



PRESS RELEASE

1 February 2011

Marel 2011 results

(All amounts in EUR)

Strong and profitable organic growth

- Revenues for 2011 totalled 668 mln, an increase of 15% compared to revenues from core business the year before [2010: 582 mln].¹
- Normalised EBITDA was 98.0 mln or 14.7% of revenues [2010: 88.1 mln normalised from core business].²
- Normalised operating profit was 73.2 mln or 10.9% of revenues [2010: 64.1 mln normalised from core business].
- Net result for 2011 was 34.5 mln [2010: 13.6 mln]. Earnings per share were 4.70 euro cents [2010: 1.87 euro cents].
- Cash flow remains healthy and net interest bearing debt is 250.5 mln at the end of 2011 [2010: 256.7 mln].
- The order book is at a very good level, at 196.2 mln at the end of the year [2010: 162.2 mln].

Marel had a very good year in 2011. Revenues amounted to 668 mln, an increase of 15% compared to the previous year. The normalised EBIT margin was 10.9%, which is in line with the company's target of 10-12% return on revenues for the year. The outlook for 2012 is positive.

The Board of Directors will propose to the Annual General Meeting on 29 February 2012 that a dividend of 0.95 euro cents per share be paid for the operational year 2011. Based on the current number of outstanding shares, the estimated total dividend payment will be approximately EUR 6.9 million, corresponding to about 20% of profits for the year. The proposed dividend is in line with Marel's targeted capital allocation and dividend policy introduced at the 2011 Annual General Meeting.

Theo Hoen, CEO:

"It was a very good year for Marel, with pure organic growth of 15% compared to 2010. The year ended on a high note with record revenues in the fourth quarter and an operating profit at the upper end of our target range of 10-12% return on sales. The strength of the order book gives us confidence heading into 2012."

¹ The consolidated 2010 results include figures from Carnitech A/S up until 1 February 2010 and Food & Dairy Systems until 31 March 2010. In comparing the 2011 results with the year before, it is therefore more useful to refer to the 2010 figures for core business than the consolidated figures.

² One-off costs of EUR 11.0 mln for pension-related issues, including the new execution agreement of the Dutch pension plan and the transfer of the execution of the pensions previously managed by the Stork Pension Fund to the industry-wide pension fund PME, are included in the consolidated income statement for 2011 but excluded from the normalised figures in order to make a clean comparison with 2010 figures possible. The 2010 figures are normalised for one off items amounting to 7.9 mln, thereof pension recovery premium costs of 7.6 mln related to underfunding of the Stork Pension Fund.

The growth between years can be attributed to two key factors. We continue to bring innovative new products to market that provide added value for our customers, such as the new MS 2730 salmon filleting system and ModularOven. And we are expanding geographically and strengthening the effectiveness of our sales and service network. The most recent development in that area is the establishment of new offices in Mexico and India.

We continue to strive for operational excellence across the whole range of our activities. We made good progress in 2011 in improving operating leverage by decreasing the relative amount of overhead costs. Working capital, manufacturing and procurement processes have all been improved. The experience of the past few years shows that we have the ability and committed employees to take our company further and to realise our future ambitions."

Q4 2011 results

Record revenue and good profitability

Marel had an excellent quarter with 184 mln in revenues, 28 mln in EBITDA and 22 mln in EBIT.

- Revenues for Q4 2011 totalled 183.9 mln, an increase of 9.7% compared to revenues for the same period the year before [Q4 2010: 167.7 mln].
- EBITDA was 27.9 mln, or 15.2% of revenues [Q4 2010: 26.1 mln].
- Operating profit (EBIT) was 21.6 mln, or 11.8% of revenues [Q4 2010: 20.1 mln].
- Net result was 15.0 mln for Q4 2011 [Q4 2010: 5.5 mln].

Marel continues to benefit from its strong market position and product pipeline. Orders received, including service revenues, were at a very good level, amounting to 175.9 mln in Q4 2011, compared to 188.6 mln for the same period the year before. The order book stands at 196.2 mln at the end of Q4 2011, compared to 162.2 mln at the end of the previous year.

Key figures from Marel's operations in thousands of EUR

Operating results	Quarter 4	Quarter 4	Change	YTD	YTD	Change
Consolidated (normalised) compared with 2010 core business	2011	2010 ²⁾	in %	2011 ¹⁾	2010 ²⁾	in %
Revenues	183,903	167,677	9.7	668,357	582,130	14.8
Gross profit	69,798	63,162	10.5	247,289	221,410	11.7
Gross profit as a % of Revenues	38.0	37.7		37.0	38.0	
Result from operations (EBIT)	21,620	20,063	7.8	73,152	64,144	14.0
EBIT as a % of Revenues	11.8	12.0		10.9	11.0	
EBITDA	27,908	26,104	6.9	97,992	88,060	11.3
EBITDA as a % of Revenues	15.2	15.6		14.7	15.1	
Consolidated net result	14,988	5,499	172.6	34,463	13,626	152.9
Net result as a % of consolidated revenues	8.1	3.3		5.2	2.3	
Orders Received ³⁾	175,922	188,604	(6.7)	702,419	638,453	10.0
Order Book	-	-		196,218	162,155	21.0

¹⁾ The YTD 2011 numbers are normalised for EUR 11.0m one off costs for pension related issues

²⁾ 2010 are core numbers and full year is normalised for 7.6m pension recovery premium.

³⁾ Included are the service revenues

Consolidated	Quarter 4	Quarter 4	YTD	YTD
	2011	2010	2011	2010
Cash flows				
Cash generated from operating activities, before interest & tax	19,895	33,451	63,716	114,881
Net cash from (to) operating activities	14,524	20,759	43,183	78,986
Investing activities	(10,925)	(6,097)	(28,690)	(16,757)
Financing activities	(6,331)	(36,459)	(47,120)	(67,453)
Net cash flow	(2,732)	(21,797)	(32,627)	(5,224)

Financial position

Net Interest Bearing Debt	250,489	256,741
Operational working capital ⁴⁾	94,944	59,794

⁴⁾ Third party Debtors, Inventories, Net Work in Progress and Third party Creditors.

Key ratios

Current ratio	1.2	1.4
Quick ratio	0.8	1.0
Number of outstanding shares	728,844	730,253
Market cap. in millions of Euros based on exchange rate at end of period	574.2	473.5
Return on equity	9.6%	4.1%
Earnings per share in euro cents	4.70	1.87
Leverage ⁵⁾	2.56	2.92

⁵⁾ Net Interest Bearing Debt / Normalised LTM EBITDA

Markets

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

Poultry: Order intake was good during the quarter, with large orders coming in from the U.S., Central and South America, Australasia and Europe. There was a high load in the company's manufacturing facilities during the quarter, with delivery of a number of large orders from earlier in the year, including greenfield projects and integrated solutions for customers in South Korea. After Sales Service activity was at an all time high with the increasing popularity of the preventive maintenance solutions offered by Marel.

Fish: The fourth quarter was an active period in all segments of the fish processing industry, including both whitefish and salmon. Marel's processing flowlines for farmed whitefish species such as tilapia have been well received by the market, including in Asia and Central America. In salmon, large and complex grading systems for whole salmon from Marel have been in high demand in Norway, thanks to the integration with Marel's Innova production management software. Customers have been impressed with the full traceability, improved yield and logistics management that Innova provides.

Meat: The year finished well with a strong order intake, including significant orders from Europe and North America. Of particular note was an order from a major European fresh meat plant for the cutting and packing of a variety of meat products for the retail sector. Another large order was received for the new IBS4600 bacon slicer, which has enjoyed great success since its launch earlier in the year. Heading into 2012, there is strong activity particularly in Eastern Europe and Australasia.

Further processing: Order intake was once again good in the fourth quarter, particularly in Asia, including Japan, South Korea and China. The sale of complete processing lines is a growing trend that looks set to continue. Many of the recent lines sold have included the RevoPortioner, which continues to rise in popularity among further processors. The FP industry centre in Boxmeer hosted a Heating Technology Event in late October, which attracted

customers from across the globe. The event saw the launch of the ValueFryer, the very latest development in the Townsend Further Processing heat treatment programme.

Innovation

MS 2730 salmon filleting machine: The new MS 2730 provides superior salmon filleting while offering several great new features that ensure optimal yield and throughput. Yield is maximised in two key ways. First, the machine automatically adjusts settings to accommodate a variety of fish sizes, between 2-8 kg. Second, a set of new circular knives cuts the fish from gut to tail, ensuring that the meat close to the centre bone is included in the fillets. The MS 2730 also offers increased throughput, with a capacity of 25 fish per minute. Contrary to traditional filleting machines, the fish is fed belly-down into the MS 2730, making the in-feed much easier and faster. Another key feature of the machine is its ease of use, with all operations managed via a multilingual colour touch-screen.

With the addition of the MS 2730 to its arsenal, Marel can now offer customers a complete salmon processing line that is fully optimised from beginning to end – from filleting all the way through to production of value-added products.

Operational excellence

Cost efficiency

Marel continues to maintain a strict focus on rationalisation 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 healthy at 19.9 mln for Q4 2011. The balance sheet is strong and net interest bearing debt amounts to 250.5 mln at the end of Q4 2011 compared with 256.7 mln at the end of Q4 2010. Overall, the business remains well invested, though there has been some expansion of facilities and equipment in order to facilitate further growth.

Financing

Having reduced leverage, Marel has been able to reduce the average interest terms on the long-term financing package the company secured in November 2010 to EURIBOR/LIBOR + 250 bps. Total interest cost on borrowings is approximately EUR 11 million lower in 2011 than it was 2010, reflecting the lower financing cost associated with the new financing structure.

Outlook

Market conditions continue to be favourable. Marel has strengthened its market position with the introduction of new solutions and further geographical expansion. The excellent level of the order book ensures a good continuation into 2012. Nevertheless, results may vary from quarter to quarter due to fluctuations in orders received and deliveries of larger systems.

Presentation of results, 2 February 2012

Marel will present its results at a meeting on Thursday, 2 February, 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.

Annual General Meeting 2012

The Annual General Meeting of Marel will take place on Wednesday, 29 February 2012, at 4:00 p.m. at Marel's headquarters at Austurhraun 9, Gardabaer. In order for shareholders to have proposals or matters considered by the meeting, they must have been submitted to the Board of Directors at least seven days prior to the meeting. The meeting and its agenda will be announced at a later date.

Publication days of the Consolidated Financial Statements in 2012

- | | |
|--------------------------------|-----------------|
| ▪ 1 st quarter 2012 | 26 April 2012 |
| ▪ 2 nd quarter 2012 | 25 July 2012 |
| ▪ 3 rd quarter 2012 | 24 October 2012 |
| ▪ 4 th quarter 2012 | 30 January 2013 |

For further information, contact:

Jón Ingi Herbertsson, Investor and Public Relations Manager, tel: (+354) 563-8451

Erik Kaman, CFO, tel: (+354) 563-8072

Sigsteinn Grétarsson, COO, tel: (+354) 563-8072

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.