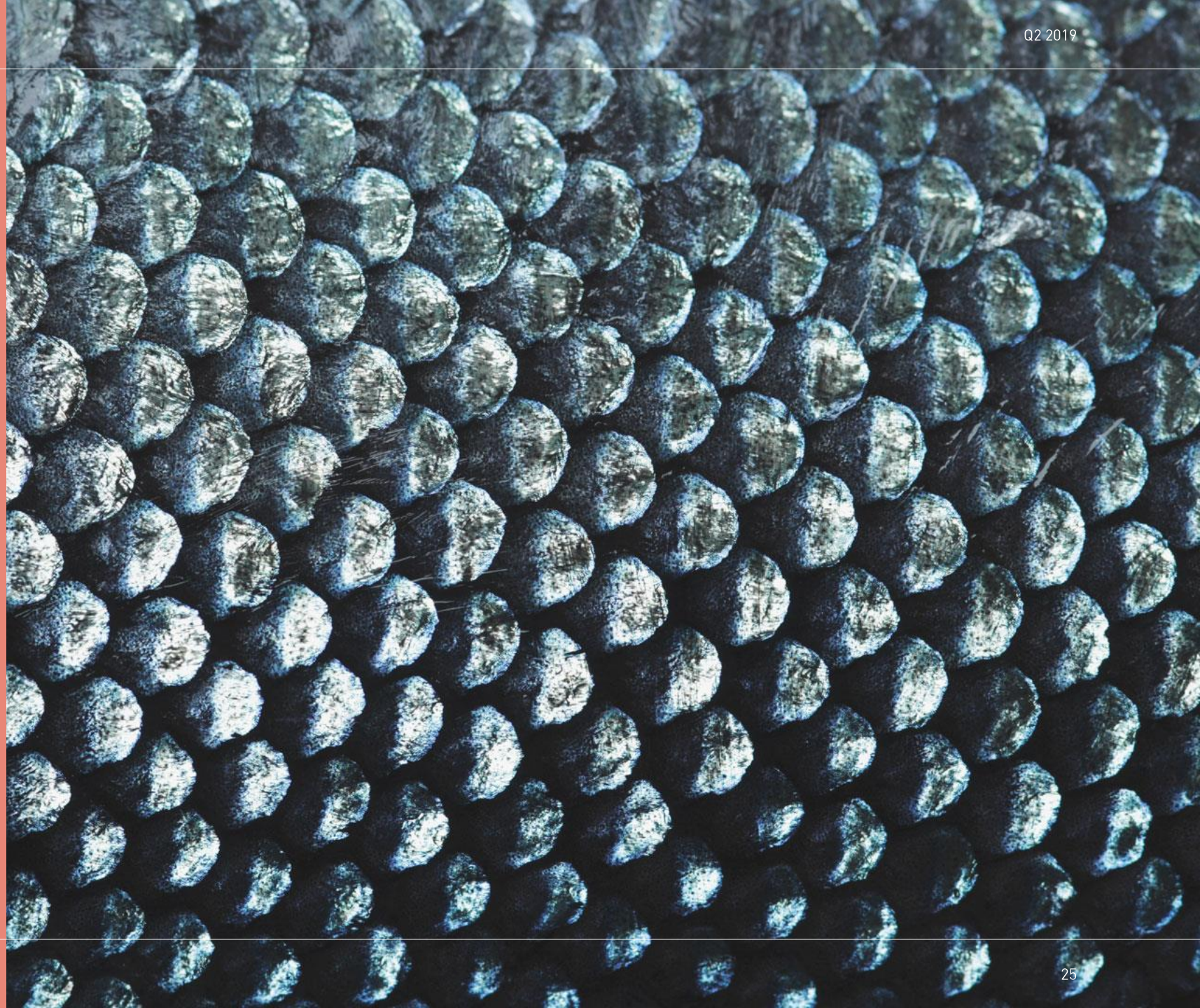
Investments

- Q2 2019 NOK 110 million
 - Post-smolt strategy: NOK 13.5 million
 - Digitalization: NOK 4.0 million
 - Biosecurity and fish welfare: NOK 24.0 million
 - Expansion: NOK 5.0 million
 - Maintenance: NOK 63.5 million
- FY 2019 NOK 635 million

Total investments of NOK 635 million in 2019			
Post-smolt Strategy	Digitalization in salmon farming	Biosecurity and fish welfare	Expansion opportunities
NOK 50 million	NOK 65 million	NOK 70 million	NOK 200 million
<ul style="list-style-type: none"> • Expansion of smolt plant in BC 	<ul style="list-style-type: none"> • Central feeding operations • Sensors and cameras • Big data analytics • IT infrastructure 	<ul style="list-style-type: none"> • Aeration systems • Algal monitoring • Lice skirts • Improvement of harvest plant in Finnmark 	<ul style="list-style-type: none"> • New locations
Maintenance investments of NOK 250 million			



OUTLOOK & SUMMARY



2019 harvest estimates

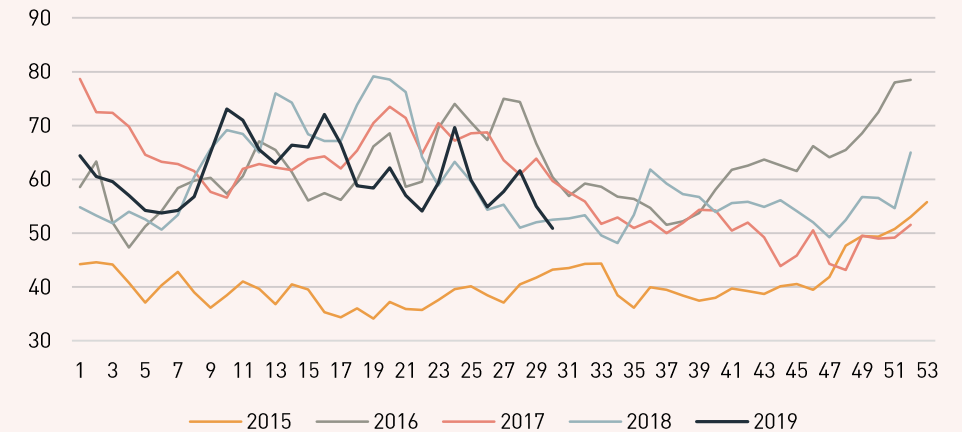
- Expected harvest of approx. 20 200 tonnes in Q3 2019
- Expected harvest volume of 82 000 tonnes in 2019, equivalent to 10% growth y-o-y

Guiding 2019 (1 000 tonnes GWT)	Rogaland	Finnmark	BC	Shetland	GSF Group
Q1 2019	5.7	5.7	1.6	1.8	14.8
Q2 2019	8.5	5.4	4.6	3.3	21.8
Q3 2019	2.8	10.6	3.2	3.5	20.2
Q4 2019	4.9	12.3	4.7	3.4	25.2
Total	22.0	34.0	14.0	12.0	82.0
<i>Growth %</i>	35%	14%	-16%	1%	10%

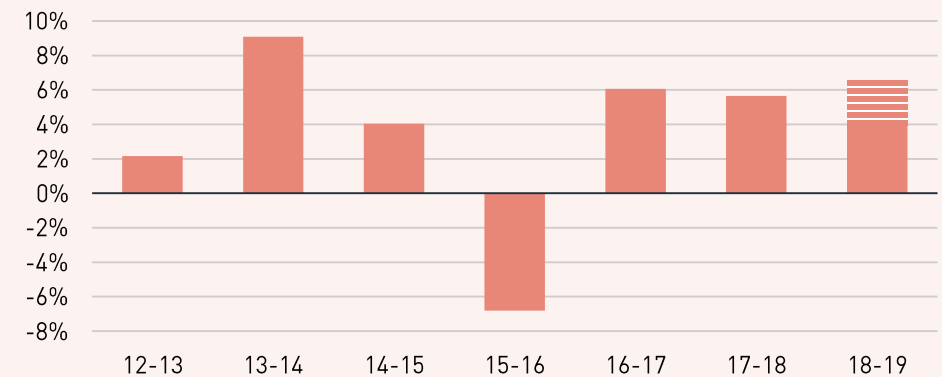
Supply outlook

- Expected global growth 2019: 4-7%
- Norway
 - 2018: +4%
 - 2019: +4% (1 176 000 tonnes HOG)
- Chile
 - 2018: +20%
 - 2019: +4% (636 000 tonnes HOG)
- North America
 - 2018: +2%
 - 2019: 0% (149 000 tonnes HOG)
- UK
 - 2018: -12%
 - 2019: +17% (161 000 tonnes HOG)

Price development for fresh Norwegian Salmon
NASDAQ Salmon Index 2015 – 2019



Global supply growth farmed salmon (yoy)



Source: Kontali Analyse AS

Development Atlantic salmon consumption by market

Markets (Figures in tonnes HOG)	Q2 2019	Q2 2018	Volume change	% change
EU	234 800	217 800	17 000	8%
USA	114 600	110 900	3 700	3%
Brazil	22 100	19 200	2 900	15%
Russia	17 700	20 000	-2 300	-12%
Japan	12 300	12 100	200	2%
China/ Hong Kong/ Vietnam	30 800	31 600	-800	-3%
Other Asia	26 100	22 300	3 800	17%
Other markets	77 300	69 400	7 900	11%
Total all markets	535 800	503 200	32 600	6%

Markets (Figures in tonnes HOG)	YTD 2019	YTD 2018	Volume change	% change
EU	456 800	431 400	25 400	6%
USA	230 100	220 200	9 900	4%
Brazil	47 300	43 700	3 600	8%
Russia	35 600	41 800	-6 200	-15%
Japan	25 700	24 800	900	4%
China/ Hong Kong/ Vietnam	65 200	63 800	1 400	2%
Other Asia	52 800	51 000	1 800	4%
Other markets	162 300	146 900	15 400	10%
Total all markets	1 075 700	1 023 600	52 100	5%

Source: Kontali Analyse AS

Summary

- Continued strong operational performance in Norway
- Operational upside in Shetland and British Columbia operations
- Strategic evaluation of the operation on Skye
- Prices in 2019 are expected to remain high, driven by growing demand and limited global supply growth of approximately 4-7%
- Estimated contract share of 24% in Norway and 25% in the UK in Q3 2019, 20% and 24% for the full year 2019, respectively
- We remain confident in our 2020 target of 100 000 tonnes harvest at a cost at or below industry average. For 2019, we estimate smolt release of 26-28 million and a harvest volume of 82 000 tonnes





NEXT FINANCIAL RESULTS

Q3 2019, 7 NOVEMBER 2019

Thank you for your attention



APPENDIX



Share information

Number of shares

- 111.662 millions incl. treasury shares

Last issues

- Q2 2009, NOK million 139 new shares issued

Subordinated convertible bond issued in Q1 2009

- 100 million converted at NOK 4.00 per share within 31.12.2010
- 85% converted in Q2 2009, 15% in Q3 2009

Share savings program for the employees

- Transferred 21 576 treasury shares to employees in Q4 2018
- To strengthen culture and encourage loyalty by offering employees to become shareholders in Grieg Seafood

EPS

- 1.27 NOK/share Q2 2019
- 1.48 NOK/share Q2 2018
- 8.81 NOK/ share FY 2018

Share price

- NOK 118.3 at 30.06.2019
- NOK 85.9 at 30.06.2018
- NOK 102.30 at 31.12.2018

Shareholder structure

- Largest 20 holds 77.58% of total number of shares

The 20 largest shareholders in Grieg Seafood ASA at 30.06.2019	No. of shares	Shareholding
Grieg Aqua AS	56 018 799	50.17%
OM Holding AS	5 869 379	5.26%
Folketrygdfondet	3 827 350	3.43%
Ystholmen Felles AS	2 928 197	2.62%
State Street Bank and Trust Comp	1 872 511	1.68%
Verdipapirfondet Pareto Investment	1 843 000	1.65%
J.P. Morgan Bank Luxembourg S.A.	1 807 971	1.62%
Verdipapirfondet Alfred Berg Gamba	1 800 796	1.61%
Pictet & Cie (Europe) S.A.	1 366 774	1.22%
Clearstream Banking S.A.	1 284 885	1.15%
Grieg Seafood ASA	1 228 424	1.10%
Handelsbank Nordiska Smabolagsfond	1 007 190	0.90%
JPMorgan Chase Bank, N.A., London	900 220	0.81%
Société Générale	845 530	0.76%
State Street Bank and Trust Comp	774 411	0.69%
State Street Bank and Trust Comp	701 943	0.63%
BNP Paribas Securities Services	700 000	0.63%
UBS Switzerland AG	630 689	0.56%
State Street Bank and Trust Comp	623 472	0.56%
JPMorgan Chase Bank, N.A., London	595 071	0.53%
Total 20 largest shareholders	86 626 612	77.58%
Total others	25 035 388	22.42%
Total number of shares	111 662 000	100.00%

Profit & loss

Profit & loss (NOK 1 000)	Q2 2019*	Q2 2018	YTD 2019*	YTD 2018
Sales revenues	2 225 030	2 291 867	3 872 622	3 784 878
Other income	13 821	26 792	16 702	50 776
Share of profit from associates	-2 307	-420	-1 885	-670
Change in inventories	-33 957	-273 164	212 931	-16 757
Raw materials and consumables used	-1 162 698	-964 313	-2 147 629	-1 949 583
Salaries and personnel expenses	-134 154	-117 640	-280 968	-253 240
Other operating expenses	-497 276	-480 513	-904 538	-912 495
EBITDA before fair value adjustment of biological assets	408 459	482 610	767 236	702 909
Depreciation property, plant and equipment	-98 196	-54 936	-188 105	-111 853
Amortization of intangible assets	-1 403	-1 361	-2 791	-2 674
EBIT before fair value adjustment of biological assets	308 860	426 313	576 340	588 383
Fair value adjustment of biological assets	-86 510	-189 621	-35 151	-11 273
EBIT after fair value adjustment of biological assets	222 350	236 692	541 189	577 109
Net financial items	-34 309	-20 424	-21 810	-47 253
Profit before tax	188 042	216 269	519 379	529 856
Estimated taxation	-40 770	-50 548	-116 534	-136 403
Net profit for the period	147 272	165 721	402 845	393 453
Allocated to				
Controlling interests	139 980	163 723	391 585	385 712
Non-controlling interests	7 292	1 998	11 260	7 741

*Q2 and YTD 2019 include IFRS 16 effects

Comprehensive income

Comprehensive income (NOK 1 000)	Q2 2019	Q2 2018	YTD 2019	YTD 2018
Profit for the period	147 272	165 721	402 845	393 453
<i>Net other comprehensive income to be reclassified to profit/loss in subsequent periods</i>				
Currency effect on investment in subsidiaries	2 497	5 184	12 717	-36 737
Currency effect on loans to subsidiaries	-14 339	-6 314	-7 342	-25 553
Tax effect loans to subsidiaries	3 155	1 452	1 615	5 877
Cash flow hedges	-551	10 548	1 531	16 673
Tax effect cash flow hedges	121	-2 426	-337	-3 835
Other comprehensive income for the period, net of tax	-9 117	8 444	8 185	-43 575
Total comprehensive income for the period	138 155	174 165	411 030	349 878
Allocated to				
Controlling interests	130 645	165 662	398 901	335 549
Non-controlling interests	7 510	8 503	12 129	14 329

Financial position - assets

Assets (NOK 1 000)	30.06.2019*	30.06.2018	31.12.2018
Goodwill	108 793	108 622	109 013
Licenses	1 118 869	1 113 030	1 121 662
Other intangible assets	20 380	17 164	25 175
Deferred tax assets	1 718	3 623	1 718
Property, plant and equipment	2 373 417	2 108 866	2 292 912
Right-of-use assets	401 927	-	-
Investments in associates	36 487	18 780	37 122
Other non-current receivables	45 408	1 317	1 327
Total non-current assets	4 107 000	3 371 402	3 588 929
Inventories	150 337	93 282	126 092
Biological assets	2 311 451	1 946 937	2 223 833
Fair value of biological assets	912 407	703 977	971 309
Trade receivables	889 346	990 599	925 232
Other current receivables	183 953	223 518	166 432
Derivatives and other financial instruments	29 812	5 262	2 743
Cash and cash equivalents	178 709	198 536	137 920
Total current assets	4 656 014	4 162 112	4 553 561
Total assets	8 763 015	7 533 514	8 142 490

*30.06.2019 includes IFRS 16 effects

Financial position – equity and liabilities

Equity and liabilities (NOK 1 000)	30.06.2019*	30.06.2018	31.12.2018
Share capital	446 648	446 648	446 648
Treasury shares	-4 914	-5 000	-4 914
Retained earnings and other equity	3 570 353	2 978 728	3 392 319
Total controlling interests	4 012 087	3 420 376	3 834 053
Non-controlling interests	41 323	33 049	49 458
Total equity	4 053 410	3 453 424	3 883 511
Deferred tax liabilities	993 249	853 737	877 639
Cash-settled share options	12 768	4 613	8 493
Subordinated loans	13 002	14 209	14 047
Borrowings and leasing	1 644 333	1 544 541	1 591 072
Non-current lease liabilities (IFRS 16)	287 024	-	-
Total non-current liabilities	2 950 376	2 417 101	2 491 251
Current portion of long-term borrowings and leasing	170 104	186 657	221 788
Current portion lease liabilities (IFRS 16)	117 738	-	-
Factoring liabilities	513 722	614 638	573 377
Trade payables	645 297	517 341	649 352
Tax payable	107 552	127 410	130 287
Derivatives and other financial instruments	2 279	5 268	5 905
Other current liabilities	202 537	211 676	187 019
Total current liabilities	1 759 229	1 662 989	1 767 729
Total liabilities	4 709 604	4 080 090	4 258 979
Total equity and liabilities	8 763 015	7 533 514	8 142 490

*30.06.2019 includes IFRS 16 effects

Cash flow

Cash flow (NOK 1 000)	Q2 2019	Q1 2019	YTD 2019	YTD 2018
EBIT after fair value adjustment of biological assets	222 350	236 692	541 189	577 109
Depreciation and amortization	68 885	56 297	135 866	114 526
(Gain)/loss on sale of property, plant and equipment	387	-	615	-208
Share of profit from companies applying equity method of accounting	2 307	420	1 885	670
Fair value adjustment of biological assets	86 510	189 621	35 151	11 273
Change in inventory excl. fair value, trade payables and trade receivables	78 255	37 621	-97 818	-253 915
Other adjustments	-56 064	-5 688	3 164	-60 930
Taxes paid	-486	-18 285	-24 308	-28 770
Net cash flow from operating activities	402 145	496 678	595 744	359 757
Proceeds from sale of fixed assets	433	-	595	329
Capital expenditure (fixed assets)	-109 770	-287 066	-214 485	-437 683
Property, plant and equipment financed by leasing	26 268	66 812	60 330	99 259
Investment in associate companies	-15 597	-10 000	-15 597	-10 000
Net cash flow from investing activities	-98 666	-230 254	-169 157	-348 096
Net changes in interest-bearing liabilities incl. factoring	-180 079	-34 312	-116 861	205 840
Paid dividends	-220 867	-220 824	-220 867	-220 824
Paid dividends to non-controlling interests	-20 263	-24 821	-20 263	-24 821
Net interest and other financial items	-16 870	-15 577	-28 458	-41 177
Net cash flow from financing activities	-438 078	-295 535	-386 449	-80 982
Net change in cash and cash equivalents	-134 600	-29 110	40 138	-69 321
Cash and cash equivalents - opening balance	312 553	225 169	137 920	271 715
Currency translation of cash and cash equivalents	755	2 477	650	-3 858
Cash and cash equivalents - closing balance	178 709	198 536	178 709	198 536

Effects of IFRS 16 Leases

Standard adopted from
1 January 2019. Comparatives
(2018 figures) are not restated.

Statement of financial position (NOK 1 000)	Closing balance 31.12.2018	IFRS 16 effects on opening balance	Adjusted opening balance 01.01.2019	IFRS 16 effects YTD 2019
Non-current assets	3 588 929	319 054	3 907 983	82 873
Current assets	4 553 561	-	4 553 561	-
Total assets	8 142 490	319 054	8 461 544	82 873
Equity (before tax effect)	3 883 511	-	3 883 511	-2 835
Non-current liabilities	2 491 251	236 580	2 727 831	50 445
Current liabilities	1 767 729	82 474	1 850 203	35 263
Total liabilities	4 258 979	319 054	4 578 033	85 708
Total equity and liabilities	8 142 490	319 054	8 461 544	82 873

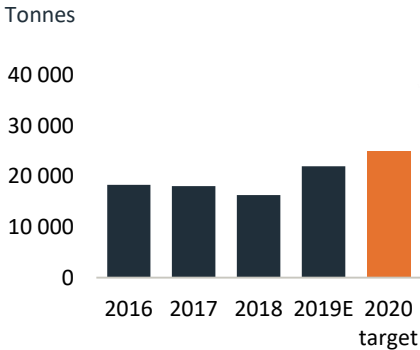
Income statement (NOK 1 000)	Q2 2019 before IFRS 16 effect*	IFRS 16 effects	Q2 2019	YTD 2019 before IFRS 16 effect*	IFRS 16 effects	YTD 2019
Total revenues	2 238 850	-	2 238 850	3 889 324	-	3 889 324
Share of profit from associates	-2 307	-	-2 307	-1 885	-	-1 885
Raw materials and consumables used incl. change in inventories	-1 196 654	-	-1 196 654	-1 934 698	-	-1 934 698
Salaries and personnel expenses	-134 154	-	-134 154	-280 968	-	-280 968
Other operating expenses	-529 322	32 046	-497 276	-962 384	57 846	-904 538
EBITDA before fair value adjustment of biological assets	376 413	32 046	408 459	709 390	57 846	767 236
Depreciation and amortization	-68 885	-30 714	-99 599	-135 866	-55 030	-190 896
EBIT before fair value adjustment of biological assets	307 528	1 333	308 860	573 524	2 816	576 340
Fair value adjustment of biological assets	-86 510	-	-86 510	-35 151	-	-35 151
EBIT after fair value adjustment of biological assets	221 018	1 333	222 350	538 373	2 816	541 189
Net financial items	-31 230	-3 079	-34 309	-16 119	-5 691	-21 810
Profit before tax	189 788	-1 746	188 042	522 254	-2 875	519 379

* Figures are presented as if IAS 17 still applies

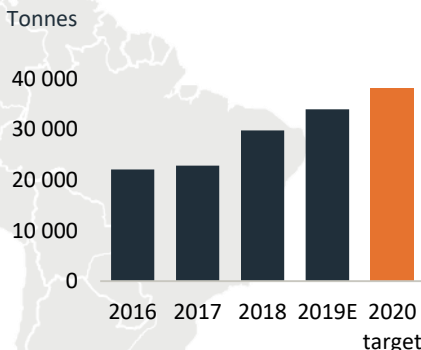
Our organization



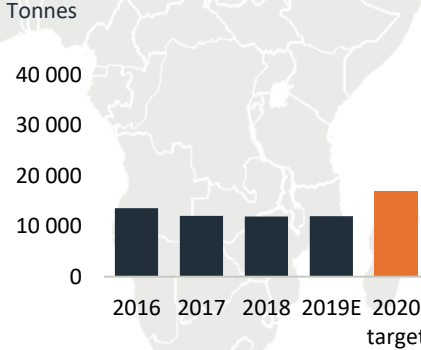
Rogaland



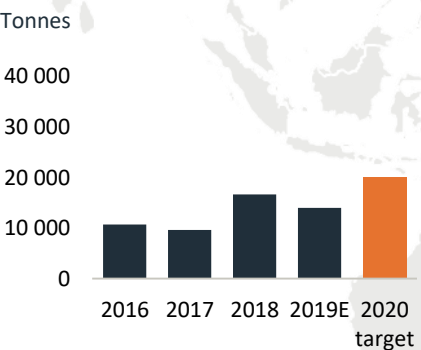
Finnmark



Shetland



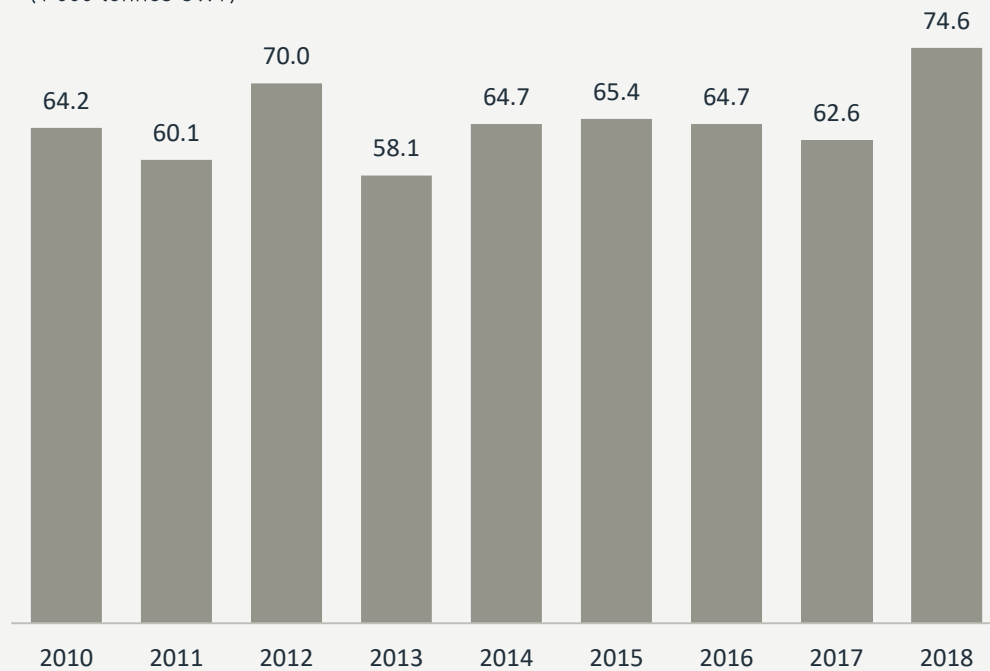
British Columbia



Strong long-term operational and financial development

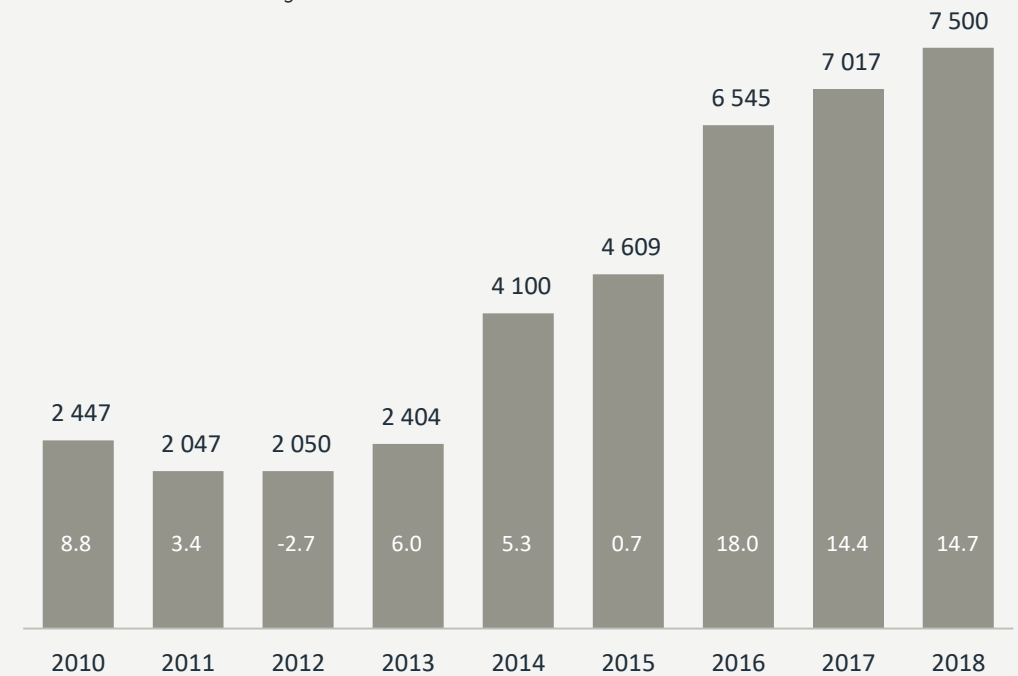
HARVEST VOLUME

(1 000 tonnes GWT)



SALES REVENUES AND EBIT/KG

(NOK million and NOK/kg)



STRONG FOCUS ON IMPROVED BIOLOGICAL PERFORMANCE

People and routines	Post-smolt	GSF precision farming	Sea lice treatment	Algae prevention	Area management agreements
<ul style="list-style-type: none"> • Strong competence • Advanced training programs • Strict routines and procedures • Frequent evaluation and reporting 	<ul style="list-style-type: none"> • More robust when placed in sea, improving survival rates • Shorter time in the sea reduces exposure to biological risks • Increased smolt release flexibility • Allows for longer fallow periods 	<ul style="list-style-type: none"> • Operational and strategic decision support through integrated operations centers • Improved feeding operations through IBM collaboration • Aqua Cloud project for more efficient handling of sea lice 	<ul style="list-style-type: none"> • Preventive measures: <ul style="list-style-type: none"> - Sea lice skirts, where on-site conditions permit - Cleaner fish • Aqua Cloud project for predicting sea lice levels • Invested in additional non-medical treatment capacity 	<ul style="list-style-type: none"> • Aeration systems <ul style="list-style-type: none"> - Reduces risk of algal issues - Increases survival during harmful algal bloom (HAB) events • Daily water samples analyzed using sensor technology and advanced image analysis <ul style="list-style-type: none"> - Early identification of species, prevalence and depth distribution of algae 	<ul style="list-style-type: none"> • Management Agreements are important to: <ul style="list-style-type: none"> - Collaborate with farmers with active sites in the same areas as GSF - Reduce risk of contamination due to interconnectivity in the respective areas

FINANCIAL TARGETS			
		2017	2018
Harvest volume	100 000 tonnes in 2020	62 598 tonnes	74 623 tonnes
Cost	At or below industry average NOK 37.9/kg in 2020	NOK 43.4/kg	NOK 43.1/kg
Financial	NIBD* /EBITDA < 4.5 Equity ratio > 35%	1.2 47%	1.3 47%
Profitability	Return on Capital Employed of 12%	24%	22%
Capital structure	NIBD** /harvest volume: NOK 20/kg	NOK 20.2/kg	NOK 22.3/kg
Dividend	25%-35% of the Group's net profit after tax adjusted for fair value appraisals	DPS NOK 4.00 Pay-out ratio***: 56%	DPS NOK 4.00 Pay-out ratio***: 65%

* NIBD according to bank covenants

** NIBD excluded factoring debt

*** Pay-out ratio calculated on previous year's accounts