

Q1 2012 investor meeting

Sigsteinn Grétarsson, COO
Erik Kaman, CFO

27 April 2012



Sigsteinn Grétarsson

COO



- 1** Introduction
- 2 Financial results
- 3 Outlook



Strong revenue growth and good profitability

- Marel starts the year off strong
 - In line with growth strategy
- Operating profit in line with target range
 - Higher than last quarter
- Most markets and regions growing
 - Slower US market
 - Fully offset by solid growth in Asia and South America
- Order book remains strong
 - Marel clearly benefits from its strong market position and geographical expansion



Launched in February, our Annual Report 2011 website has attracted over 4,000 visitors from close to 80 countries

Erik Kaman

CFO



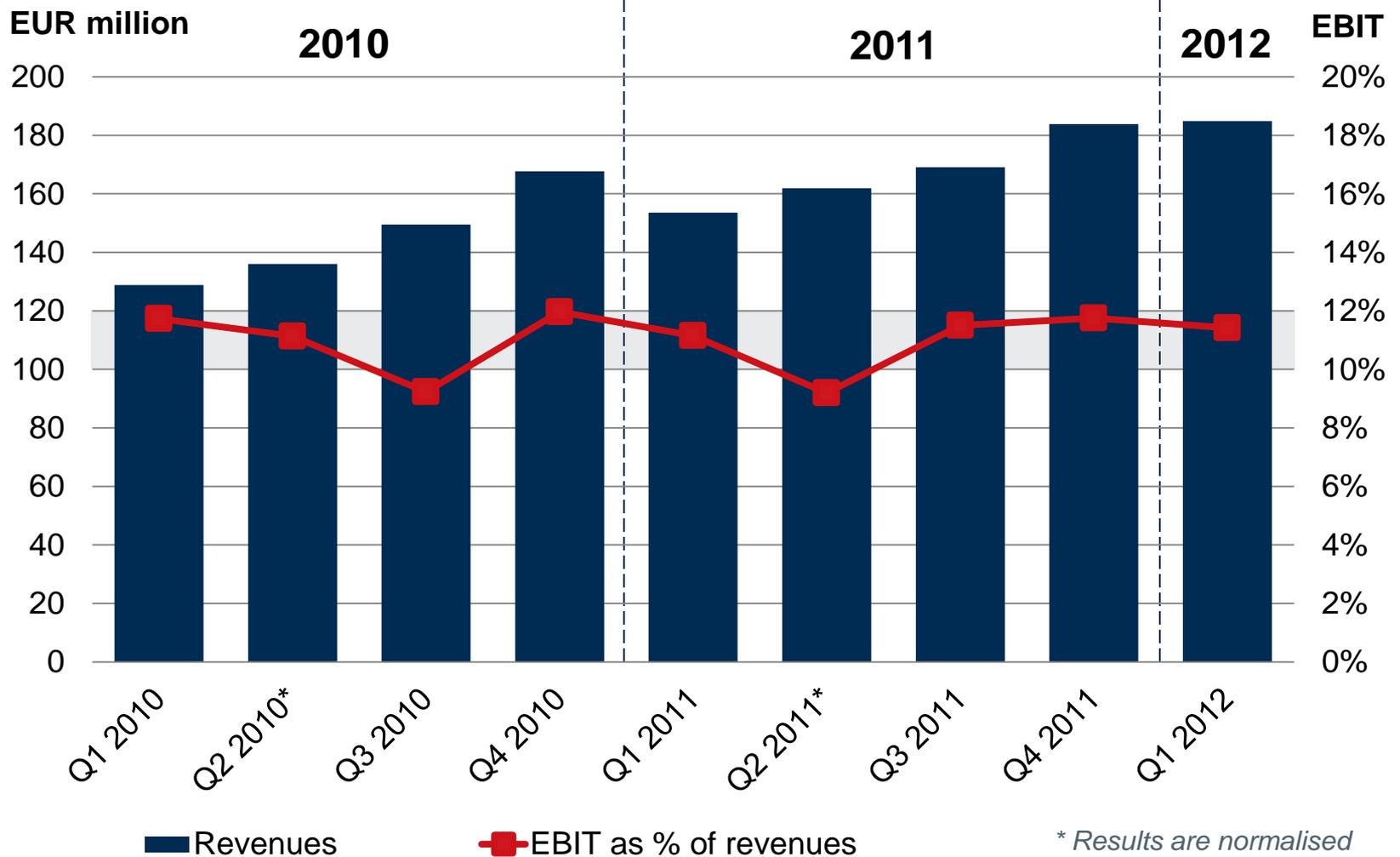
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Business results

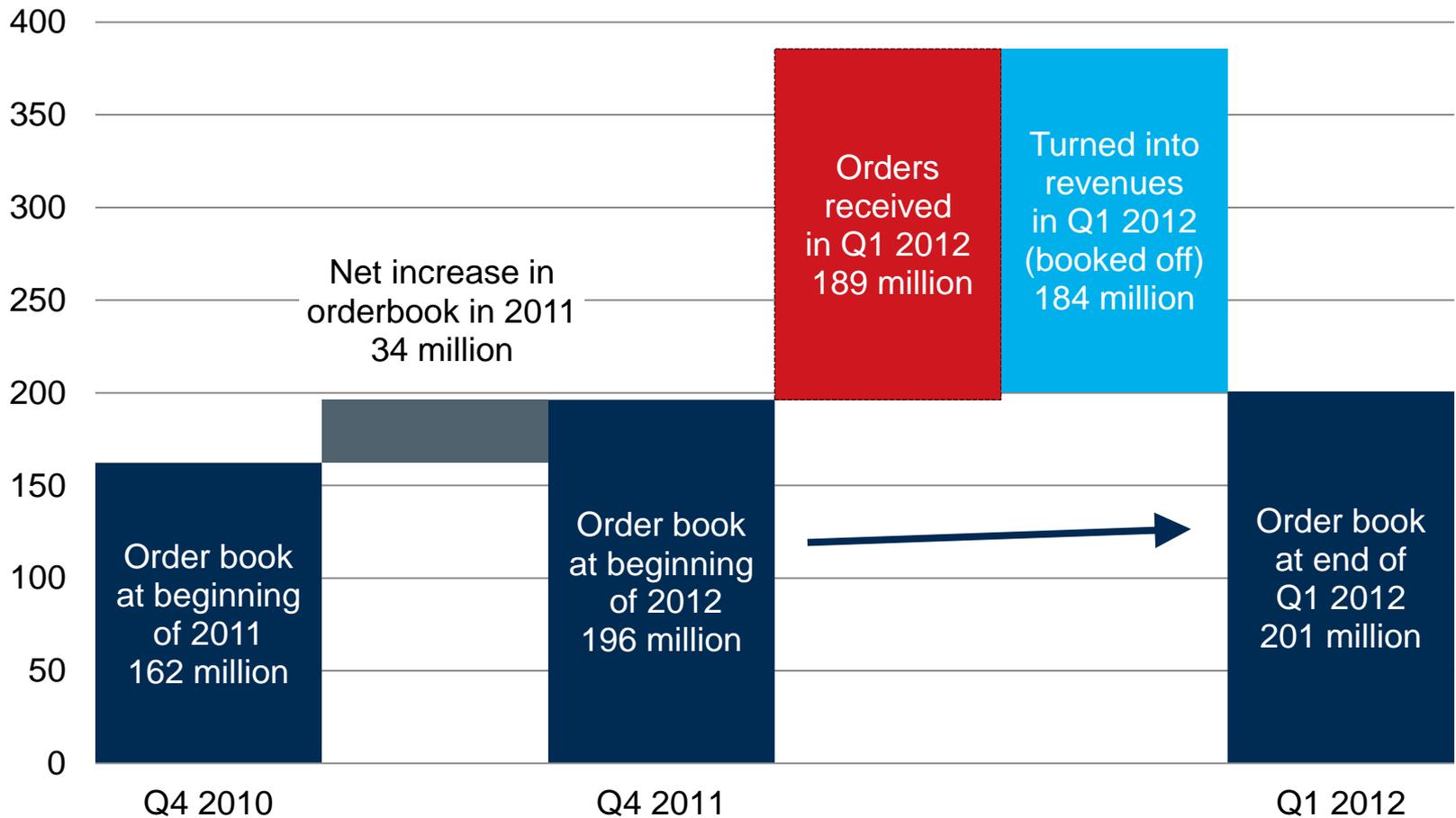
<i>EUR thousands</i>	Q1 2012	Q1 2011	Change in %
Revenues	184,864	153,537	20.4
Gross profit	67,992	58,918	15.4
<i>as a % of revenues</i>	36.8	38.4	
Result from operations (EBIT)	21,119	17,121	23.4
<i>as a % of revenues</i>	11.4	11.2	
EBITDA	27,401	23,323	17.5
<i>as a % of revenues</i>	14.8	15.2	
Orders received (including service revenues)	189,420	160,710	17.9
Order book	200,773	169,328	18.6

Development of business results



Order book at a solid level, slight increase from last quarter

EUR million



Condensed consolidated balance sheet

ASSETS

EUR thousands

Non-current assets

	31/03 2012	31/12 2011
Property, plant and equipment	107,247	108,088
Goodwill	379,977	380,419
Other intangible assets	101,287	100,073
Investments in associates	109	109
Receivables	2,797	3,115
Deferred income tax assets	9,658	11,567
	601,075	603,371

Current assets

Inventories	102,874	99,364
Production contracts	53,851	38,046
Trade receivables	91,554	77,497
Assets held for sale	-	555
Other receivables and prepayments	31,079	28,051
Cash and cash equivalents	32,217	30,934
	311,575	274,447

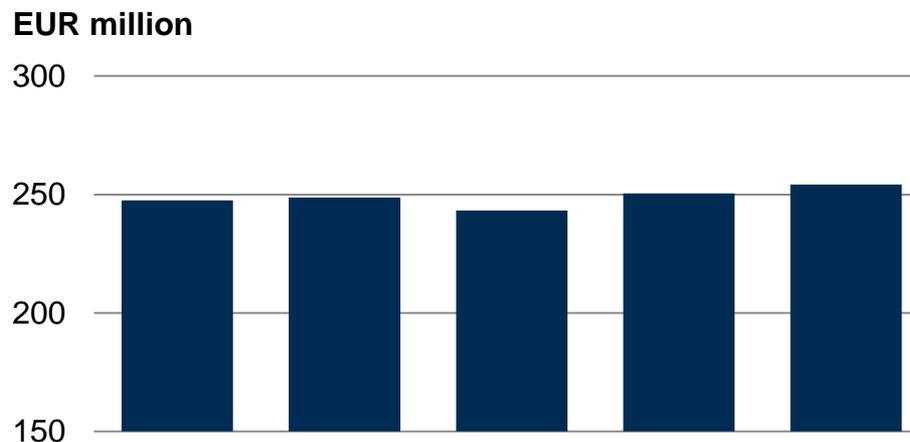
Total assets

912,650	877,818
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Condensed consolidated balance sheet (continued)

EQUITY	31/03 2012	31/12 2011
<i>EUR thousands</i>		
Total equity	377,855	373,471
LIABILITIES		
Non-current liabilities		
Borrowings	266,973	254,361
Deferred income tax liabilities	9,705	8,705
Provisions	7,124	6,902
Derivative financial instruments	12,059	12,419
	<u>295,861</u>	<u>282,387</u>
Current liabilities		
Production contracts.....	82,483	64,029
Trade and other payables	130,356	125,570
Current income tax liabilities	3,678	2,293
Borrowings	19,423	27,062
Provisions	2,994	3,006
	<u>238,934</u>	<u>221,960</u>
Total liabilities	534,795	504,347
Total equity and liabilities	<u>912,650</u>	<u>877,818</u>

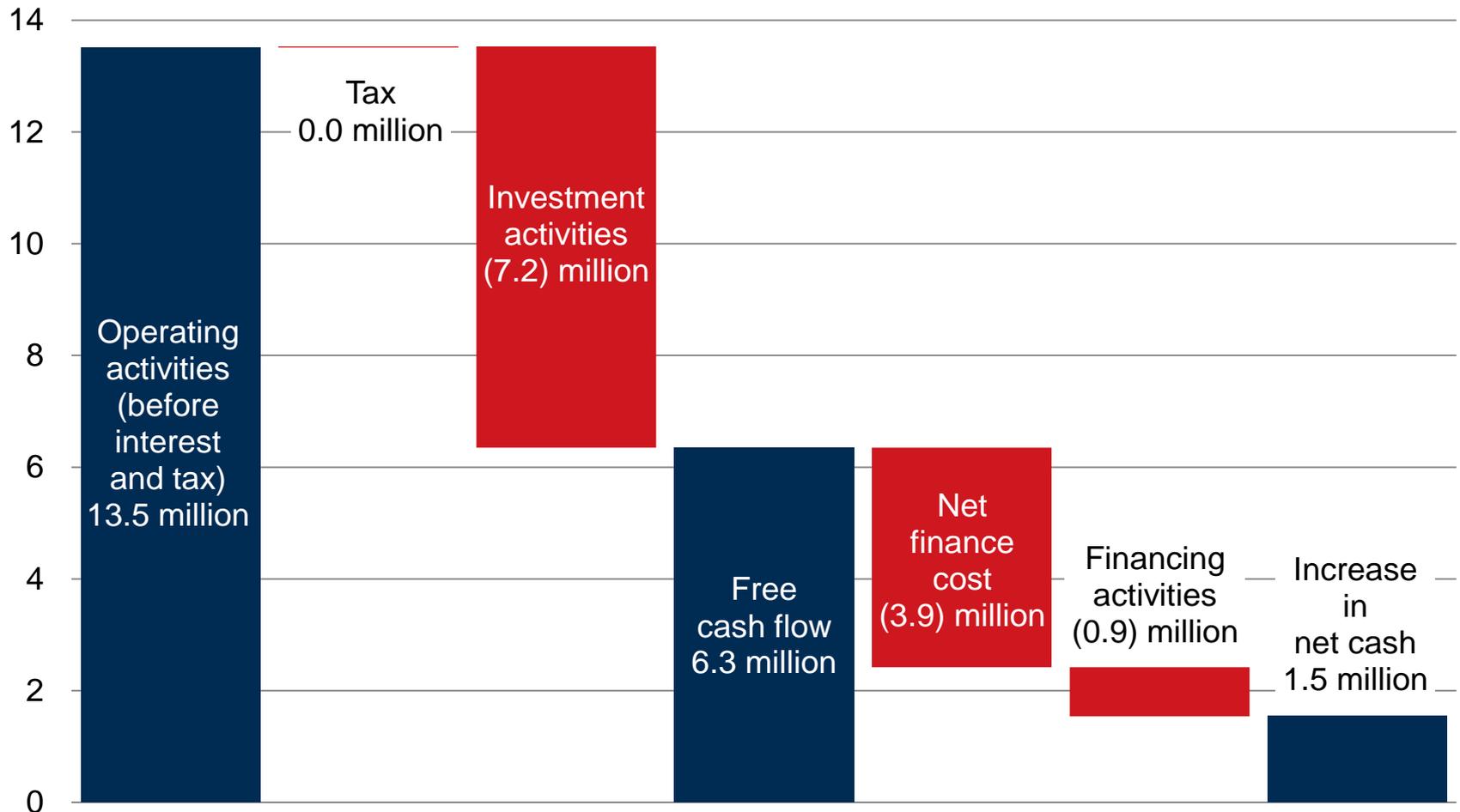
Borrowings slightly down, net interest bearing debt slightly up



End of quarter in EUR million	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Change since Q1 2011
Non-current borrowings	274.3	262.8	249.6	254.3	267.0	(7.3)
Current borrowings	16.7	16.7	27.0	27.1	19.4	2.7
Total borrowings	291.0	279.5	276.6	281.4	286.4	(4.6)
Cash and equivalents	43.4	30.7	33.2	30.9	32.2	(11.2)
Net interest bearing debt	247.6	248.8	243.3	250.5	254.2	6.6

Q1 2012 cash flow composition

EUR million



Financial focus areas

- Improving *gross profit*
 - Procurement
 - Production cost
 - Operational processes
- Ensuring a sustainable *SG&A cost base* despite growth in activity
 - 2010: 20.7%
 - 2011: 19.9%
 - Q1 2012: 19.8%
- Improving *working capital* parameters
 - Inventory turn rate (ITR)
 - Days sales outstanding (DSO)
 - Days payable outstanding (DPO)



Marel's new trim management system analyses the fat/lean ratio of meat using the X-ray technology of the SensorX, previously used so successfully to detect bones in poultry

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COO



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Poultry: Good order intake

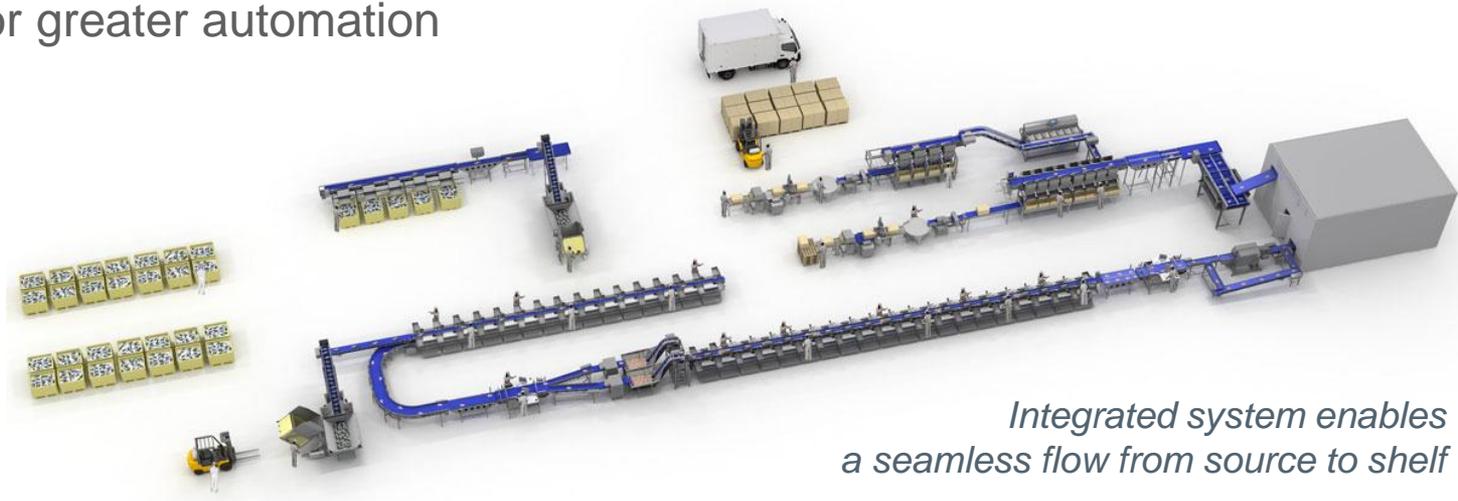
- Large orders from the US, Central America, Russia, the Middle East and Europe
- Continuing high load in manufacturing facilities
- New greenfield project involving the Aeroscalder
- To better service Marel's customers a global service structure is being established



Aeroscalder technology diminishes the carbon footprint of poultry processing plants through reduced water and energy consumption

Fish: Good start of year marked by successful salmon event

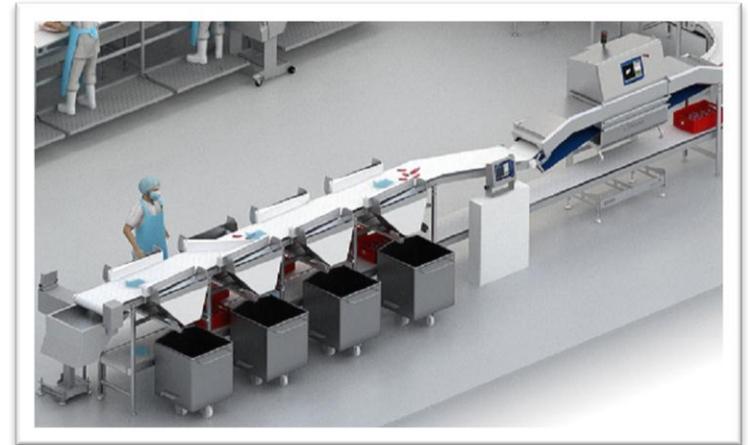
- Marel's annual Salmon ShowHow attracted two hundred players from the global salmon processing industry
- High capacity processing line for whitefish sold to China
 - Marel's largest single sale ever in fish
 - System specifically designed to meet requirements of high-growth markets
- Overall, worker shortage and rising operating costs around the globe have increased demand for greater automation



*Integrated system enables
a seamless flow from source to shelf*

Meat: Activity covering wide range of systems

- Industry is off to a slow start
 - Number of proposals being submitted despite that
- Trim Management System attracting interest
 - Several orders received in Q1
- Major processors planning to replace old equipment
 - Marel well placed to meet their requirements
- Recent successes in Eastern Europe and Australasia to be built upon



Marel's new Trim Management System, introduced in late 2011, is gaining interest which resulted in several orders in Q1 with more expected to follow in Q2

Further processing: Steady order intake in line with expectations

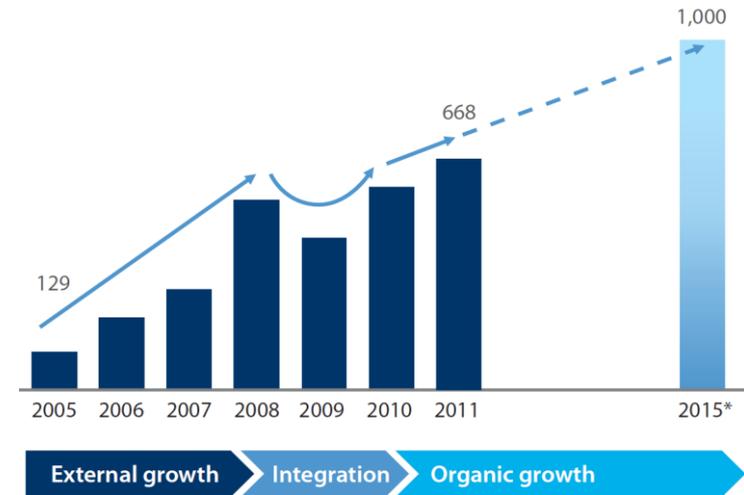
- Our innovative QX technology continues to gain interest
 - Several sausage systems sold in Western Europe and the US
- Smaller businesses and companies with great variation in products are embracing the more compact RevoPortioner 400
- The newly renovated DemoCenter in Boxmeer was the place to be in Q1
- At Anuga, new versions of the RevoPortioner and ModularOven were showcased and the new ValueFryer introduced



RevoPortioner enables the production of a variety of appealing end products

Positive outlook for the year

- Marel is well on track with its growth strategy
- New markets are expected to compensate for slower activities in established markets
- The strength of the order book signals a good continuation for 2012
- Nevertheless, results may vary from quarter to quarter due to general economic developments, fluctuations in orders received and deliveries of larger systems



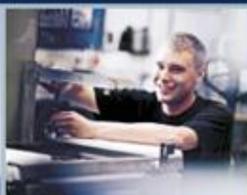
*Target

The growth strategy was set in 2006. The first phase was completed with the acquisition of Stork Food Systems in 2008.

Q & A

Sigsteinn Grétarsson, COO

Erik Kaman, CFO



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