

Investor Presentation Interim Result to 31 March 2012

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SANFORD LIMITED
SUSTAINABLE SEAFOOD



Disclaimer

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Interim result 2012

NZ\$000	6 months to 31 Mar 2012	6 months to 31 Mar 2011	6 months to 30 Sep 2011	12 months to 30 Sep 2011
Sales Revenue	230,303	228,030	235,924	463,954
EBITDA	29,899	25,998	23,246	49,244
Depreciation, amortisation & impairment	(9,969)	(7,516)	(8,739)	(16,255)
Net interest	(5,315)	(4,645)	(5,962)	(10,607)
Net currency gains	3,491	4,325	5,871	10,196
Net gain on sale of intangibles, PP&E	693	58	(6)	52
Profit before tax	18,799	18,220	14,410	32,630
Tax	(5,464)	(5,103)	(5,217)	(10,320)
Profit for the Period	13,335	13,117	9,193	22,310
Non controlling interests	(28)	(22)	(2)	(24)
Profit attributable to equity holders	13,307	13,095	9,191	22,286



Revenue impacted by prices & foreign exchange

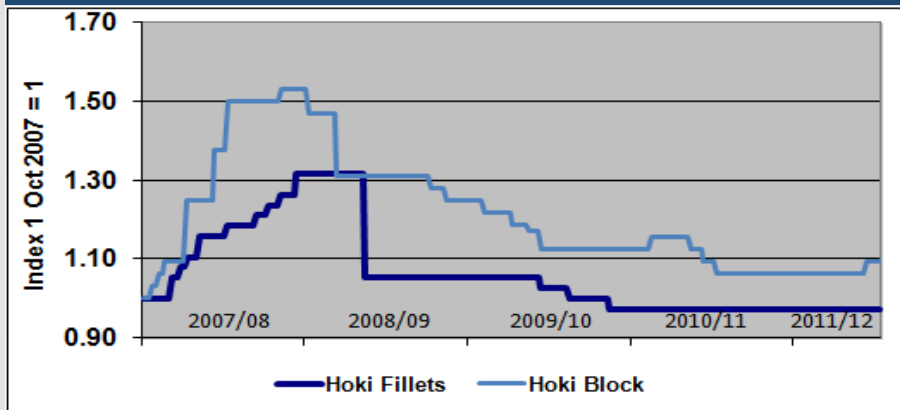
- 2012 Six months revenue similar to same period last year
- Average US forex rate 0.80 this period compared to 0.76 first six months last year.
- Sales mix changes this year – main increases
 - Mussels volumes and sales revenue up 40%
 - Inshore species snapper, trevally and blue mackerel increased volumes and prices (these three species up 70%)
 - Scampi sales strong (particularly into China) up 90%
- Sales mix changes this year – main decreases
 - Tuna catch volumes down (San Nikunau lost fishing time first three months and lower catches by other 2 vessels) but offset by higher prices reduced the impact to 27%.
 - Hoki sales down 27% but more normalized this period compared to significant inventory reduction in the first half last year
 - Salmon sales down 45% with weaker international markets



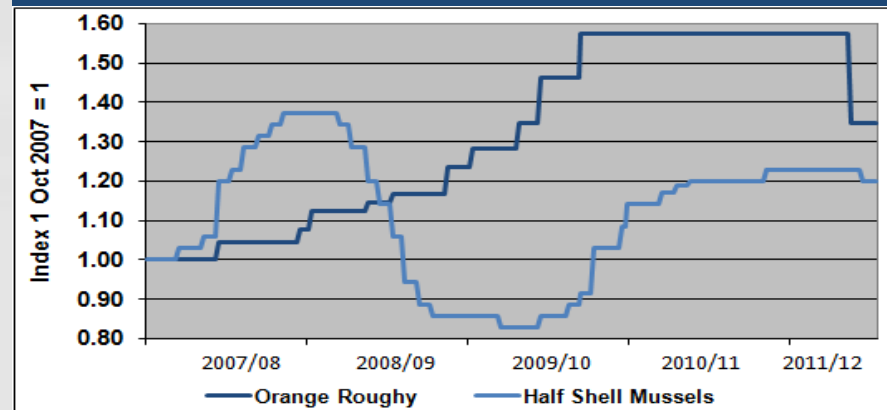
Market prices

- Hoki fillet prices have remained stable
- Hoki block prices have also been stable but lifted slightly at the end of the period
- Prices for orange roughy have declined over the past 6 months as markets react to high price levels
- Prices for half shell mussels continue to be stable and demand levels firm and positive outlook

Hoki Fillet & Hoki Block



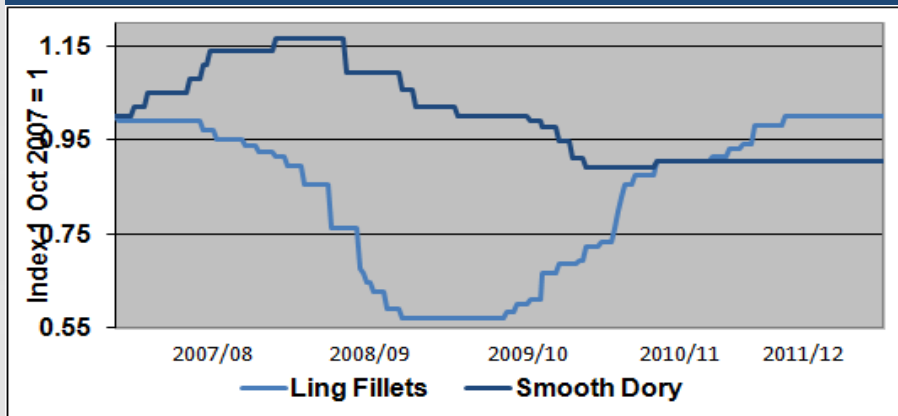
Orange Roughy & Half Shell Mussels



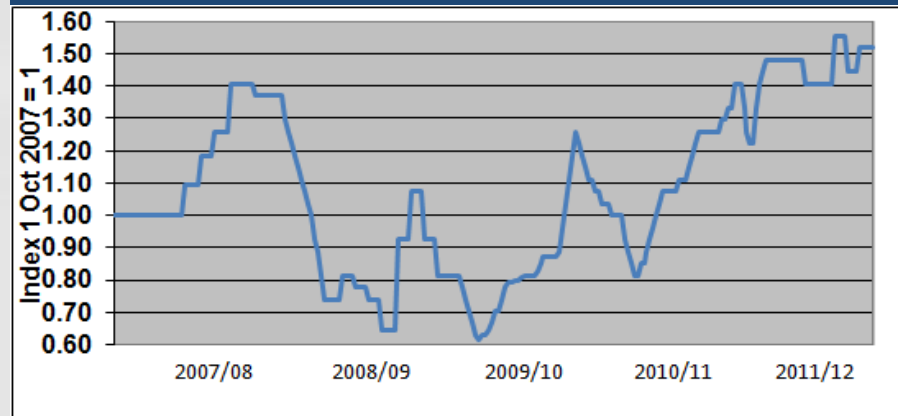
Market prices

- Markets in Southern Europe and the Hong Kong for ling have increased steadily over the year
- Smooth dory fillet prices were stable over the period
- Skipjack tuna prices generally increased over the year although dipped for a short period before recovering to higher levels

Ling & Smooth Dory Fillets



Skipjack Tuna



NZ Segment performance – Aquaculture

- Aquaculture profit improvements continue on from those achieved in the second half of last year
- Volume and efficiency gains from upgraded Havelock facility
- Pacifica integration now completed and synergy gains achieved. Additional efficiencies in farming operations achieved and more to come. Some surplus land and vessels still to be sold.
- Decline in international salmon prices depressing returns from salmon despite continued farming improvements. Increased added value processing some assistance but still challenging.
- Exiting Pacific oyster business – Kaeo factory closed with some plant likely to be relocated. Expect to sell Northland farms in the next period. Depending on sales outcomes may result in some impairment in the next period (circa \$3m)



NZ Segment performance – Inshore / Deepwater

- Fishing results generally in line with expectations.
- Continued improved prices for pelagic species and better returns for snapper and trevally
- Tauranga operations benefit from higher prices for skipjack tuna
- Deepwater results up to expectations and market development of scampi into China has improved inventory turnover
- Toothfish catches steady in the Ross Sea and successful scientific survey carried out
- Our relationship and activities in conjunction with the Iwi Collective Partnership continue to successfully grow and expand.



NZ Segment performance – Pacific Tuna Vessels

- Catches down this year compared to the same period last year.
- San Nikunau operated successfully for the second quarter but will undergo scheduled survey and maintenance in third quarter.
- Tuna pricing very strong on lower overall fleet catching in the Pacific.
- Court case on San Nikunau likely during second half. As with any litigation there is a risk as to the outcome of this action.



Outlook for the remainder of the year

- Exchange Rate – prospect of lower average rate in second half (1 cent change = \$2m EBITDA pa).
- Approximately 70% of net US\$ export receipts covered for 12 months and 30% for the following 12 months in mix of forward contracts and collar options (rates of 0.75 or lower)
- Approximately 65% of net Japanese Yen export receipts covered for 12 months, 50% of the following 12 months and 20% for the following 12 months in forward contracts (rates of 58 or lower)
- Fuel price has eased since end of year but will remain a challenge
- Squid catches have been reasonable although market softening slightly
- Market outlook for major species such as hoki, Greenshell mussels, ling, toothfish and skipjack tuna encouraging
- Markets in China, Eastern Europe and Middle East continue to look more positive than Europe with the US market steady

