



PRESS RELEASE

26 April 2012

Marel Q1 2012 results

(All amounts in EUR)

Strong revenue growth and good profitability

- Revenues for Q1 2012 totalled 184.9 million, an increase of 20.4% compared to the first quarter of 2011 [153.5 million].
- EBITDA was 27.4 million or 14.8% of revenues [Q1 2011: 23.3 million].
- Operating profit (EBIT) was 21.1 million or 11.4% of revenues [Q1 2011: 17.1 million].
- Net result for Q1 2012 was 13.1 million [Q1 2011: 8.8 million]. Earnings per share were 1.80 euro cents [Q1 2011: 1.20] which represents an increase of 50% from the previous year.
- Cash flow remains healthy and net interest bearing debt is 254.2 million at the end of the quarter compared to 250.5 million at year-end 2011.
- The order book is at a solid level of 201 million at the end of the quarter, significantly higher than in Q1 2011 [169 million].

Marel starts the year off strong in Q1 and in line with the Company's growth strategy. Revenues amounted to 184.9 million, which represents an increase of 20.4% compared to Q1 2011, similar to the record fourth quarter of 2011 [183.9 million]. The EBIT margin of 11.4% is in line with the Company's target of 10-12% return on sales.

Marel has good geographical revenue split. This quarter, solid growth in areas such as Asia and South America fully offsets a slower US market. The outlook for 2012 remains positive based on the level of the order book and market trends as perceived by Marel.

Theo Hoen, CEO:

"We are satisfied with robust revenues growth and profit is in line with our targets. Strong order intake continued in the first quarter, particularly in our poultry and fish business, especially in Asia and South America. Marel clearly benefits from its strong market position and geographical expansion.

Furthermore, our commitment to investments in innovation enables us to steadily offer new products and solutions, thus bringing added value to our customers. We remain focused on improving operational efficiency by enhancing processes and strengthening our sales and services network. In short, we are well on track with our strategy and our employees are committed to reaching Marel's ambitious goals."

Order book remains strong

In Q1 there was robust growth in orders received, which amounted to 189 million compared to 161 million in Q1 2011. Orders received once again exceeded orders booked off resulting in an order book of 201 million at the end of quarter (Q1 2011: 169 million). The main drivers of growth are innovative

products such as RevoPortioner, Sensor X and the delivery of complete processing lines that comprise a wide range of products. This is coupled with comprehensive geographical coverage.

Performance summary for Q1 2012

Key figures from Marel's operations in thousands of EUR

Operating results <i>Consolidated</i>	Quarter 1 2012	Quarter 1 2011	Change in %
Revenues	184,864	153,537	20.4
Gross profit	67,992	58,918	15.4
<i>Gross profit as a % of revenues</i>	36.8	38.4	
Result from operations (EBIT)	21,119	17,121	23.4
<i>EBIT as a % of revenues</i>	11.4	11.2	
EBITDA	27,401	23,323	17.5
<i>EBITDA as a % of revenues</i>	14.8	15.2	
Net result	13,068	8,776	48.9
<i>Net result as a % of consolidated revenues</i>	7.1	5.7	
Orders received ¹⁾	189,420	160,710	17.9
Order book	200,773	169,328	18.6

¹⁾ Included are service revenues.

Cash flows

Cash generated from operating activities, before interest & tax	13,509	14,115
Net cash from (to) operating activities	9,596	8,462
Investing activities	(7,184)	(5,239)
Financing activities	(872)	(22,863)
Net cash flow	1,540	(19,642)

Financial position

Net interest bearing debt	254,179	247,622
Operational working capital ²⁾	112,952	60,316

²⁾ Third party debtors, inventories, net work in progress and third party creditors.

Key ratios

Current ratio	1.3	1.3
Quick ratio	0.9	0.9
Number of outstanding shares	726,344	735,569
Market capitalisation in millions of euros based on exchange rate at end of period	636.5	581.7
Return on equity	13.9%	10.0%
Earnings per share in euro cents	1.80	1.2
Leverage ³⁾	2.49	2.74

³⁾ Net interest bearing debt / normalised last twelve months EBITDA.

Markets

Marel's core business focuses on four industry segments: poultry, fish, meat and further processing.

Poultry: This quarter the order intake was good, with large orders coming in from the US, Central America, Russia, Middle East and Europe. The high load in the Company's manufacturing facilities continued. A new greenfield project was started with the Aeroscalder. Aeroscalder technology allows for reductions in water and energy consumption and thereby diminishes the carbon footprint of poultry processing plants. To better service Marel's customers, a global service structure is being established. The new structure will enable Marel to provide ample support throughout the world.

Fish: We had a good start in Q1 marked by the successful Salmon Showhow that took place at Marel premises in Norresundby, Denmark. The annual event attracted around 200 customers from the global salmon processing industry, where they experienced our latest developments in salmon processing systems. Marel's largest single sale in the fish industry was concluded in Q1, a processing flowline for high-volume processing facilities for whitefish. The system was introduced in 2011 and features a solution specifically developed to meet the requirements of the Chinese and other emerging markets. Worker shortages and higher operating costs have increased demand for greater automation, a niche for Marel's economic and labour-saving solutions that deliver faster processing times, increased yield and improved product handling, as well as offering better management tools.

Meat: The year started with project activities covering a wide range of Marel systems, and with a significant number of proposals being submitted. Of particular note has been the interest of processors in the new Trim Management System, which was introduced in late 2011. This activity has resulted in several orders in Q1 with more expected in the second quarter. Although the meat industry has seen slow activities, there is a future demand as many of the major processors have plans to replace their old equipment. With Marel being well placed to satisfy their requirements, we are optimistic of further orders in the short term. Looking ahead there is good activity in Eastern Europe and Australasia where we expect to be able to build on our recent successes.

Further processing: The first quarter of 2012 has seen a continued steady order intake, in line with expectations. Several QX sausage lines were sold in Western Europe and the US. The RevoPortioner 400 proved to be popular with smaller businesses and companies with a greater variation in products, a market segment where there is a noticeable increase in interest. A couple of events took place in the DemoCenter in Boxmeer, which has expanded to include a Customer Experience Center where

customers can be received in comfortable surroundings. The first event, hosted together with the Meat Industry Center, focused on Coating. The second was a Sausage Event. Both attracted an international mix of customers. At the end of the first quarter, the Further Processing Industry Center participated in the Anuga FoodTec exhibition together with the Meat Industry Centre, displaying the new RevoPortioner 500-600-700 and introducing both the ValueFryer and the newest version of the ModularOven.

Innovation

Investing in R&D is fundamental to the success of Marel. To strengthen its position in the fish industry Marel has created a new research team. Marel believes that it is critical to understand the underlying mechanisms of “why things work” or “why things do not work” before transferring knowledge into equipment. This includes, for example understanding bone connection and muscle physiology, pre- and postmortem, when modelling chilling curves. Only a thorough understanding of the principles and mechanisms makes possible the development of transformational breakthrough technologies, such as SuperChill for ground fish and Automatic Pinbone Removal. These are two examples of completely new approaches based on research.

Operational excellence

Cost efficiency

Marel continues to maintain a strict focus on rationalisation, manufacturing efficiency and cost control. Great effort continues to be invested in creating further value by ensuring that the Company’s reduced cost base is sustainable despite the growth in activity.

Cash flow

Operational cash flow before interest and tax remains good at 13.5 million [Q1 2011; 14.1 million]. The higher operational working capital stems from the growth of the company.

Finance

The balance sheet is strong and net interest bearing debt amounted to 254.2 million at the end of Q1 2012, compared with 250.5 million at the end of Q4 2011. The business remains well invested, though there has been some expansion of facilities and equipment in order to allow further growth. In February the remaining ISK denominated, EUR 7.6m equivalent bond issue of Marel matured. With the repayment of this bond issue Marel has removed the remaining exposure to the Icelandic krona (ISK) in the balance sheet and is now financed in EUR and USD in a proportion giving a natural hedge to exposures. During Q1, according to the AGM’s decision, a dividend of 0.95 euro cents per share was paid out to shareholders, corresponding to about 20% of Company profits for the year 2011. The Company also purchased treasury shares to cover the employee stock option plan. The dividend and the purchase of own shares amounted to EUR 9.5 million.

Outlook

Marel is well on track with its growth strategy and optimistic that 2012 will be in line with the Company’s expectations, as new markets will compensate for slower activities in more established markets. A good start in Q1 and the strength of the order book, signals a solid continuation for 2012. However, it should be kept in mind that results may vary from quarter to quarter due to general economic developments, fluctuations in orders received and deliveries of larger systems.

Presentation of results, 27 April 2012

Marel will present its results at an investor meeting on Friday, 27 April, at 8:30 a.m. GMT, at the Company's headquarters at Austurhraun 9, Gardabaer. The meeting will also be webcast at www.marel.com/webcast.

Publication days of the Consolidated Financial Statements in 2012

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|--------------------------------|-----------------|
| ▪ 2 nd quarter 2012 | 25 July 2012 |
| ▪ 3 rd quarter 2012 | 24 October 2012 |
| ▪ 4 th quarter 2012 | 30 January 2013 |

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About Marel

Marel is the leading global provider of advanced equipment, systems and services to the fish, meat and poultry industries. With offices and subsidiaries in more than 30 countries and a global network of more than 100 agents and distributors, we work side-by-side with our customers to extend the boundaries of food processing performance. Advance with Marel for all your processing needs.

Forward-looking statements

Statements in this press release that are not based on historical facts are forward-looking statements. Although such statements are based on management's current estimates and expectations, forward-looking statements are inherently uncertain. We, therefore, caution the reader that there are a variety of factors that could cause business conditions and results to differ materially from what is contained in our forward-looking statements, and that we do not undertake to update any forward-looking statements. All forward-looking statements are qualified in their entirety by this cautionary statement.