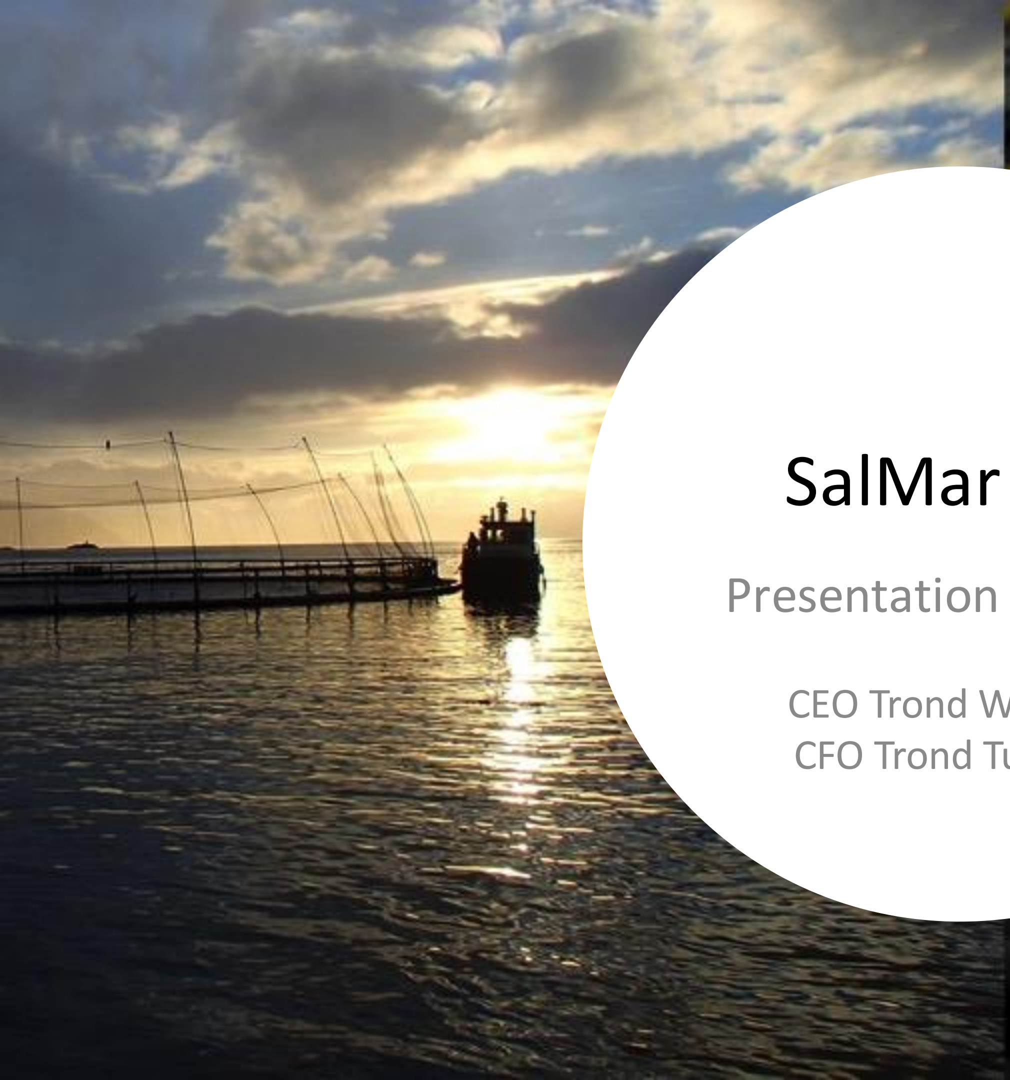


SalMar ASA

Presentation Q2 2017

CEO Trond Williksen
CFO Trond Tuvstein

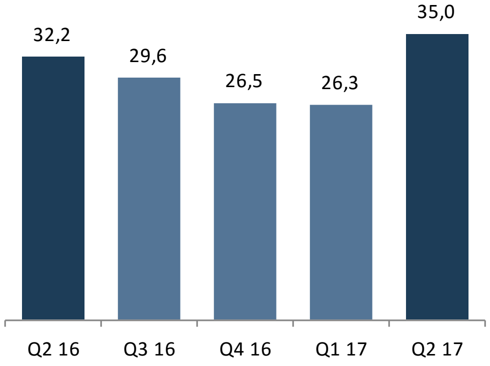
Agenda

- Highlights
- Operational update
- Financial update
- Outlook

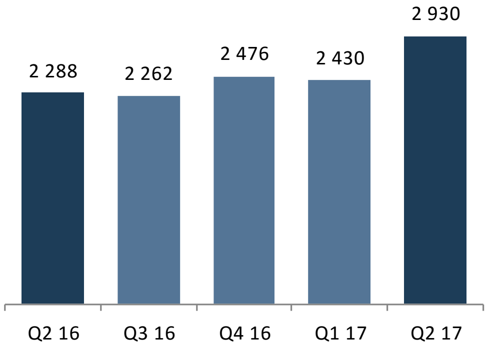
Q2 2017- Strong quarter

- Solid operational performance and high prices gave a strong result
- Strengthened capacity and improved preparedness to handle biological challenges
- Good biological development and solid results in Northern Norway
- Planned harvest 2017 at 131 000 tons

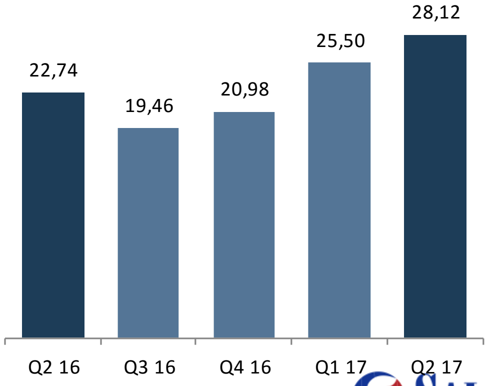
Harvest volume (1,000 tons)



Operating income (NOKm)



EBIT/kg (NOK)



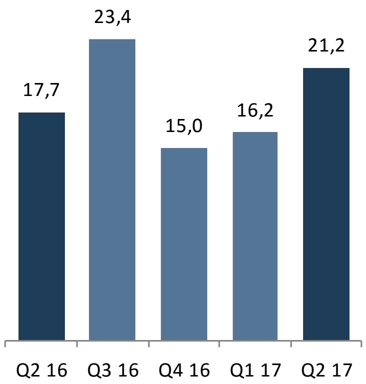
SALMAR Passion for Salmon

Operational update

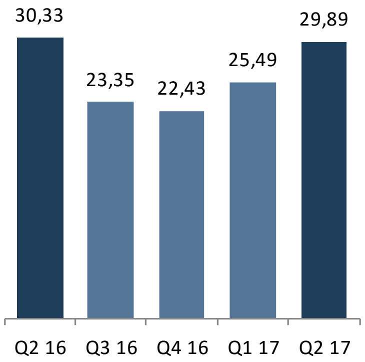
Farming Central Norway

	Q2 2017	Q2 2016	FY 2016
Operating income (NOKm)	1 435,6	1 092,5	4 343,5
Operational EBIT (NOKm)	633,3	537,8	1 770,2
Operational EBIT %	44,1 %	49,2 %	40,8 %
Harvested volume (tgw)	21,2	17,7	70,5
EBIT/kg	29,89	30,33	25,13

Harvest volume (1,000 tons)



EBIT/kg (NOK)

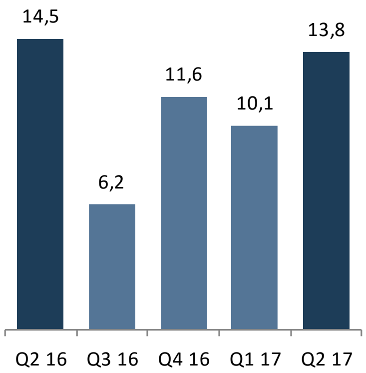


- Solid operational performance and reduced production cost
- The biological situation remains a challenge
- Organic salmon 6% of total harvested volume
- Expect harvest volume of 83 000 tons in 2017

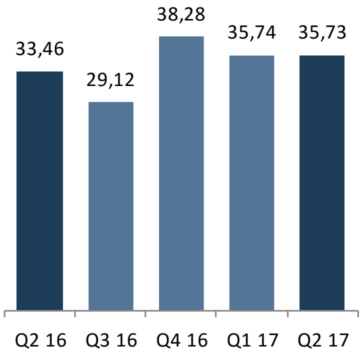
Farming Northern Norway

	Q2 2017	Q2 2016	FY 2016
Operating income (NOKm)	932,1	901,0	2 799,2
Operational EBIT (NOKm)	492,1	483,8	1 480,3
Operational EBIT %	52,8%	53,7%	52,9%
Harvested volume (tgw)	13,8	14,5	45,2
EBIT/kg	35,73	33,46	32,78

Harvest volume (1,000 tons)



EBIT/kg (NOK)

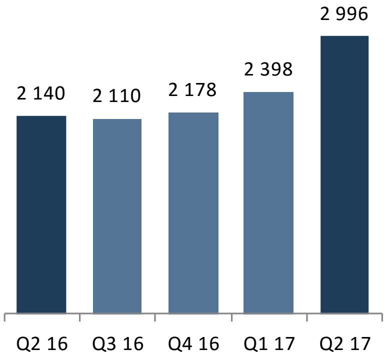


- Good operational performance with satisfactory biological results
- The biological situation remains good. No need for de-licing activities during spring-season
- Proven ISA at one site in Troms
  - Increased logistic and handling cost
  - No suspicion of additional incidents
- Expect harvest volume of 48 000 tons in 2017

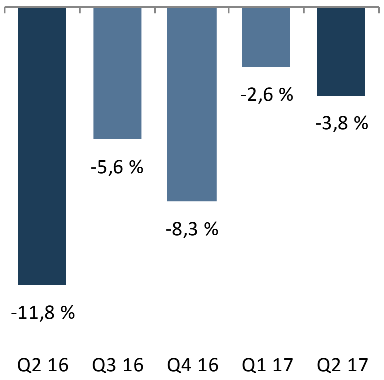
Sales & Processing

	Q2 2017	Q2 2016	FY 2016
Operating income (NOKm)	2 996,4	2 140,1	8 231,4
Operational EBIT (NOKm)	-112,5	-253,2	-685,8
Operational EBIT %	-3,8%	-11,8%	-8,3%

Operating income (NOKm)



EBIT-margin (%)

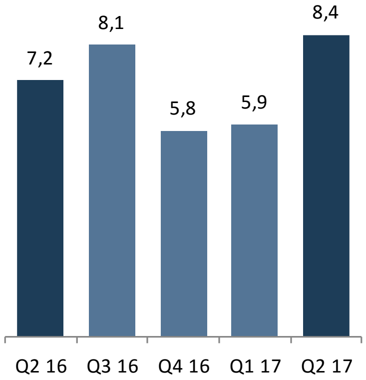


- Improved prices in contract portfolio yoy
  - Still below spot – and results negatively impacted by 40% contract-share
- Biological situation within farming impacts efficiency and results in the segment
- Expect 50% contract share for 2H17 at the same price levels as in 1H17

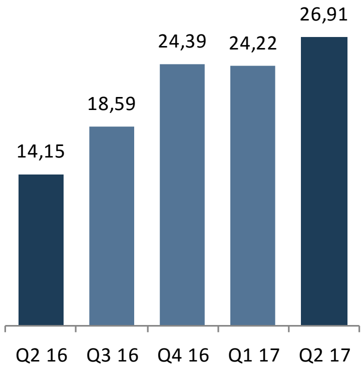
Norskott Havbruk

	Q2 2017	Q2 2016	FY 2016
Operating income (NOKm)	598,7	432,5	1 720,6
Operational EBIT (NOKm)	227,1	101,3	473,9
Operational EBIT %	37,9%	23,4%	27,5%
Value adjustments biomass	27,3	-2,7	127,8
Profit before tax	252,6	89,1	581,7
SalMar's share after tax	98,3	35,5	236,6
Harvested volume (tgw)	8,4	7,2	28,0
EBIT/kg	26,91	14,15	16,90

Harvest volume (1,000 tons)



EBIT/kg (NOK)

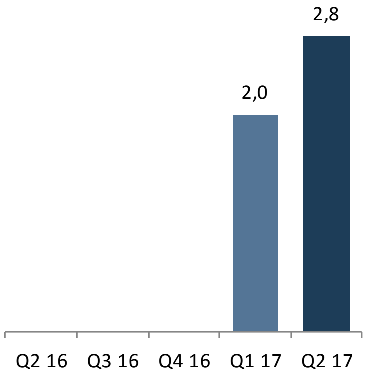


- Strong performance
- The biological situation on The Scottish mainland and on The Orkney Islands remains good
- Operations on Shetland; still fish health issues
- Strengthened treatment preparedness to handle biological situation
- Results positively affected by higher contract prices than spot. 34% contract share
- Expect harvest volumes of 30 000 tons in 2017

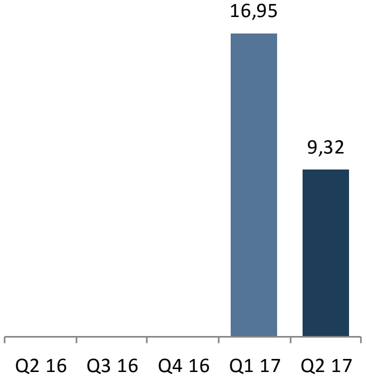
Arnarlax HF

	Q2 2017	Q1 2017	FY 2016
Operating income (NOKm)	193,8	146,2	247,4
Operational EBIT (NOKm)	26,0	34,7	-1,7
Operational EBIT %	13,4%	23,8%	-0,7%
Value adjustments biomass	-52,7	-73,3	183,5
Profit before tax	-48,8	-39,6	205,4
SalMar's share after tax	-16,7	-13,2	52,2
Harvested volume (tgw)	2,8	2,0	4,0
EBIT/kg	9,32	16,95	-0,41

Harvest volume (1,000 tons)

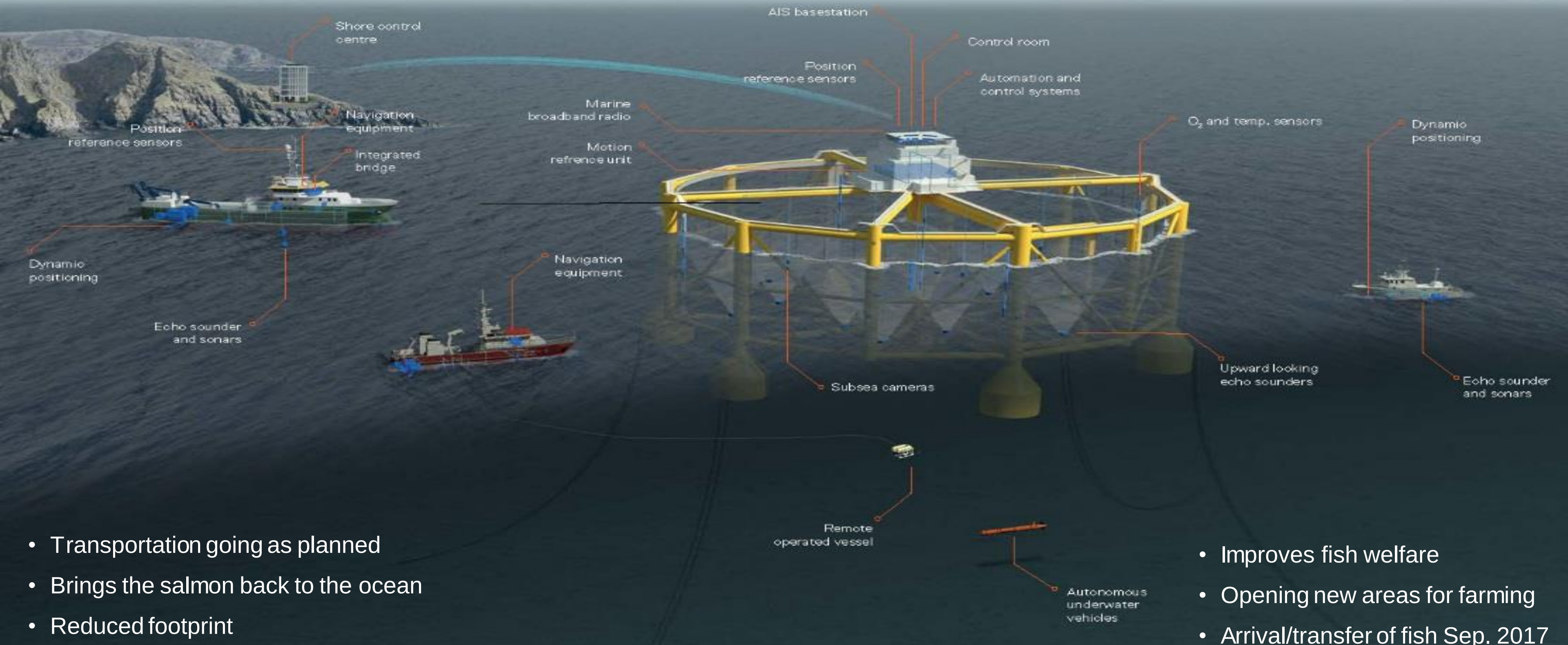


EBIT/kg (NOK)



- Company in an early stage of operational optimization affecting costs negatively
- Operations impacted by biological challenges
- Expect harvest volumes of 10 000 tons in 2017

SalMar in front –
Ocean Farm entering operational pilot phase

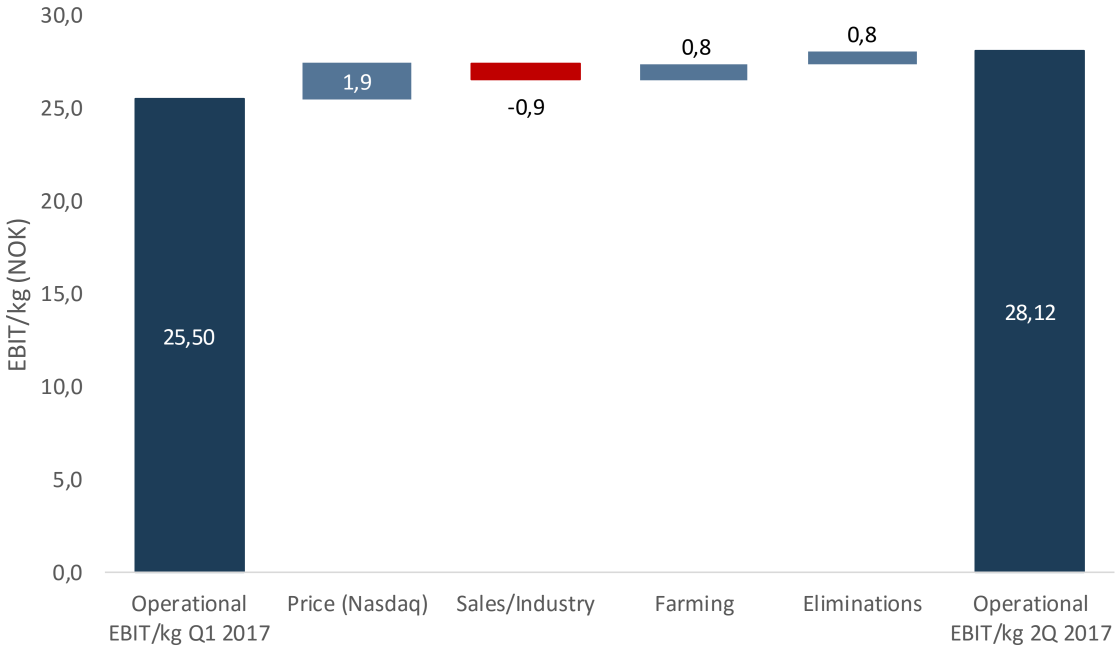


- Transportation going as planned
- Brings the salmon back to the ocean
- Reduced footprint

- Improves fish welfare
- Opening new areas for farming
- Arrival/transfer of fish Sep. 2017

Financial update

Operational EBIT deviation analysis (qoq)



- Spot prices going up during the quarter
- Sales & Processing result reduced due to contract implications from higher spot prices
- Solid operational performance in the farming segments
- Total EBIT/kg Q2 2017 NOK 28.12, up NOK 2.62 from Q1 2017

Group profit and loss

NOK million	2Q 2017	2Q 2016	YTD 2017	YTD 2016	FY 2016
Operating income	**2 929,9**	**2 288,1**	**5 360,0**	**4 291,5**	**9 029,8**
Cost of goods sold	1 223,4	910,8	2 303,6	1 757,3	4 000,8
Payroll expenses	238,2	211,3	468,3	404,8	861,5
Other operating expenses	384,1	345,8	739,0	657,6	1 377,8
EBITDA	1 084,3	820,2	1 849,1	1 471,8	2 789,7
Depreciations and write-downs	101,3	88,4	195,5	173,4	358,0
Operational EBIT	**983,0**	**731,8**	**1 653,7**	**1 298,4**	**2 431,6**
Fair value adjustment	-286,8	-223,7	-469,0	-55,7	654,0
Operational profit	**696,1**	**508,1**	**1 184,7**	**1 242,6**	**3 085,6**
Income from investments in associates	74,9	34,2	157,1	92,0	286,8
Net interest costs	-20,3	-22,3	-44,8	-47,7	-101,3
Other financial items	-33,1	7,2	-30,8	20,5	70,9
Profit before tax	**717,6**	**527,2**	**1 266,2**	**1 307,4**	**3 342,1**
Tax	154,0	124,8	259,4	300,4	691,1
Net profit for the period	**563,6**	**402,4**	**1 006,8**	**1 007,0**	**2 651,0**

- Revenues driven by higher prices and increased volumes
- Average salmon price (NASDAQ) NOK 67.83/kg (NOK 64.22)
- 40% contract share affecting results negatively
- Continued strong biological performance in the North. Improved performance in Central Norway
- Record high EBIT/kg at NOK 28.12 vs NOK 22.74 in Q2 16

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Group balance sheet

NOK million	30.06.2017	31.03.2017	31.12.2016	30.06.2016
ASSETS				
Intangible fixed assets	2 929,9	2 928,2	2 910,8	2 913,0
Tangible fixed assets	3 420,7	3 239,4	3 137,5	2 866,5
Financial fixed assets	1 060,3	990,9	960,0	851,3
Total fixed assets	**7 410,9**	**7 158,5**	**7 008,3**	**6 630,8**
Inventory	4 350,4	4 750,4	5 221,8	3 637,7
Accounts receivables	546,6	553,0	595,8	774,1
Other short-term receivables	298,2	277,9	302,1	328,5
Cash and cash equivalents	224,2	218,4	273,7	198,9
Total current assets	**5 419,4**	**5 799,7**	**6 393,4**	**4 939,3**
TOTAL ASSETS	**12 830,3**	**12 958,2**	**13 401,7**	**11 570,0**
EQUITY AND LIABILITIES				
Paid-in equity	551,2	541,1	529,0	515,7
Reserves	5 725,9	6 499,4	6 069,4	4 455,5
Minority interests	87,3	91,6	82,4	76,3
Total equity	**6 364,4**	**7 132,1**	**6 680,8**	**5 047,6**
Provisions for liabilities	1 332,2	1 406,7	1 495,3	1 189,3
Int. bearing long-term liabilities	2 320,3	1 883,9	2 439,6	2 488,6
Total long-term liabilities	**3 652,4**	**3 290,6**	**3 934,9**	**3 677,9**
Int. bearing short-term liabilities	216,1	162,6	198,6	320,6
Other short-term liabilities	2 597,4	2 372,9	2 587,4	2524,0
Total short-term liabilities	**2 813,5**	**2 535,5**	**2 786,0**	**2 844,6**
TOTAL EQUITY AND LIABILITIES	**12 830,3**	**12 958,2**	**13 401,7**	**11 570,0**
Net interest bearing debt	**2 312,2**	**1 828,0**	**2 364,5**	**2 610,3**
Equity share	**49,6 %**	**55,0 %**	**49,9 %**	**43,6 %**

- CAPEX in line with ongoing investment programs
- Fair value of biomass decreased NOK 229.1 million
- Dividend pay out reduce equity and increase net interest bearing debt
- Solid financial position

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Group cash flow

NOK million	Q2 2017	Q2 2016	YTD 2017	YTD 2016	FY 2016
Profit before tax	717,6	527,2	1 266,2	1 307,4	3 342,1
Tax paid in period	-5,7	-9,8	-19,8	-17,6	-291,0
Depreciation	101,3	88,4	195,5	173,4	358,0
Share of profit/loss from associates	-74,9	-34,2	-157,1	-92,0	-286,8
Gains exit subsidiaries	-11,0	-	-11,0	-28,4	-26,6
Change in fair value adjustments	286,8	223,7	469,0	55,7	-654,0
Change in working capital	73,8	197,7	38,0	552,9	364,2
Other changes	56,7	34,4	97,3	76,6	-81,2
Net cash flow from operating activities	1 144,6	1 027,5	1 877,9	2 028,1	2 724,6
Net cash flow from investing activities	-242,4	-566,6	-410,5	-843,4	-1 231,3
Change in interest-bearing debt	479,6	669,6	-113,4	-92,6	-264,0
Dividend paid out	-1 356,2	-1 121,2	-1 356,2	-1 121,2	-1 125,9
Interest paid	-20,3	-22,3	-44,8	-47,7	-101,3
Other changes	-	-	-4,0	-	-
Net cash flow from financing activities	-896,9	-473,9	-1 518,4	-1 261,5	-1 491,2
Net change in cash for the period	**5,3**	**-13,0**	**-51,0**	**-76,7**	**2,1**
Foreign exchange effects	0,4	1,8	1,4	2,0	-2,1
Cash in the beginning of the period	218,4	210,0	273,7	273,7	273,7
Cash at the end of the period	224,2	198,9	224,2	198,9	273,7

- Strong cash flow from operations
- Net cash flow from investments at NOK -242.4 million
  - Ocean Farming NOK 159.5 million
  - Smolt and hatchery 57.7 million
  - Other operating assets 98.4 million
  - Received dividend of NOK 53.5 million
- Interest-bearing debt increased by NOK 480 million during the quarter due to dividend payout

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Outlook

Outlook

- Biological situation improved YoY
  - Still challenging in Central Norway, will impact cost in coming quarters
  - Strengthened capacity and improved preparedness
- Target cost reduction - cost program initiated
- Expect harvest volume of 131 000 tons (Norway) in 2017
- Current contract share for 2H 2017 approx. 50%
  - Same price levels as in 1H17
- Global supply set to increase in 2H17 compared to 2H16

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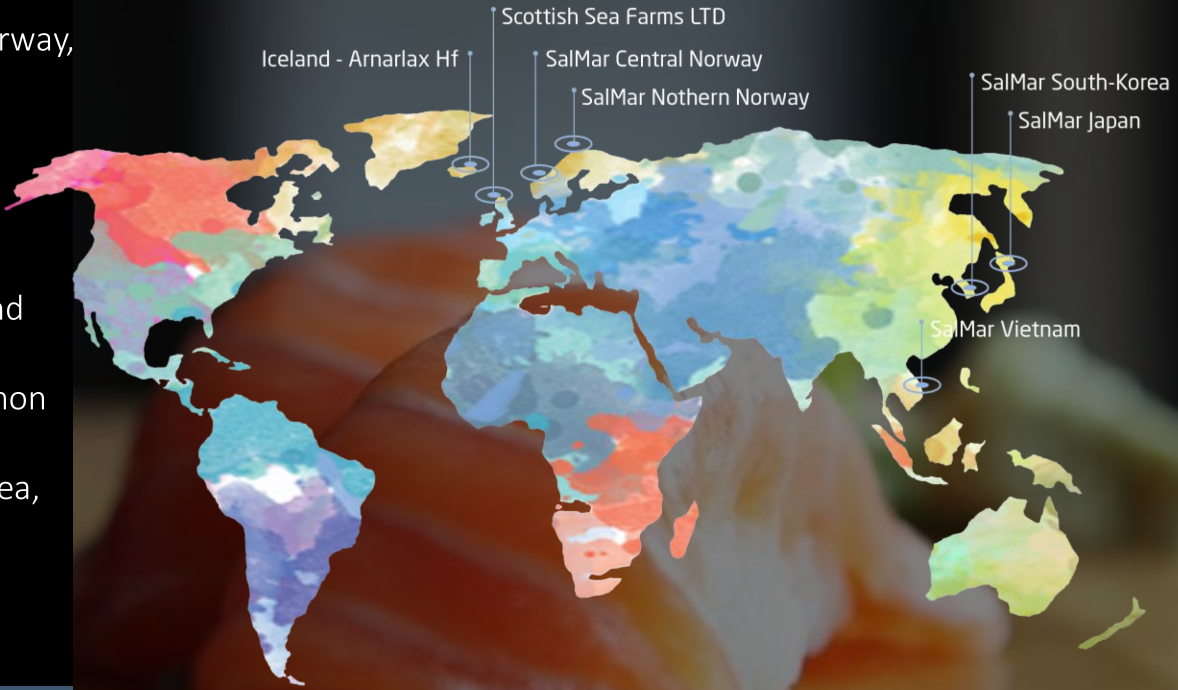
THIS IS SALMAR

- The world's 4th largest salmon producer
- 110 licenses for production of salmon in Norway, including R&D and partnerships
- 8 development licenses
- Significant operations in Scotland and Iceland
- The world's largest producer of organic salmon
- Sales to + 40 countries - sales offices in Korea, Japan and Vietnam



Key info

- **Founded: 1991**
- **FTEs: 1 357**
- **Business: 35 municipalities**
- **Revenues 2016: 9.0 bn NOK**
- **OPR. EBIT 2016: 2.4 bn NOK**

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Thank you for your attention!

www.salmar.no