Fiskeaksjer – fortsatt muligheter?

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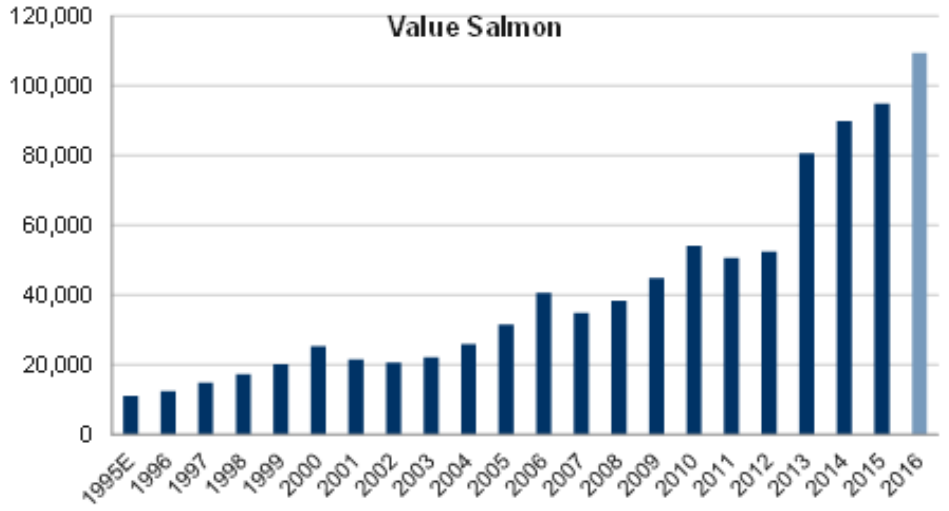
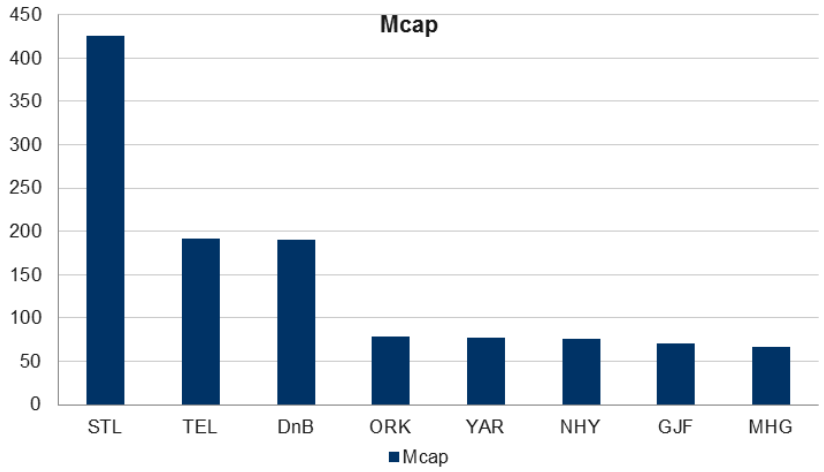
Making it possible

Laks et ekte norsk (folke) eventyr





Supply

Global supply (1000 tonnes WFE)	2013	2014	2015E	2016E	2017E	2018E
Norway	1,144	1,198	1,234	1,199	1,221	1,247
UK	158	171	166	171	174	172
Faroe Islands	72	82	77	81	90	92
Ireland	14	12	16	17	17	18
Europe	**1,387**	**1,463**	**1,493**	**1,467**	**1,501**	**1,529**
Annual growth	*-3 %*	*5.4 %*	*2 %*	*-2 %*	*2 %*	*2 %*
Chile	470	583	591	460	500	576
Canada	110	101	135	139	141	145
USA	20	24	20	20	22	22
Australia	33	39	46	46	47	50
Others	20	15	20	20	30	40
Total Other	**654**	**762**	**812**	**686**	**740**	**833**
Annual growth	*15 %*	*17 %*	*7 %*	*-16 %*	*8 %*	*13 %*
Total global supply	**2,041**	**2,224**	**2,305**	**2,152**	**2,242**	**2,362**
Supply growth%	*2.0 %*	*9.0 %*	*3.6 %*	*-6.6 %*	*4.2 %*	*5.3 %*

Source: Kontali and Nordea Markets (2016-18E)

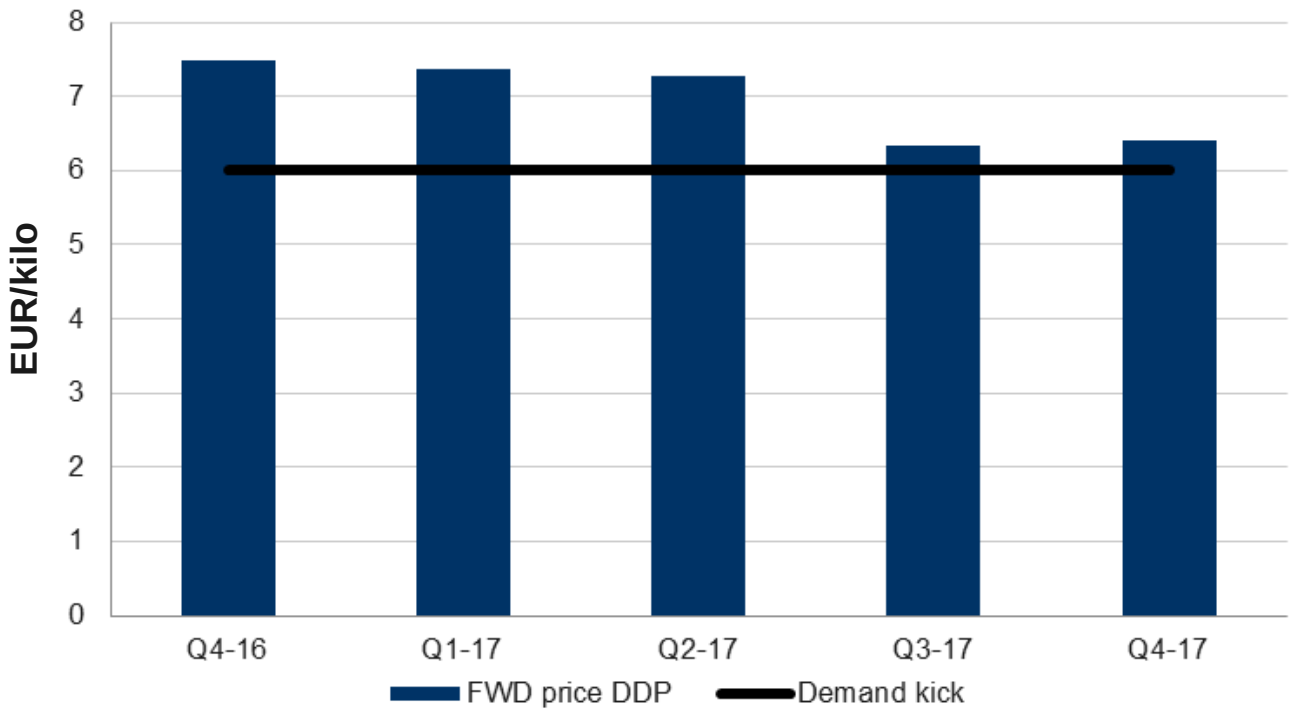
<u>2017 up 90'</u>

N: +22

Ch +40

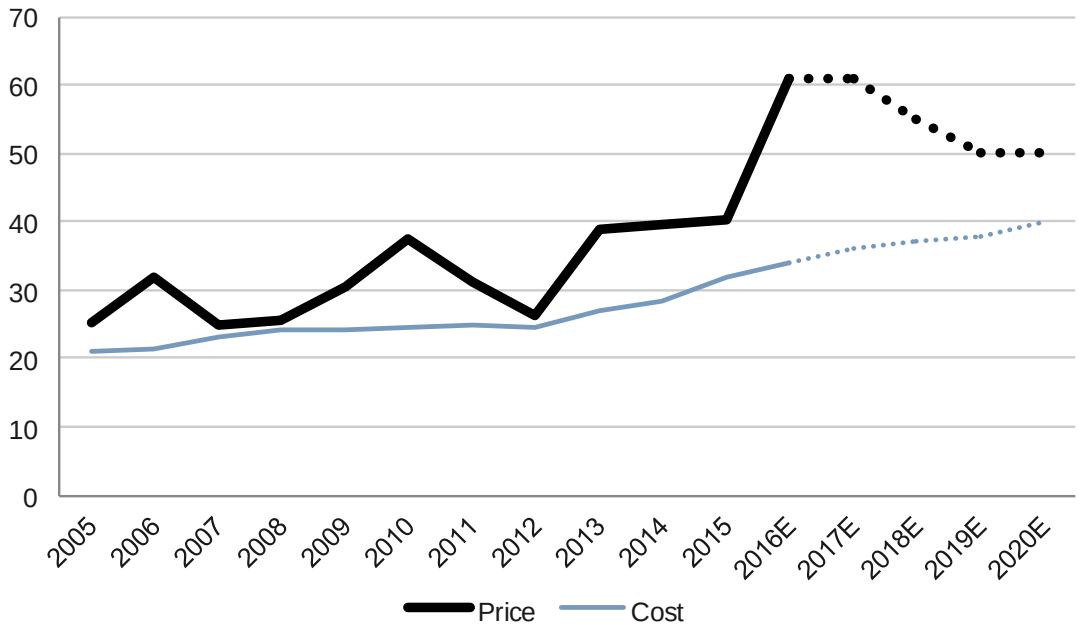
Oth +28

FishPool next 5 quarters – buyers struggling



Demand /campaigns kicking in at EUR 6

Super profit – in the spot market, 2016 is the top year



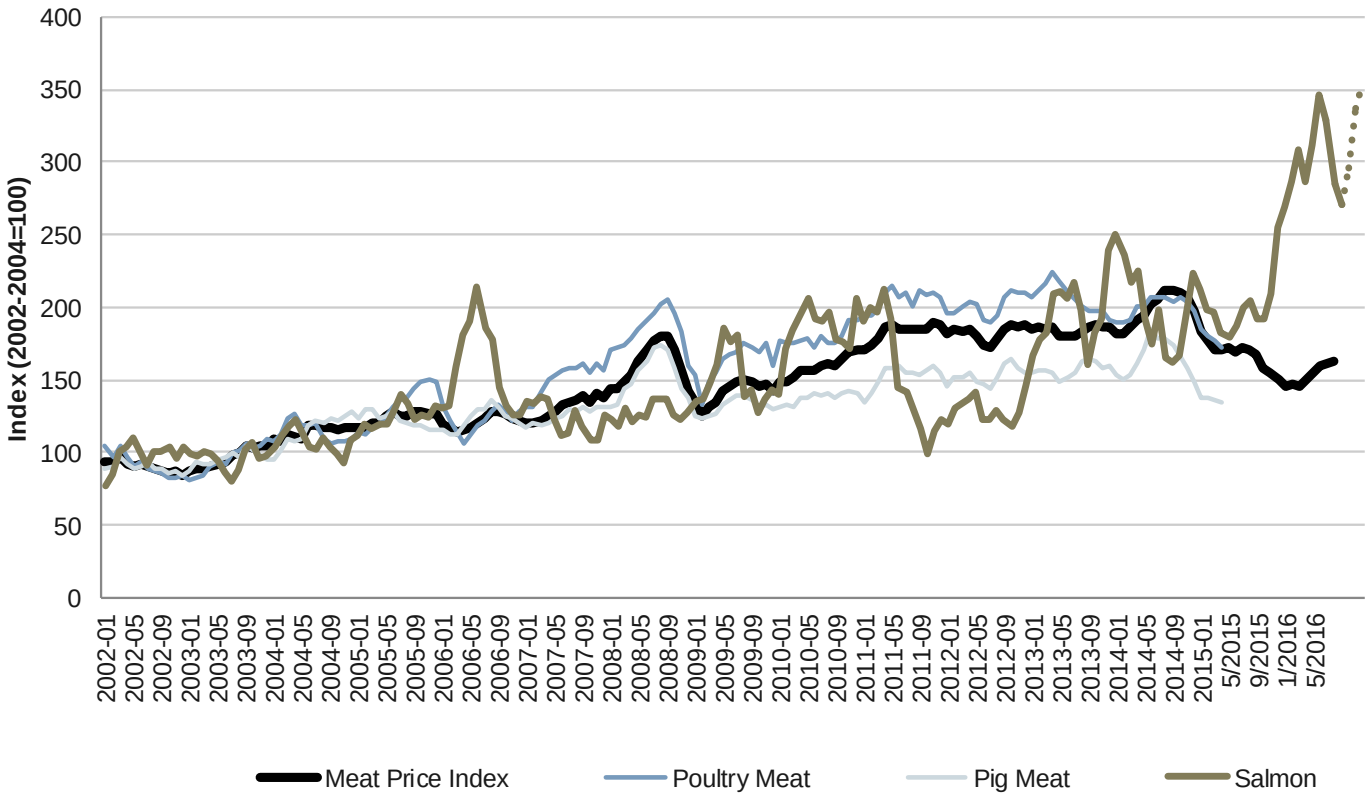
Sources: Fishpool 2005-15, Nordea (est)

Sea lice treatments

Estimated average number of treatments YTD per region in Norway			
Number of treatments	**2014**	**2015**	**2016**
Finnmark	0.6	1.8	1.6
Troms	0.7	1.3	2.1
Nordland	2.3	2.5	3.0
NT	1.4	6.5	6.5
ST	1.1	2.7	6.5
MR	1.9	5.9	4.6
SF	2.0	5.5	5.2
HO	1.5	4.2	6.2
ROG	1.2	3.4	4.5
Average	**1.4**	**3.8**	**4.5**

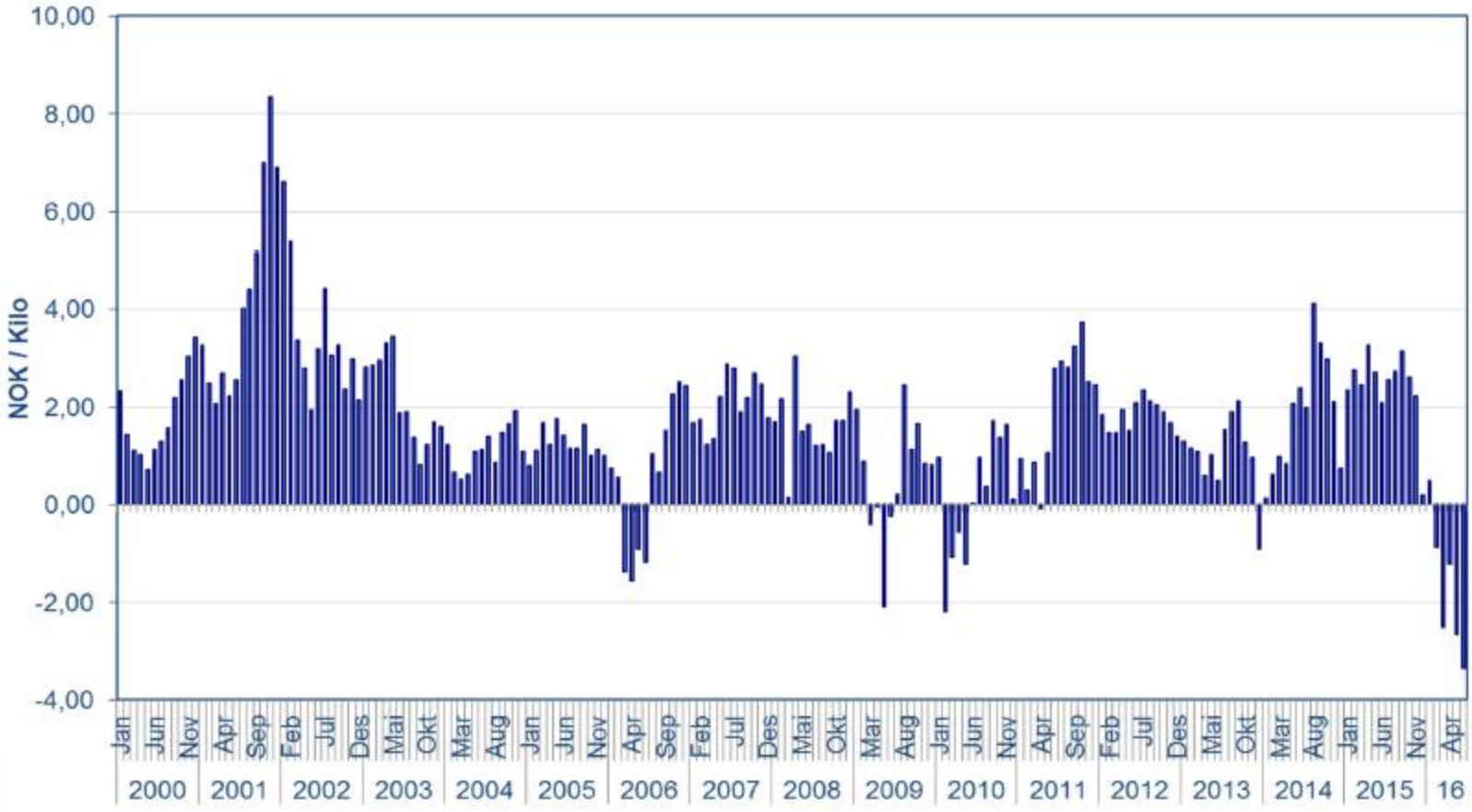
Source: Nordea Markets based on figures from lusedata.no

Salmon prices historically off compared to protein peers



Dotted line = Fishpool FWD

Marginer - nedstrøm

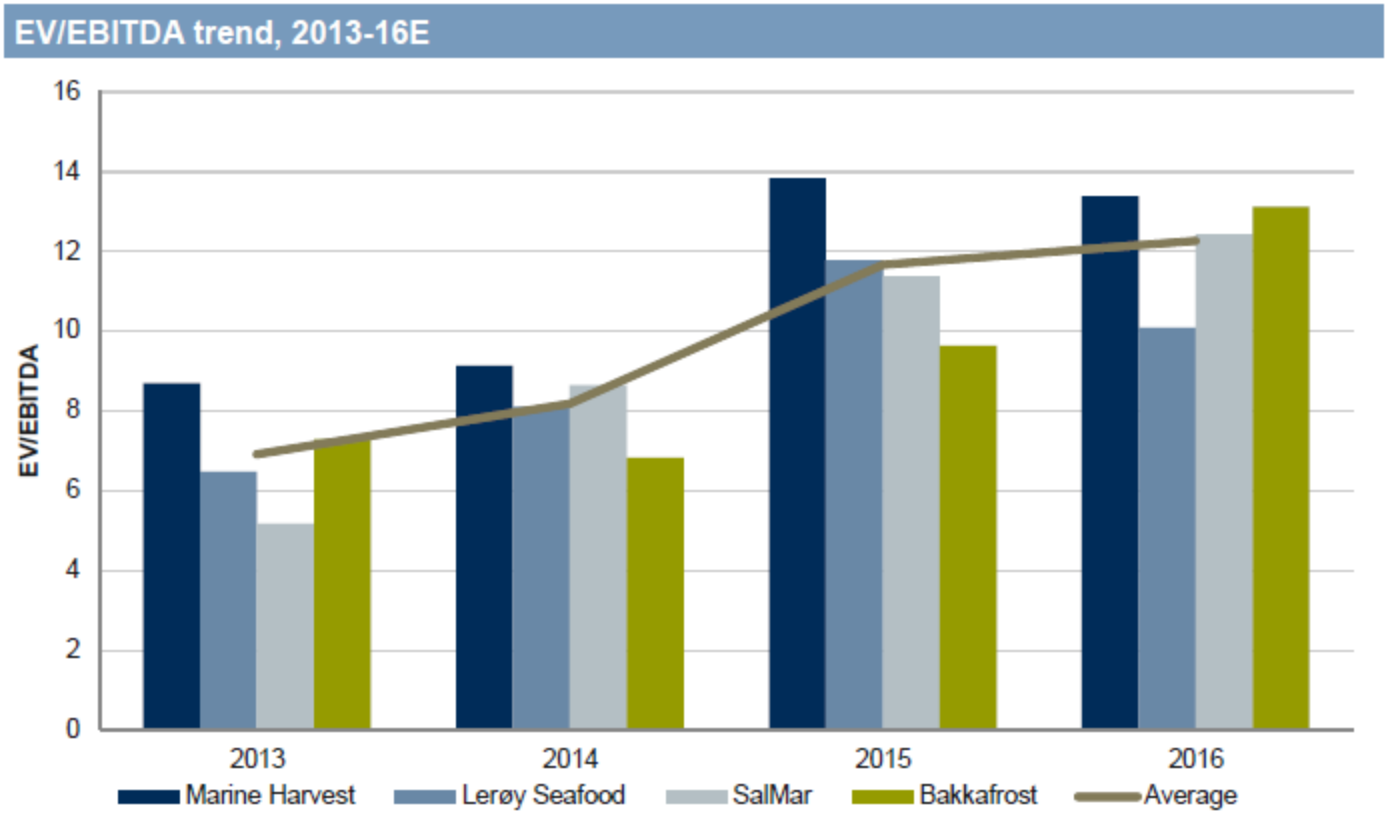


Fra + NOK 2,50 i 2015, til - NOK 2,50 /kg så langt i 2016

Recommendations and target prices

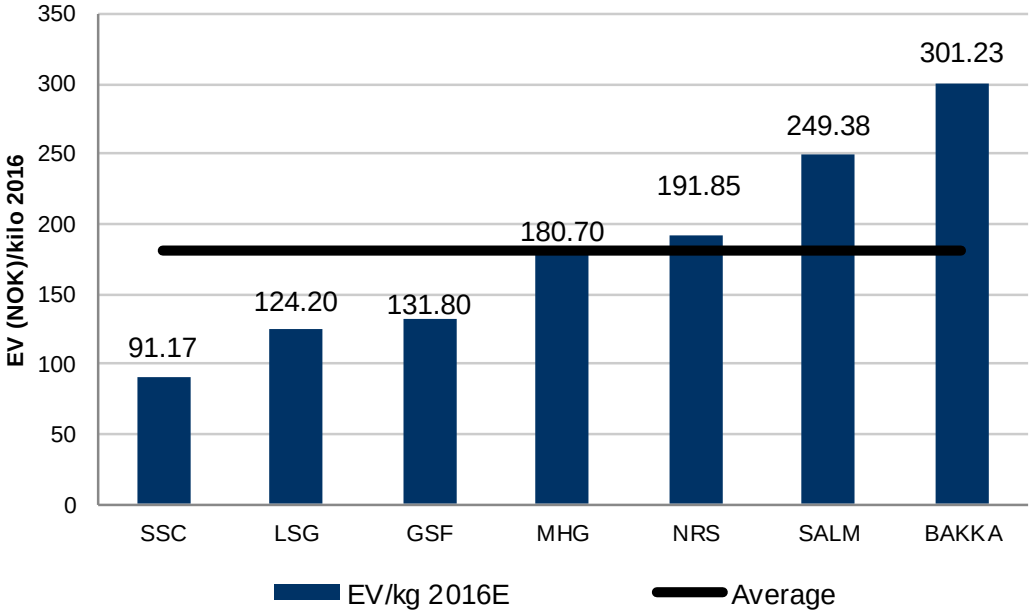
						Nordea - 17	Cons. - 17	Nordea - 17	Cons. - 17
Company	Rec.	TP	(Old TP)	Current price	Up/downside %	P/E	P/E	EV/EBITDA	EV/EBITDA
Marine Harvest ASA	Hold	155.0	140.0	144.3	7.4 %	11.4 x	10.6 x	9.2 x	7.7 x
Leroy Seafood Group ASA	Hold	400.0	385.0	428.0	- 6.5 %	12.0 x	9.1x	8.3 x	6.0 x
SalMar ASA	Sell	205.0	240.0	264.6	- 22.5 %	12.4 x	11.9 x	9.6 x	8.7 x
Bakkafrost	Hold	340.0	360.0	340.6	- 0.2 %	13.4 x	12.5 x	8.8 x	8.8 x
Austevoll Seafood ASA	Hold	68.0	65.0	74.0	- 8.1%	10.8 x	8.2 x	6.9 x	3.4 x
Grieg Seafood ASA	Buy	70.0	70.0	72.8	- 3.8 %	10.5 x	8.7 x	6.1x	5.7 x
Norway Royal Salmon ASA	Sell	125.0	130.0	178.0	- 29.8 %	15.4 x	11.9 x	11.4 x	8.6 x

Valuation EV/EBITDA



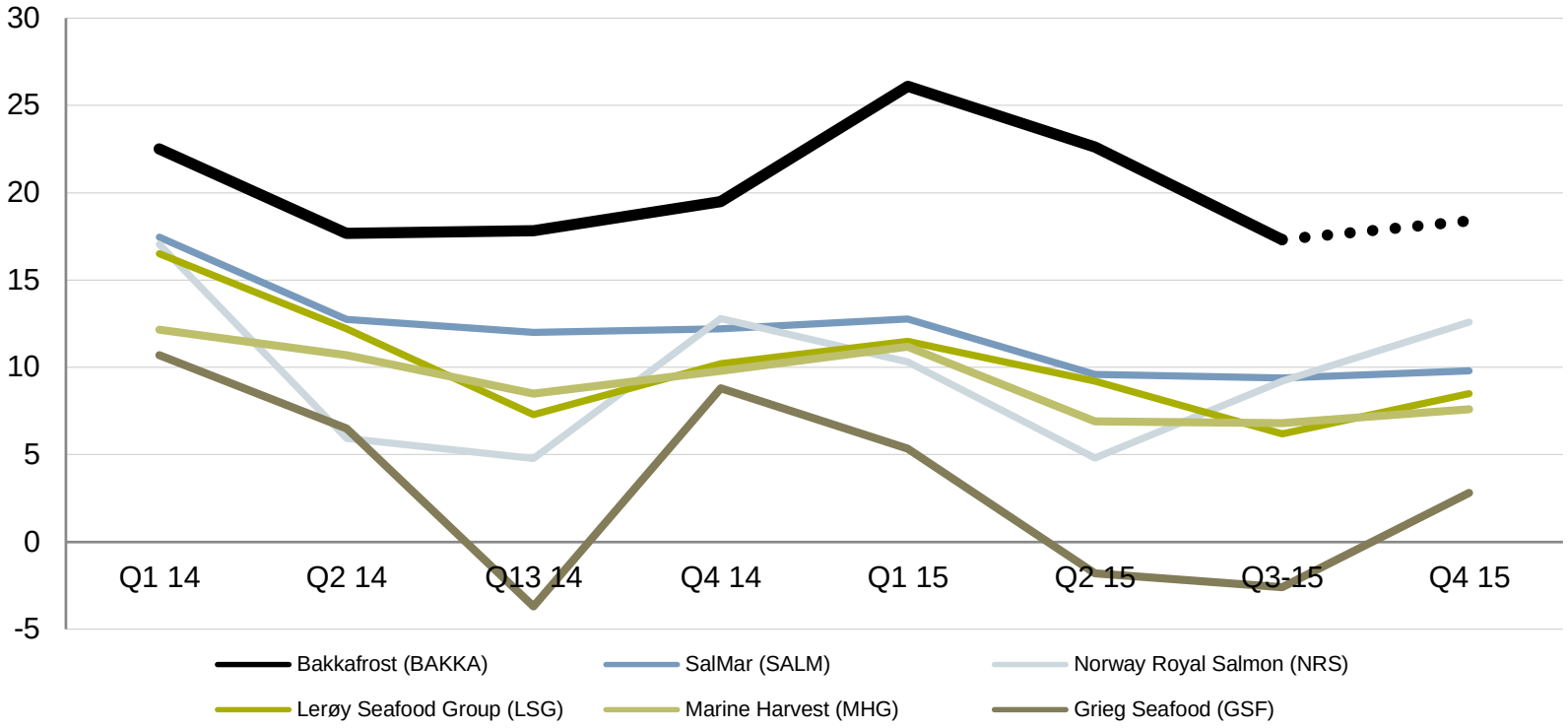
Source: FactSet

Valuation



EV kilo: NOK 180
Margin NOK 19
Salmon price NOK 54

EBIT per kilo quarterly 2014-15



Aksjer: Ei kule og to gamle travere

Grieg Seafood – from dog to darling in six months

- Aksjekurs doblet på 6 måneder
- Fortsatt priset 25% under bransjesnitt
- Leverer konsistente gode tall
- Gått fra sisteplass til mid range EBIT margin
- Gått fra 7kr per kilo bak bansjesnitt til likt
- Burde vært priset til 116 kr per aksje dersom den skulle vært likt priset med bransjesnittet.

Per share data and multiples				
NOK	2015	2016E	2017E	2018E
EPS (adj.)	0.01	7.73	6.81	6.70
- growth	-100%	149,815%	-12%	-2%
DPS (ord.)	0.50	2.83	2.85	2.34
BVPS	19.8	28.0	31.8	36.3
P/E (adj.)	n.m.	7.5	8.5	8.6
EV/Sales	1.2	1.1	1.1	1.0
EV/EBITDA	20.7	5.3	5.0	4.9
EV/EBIT (adj.)	66.6	5.2	5.7	5.6
P/BV	1.6	2.1	1.8	1.6
Div. Yield (ord.)	1.6%	4.9%	4.9%	4.0%
FCF Yield	-12.4%	5.4%	3.3%	13.0%
ROE after tax	0.0%	32.4%	22.8%	19.7%
ROIC after tax	1.8%	29.6%	24.6%	23.3%

Quarter	Rank (of 6)
Q1-15	6
Q2-15	6
Q3-15	6
Q4-15	6
Q1-16	6
Q2-16	4
Q3-16E	3

EBIT/kg	Grieg	Av industry	Diff
Q4-15	2.9	9.9	(7.0)
Q1	15.7	19.4	(3.7)
Q2	19.2	21.6	(2.4)
Q3E	23.0	23.0	-

Austevoll Seafood – deep value ikke reflektert i aksjekurs

Verdi 52% av Lerøy		13,600
Verdi AUSS		15,108
Markedsverdi Rest-Austevoll		1,508
Peru	3,000	
Birkeland	1,100	
Pelagia	1,000	
Chile	500	
Reell verdi	5,600	
Merverdi (Mill NOK)		~4,100
Per aksje (NOK per aksje)		~ 20

Bakkafrost – Simply the best – better than all the rest!

- Over tid ca 5 kr bedre en norske aktører
  - Lavere kost og høyere pris I markedet
  - Har lagt nærmere 10kr, nå minker det noe, vanskeligere å ta ut høyere pris nå
- Høyest priset I markedet – for en grunn
- Investert 2 millarad over 5 år for å effektivisere og øke produckjsonen med inntil 50% neste 5 år.
- World class management som er ekstremt fokusert på å unngå sykdom og biologiske problemer (selv om lus er absolutt et problem også for Bakka)

Per share data and multiples				
DKK	2015	2016E	2017E	2018E
EPS (adj.)	16.64	18.76	20.86	22.92
- growth	26%	13%	11%	10%
DPS (ord.)	8.29	9.38	10.43	11.46
BVPS	52.8	63.5	75.0	87.5
P/E (adj.)	12.2	13.7	12.3	11.2
EV/Sales	3.6	3.8	3.8	3.8
EV/EBITDA	9.1	9.5	8.2	7.3
EV/EBIT (adj.)	10.9	10.4	9.1	8.1
P/BV	3.8	4.0	3.4	2.9
Div. Yield (ord.)	4.1%	3.7%	4.1%	4.5%
FCF Yield	3.2%	2.8%	3.9%	9.0%
ROE after tax	35.0%	32.3%	30.1%	28.2%
ROIC after tax	21.6%	24.1%	23.9%	23.5%

Source: Company data and Nordea Markets

EBIT/kg	Bakkafrost	Av industry	Diff
Q4-15	18.3	9.9	8.4
Q1	27.5	19.4	8.1
Q2	27.9	21.6	6.3
Q3E	28.0	23.0	5.0

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