NORWAY ROYAL SALMON
Trondheim, 04 June 2014
Klaus Hatlebrekke, COO
AGENDA:

- Share price performance
- Current setup
- Highlights for the period
- NRS and Market Outlook
- Regional development
- New licenses
Return on Investment - YTD 2014

- OSLFX: +14.3%
- OSEBX: +10.6%
- SALM: +30.4%
- CEQ: +26.2%
- BAKKA: +23.6%
- NRS: +23.2%
- LSG: +18.9%
- GSF: +6.1%
- MHG: +5.3%

Return on Investment since 29-March-2011 (IPO)

- OSEBX: +35.8%
- OSLOFX: +35.2%
- BAKKA: +154.8%
- CEQ: +62.6%
- NRS: +122.5%
- SALM: +57.2%
- LSG: +51.2%
- GSF: +47.2%
- MHG: +36.3%
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Development of volumes from NRS

Huge unutilized farming capacity in 2009, which will be almost utilized in 2014
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Highlights in Q1 2014:

- The best margins in NRS’ history
  - EBIT/kg Farming North of 18.71
  - EBIT/kg Farming South of 15.40
  - ROCE rolling past 4 quarters of 29.3 %

- Continued strong salmon market driven by increased demand and low supply growth
  - Historically high salmon prices throughout the quarter
  - Promising outlook with historically high forward prices

- Favourable refinancing with increased flexibility
  - Total bank facility of MNOK 900

NRS is nominated for 10 new green licenses
- 9 licenses in Troms and Finnmark at MNOK 10 ea (Group B)
- 1 license in Rogaland (intended for Troms) at MNOK 56 (Group A)
- Potential capacity growth of 40 %
Highlights in Q1 2014

Average salmon price (NASDAQ) up 32 % from Q1 last year with significant positive impact on operational EBIT

Harvested volume unchanged and sold volume up by 3 % from Q1 last year

Operational EBIT MNOK 87.1 in Q1 14
  – ROCE 29.3 %
  – Operational EBIT per kg Farming NOK 18.45
  – Loss on fixed price contracts of MNOK 10.2

Negative fair value adjustment of MNOK 61.3

Positive cash flow from operations with MNOK 102

Equity ratio increased in Q1 14 to 47.8 % from 42.4 % due reduced total capital.

<table>
<thead>
<tr>
<th>KEY FIGURES (NOK '000)</th>
<th>Q1 2014</th>
<th>Q1 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenues</td>
<td>695 371</td>
<td>527 593</td>
</tr>
<tr>
<td>Operational EBITDA</td>
<td>96 306</td>
<td>52 633</td>
</tr>
<tr>
<td>Operational EBIT 1)</td>
<td>87 057</td>
<td>44 781</td>
</tr>
<tr>
<td>Income from associates</td>
<td>2 522</td>
<td>2 810</td>
</tr>
<tr>
<td>EBIT</td>
<td>28 325</td>
<td>92 425</td>
</tr>
<tr>
<td>EBT</td>
<td>12 307</td>
<td>84 034</td>
</tr>
<tr>
<td>EPS (NOK) 2)</td>
<td>1,05</td>
<td>0,58</td>
</tr>
<tr>
<td>ROCE 3)</td>
<td>29,3 %</td>
<td>5,5 %</td>
</tr>
<tr>
<td>Op. cash flow</td>
<td>102 016</td>
<td>-7 219</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>8 355</td>
<td>17 017</td>
</tr>
<tr>
<td>Net interest-bearing debt</td>
<td>367 359</td>
<td>603 883</td>
</tr>
<tr>
<td>Equity ratio</td>
<td>47,8 %</td>
<td>38,1 %</td>
</tr>
<tr>
<td>Volume harvested (HOG)</td>
<td>5 435</td>
<td>5 405</td>
</tr>
<tr>
<td>Operational EBIT per kg Farming</td>
<td>18,45</td>
<td>9,48</td>
</tr>
<tr>
<td>Op. EBIT per kg Sales inc. contracts</td>
<td>-1,40</td>
<td>-0,23</td>
</tr>
<tr>
<td>Total operational EBIT per kg</td>
<td>17,04</td>
<td>9,26</td>
</tr>
<tr>
<td>Volume sold</td>
<td>13 978</td>
<td>13 574</td>
</tr>
</tbody>
</table>

1) EBIT pre fair value adjustments and non-recurring items
2) Earnings per share pre fair value adjustments
3) ROCE: Return on average capital employed based on 4-quarters rolling operational EBIT / average (NIBD + Equity - Financial assets)
Region North

<table>
<thead>
<tr>
<th>KEY FIGURES (NOK '000)</th>
<th>Q1 2014</th>
<th>Q1 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenues</td>
<td>639,705</td>
<td>437,008</td>
</tr>
<tr>
<td>Operational EBIT *</td>
<td>86,642</td>
<td>44,097</td>
</tr>
<tr>
<td>Volume harvested (tonnes)</td>
<td>5,007</td>
<td>4,473</td>
</tr>
<tr>
<td>Operational EBIT per kg Farming</td>
<td>18,71</td>
<td>10,09</td>
</tr>
<tr>
<td>Op. EBIT per kg Sales inc. contracts</td>
<td>-1,40</td>
<td>-0,23</td>
</tr>
<tr>
<td>Total operational EBIT per kg</td>
<td>17,30</td>
<td>9,86</td>
</tr>
</tbody>
</table>

* EBIT pre fair value adjustments and non-recurring items incl. allocated margin from sales

Operational EBIT per kg farming

NOK 18.71

- Margin from Sales down by NOK 1.17 per kg compared with Q1 13
- Sales price FCA packing station up by NOK 10.50 per kg from Q1 13
Region South

KEY FIGURES (NOK '000)

<table>
<thead>
<tr>
<th></th>
<th>Q1 2014</th>
<th>Q1 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenues</td>
<td>54 561</td>
<td>89 612</td>
</tr>
<tr>
<td>Operational EBIT *</td>
<td>5 987</td>
<td>5 923</td>
</tr>
<tr>
<td>Volume harvested (tonnes)</td>
<td>428</td>
<td>932</td>
</tr>
<tr>
<td>Operational EBIT per kg Farming</td>
<td>15,40</td>
<td>6,59</td>
</tr>
<tr>
<td>Op. EBIT per kg Sales inc. contracts</td>
<td>-1,40</td>
<td>-0,23</td>
</tr>
<tr>
<td>Total operational EBIT per kg*</td>
<td>14,00</td>
<td>6,36</td>
</tr>
</tbody>
</table>

* EBIT pre fair value adjustments and non-recurring items incl. allocated margin from sales

Operational EBIT per kg farming

NOK 15.40

- Margin from Sales down by NOK 1.17 per kg compared with Q1 13
- Sales price FCA packing station up by NOK 14.72 per kg from Q1 13.
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- Regional development
- New licenses
Harvesting estimates 2014: 29,000 tonnes (+ 15%)

Volume hedged 2014 (tonnes)

<table>
<thead>
<tr>
<th></th>
<th>Q1-14</th>
<th>Q2-14</th>
<th>Q3-14</th>
<th>Q4-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY-13</td>
<td>20,5</td>
<td>5,4</td>
<td>2,8</td>
<td>1,5</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5,0</td>
<td>6,6</td>
<td>9,9</td>
</tr>
<tr>
<td>FY-14</td>
<td></td>
<td></td>
<td>11,1</td>
<td>22,8</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>29,0</td>
</tr>
</tbody>
</table>

Smolt release FY 13 FY 14
(Mill no.) ACT EST
North 5,9 6,6
South 1,7 1,7
Total 7,6 8,3
General Market Outlook

Strong demand for Atlantic salmon in Q1 as prices were approx. 30% above last year’s level, while Norwegian supply increased 3% and global supply 4%.

EU growth in line with Norwegian supply growth, due to strong demand from UK, Holland, Spain, Sweden etc. France and Poland imported less salmon and seems affected by the high prices in Q1.

Russia and Ukraine is also reducing imports due to prices and increased risk.

Improving demand from Asia and the US in Q1. Strong growth from Greater China, which saw a 14% import growth from Norway. US doubled volumes vs last year.
General Market Outlook

- We expect 5-8% global supply to be manageable at attractive prices.
  - Growth in Q1 driven by Chile
  - Growth from Q2-Q4 driven by Norway

- New licenses will have limited effect for 2014/2015 and full effect from 2016/2017

Global supply of salmon (2003 to 2014E)
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- Regional development
- New licenses
Geographical margin development (OSE listed)

- EBIT margins pr kg has been highest in the Northern region the last period

- Norway Royal Salmon has close to 80% of our own farming operation in the Northern Region
Y/Y growth past 12 quarters
OSE-listed companies

Volumes Region NORTH
Growth Y/Y: 17%

Volumes Region CENTRAL
Growth Y/Y: 7%

Volumes Region SOUTH
Growth Y/Y: 8%
GREEN LICENSES
Green licenses – Group B

1 license at MNOK 56 to be awarded to NRS Feøy
- One new green license to be awarded
- One existing license to be converted into green
- Both green licenses to be moved to and operated in Troms

NRS Feøy (Region South)
- Reduced from 6 to 5 licenses

NRS has achieved better operational results in Region North
- Historically 3 - 4 NOK/kg lower production cost in Region North

Green licenses – Group C

NRS has applied for 1 license at MNOK 10 for NRS Finnmark
- Decision to be made within June
Green licenses – Group A

- NRS is nominated for the following green licenses:
  - NRS Finnmark: 5
  - Nor Seafood: 2
  - Nord Senja Laks: 2

- Criteria: Reduction of sea lice and minimizing negative influence on wild salmon

- For each new license, one existing license to be converted into green within 2 years.

- In addition, Wilsgård Fiskeoppdrett AS (37.5%), has also been nominated for 2 new green licenses in group A.
### A game changer for NRS

<table>
<thead>
<tr>
<th></th>
<th>Existing licenses</th>
<th>Group B</th>
<th>Group A</th>
<th>Green licenses after conversion</th>
<th>Standard licenses after conversion</th>
<th>Total no of licenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>NRS-Finnmark</td>
<td>14</td>
<td>5</td>
<td></td>
<td>10</td>
<td>9</td>
<td>19</td>
</tr>
<tr>
<td>Nor Seafood</td>
<td>2</td>
<td>2</td>
<td></td>
<td>4</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Nord-Senja Laks</td>
<td>3</td>
<td>2</td>
<td></td>
<td>6</td>
<td>1</td>
<td>7</td>
</tr>
<tr>
<td>NRS - Region NORTH</td>
<td>19</td>
<td>9</td>
<td></td>
<td>20</td>
<td>10</td>
<td>30</td>
</tr>
<tr>
<td>NRS - Region SOUTH</td>
<td>6</td>
<td>1</td>
<td></td>
<td></td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>NRS-Farming</td>
<td>25</td>
<td>1</td>
<td></td>
<td>20</td>
<td>15</td>
<td>35</td>
</tr>
</tbody>
</table>

**Likely future company structure:**
- NRS Finnmark
- NRS Troms
- NRS South
Operational implementation

- Pending final allocation
- 2.5 years from start-up to full operational effect
- Estimated gradual need for working capital of MNOK 200
- Estimated Capex MNOK 100 gradually
- Additional bank facilities of MNOK 200 agreed.

- Production cost expected to be marginally influenced
- Smolt production plant to be realized through partnership

- NRS will return with more detailed information regarding our operational concept for the green licenses when the allocation process is finalized.
And finally

Future growth in the industry is dependent on sustainable solutions.

The new licenses will permanently change NRS and the industry towards more sustainable development.

NRS is motivated and ready for the challenge of being in the forefront of sustainable aquaculture!
Thank you