

Alfesca

Market presentation
May 12th, 2009

Q3 08/09 Results



1. Alfesca at a glance

2. Operational review by pillar

- Salmon and other fish
- Foie gras and duck products
- Blinis and spreadables
- Prawns and other shellfish

3. Financial review

4. Future prospects



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Alfesca at a glance: Q3 08/09 Highlights

Unfavourable economic environment

- ✓ Inflation slowdown, deflation on food products
- ✓ All indicators are red
- ✓ Accordingly, households spendings were limited

		Q2 vs Q1	Q3 vs Q2
GDP	UK	-1.6%	-1.9%
	France	-0.8%	-0.6%
	Spain	-1.0%	-1.8%
Additional Unemployed workers	UK	131,000	177,000
	France	156,700	333,900
	Spain	609,000	802,000
Unemployment rate	UK	6.1%	6.7%
	France	7.2%	8.3%
	Spain	13.9%	17.4%

Sources : Spain INES + Bank of Spain, UK: NSO, France: INSEE actuals and forecasts

Alfesca at a glance: Q3 08/09 Highlights

Changes

Change in consumer behaviour:

- ✓ Chase for value
- ✓ Shop more often with less purchases by visit
- ✓ Shop locally, with fewer big shopping days in remote hypermarkets

Mr Leahy, Tesco's CEO, said the Express convenience stores produced the best sales growth. Usually the Extra hypermarkets are the top performers but consumers are shopping locally and more often to save cash. 'People tend to avoid the Extras except in payday week', Leahy said. 'If you don't want to buy non-food, you don't go'.)

Alfesca at a glance: Q3 08/09 Highlights

Downtrading

Adjusted retailers strategy:

- ✓ Downtrading
- ✓ Sharpening promotions
- ✓ Cutting prices

Downtrading

- ✓ Sainsbury's 'basics' range recorded a 60% surge in sales in Q3
- ✓ In France, retailers are pushing their own PLB which now accounts for 40% of the products purchased in Hyper and Supermarkets with 30% of the turnover (*source: Le figaro 23rd April 09*).
- ✓ In France, the only outlets gaining market shares were hard discounters
- ✓ In France: launch of Carrefour discount to compete with the hard discounters (Selling of more than 400 PLB products at a very low price at retailer quality standard).
- ✓ Last September, in response to the threat posed by Aldi, Tesco launched its own range of "discounter" brands, billing itself as "Britain's biggest discounter". Tesco renewed lately its intent to launch more of this range in 09.

✓ Sharpening promotions. Retailers adopted low cost promotional strategies (Sainsbury's: 'Feed your family for a fiver', 'Switch and save').

✓ Cutting prices. For instance in France: price war going on between retailers and hard discounters resulting in food prices going down by -0.1% in March 09 vs March 08 (*source AGRA April 2009*).

Alfesca at a glance: Q3 08/09 Highlights

Consumption figures

✓ Resilient but
overall difficult
retailers sales

- ✓ Carrefour Jan-March: France -2.2% (excluding fuel impact), Spain (-5.6%), Belgium (-3.4%)
- ✓ Casino Jan-March: France -2.8%
- ✓ Sainsbury's Jan-March +3.4% vs LY but out of which 3% due to inflation
- ✓ Tesco Dec-Feb +3.7%, 6 weeks starting March 09 +4.4%

Alfesca at a glance: Q3 08/09 Highlights

Alfesca's specific timing

✓ Easter is positioned this year in Q4 whereas it was in Q3 a year ago

✓ Q4 will benefit from a compensation effect in April

✓ This affected on the whole the market trends. For example, the French Foie Gras market was down 22.8% in volume (Q3 08/09 vs Q3 07/08)

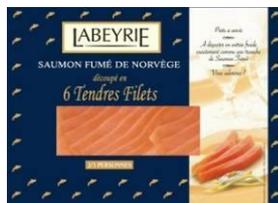
Alfesca at a glance: Sales Highlights vs LY

YTD Alfesca sales are down 1% vs 0% at the end of Q2 influenced by Easter and the difficult environment

Total group Proforma Q3 : -3.6% vs LY(*)

Total group Proforma Q3 YTD : -1.0% vs LY(*)

Smoked salmon & other fish



▪ Q1	-3.1%
▪ Q2	+1.5%
▪ Q3	-2.8%
▪ YTD	-0.9%

Foie gras & other duck products



▪ Q1	+8.0%
▪ Q2	-2.2%
▪ Q3	-10.6%
▪ YTD	-2.0%

Blinis & spreadables



▪ Q1	-6.4%
▪ Q2	-4.7%
▪ Q3	+2.7%
▪ YTD	-3.4%

Prawns



▪ Q1	+7.4%
▪ Q2	-3.0%
▪ Q3	-3.3%
▪ YTD	+0.2%

Alfesca at a glance: Q3 Sales Highlights

- *Easter positioning was more significant for France (more festive products like Foie Gras)*
- *Italy leads the southern area growth*

France	UK	Italy+ Spain	Total Alfesca
			
■ Q1 +1.7%	■ Q1 +3.0%	■ Q1 -3.9%	■ Q1 +1.7%
■ Q2 +0.4%	■ Q2 -5.0%	■ Q2 -1.6%	■ Q2 -0.9%
■ Q3 -4.5%	■ Q3 -3.2%	■ Q3 +4.6%	■ Q3 -3.6%
■ YTD -0.7%	■ YTD -1.8%	■ YTD -0.5%	■ YTD -1.0%

(*) : Adrimex,LTG, D&F proforma for LY, constant £/€ rate

Alfesca at a glance: Q3 08/09 Highlights

Activity in summary

✓ Adverse conditions

✓ Quite satisfactory results

- ✓ rapid changes in consumer behaviour and shopping patterns
- ✓ adverse currency movements (£ and \$) and salmon raw material prices continue to be high
- ✓ positioning of Easter in the 4th quarter (vs 3rd quarter last year)

- ✓ sales only down by only 3.6% on a like for like basis at €118.3 million leading to a YTD variance of -1% vs LY
- ✓ Q3 Ebitda vs LY: -20.7%

Alfesca at a glance: Q3 Financial results

	Q3 published	Q3 proforma (1)
Net sales in €m	118.3	125.1
% vs LY	-8.2%	-3.6%

	Q3 published	Q3 proforma (1)
Ebitda in €m	6.1	6.8
% vs LY	-29.4%	-20.7%

(1) : constant £/€ rate and perimeter

	Q3 published	Q3 proforma (1)
Ebitda margin	5.2%	5.4%

(1) : constant £/€ rate and perimeter

Alfesca at a glance: Q3 YTD Financial results

	Q3 YTD published	Q3 YTD proforma (1)
Net sales in €m	492.7	514.3
% vs LY	-4.4%	-1.0%

	Q3 YTD published	Q3 YTD proforma (1)
Ebitda in €m	47.6	50.2
% vs LY	-12.0%	-8.1%

(1) : constant £/€ rate and perimeter

	Q3 YTD published	Q3 YTD proforma (1)
Ebitda margin	9.7%	9.8%

(1) : constant £/€ rate and perimeter

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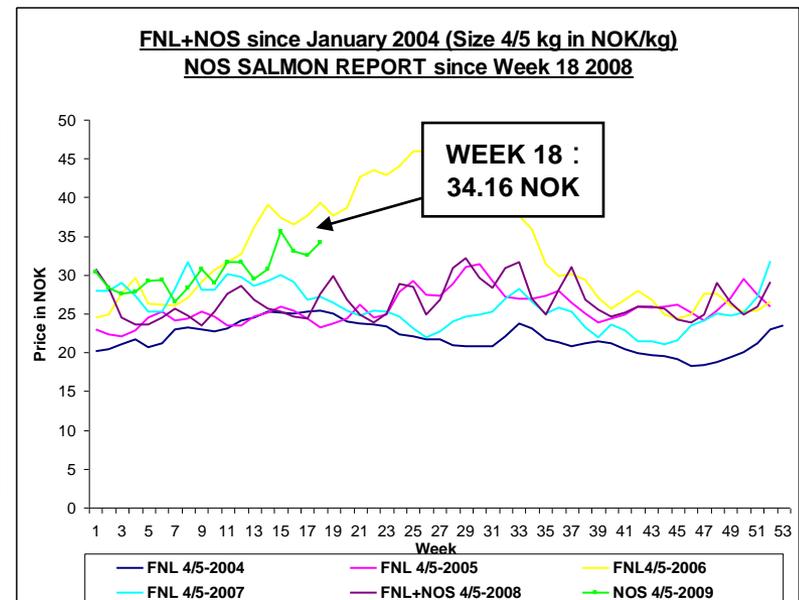


Operational Review – Salmon and other fish

- ✓ Higher than expected salmon raw material
- ✓ Sales price increases are needed to match the negative salmon raw mat trend

- ✓ Norwegian salmon:
 - Chilean biomass collapse (close to -80%): ISA
 - Low water temperatures in Norway delay fish growth
 - Sustained demand
- ✓ Scottish salmon (reached 4£/kg in March)
 - Low availability
 - ISA outbreaks in the Shetlands

- ✓ High Norwegian salmon prices



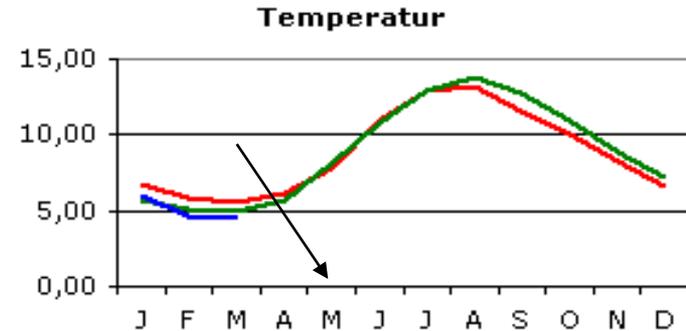
Operational Review – Salmon and other fish

High Norwegian salmon raw mat prices

✓ Chilean biomass collapse (close to -80%): ISA

✓ Low water temperatures in Norway delay fish growth

Generation	Harvest period	Volume WFE 31/03/09	Harvest period	Volume WFE 31/03/08	Var in %
07/S0	April 09 to Aug 09	29,200	April 08 to Aug 08	82,600	-65%
08/S1	Sept 09 to March 10	22,400	Sept 08 to March 09	101,100	-78%
08/S0	April 10 to Aug 10	22,300	April 09 to Aug 09	66,000	-66%
TOTAL CHILE		73,900		249,700	-70%



09: 2° less vs previous years

Generation	Harvest period	Volume WFE 31/03/08	Harvest period	Volume WFE 31/03/07	Var in %
07/S1	Sep 08 to Mar 09	13,300	Sep 07 to Mar 08	16,300	-18%
07/S0	Apr 09 to Aug 09	188,100	Apr 08 to Aug 08	164,100	15%
08/S1	Sept 09 to March 10	210,000	Sep 08 to Mar 09	193,200	9%
TOTAL NORWAY		411,400		373,600	10%

Generation	Harvest period	Nbr of fish 31/03/09	Harvest period	Nbr of fish 31/03/08	Var in %
07/S0	Apr 09 to Aug 09	50,000	Apr 08 to Aug 08	38,300	31%

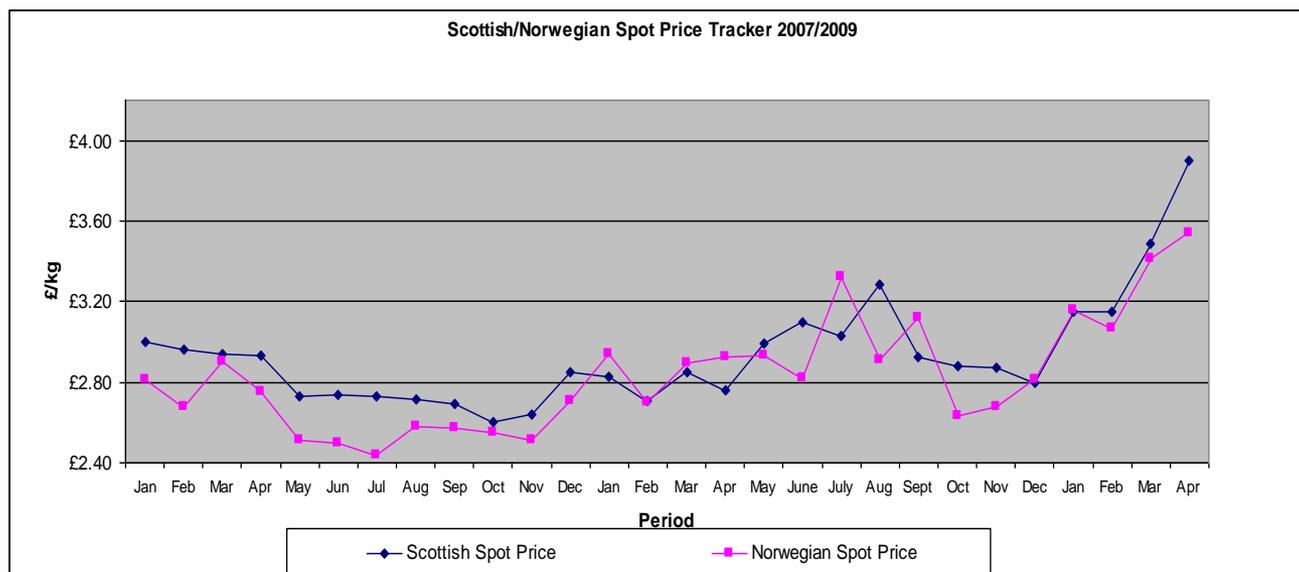
07/S0	Average weight in kg	3.8		4.3	-12%
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Operational Review – Salmon and other fish

High Scottish salmon prices

- ✓ Low availability
- ✓ ISA outbreaks in the Shetlands

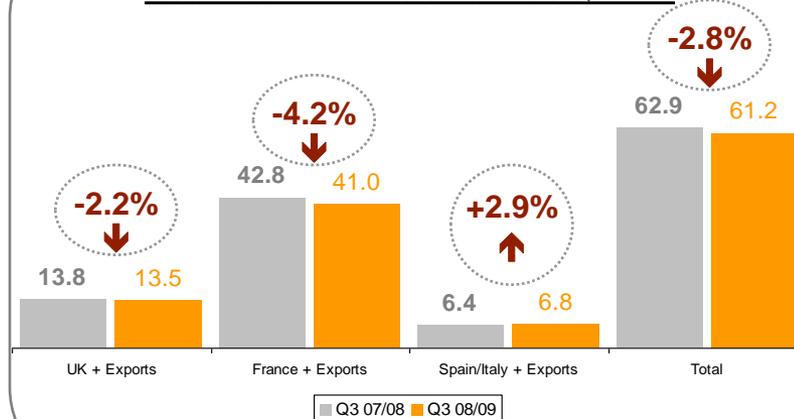
Generation	Harvest period	Volume WFE 31/03/09	Harvest period	Volume WFE 31/03/08	Var in %
07/S1	Sep 08 to Mar 09	6,300	Sep 07 to Mar 08	1,000	530%
07/S0	Apr 09 to Aug 09	12,900	Apr 08 to Aug 08	14,700	-12%
08/S1	Sep 09 to Mar 10	52,300	Sep 08 to Mar 09	56,700	-8%
TOTAL		71,500		72,400	-1%



Operational Review – Salmon and other fish

✓ Q3 activity (sales and markets) affected by Easter positioning, but will be made up for in April

Alfesca Salmon and other Fish sales Q3 in €m



✓ Successful launch of a new product category in France: high quality seafood terrines



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Operational Review – Duck products

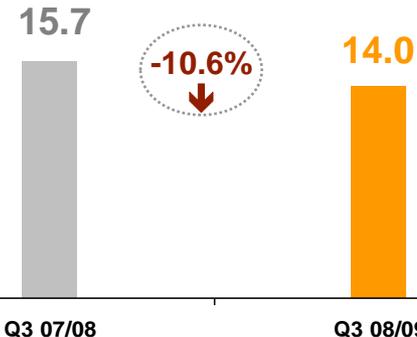
✓ Stabilized raw material costs

We reached an agreement with our suppliers to freeze the feed index costs at a satisfactory level for the whole 2009 calendar year

✓ Q3 volumes (sales and markets) affected by Easter positioning

✓ Successful launch of a new product category in France: high quality duck terrines

Alfesca duck sales Q3 in €m



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Operational Review – Blinis and Spreadables

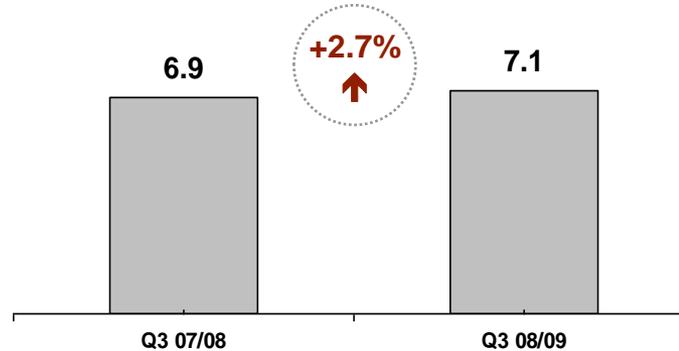
✓ Overall raw material costs in line with expectations

✓ Q3 volumes (sales and markets) affected by Easter positioning, but will be made up for in April. However, satisfactory Alfesca sales.

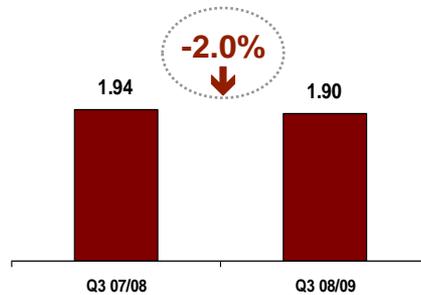
- ✓ Branded sales were pushed by new listings (SU) and high promotional activity
- ✓ Good PLB sales volumes but downward NSP trends in line with the general economic environment
- ✓ Tassos' deliveries were blocked by workers on strike since the beginning of March. As a result, the company went bankrupt.
- ✓ Market share gains on all categories:
 - Blinis: +2.1pts
 - Taramas: +1.7 pts
 - Spreadables: +2.1pts

Operational Review – Blinis and Spreadables

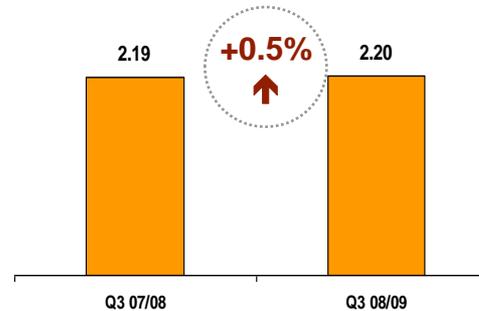
Alfesca Blini and Spreadables Pillar
Q3 in €m



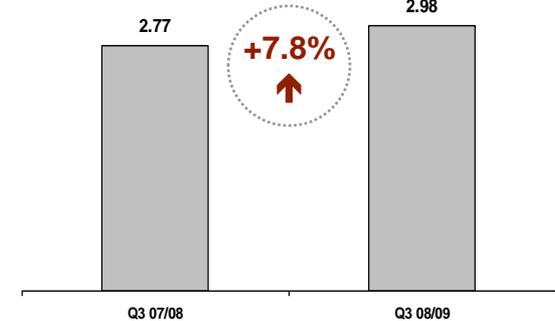
Alfesca Blinis Sales Q3 in €m



Alfesca Tarama Sales Q3 in €m



Alfesca Spreadables Sales in €m



✓ After being launched at Christmas, the 'Blini à l'ancienne' range has achieved a good distribution level



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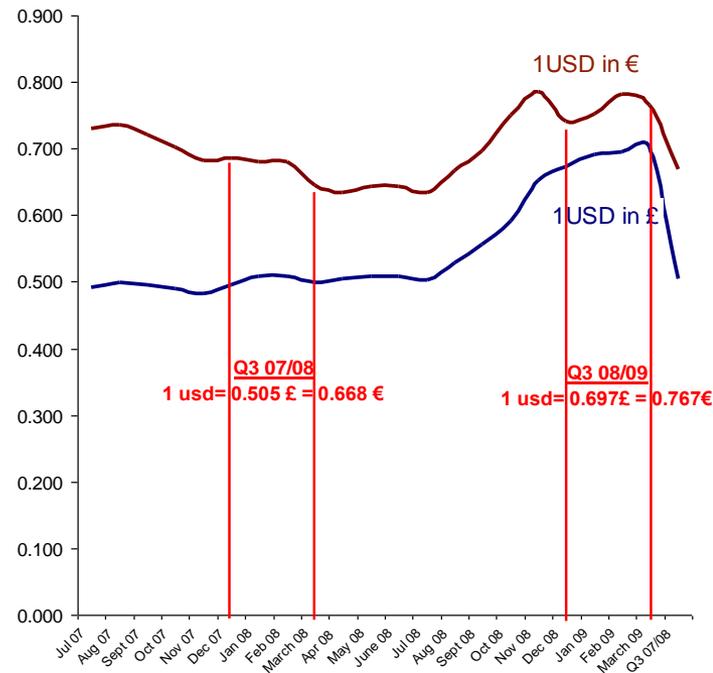
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Operational Review – Prawns

✓ High raw material costs remain an issue

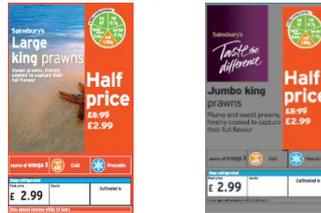
- ✓ Increasing prices in USD
- ✓ Unfavourable USD exchange rate against € and in £ compared with last year (graph below)
- ✓ White spot disease affected our traditional suppliers in Indonesia



Operational Review – Prawns

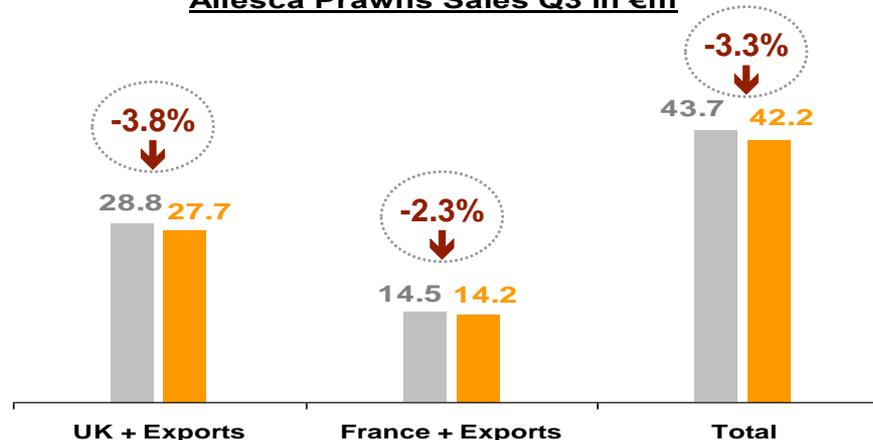
✓ Q3 volumes (sales and markets) affected by Easter positioning. However, encouraging Alfesca sales given March results.

✓ In the UK: strong recovery in March after difficult Jan and Feb months. Sainsbury's promotions (regular half price deals and '2 for £5') are now fully efficient and meeting their market goals.



✓ In France: retailers changed their strategy, trading down from elaborated and packed product to low costs whole prawns in bulk, thus strongly impacting our margins.

Alfesca Prawns Sales Q3 in €m



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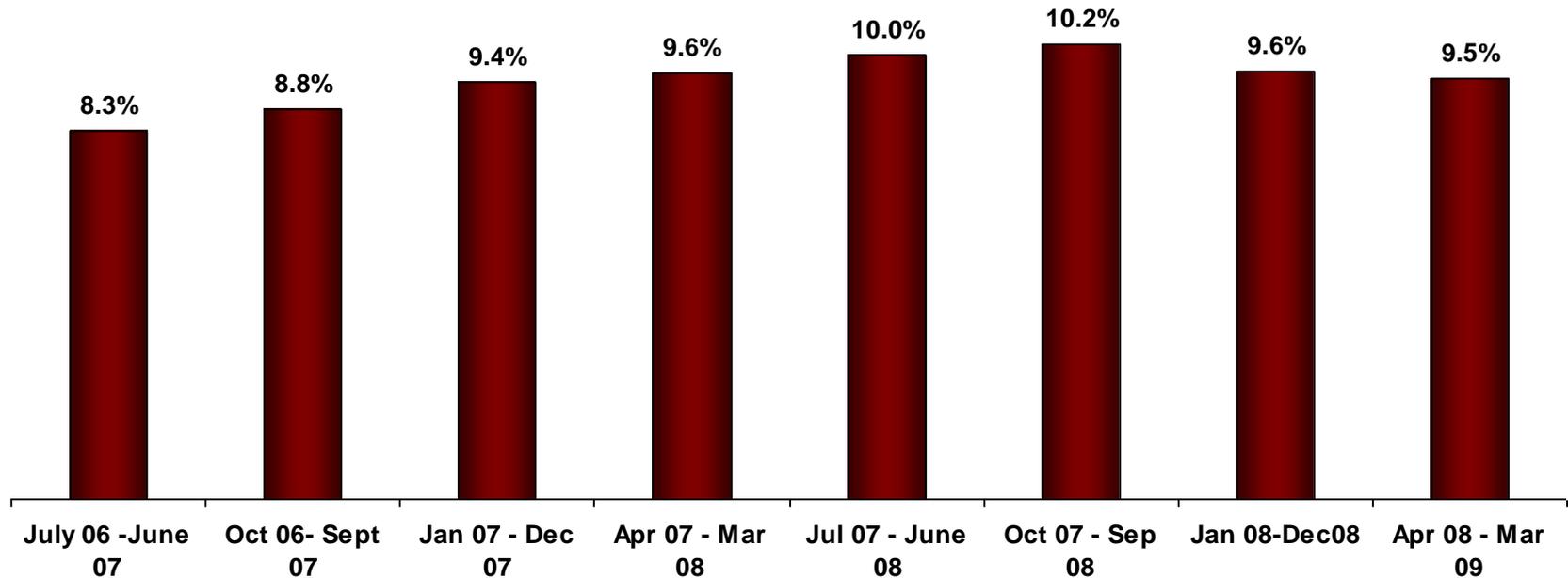


Financial review: Income statement versus last year in €m

Income statement in € million	Q3			Q3 YTD		
	08/09	07/08	Var %	08/09	07/08	Var %
Net sales	118.3	128.8	-8.2%	492.7	515.4	-4.4%
Cost of goods sold	(101.1)	(109.3)	-7.5%	(402.8)	(420.2)	-4.1%
Gross profit	17.2	19.5	-12.0%	89.9	95.2	-5.6%
Gross margin %	14.5%	15.2%		18.2%	18.5%	
Operating expenses	(17.6)	(15.8)	11.6%	(58.6)	(55.6)	5.5%
EBIT	-0.4	3.8	ns	31.2	39.6	-21.2%
Net financial expenses	(3.1)	(2.1)	46.0%	(9.5)	(7.2)	32.1%
Net profit before taxes	-3.5	1.7	ns	21.7	32.4	-33.1%
Income tax	3.1	0.2	1829.4%	(4.5)	(7.2)	-37.2%
Net profit for the period	-0.3	1.8	ns	17.2	25.2	-31.9%
EBITDA	6.1	8.7	-29.4%	47.6	54.0	-12.0%
EBITDA %	5.2%	6.7%		9.7%	10.5%	

EBITDA margin history: rolling 12 months ⁽¹⁾

- Slight decrease of the EBITDA margin vs LY and last quarter



⁽¹⁾ : excluding acquisition costs and special projects, constant YoY €/£ exchange rate

Financial review: Balance sheet in €m

Balance sheet - Assets

€ million	31/03/2009		31/03/2008	
Intangible assets	344.8	53%	344.2	52%
Operational assets	99.0	15%	100.8	15%
Long-term investments	10.6	2%	11.0	2%
Non current Assets	454.4	69%	456.1	69%
Inventories	87.7	13%	97.7	15%
Receivables	60.3	9%	79.5	12%
Bank deposits and cash	52.9	8%	30.5	5%
Current assets	200.9	31%	207.8	31%
Total assets	655.3	100%	663.9	100%

Balance sheet - Shareholders equity and Liabilities

€ million	31/03/2009		31/03/2008	
Shareholders equity	332.4	51%	315.0	47%
Long-term liabilities	168.4	26%	184.5	28%
Deferred tax liabilities	44.1	7%	44.3	7%
Obligations	7.7	1%	7.2	1%
Long-term liabilities and obligations	220.2	34%	236.1	36%
Bank loans	11.6	2%	13.7	2%
Current maturities of long-term debt	14.8	2%	8.0	1%
Other current liabilities	32.6	5%	37.0	6%
Trade payables	43.7	7%	54.1	8%
Current liabilities	102.7	16%	112.8	17%
Shareholders equity and liabilities	655.3	100%	663.9	100%
Net debt	141.9		175.8	
Debt/Equity ratio	0.43		0.56	

Financial review: Working Capital in €m

	Actuals	LY	Var value	Var %
Inventory	87,651	97,714	-10,064	-10.3%
Trade receivable	41,662	47,437	-5,776	-12.2%
<i>Days of sales</i>	<i>42.3</i>	<i>38.9</i>	<i>3.4</i>	<i>8.8%</i>
JME	24,126	27,045	-2,918	-10.8%
Trade Payable	43,678	51,075	-7,397	-14.5%
Trade working capital	85,634	94,077	-8,443	-9.0%
<i>Days of net sales</i>	<i>64.2</i>	<i>64.5</i>	<i>-0.3</i>	<i>-0.5%</i>

▪ Currency impact:

✓ Weakening GBP: positive impact approx €3.0m.

▪ Reduction in inventory level:

✓ In almost all subsidiaries mostly in the UK.

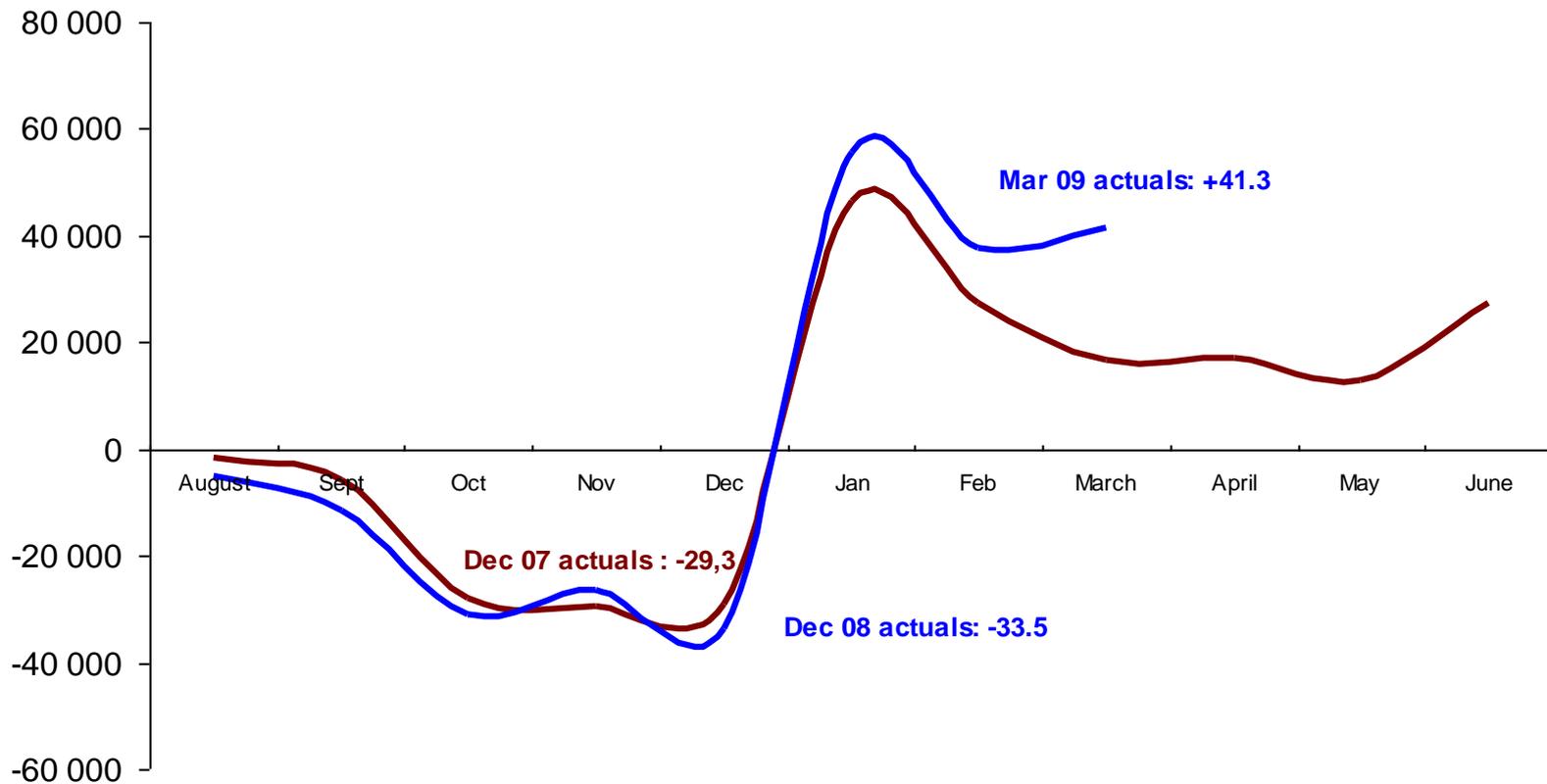
▪ Reduction in receivables:

✓ €8.0m reduction in receivables at Labeyrie.

Financial review: Cash Flow in €m

Cash Flow in €m	FY 08/09 1/07 - 31/03	FY 07/08 1/07 - 31/03
Cash Flow from operating activities	47.1	52.4
Working Capital provided by operating activities	0.6	(16.9)
Tax paid / received	(3.8)	(1.2)
Net Cash flow from operating activities	43.9	34.3
Capital expenditures	(11.3)	(11.8)
Proceeds from sales of subsidiaries		
Proceeds from asset sales and other	0.4	0.5
Net Cash flow from investing activities	(10.9)	(11.2)
Sales of shares	0.1	1.5
Repayment of borrowings (net)	(6.9)	(5.2)
Net financial interest paid	(12.0)	(7.0)
Short term borrowings increase	(3.8)	(7.9)
Net Cash flow from financing activities	(22.7)	(18.6)
Change in cash for the period for continuing operations	10.3	4.5

End of the month actuals accounting cash positions including bank overdrafts in €m



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Future prospects

✓ Q4 will remain a challenging quarter for Alfesca, with parameters difficult to optimize

✓ Savings plans and cash management will be our top priority

- ✓ low consumption,
- ✓ higher raw mat (particularly salmon)
- ✓ difficulty to pass tariff increases

- ✓ ongoing cost cutting
- ✓ merging certain central functions
- ✓ implementing a common IT platform in France and putting in place a more optimal organisational structure.
- ✓ exiting unprofitable product lines and negotiating price increases where appropriate.
- ✓ Integrating the production facilities of Blini and LTG

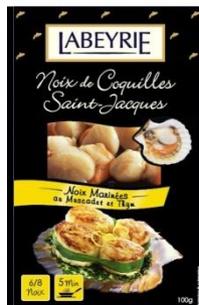
- ✓ Alfesca sales and profit will be protected by strong promotion and innovation!

Future prospects

- Strong flow of innovations in the coming months!



Soups!



Just cook scallops!



Ready to cook duck!



New flowpack range!



Tapas!



Pancakes!



Healthy lunch!



Festive terrines!



New origin!



New cuts!



Asian style!



THANK YOU !