



US\$ 31.2 million greater than the same period in 2016:

Camanchaca posts EBITDA of US\$ 35.5 million for the first half of the year.

- **Camanchaca reported profit of US\$ 6.9 million for the first six months of 2017, a five-fold increase over the same period in 2016.**
- **These improved results can be explained by a 51% rise in salmon prices and a 17% drop in salmon harvest costs.**
- **Pelagic catches are nearing normal levels in the northern fishing zone—the highest figures for this period in the last six years—with 83 thousand tons.**
- **The Company also reported that the adverse effects of the severe El Niño phenomenon between 2015 and 2016 have been overcome.**

Santiago, August 29, 2017. Compañía Pesquera Camanchaca S.A. issued its financial statements as of June 2017, posting consolidated EBITDA of US\$ 35.5 million, reflecting an eight-fold increase of US\$ 31.2 million over the same period last year.

For the same six-month period, profit totaled US\$ 6.9, which is well above the US\$ 1.4 million for the first six months of 2016.

This substantial improvement can be explained by a strong performance by the salmon farming division, which posted an increase of US\$ 32.7 million in gross margin (before the fair value adjustment) thanks to a 51% rise in prices and a 17% reduction in harvest costs. This was achieved despite a 49% decrease in salmon sales volumes as a result of the decision to reduce smolt transfer at two farm sites in 2015, as reported at that time. The impact of this decision was reflected in the first half of 2017. Another factor leading to the fall in salmon sales was the algae bloom in 2016, which reduced harvests by 12 thousand tons as of year-end 2016 and, as a result, reduced inventory in early 2017.

The Company's CEO, Ricardo García, remarked, *"Following the extraordinary drops in prices in 2015 and the impact of the algae bloom, this year Camanchaca has rebuilt both the salmon biomass and the division's profitability. We expect to finish the year with harvests of close to 35 thousand tons WFE and a smolt transfer plan that will give us harvests of around 45 thousand tons WFE in 2018. This estimated 30% growth for next year should not affect aggregate harvest levels in Chile since it involves sites that have been operational in recent years. The Company's smolt transfer plans for 2018*



are designed to leverage its existing fresh water, seawater and processing capacities, and to exceed 50 thousand tons of Atlantic salmon in 2019.”

The salmon business reported profit of US\$ 7.1 million and EBITDA of US\$ 27.4 million for the first half of the year. Profit was impacted by the fair value adjustment of negative US\$ 10.6 million, which is US\$ 31.5 million less than the same period in 2016.

The industrial fishing division posted profit of US\$ 0.4 million for the first six months of the year. Although this figure compares favorably to the losses of US\$ 2.6 million for the same period in 2016, it remains low and was negatively influenced by significant drops in the price of fish oil and canned fish, as well as late, albeit abundant, jack mackerel catches. The division’s inventory at the end of June should positively affect its third-quarter results.

Another positive development for the division was its increased catches in the north, reaching 83 thousand tons, a record high in recent years for that period. These good catch conditions are a sign that oceanographic conditions are returning to normal following the strong El Niño phenomenon in 2015-2016.

Camanchaca’s CEO, Ricardo García, commented, *“The aggregate results for the first half of the year for the entire Company reflect more normal operating figures and margins, demonstrating our ability to successfully overcome the brutal El Niño phenomenon that we experienced in 2015-2016. We trust that the industrial fishing division’s results will improve during the second half of the year to join the ranks of the salmon division with its favorable figures.”*