Innovation Through Partnership®

Q1 2015 Presentation

April 30, 2015

Arni Oddur Thordarson, CEO

Strong sales and operational improvement

- Record revenue of €209 million compared to €155 million in Q1 2014
  - Good geographical and product mix
- Record order intake of €212 million
- Adjusted EBIT €23.8 million or 11.4%
- Adjusted EBITDA €36.9 million or 17.6%
  - Free Cash Flow €31.0 million
- Net result €12.6 million

Revenue
€209
million

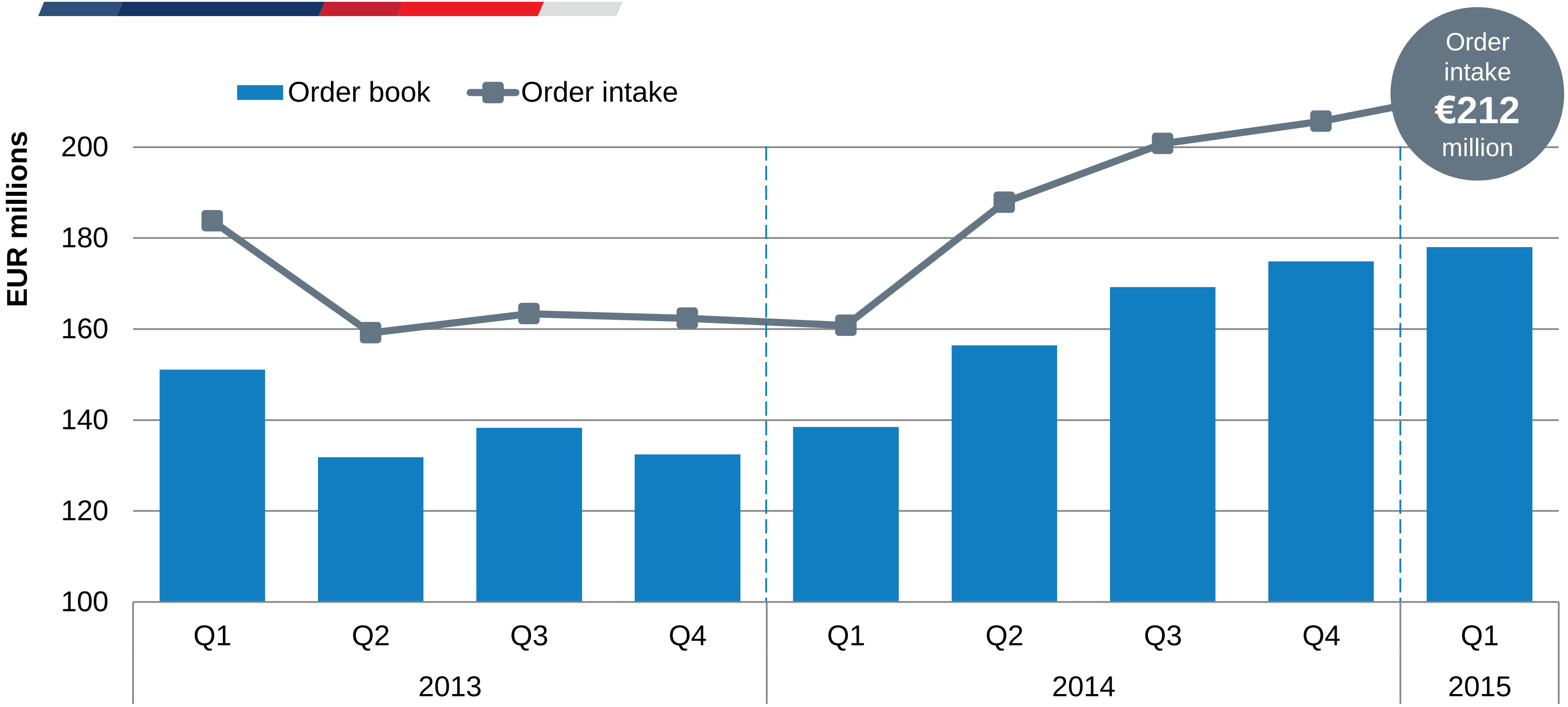
Adjusted EBIT
€23.8
million*

Order Intake
€212
million

Free cash flow
€31.0
million

** Refocusing costs in Q1 2015 amount to €7.6 million*

Record order intake in Q1 2015



Business overview

Other segments such as vegetable and cheese account for 1% of revenue

Poultry

Strong start of the year with volume and profitability at good level

Good mix of medium-sized Greenfields, modernization, and maintenance business around the globe

52% of revenue
17.2% adj. EBIT

Fish

Very good quarter for Marel's whitefish and salmon segment with record order intake and a good mix of Greenfields and modernization projects

Successful Salmon ShowHow

15% of revenue
8.5% adj. EBIT

Meat

Order intake in meat slow compared to other segments while outlook remains positive

Operation streamlined and favorable divestment of High Speed Slicing concluded in beginning of Q2 2015

Successful Meat ShowHow

17% of revenue
3.6% adj. EBIT

Further Processing

Market approach strength-ened and participation in various trade shows and exhibitions resulting in improvements in order intake

Streamlining of U.S. activities

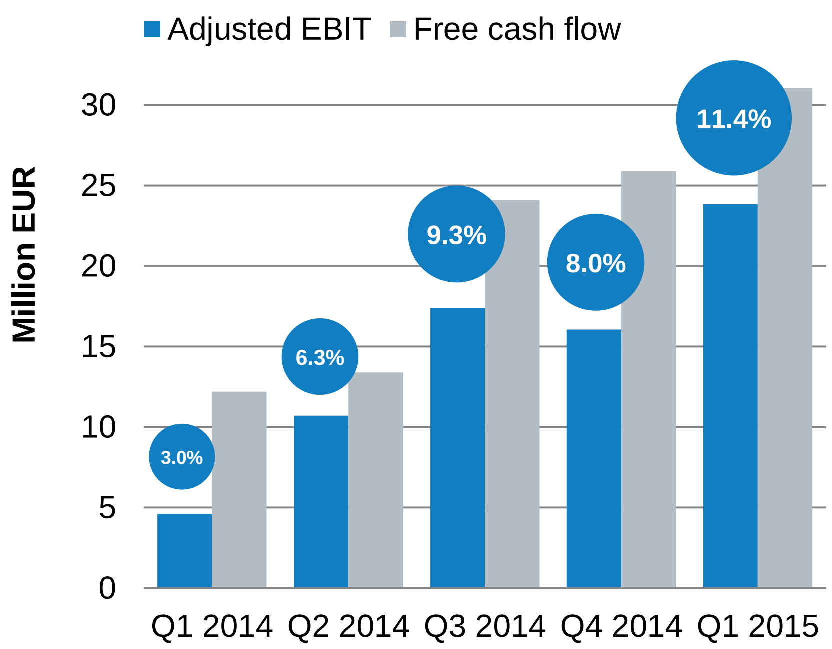
15% of revenue
5.0% adj. EBIT

Operational results in Q1 2015 above expectations

- Adjusted EBIT in Q1 2015 compared to Q4 2014: **48%**
- EBIT in Q1 2015 compared to Q4 2014: **91%**
- EBITDA in Q1 2015 compared to Q4 2014: **40%**
- Net results in Q1 2015 higher than for the full year of 2014
- Leverage ratio 1.48 at the end of Q1 2015 compared to 2.08 at the end of Q4 2014
  - Driven by increased EBITDA and strong cash flow

On April 20, Marel issued a positive profit warning based on preliminary results

Operational results improving with strong cash flow



- Revenue growth of 35% from last year
- Adjusted EBIT of €23.8 million
- Order book at end of Q1 2015 is €178 million compared to €138 million at the same time one year ago
- Management guidance for 2015 remains organic revenue growth with solid increase in operational and net profit
- At the beginning of 2014, management announced the aim to reach EBIT of over €100 million in 2017

EBITDA improvement and strong cash flow has driven Net Debt/adjusted EBITDA down to 1.48

Innovation Through Partnership®

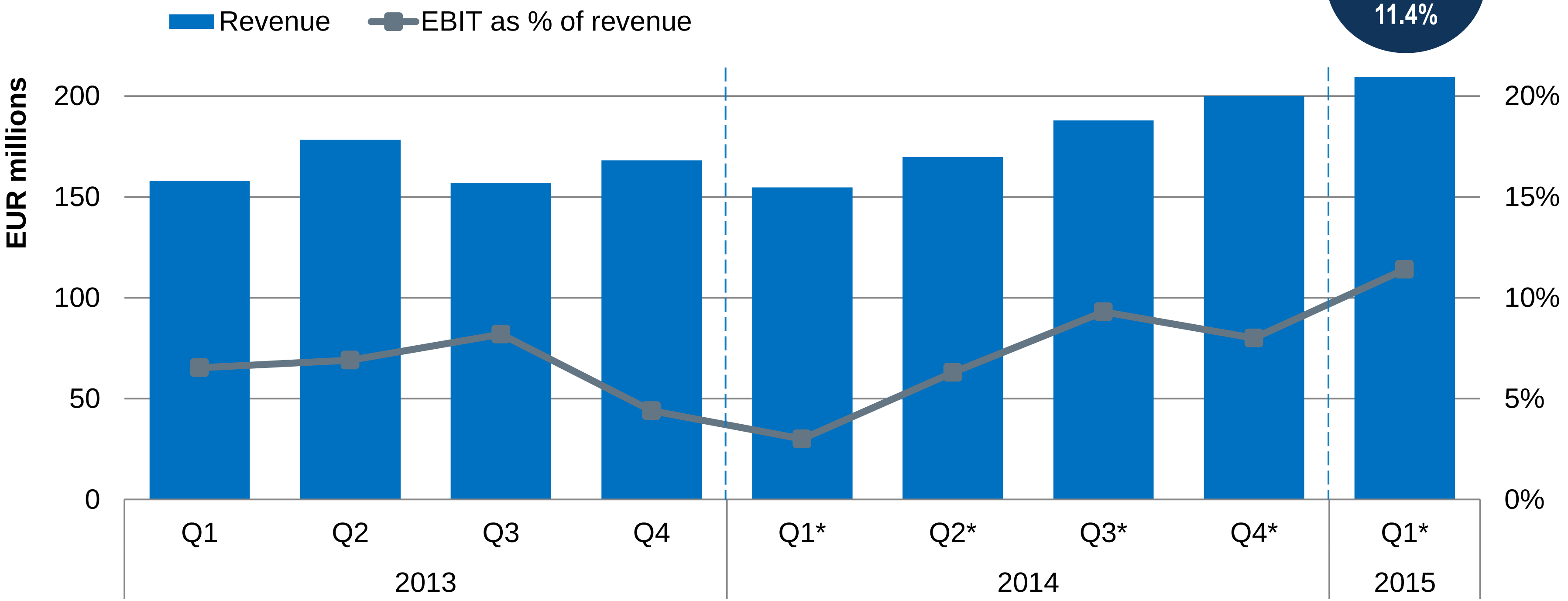
Linda Jonsdottir, CFO

Business results

EUR thousands	Q1 2015	Q1 2014	Change in %
Revenue	209,311	154,757	35.3
Gross profit before refocusing cost	81,464	52,666	54.7
as a % of revenue	38.9	34.0	
Before refocusing costs			
Result from operations (adjusted EBIT)	23,837	4,569	421.7
as a % of revenue	11.4	3.0	
Adjusted EBITDA	36,871	11,621	217.3
as a % of revenue	17.6	7.5	
After refocusing costs			
Result from operations (EBIT)	16,244	1,019	1,494.1
as a % of revenue	7.8	0.7	
EBITDA	29,393	8,071	264.2
as a % of revenue	14.0	5.2	
Net result	12,620	(1,871)	774.5
Orders received (including service revenues)	212,473	160,767	32.2
Order book	178,041	138,449	28.8

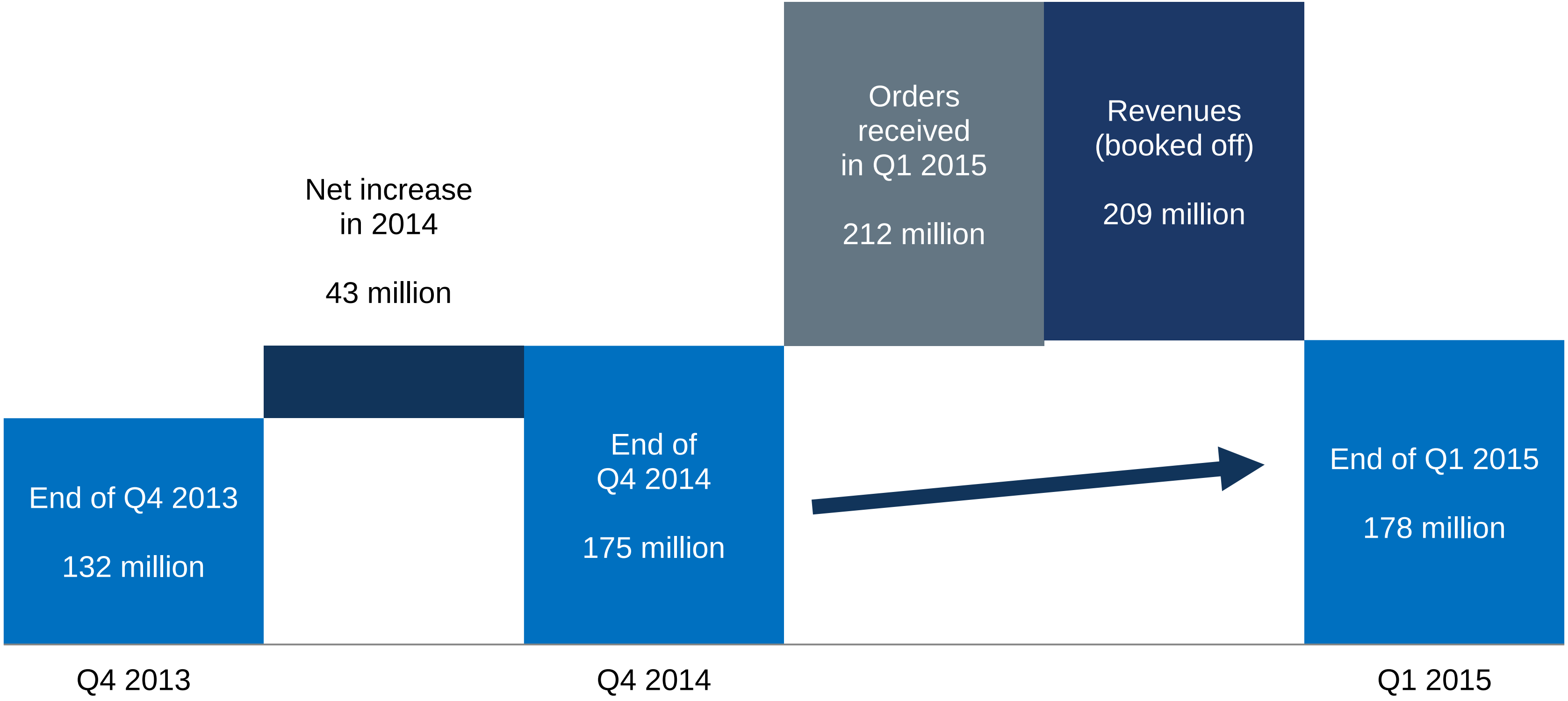
Firm steps taken to improve profitability

Adj. EBIT 11.4%



** Results are normalized*

Record order intake and order book at good level



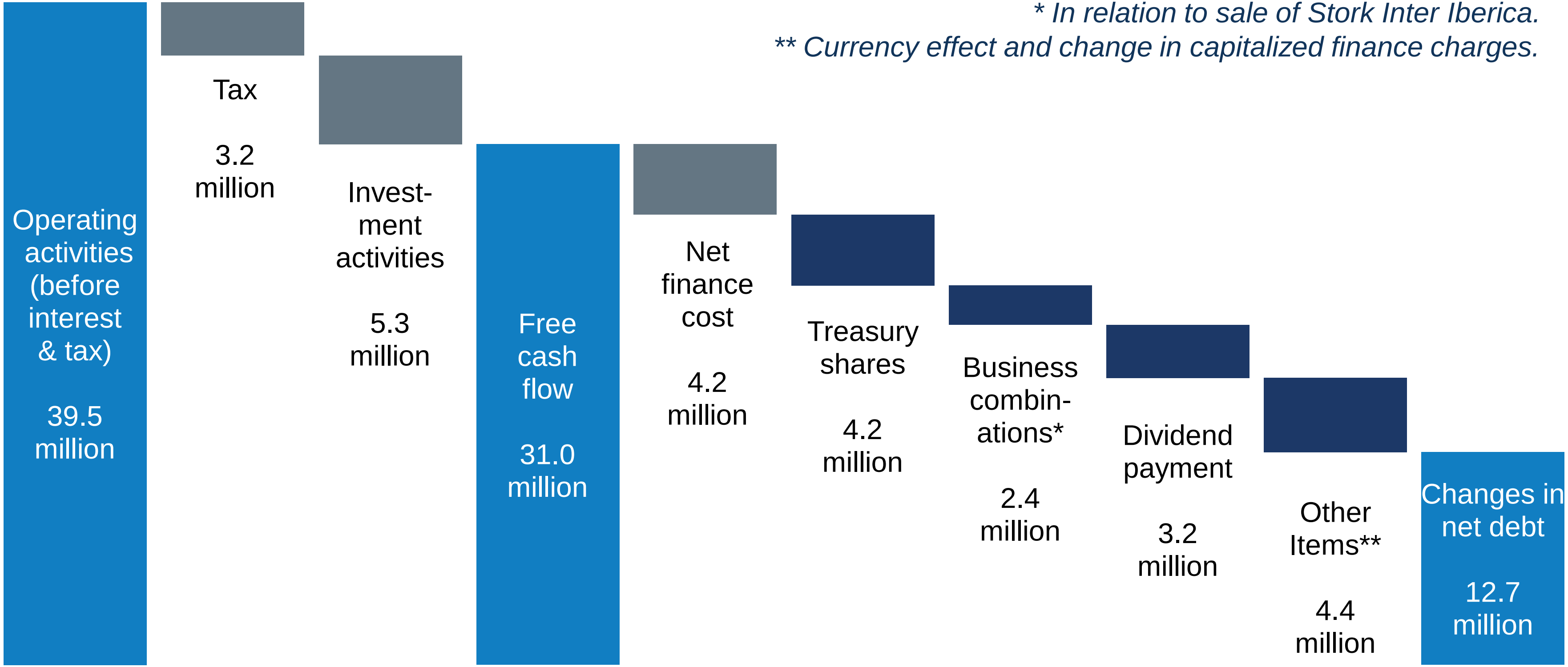
Condensed consolidated balance sheet

ASSETS *(EUR thousands)*	31/03 2015	31/12 2014
Non-current assets		
Property, plant and equipment	93,341	96,139
Goodwill	389,738	387,103
Other intangible assets	110,447	114,916
Receivables	16	94
Deferred income tax assets	9,369	7,873
	602,911	606,125
Current assets		
Inventories	91,550	88,450
Production contracts	29,936	29,123
Trade receivables	82,754	77,125
Assets held for sale	9,339	2,500
Other receivables and prepayments	29,135	23,551
Cash and cash equivalents	93,694	24,566
	336,408	245,315
Total assets	**939,319**	**851,440**

Condensed consolidated balance sheet (continued)

LIABILITIES AND EQUITY *(EUR thousands)*	**31/03 2015**	**31/12 2014**
Equity	**432,613**	**427,498**
LIABILITIES		
Non-current liabilities		
Borrowings	236,759	180,278
Deferred income tax liabilities	12,255	11,308
Provisions	8,036	7,292
Derivative financial instruments	5,505	5,399
	262,555	204,277
Current liabilities		
Production contracts	72,559	64,958
Trade and other payables	136,954	122,479
Liabilities held for sale	811	-
Current income tax liabilities	5,074	4,185
Borrowings	18,591	18,635
Provisions	10,162	9,408
	244,151	219,665
Total liabilities	**506,706**	**423,942**
Total equity and liabilities	**939,319**	**851,440**

Q1 2015 cash flow composition and changes in net debt

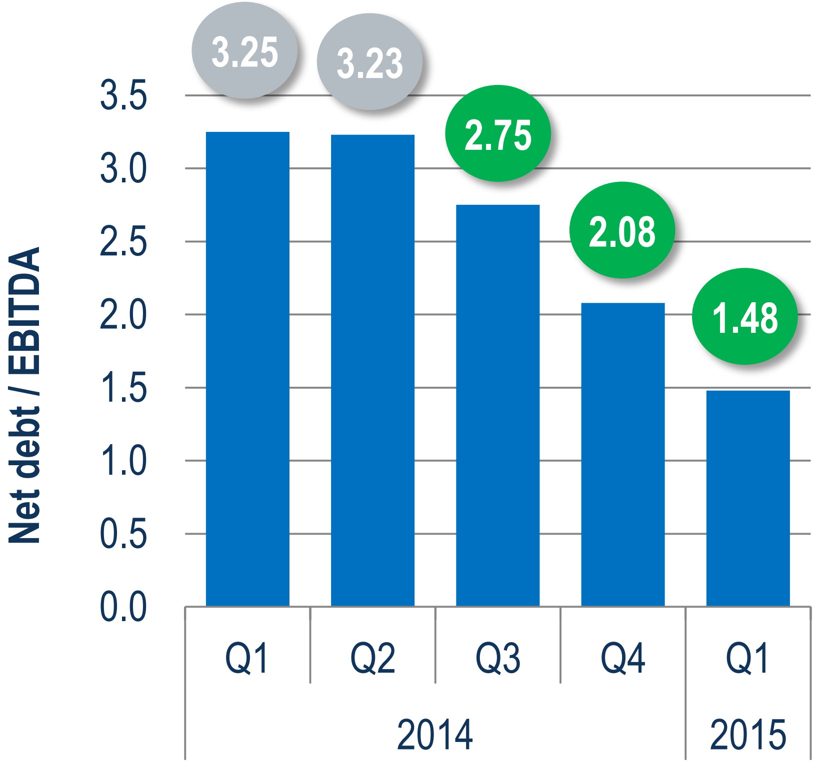


** In relation to sale of Stork Inter Iberica.*

*** Currency effect and change in capitalized finance charges.*

Ample room for stimulating further growth

- Net debt / EBITDA ratio currently stronger than the target of 2-3 x EBITDA
- Marel is stimulating further revenue and operational profit growth by:
  - Streamlining the business
  - Continuous innovation
  - Investing in the business
- Board of Directors authorized the management to purchase own shares
  - Authorization to purchase up to 25 million own shares in one or more transactions in the period that is remaining of 2015. The shares are to be used as payment for potential future acquisitions with approval from the Board of Directors



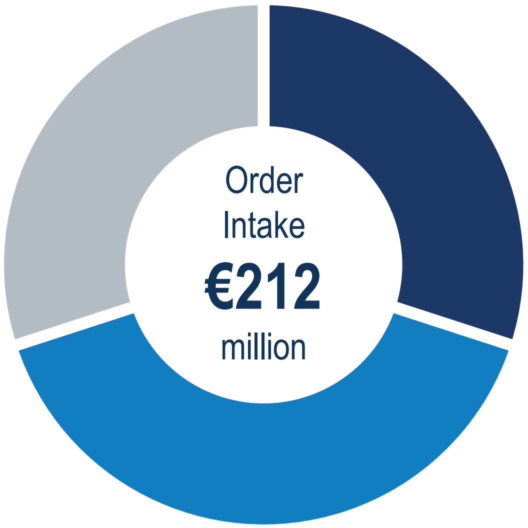
Arni Oddur Thordarson, CEO

Good mix of Greenfields, Modernization, and Maintenance

marel
Innovation Through Partnership®

Modernization and standard equipment ▶

- Investment in expansion and modernization projects picking up, especially in the Americas



◀ Greenfields

- Small and medium sized Greenfield projects in all segments and one large-scale Greenfield in fish in Q1 2015

Maintenance ▲

- Marel has the largest installment base in its industry
- Recurring service and spare parts revenues increasing steadily and are currently around 40% of total revenues

Manufacturing sites at the start of Simpler, Smarter, Faster

Actions taken to optimize manufacturing in 2015

Streamlining of U.S. operations	• Manufacturing in Des Moines to be merged to an existing facility in Gainesville • Investment in a new innovation center in Des Moines
Divestment of non-core business	• Stork Inter Ibérica in Spain sold to a private investment group
Streamlining of Denmark operations	• Transfer of Bornholm activities to an existing facility in Aarhus
Subsequent event: Streamlining of U.K. operations	• High Speed Slicing operations in Norwich sold to the Middleby corporation • Signed in Q1 and closed in Q2 • Marel retains robotics product families and merges with operations in Aarhus • Portioning activities transferred to Nitra in Slovakia

Manufacturing and innovation footprint streamlined

marel
Innovation Through Partnership®

Refocusing actions

- ✓ Manufacturing moved from Noerresundby to Stovring
- ✓ Manufacturing moved from Oss to Boxmeer
- ✓ Manufacturing ceased in Singapore and Beijing
- ✓ New innovation center to be built in Des Moines
- ✓ Manufacturing in Des Moines being transferred to Gainesville which becomes a multi-industry site
- ✓ Bornholm activities to be transferred to Aarhus
- ✓ Operations in Norwich divested
- ✓ Management in various sites strengthened and combined

Effect of divestments and discontinued operations

- Marel is refocusing its product portfolio to concentrate on areas of competitive advantage and to strengthen its market position
- In Q1 2015, Marel discontinued operations in Singapore, Spain and the U.K. that were running on low gross margin and negative EBIT
  - In 2014, they accounted for close to €30 million in revenue
  - In Q1 2015, they accounted for €6 million in revenue
  - Orders related to discontinued operations amount to €4 million at the end of Q1

Partnerships with Heinen and VDL

- In January, Marel announced the ceasing of its own production of freezers in Singapore and that it would provide freezing solutions to its customers through partnerships

- We can now announce that we have formed partnerships with Heinen freezing and VDL systems

- These partnerships will support Marel’s full line offerings in fish, meat and poultry processing

Simpler, Smarter, Faster: 2014-2015 → **Full potential ▶**

Product portfolio optimized

At the customer, for the customer

Manufacturing footprint optimized

Marel is stimulating further revenue growth and solid operational improvements:

- Streamlining the business
- Continuous innovation
- Investing in the business

2014	2015	2016	2017
Revenue growth 7.7% Adj. EBIT €48.8 m Free cash flow €75.5m	Organic growth Solid operational improvement Good cash conversion	Organic growth Solid operational improvement Good cash conversion	Organic growth > €100 million EBIT Good cash conversion

Cash-out cost to date €12 million compared to estimated total cash-out cost of €25 million throughout the program

Disclaimer

This Presentation is being furnished for the sole purpose of assisting the recipient in deciding whether to proceed with further analysis of this potential opportunity. This Presentation is for informational purposes only and shall not be construed as an offer or solicitation for the subscription or purchase or sale of any securities, or as an invitation, inducement or intermediation for the sale, subscription or purchase of securities.

The information set out in this Presentation may be subject to updating, completion, revision and amendment and such information may change materially. Even though Marel hf. has given due care and attention in the preparation of this Presentation, no representation or warranty, express or implied, is or will be made by Marel hf. as to the accuracy, completeness or fairness of the information or opinions contained in this Presentation and any reliance the recipient places on them will be at its own sole risk. Without prejudice to the foregoing, Marel hf. does not accept any liability whatsoever for any loss howsoever arising, directly or indirectly, from use of this Presentation or its contents or otherwise arising in connection therewith. Any recipient of this Presentation is recommended to seek its own financial advice.

There is no representation, warranty or other assurance that any of the projections in the Presentation will be realized. The recipient should conduct its own investigation and analysis of the business, data and property described herein. Any statement contained in this Presentation that refers to estimated or anticipated future results or future activities are forward-looking statements which reflect current analysis of existing trends, information and plans. Forward-looking statements are subject to a number of risks and uncertainties that could cause actual results to differ materially and could adversely affect the outcome and financial effects of the plans and events described herein. As a result, the recipient is cautioned not to place undue reliance on such forward-looking statements.

Transactions with financial instruments by their very nature involve high risk. Historical price changes are not necessarily an indication of future price trends. Any recipient of this Presentation are encouraged to acquire general information from expert advisors concerning securities trading, investment issues, taxation, etc. in connection with securities transactions.

This Presentation and its contents are confidential and may not be further distributed, published or reproduced, in whole or in part, by any medium or in any form for any purpose, without the express written consent of Marel hf. By accepting this Presentation the recipient has agreed, upon request, to return promptly all material received from Marel hf. (including this Presentation) without retaining any copies. In furnishing this Presentation, Marel hf. undertakes no obligation to provide the recipient with access to any additional information or to update this Presentation or to correct any inaccuracies therein which may become apparent.

The distribution of this Presentation, or any of the information contained in it, in other jurisdictions than the Republic of Iceland may be restricted by law, and persons into whose possession this Presentation comes should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the laws of any such other jurisdictions.

Innovation Through Partnership®

Thank you
Takk fyrir
Dank u wel
Mange tak