



COMPAÑÍA PESQUERA CAMANCHACA S. A. AND AFFILIATES

Annual Report for the Consolidated Financial Statements

For the periods finished as of December 31, 2013 and December 2012.

ANNUAL REPORT

In the following pages, the Company presents its unaudited annual report for the Consolidated Financial Statements as of December 31, 2013, compared to December 31, 2012 for the Consolidated Balance Sheet, the Cash Flow and the Results Statement.

The Company began keeping its accounting records and those of its affiliates under IFRS (International Financial Reporting Standards) as of January 1, 2011.

Business Areas

The Company performs the following three lines of business:

- 1.- Industrial Fishing: This business is conducted through the Company's operations in the North and South of Chile. Fishing is aimed at human consumption in the form of canned and frozen fish whenever possible (as in the case of the catches of jack mackerel, mackerel and langostino lobster in the South-Central zone), or else the production of fishmeal and fish oil (as in the case of anchovy or sardine in the North and South-Central zones, respectively). On October 18, 2012, the operation in Ecuador was sold, which had a focus in producing only fishmeal and fish oil.
- 2.- Salmon Farming: Business that is carried out through the operations that the Company maintains in the 8th, 10th and 11th regions of Chile, which include the entire value chain, from the breeding program to produce their own eggs, through the freshwater inland hatchery, the grow-out phase in 72 sea water sites in 14 neighborhoods and 2 primary processing plants distributed in the 10th and 11th regions and the secondary process and freezing plant in the 8th region.
- 3.- Other Seafood: The Company farms mussels in the 10th region of Chile (Chiloé), plus abalones and scallops in the 3rd and 4th regions of Chile, from which it produces a complete line of finished products entirely aimed to human consumption.

Summary

As of December 31, 2013, revenues reached US\$ 438.8 million, 9.7% higher than in 2012, reflecting a significant increase of those from the Salmon Farming, which rose 37.7%, an increase mitigated by a fall of 17.2% in Fishing revenues.

Gross margin doubled between 2012 and 2013, and scored US\$ 28.7 million in the latter. Before the fair value adjustment of the salmon biomass, gross margin reached US\$ 20.2 million, 37.7% higher than the previous year. Thus, EBITDA was US\$ 21.2 million, 74.9% higher than in 2012. Before the fair value adjustment of the salmon biomass, this indicator reached US\$ 12.6 million, 1.8% higher than 2012.

The loss for the period was US\$ 16.9 million, a decrease of 32.2% compared to the loss in the previous year, or, US\$ 8 million of improvement. For better comparison, it is worth to recall the extraordinary gain recorded in the fourth quarter of 2012 due to the sale of the Ecuadorian subsidiary, Centromar, operation that generated a one-time profit of US\$ 5.6 million. Thus, the result of 2012, correcting this effect would have been a loss of US\$ 30.5 million, generating a comparable reduction in the loss of 44.7% from one year to another, or, US\$ 13, 6 million of improvement. Also, for the purpose of comparing EBITDA, the improvement in 2013 would have been US\$ 14.4 million (210% increase) or, US\$ 5.5 million before fair value adjustment of the salmon biomass.

The quarterly analysis shows an improvement in results that took place in the fourth quarter of 2013, when the gain or profit of that period was US\$ 11 million compared to a loss of US\$ 0.5 million in the fourth quarter of 2012. In the same periods, EBITDA increased from US\$ 8.1 million to US\$ 22.6 million, and without fair value, from US\$ 13.5 to US\$ 17.8 million. Substantial in this improvement was the performance of the Salmon Farming, which EBITDA increased from US\$ (10.4) million to US\$ 20.8 million, and without the fair value adjustment from US\$ (5.1) million to US\$ 16.1 million. In that quarter, the losses of Salmon Farming of US\$ (12.2) million were reversed to a profit of US\$ 14.3 million.

A combination of factors explain the results of the year 2013, being the most relevant:

In the Salmon business, during 2013, the price of Atlantic salmon continued to show a positive trend, being 25.9% higher than the previous year and in the fourth quarter, 57% higher than in the same quarter of 2012. These higher cumulative prices were not fully captured in the first half of 2013, due to the existence of contracts at fixed prices in previous months, but they were fully expressed in the second half.

As for the costs, since August to the end of the year, Atlantic salmon harvests focused exclusively on the 10th region sites, which have historically presented better sanitary performance and, therefore, the harvests had lower costs, and more representative of those considered normal or standard. The unfavorable sanitary conditions in the second quarter of 2013 in three sites of the neighborhood N°20, King Channel (Northern Aysén), whose harvests ended in July, affected very significantly the costs of the quarter. This situation was caused mainly by high levels of parasites that generated an excess of treatments, in addition to the poor feed conversion, product of the stress; lower sizes than expected, which affected the target markets of the Atlantic salmon and consequently, prices. Finally, the situation of virulent ISA established in the area, forced to implement certain sanitary protocols that made the harvest processes more expensive. All these effects had more impact on costs and margins, than on mortalities, which were not especially high in the whole year.

Product of the improvement in prices and costs noted above, the negative results accumulated in the first quarters were reversed, ending the year with a cumulative profit to December 2013 of US\$ 78 thousand in the salmon business, where the result achieved in the fourth quarter reached a profit of US\$ 14.3 million and in the third quarter, a profit of US\$ 6 million, in effect, a gain of US\$ 20.3 million in the second half of 2013.

The Fishing business was adversely affected by low catches of sardine in the South-Central zone of Chile, with falls around 70% over 2012, which generated a strong reduction in the production of fishmeal and fish oil. As for the catches in the Northern zone of Chile, mainly anchovy, there was a temporary phenomenon which negatively affected the catches during the first three quarters, but was reversed in the last quarter, matching the catches of 152,000 tons of the previous year.

With information as of December 2013, we estimate that the conditions of the sardine in the South-Central zone show signs of a rather quick recovery, but we anticipate impacts on 2014 catches, which were reflected in the established quotas for the species, which despite allowing more catches than in 2013, are still below average historical levels.

The sardine situation, which adversely affected production costs with fewer units, was especially unfavorable, because it didn't allow turning the high fishmeal prices during the first half into profit. A similar effect had the temporary delays in anchovy catches in the Northern zone.

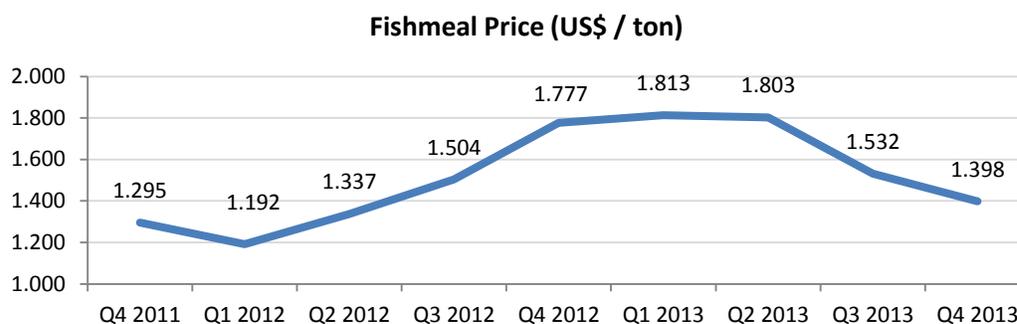
Thus, the Fishing division results were a loss of US\$ 9.5 million, compared with a profit of US\$ 4.4 million in 2012. EBITDA, meanwhile, went from US\$ 28.6 million to US\$ 11.2 million.

EBITDA for the Other Seafood division improved by US\$ 3.3 million, and its negative value was explained by the scallop and abalone business in the 3rd and 4th regions, while the mussel business in 10th region showed a positive EBITDA.

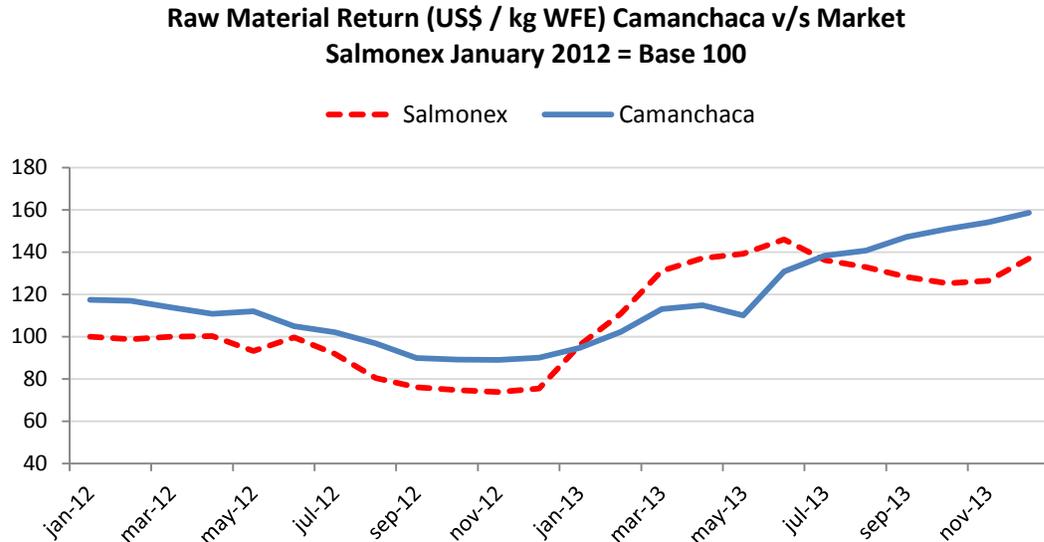
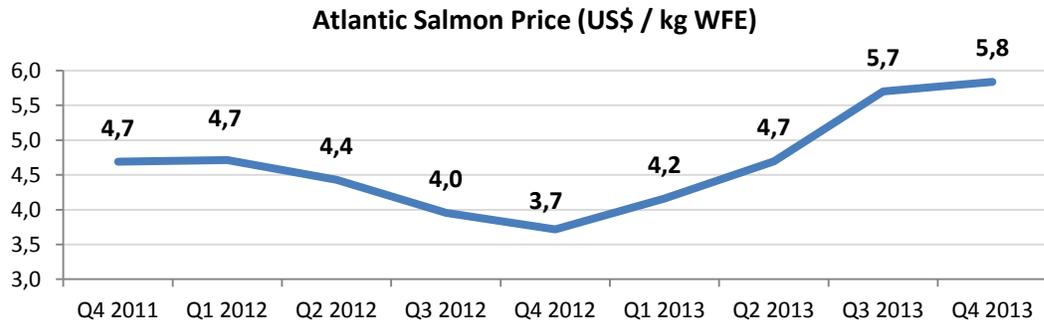
Business' Key Drivers

- Camanchaca's results are highly related to five key drivers:
 - i. The price of fishmeal which is strongly correlated with Peru's catching levels;
 - ii. The price of Atlantic salmon which is very sensitive to Norwegian and Chilean supply conditions;
 - iii. The level of fishing catches that define the fishing operation's scale and its associated processes in a context of high fixed cost structure;
 - iv. The fuel expenditures that have special impact on fishing costs and on the fishmeal and fish oil's process;
 - v. The sanitary conditions in our salmon grow-out sea sites, which determines not only the biomass available, but their cost, especially those of Atlantic salmon.

- Key Drivers' Evolution
 - i. **Fishmeal price.** This variable showed a strong upward trend during the second half of 2012, and stabilized during the first half of 2013. However, from the third quarter, the price has fallen after Peru's catch quotas were back to normal levels and due to the good state of the anchovy biomass in that country. Our estimations were consistent with this downward trend and were informed in previous reports. Taking all of these into account, prices in 2013 were 8.6% higher than the previous year, reaching US\$ 1,605 per ton. It should be noted, however, that catches and production of fishmeal was not uniform throughout the year, and was concentrated in the fourth quarter, when prices were already normalized, losing the opportunity of having sold more volume in the first half.



- ii. **Price of Atlantic salmon.** After reaching minimum levels in years during the second half of 2012, Camanchaca's prices have increased about 80% by the end of December. From the third quarter 2013, a significant rise in price could be seen, which reached US\$ 5.8 per kilo WFE in the fourth quarter, 57% higher than the fourth quarter 2012. However, accumulated to date prices do not reflect all of this rise, since in the first half there were closed contracts signed in late 2012 in the U.S. market, which prevented a greater increase in the first half of 2013, although these contracts allowed favorable conditions in that year 2012. Furthermore, by comparing Camanchaca's fourth quarter prices with the ones from the exports of Chilean Atlantic salmon, Camanchaca surpasses them every month, even reaching a difference of almost a dollar per kilo WFE.

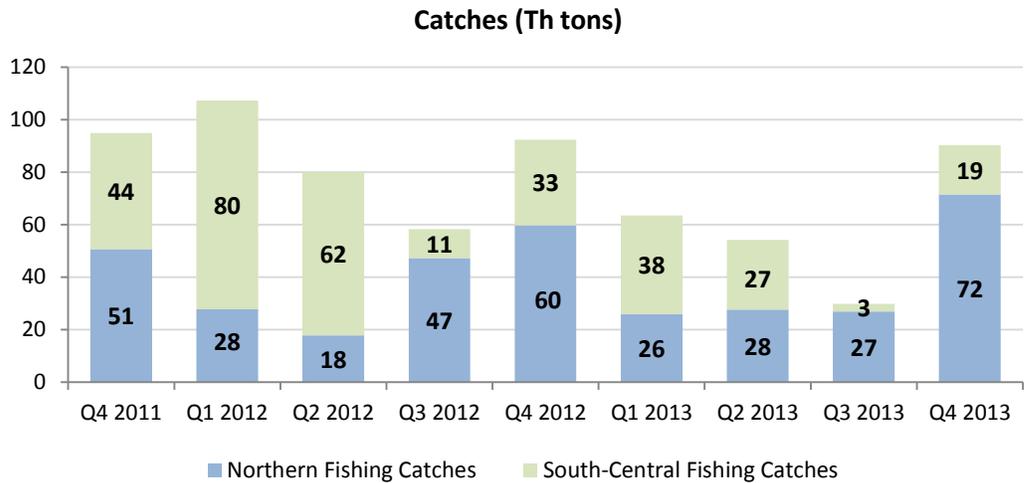


The Raw Material Return is the price obtained in each of the different types of products sold, after deducting in each of them, the costs of distribution and specific secondary process of each type, in order to have a reference price obtained for the fish before any of the processes or destinations. This allows aggregation and comparison of the diversity of the Company's products.

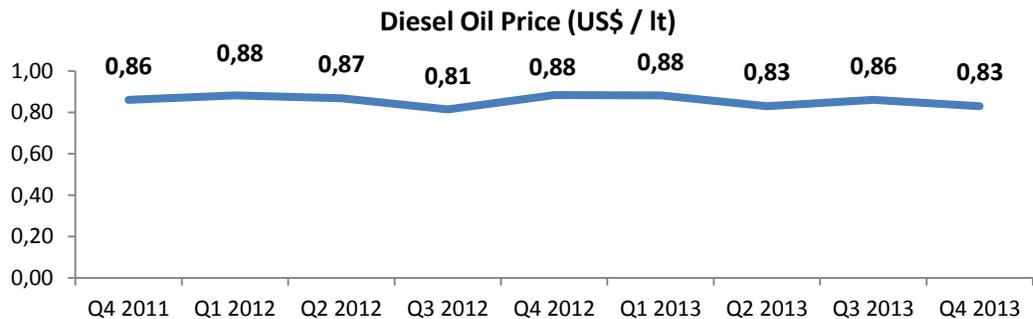
Market Index or " Salmonex " is constructed with the price of fresh fillet trim D exported by Chilean firms, deducting from it the same process and distribution costs used for Camanchaca's fresh trim D. Thus, obtaining a comparable index to Camanchaca's Raw Material Return.

iii. **Pelagic fishing level.** Oceanographic conditions of the first three quarters of 2013 in the North, were reversed in the fourth quarter leading to excellent catches in that quarter, ending the year at 151,840 tons, only 0.4% lower than 2012. In the South-Central zone, low sardine biomass throughout the year generated poor catches volumes for this species, which reached 43,083 tons, well below the 145,745 of 2012. This unfavorable condition, emphasized both lower production and sales of fishmeal and fish oil (physical sales falling 36.3% and 58.1%, respectively). For the sardine, it is estimated that the 2013 shortage condition will be reversed in 2014, but not entirely. Based on the initial established quotas for this species, catches could rise between 50 and 60% by 2014 compared to 2013, which would be still well below historical volumes.

In the case of the jack mackerel fishery, the situation was more favorable and Camanchaca captured 42,834 tons, with significant increase of the portion intended for human consumption. Indeed, during 2013, 12,324 tons of frozen mackerel were produced (52.2% more than in 2012) and sales grew by 48.6% over 2012 reaching 12,449 tons. As for the canned fish, a million boxes were produced during 2013, a similar quantity compared to the previous year, and sales grew by 20.4%, reaching one million boxes.



- iv. **Diesel price.** This variable, the main input of fisheries and indirectly important to the salmon and abalone business, has remained relatively stable in recent years.



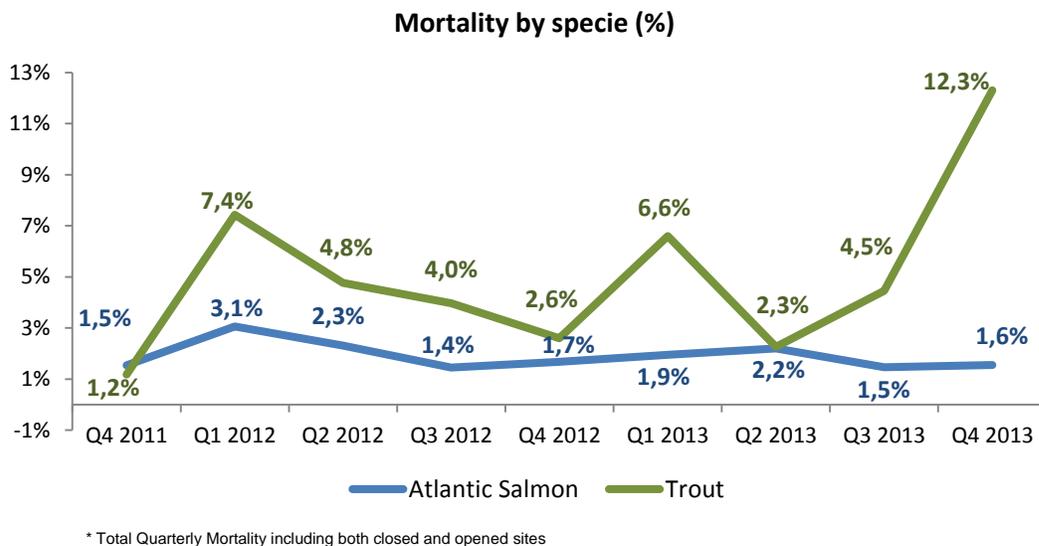
- v. **Salmon farms sanitary conditions.** During July 2013, Camanchaca finished harvesting all its 11th region sites according to its 2013 harvest plan, and the following harvests were concentrated only in the 10th region, allowing a rapid normalization of sanitary conditions in the second semester. Indeed, the cumulative survival rate of Atlantic salmon (for closed cycles) increased from 86% at the end of June 2013 to 87.9% at the end of December 2013. The 10th region sites had favorable sanitary conditions and costs due to its continental status and lower water salinity. Notwithstanding the fourth quarter's favorable evolution, analyzing 2013 YTD, the conditions got worse compared to the previous year from 91.7% to 87.9% of survival in closed cycles.

The higher concentrations of Atlantic salmon biomass in the Macrozone 6 (11th region) generated a sharp increase in fish caligus (sea lice), which increased direct costs for treatment, reducing the feed conversion into meat due to the stress caused by the parasites and their treatments, and generating immunosuppressive conditions for the fish, exposing them to diseases such as ISA. The Atlantic salmon episodes of ISA virus detected between April and May 2013 at the Macrozone 6, which affected a Camanchaca site (Izaza), did not generate much higher than normal mortality, nor economic impacts per se; rather the ISA situation was a result of the problems associated to the parasites that did have strong impacts on costs.

Furthermore, it should be noted that these health events triggered all protocols and contingency plans of the competent authorities and Camanchaca, and numerous coordinated actions among companies in the industry, with the aim of containing the propagation of this virus. In line with the above and based on internal risk models of the 72 concessions, which consider different variables such as location, currents, presence of fresh water, neighbor Companies, historical performance, among others, Camanchaca adjusted its future smolt transfer plans, in order to favor

the sites that have better than expected sanitary conditions and productive performance, which are mainly located in the 10th region.

Additionally, the sanitary evaluation conducted on the trout species, especially during the grow-out period from 1.5-1.8 kg, which yielded poor sanitary outcomes in 2012 and 2013, made Camanchaca to opt for a temporary smolt transfer halt of this species, which will mean not having trout harvests from the second quarter of 2014, a situation that should also be extended in 2015. Indeed, the bacterial disease SRS, among others, generated higher than expected mortality in trout and forced early harvest affecting the costs and the sizes of the sold fish, and thus, their margins. Trout mortality for closed cycle groups reached 17.6%. The suspension of trout transfers will not generate a shut down in the operation of the freshwater and sea assets associated with this species, as there will be an effort to use them for third parties.



Highlights and Results of Business Camanchaca SA

- In the **Fishing** division, revenues decreased 17.2% to US\$ 156.5 million, and the results went from a profit of US\$ 4.4 million in 2012, to a loss of US\$ 9.5 million in 2013. This loss is mainly explained by:
 - i. Lower catch volumes in the South-Central zone of 99 thousand tons compared to the same period of the previous year. The catches downgrade was added to the sale of our operations in Ecuador in October 2012 that increased the drop in fishmeal and fish oil production by 26 thousand tons of product, a decrease of 31.7% compared to 2012. In the Northern zone, the catches of about 152 thousand tons, were similar to those of 2012.
 - ii. In the South-Central zone, the situation of weak sardine biomass, the main pelagic resource in the zone, negatively impacted the production of fishmeal and fish oil. Production of fishmeal fell from 29,546 tons to 12,048 tons between 2012 and 2013, and fish oil fell from 8,533 tons to 4,435 tons. Physical sales of fishmeal in 2013 were 61.8% lower than 2012, and the fish oil ones, 47.5% lower.
 - iii. The fewer artisanal sardine catches that generate lower landings in our fishmeal and fish oil plants this year, have implied that the debt that these partners have with Camanchaca, is projected at a slower repayment, because by contract, the landings are the source of repayment. The valuation tests for this debt, which are regularly done, generated a negative result impact of US\$ 260 thousand in 2013. It is noteworthy that these financial loans that Camanchaca gives, are the basis for the bonds that the Company has with these suppliers of raw material for its plants, and they include guarantees related to their boats, permits and licenses that come with them.
 - iv. Good catch of jack mackerel in the South-Central zone under very favorable cost conditions. This capture of 42,800 tons has allowed the production of 12,324 tons of frozen jack mackerel, 52.2% more than in the same period the previous year and 1,019,338 boxes of canned fish,

similar production to the same period in 2012 and at the end of 2013 the stock of this product is 350 thousand boxes. As for physical sales of frozen jack mackerel and canned fish in the period, these increased 48.6% and 20.4% respectively. The higher sales of products related with human consumption had a positive effect on the working capital employed, compared with the previous year.

- v. The langostino lobster, product entirely targeted to human consumption, shows an increase of 30.3% in sales reached 668 tons and higher prices of 11.4%, which added to an improvement in performance from 10.4% to 11.5% (11% improvement) over the previous year, have allowed achieving a positive gross margin up to US\$ 1.2 million. The biomass is in good conditions, a situation confirmed by the increase in the quota established for 2014.
 - vi. Favorable price of fishmeal, which has reached an average price of 1,605 US\$/ton in 2013, 8.6% higher than in the same period of 2012. However, prices for the fourth quarter reached 1,398 US\$/ton, 21.3% lower than in 2012. Since the evolution of prices during the year was opposite to the capture and production, the Company failed to fully capture the annual increase in prices. Thus, prices were not enough to reverse the low levels of physical sales of fishmeal in the period, which have been 36.3% lower to the already low sales of 2012. In the case of the sale of fish oil, the average price reached 2,260 US\$/ton in 2013, 30.7% higher to the one observed in the same period in 2012, but whose physical sales were 58.1% lower than those achieved in that period.
 - vii. Given the above, the results of fishing operations were:
 - The North Fishing division made a profit of US\$ 1.6 million, which compares unfavorably with the profit of US\$ 10.4 million for the same period in the previous year.
 - Our subsidiary Camanchaca Pesca Sur scored a loss after tax for the period of US\$ 11.7 million compared with a loss of US\$ 3.5 million in 2012. The higher prices and the good management of human consumption products, mitigated the impact of lower sardine biomass.
 - The EBITDA of the Consolidated Fisheries worsened US\$ 17.4 million over the same period of 2012, reaching US\$ 11.2 million.
- In the **Salmon** division, revenues increased 37.7% to US\$ 251.8 million and the results showed a profit of US\$ 78 thousand compared to a loss of US\$ 18.8 million for the same period in the previous year, but highlighting a positive result of US\$ 14.3 million in the fourth quarter 2013. These results are mainly explained by:
 - i. The Atlantic salmon selling prices that greatly increased the second half of 2013, reaching an annual average of US\$ 5.1 per kilo WFE, 25.9% higher than 2012. In the fourth quarter 2013 this increase was accentuated reaching a quarterly average of US\$ 5.8 per kilo WFE, 57% higher than the average of the fourth quarter of 2012. Price improvement started in the second quarter 2013 as the new contracts started to reflect the new price reality of the market. For trout, the average price was US\$ 4.3 per kilo WFE, which was higher than the US\$ 4.1 per kilo WFE obtained in 2012.
 - ii. In terms of WFE, Atlantic salmon harvests increased from 31,120 tons in 2012 to 33,478 in 2013 (+2,357), while sales increased in 2013 from 28,463 tons to 34,611 (+6,147). Trout harvests, meanwhile, dropped from 7,689 tons to 4,827, and sales from 7,612 tons to 4,053. The high levels of Atlantic salmon harvest levels reflect the biomass peak reached during the second half of 2012, allowing us to approach to a full utilization of the processing capacities and efficient operation and in line with the assets, improving the cost situation regarding previous years, when the lack of scale generated average costs above the standards. This, of course, in normal sanitary conditions. The lower trout harvests answer to decisions based on the combination of risk and return between Atlantic salmon trout, which in the opinion of Camanchaca have been even more inclined in favor of the former.
 - iii. Decrease of 17.2% in administration expenditures, which now show a consistent scale with the harvests of 38,000/42,000 tons. The higher sale activity resulted in higher distribution expenditures of 25.1%.
 - iv. To maximize the return of the existing assets that are not used at full capacity, Salmones Camanchaca performs services for third parties and this business generated in 2013, US\$ 7.6 million of operational margin, 26% higher compared to the same period 2012. These services

- include fish processing, concessions leasing, smolts sales, fish offal sales and logistics services to third parties.
- v. The costs have been influenced negatively by existing sanitary conditions related with the cáligus (sea lice) in the Atlantic salmon and SRS in trout (higher mortality and cost for treatment, worsening economic feed conversions and sold sizes). In the case of Atlantic salmon, mortality in closed cycle increased from 8% in 2012 to 12% in 2013.
 - vi. As for the profit due to fair value adjustment for the salmon biomass, according to what is stated in the IAS 41 standard, the value as of December 31, 2013, reached a profit of US\$ 14 million against a profit of US\$ 4.9 million in the same period the previous year, this is mainly explained by the best prices of the susceptible species to be valued according to its weight (over 4.0 kg for the Atlantic salmon and 2.5 kg for the trout). The above effect was offset, to a lesser extent, by the effect of the projected harvest and sale costs of the biomass, which reached a negative impact of US\$ 5.4 million at December 2013 compared to US\$ 5.2 million negative at December 2012. Thus, the net effect at December 2013 was US\$ 8.6 million positive, US\$ 8.9 million higher than at December 2012.
 - vii. It is important to note the trout risk reduction performed by Camanchaca, where harvests to December 2013 were down 37.2% from the same period in 2012. Given the sanitary conditions associated with SRS and other diseases that have affected this species, impacting mortality and harvested fish size, the Company is stopping their trout smolt transfers, being to this date, with no immediate plans to keep this transfers, so we do not expect harvests of this species beyond the first quarter of 2014, or sales beyond the first half of that year. The conclusion of this shift from trout to Atlantic salmon does not anticipate material changes in the harvest volumes in 2014 compared to 2013.
 - viii. The accumulated EBITDA before fair value in 2013 reached US\$ 6.5 million in the Salmon business, which compares very favorably with the negative US\$ 7.8 million in 2012. The fourth quarter analysis shows a positive EBITDA of US\$ 16.1 million, which also compares favorably to the negative US\$ 5.1 million in 2012.
- In the **Other Seafood** division, revenues rose 7.9% to US\$ 30.5 million in 2013, with a final score equivalent to a loss of US\$ 7.4 million, US\$ 3 million worst than the same loss in 2012. The breakdown of this result shows very different situations among mussels operations in the South, on one hand, and abalones and scallops operations in the North, on the other. Specifically:
 - i. In the Other Seafood from the South (mussels), there was a business recovery from 2012, when a positive EBITDA was achieved for the first time. At the end of December 2013, the result was a loss of US\$ 1.4 million and a positive EBITDA of US\$ 18 thousand compared to a negative result of US\$ 1.8 million and a positive EBITDA of US\$ 47 thousand in the same period in 2012. This positive result was obtained despite the reduced availability of mussel seeds at sea in 2012 that affected 2013 harvests, which were 26% lower than in 2012, mitigated by higher yields of raw material and higher prices by 3.5%.
 - ii. In the Other Seafood from the North (abalones and scallops), the loss was lessened but not reversed, having good yields and better sizes. There was a loss of US\$ 6 million in 2013, US\$ 2.6 million less than the loss in 2012. The abalone sizes have increased from 12 units per kilo to 8 units per kilo, allowing prices 10.1% higher in the year and lower costs, but still insufficient to cover them, since there still are abalone generations with high costs, close to 29 US\$/kg, more than 8 US\$/kg higher than market prices. The results are also affected by restrictions on sales of abalone in China as a result of austerity plans of the new government and lower orders in Japan (physical sales 29.3% lower), which has the consequence of abnormally high inventories of this product. On scallops, the weak demand in France and the extraordinary Peruvian production, influenced a fall in physical sales of 14.4% compared to 2012. However, thanks to the opening of new markets in Latin America and the strong performance of the local market, this situation has been mitigated, notwithstanding that prices have fallen 10.4% to 12.7 US\$/kg. During the year, especially in the third quarter, deteriorated biomass was detected in Bahía Inglesa due to the stock age, which had a negative effect, and the provision for profit totaled US\$ 1.1 million. The negative results of this division in recent years, generated a profound revision of the conditions under which Camanchaca can operate without losses and with less risk, seeking to preserve the richness of the concessions it has, hoping for a better future exploitation. As a result of this

review, the Company has adopted a decision to sharply reduce the scale of the business of scallops, and eliminate the abalone sea farming, focusing the Company to the grow-out phase of the former in the 4th region, and the latter in its ground pools. The scallop productions for 2015 are expected to be close to one third of those in 2012 and marginally lower in abalones, reducing risk and lowering costs by a combination of much greater seed selection and concentration of the grow-out phase in lower cost concessions. Also, a reduction in fixed costs is expected, plans that should show better results by the end of 2014.

- Administration expenditures, as a proportion of revenues, fell from 7.1% to 5.6%, with absolute reductions in all of the Company's divisions.
- Distribution expenditures, meanwhile, increased as a proportion of revenues from 3.8% to 4.4%, but half of the absolute increase is due to extraordinary commissions in the Fishing business that also led to higher sales prices. Without this effect, these expenses would have remained at 3.8%. Thus, the combined administration and distribution expenditures would have gone from 10.9% to 9.3%. These trends are explained by the larger salmon scale and numerous cost containment initiatives.
- Camanchaca's set of products prices rose 15% in the year, with a positive effect on revenue and margins close to US\$ 48 million.
- Financial expenses at the end of December have decreased from US\$ 11.1 million to US\$ 9.8 million due to the lower market fund cost of the Company's debt and the maturity in August, of the hedging interest rate contracts taken in 2005, which had higher fixed rates, compared to the ones in the current market spot, which carried a higher cost. Financial revenues decreased US\$ 2 million, because of 2012 profits due to exchange rate hedges.
- The account of other earnings went from US\$ 6 million in 2012 to 0.7 million in 2013, which is entirely explained by the sale in October 2012 of the fishing operation in Ecuador through the Company Centromar, which posted a profit of US\$ 5.6 million. The expenses from discontinued operations in 2012 of US\$ 1.7 million, correspond to the results of Centromar until the date of disposal.
- The account of the Current Assets, cash and cash equivalents decreased by US\$ 9.2 million over the one at December 31, 2012, reaching US\$ 5.4 million at December 31, 2013. These resources have been used during the year, mainly in the working capital of the business of Salmon, South-Central Fishing and the Other Seafood.
- The debt with financial institutions at December 31, 2013 decreased to US\$ 236.5 million, US\$ 8.9 million below the balance at December 2012, mainly due to the payment of the first installment of US\$ 4.5 million of Pesca Sur in November 2013. As a result of the refinancing obtained for the Company's total financial debt, carried out in the second quarter of 2013, current liabilities became 30% of total liabilities at December 2013, compared with 75% at December 2012.
- The equity of the Company in December 2013, meanwhile, reached the value of US\$ 305 million, 5.7% lower than December 2012. Consequently, the financial leverage increased from 0.76 in December 2012 to 0.78 in December 2013.

1.- RESULTS STATEMENT.

Year to date, December 31:

	YTD Q4 2013				YTD Q4 2012			
	FISHING	SALMON	OTHER SEAFOOD	TOTAL	FISHING	SALMON	OTHER SEAFOOD	TOTAL
Revenues	156.518	251.801	30.471	438.790	189.104	182.797	28.231	400.132
Cost of sales	(148.474)	(237.527)	(32.612)	(418.613)	(170.384)	(183.167)	(31.931)	(385.482)
Gross Margin before Fair Value	8.044	14.275	(2.141)	20.177	18.720	(370)	(3.700)	14.650
Fair value on biological assets		13.998		13.998		4.944		4.944
Fair value on harvest and sales		(5.433)		(5.433)		(5.236)		(5.236)
Gross Margin	8.044	22.840	(2.141)	28.742	18.720	(662)	(3.700)	14.358
OTHER RESULTS								
Administrative expenses	(10.107)	(10.656)	(3.799)	(24.562)	(10.792)	(12.862)	(4.888)	(28.542)
Distribution costs	(8.163)	(9.375)	(1.695)	(19.233)	(5.237)	(7.497)	(2.511)	(15.245)
Financial costs	(3.304)	(4.741)	(1.731)	(9.776)	(4.933)	(4.953)	(1.248)	(11.134)
Share of associated	83	691	0	774	(816)	1.339	0	523
Exchange rate difference	(1.458)	1.203	250	(5)	1.309	(842)	(353)	114
Other earnings (losses)	12	460	233	705	4.319	1.751	(98)	5.971
Financial income	76	48	8	132	1.253	843	22	2.118
Other results total	(22.861)	(22.370)	(6.734)	(51.964)	(14.896)	(22.221)	(9.076)	(46.195)
Earnings (losses) before taxes	(14.817)	470	(8.875)	(23.223)	3.824	(22.883)	(12.776)	(31.837)
Taxes	1.790	(391)	1.455	2.854	1.222	4.068	2.339	7.629
Income (loss) from continued operations	(13.027)	78	(7.420)	(20.369)	5.046	(18.815)	(10.437)	(24.208)
Income (loss) from discontinued operations	0	0	0	0	(1.733)	0	0	(1.733)
Gain (loss) for the period	(13.027)	78	(7.420)	(20.369)	3.311	(18.815)	(10.437)	(25.941)
Minority share	3.498	0	0	3.498	1.042	0	0	1.042
Gain (loss) for the period	(9.529)	78	(7.420)	(16.871)	4.353	(18.815)	(10.437)	(24.899)
EBITDA	11.212	6.523	(5.088)	12.647	28.644	(7.807)	(8.414)	12.423
EBITDA after fair value adjustments	11.212	15.088	(5.088)	21.212	28.644	(8.099)	(8.414)	12.131

Fourth quarter:

	Q4 2013				Q4 2012			
	FISHING	SALMON	OTHER SEAFOOD	TOTAL	FISHING	SALMON	OTHER SEAFOOD	TOTAL
Revenues	44.738	79.689	7.076	131.504	67.511	65.305	7.769	140.585
Cost of sales	(41.102)	(61.768)	(9.060)	(111.930)	(53.478)	(66.296)	(7.872)	(127.645)
Gross Margin before Fair Value	3.636	17.922	(1.984)	19.574	14.033	(991)	(102)	12.940
Fair value on biological assets		11.511		11.511		(3.261)		(3.261)
Fair value on harvest and sales		(6.802)		(6.802)		(2.095)		(2.095)
Gross Margin	3.636	22.631	(1.984)	24.283	14.033	(6.348)	(102)	7.583
OTHER RESULTS								
Administrative expenses	(2.394)	(2.765)	(982)	(6.140)	(3.394)	(4.045)	(1.427)	(8.866)
Distribution costs	(2.383)	(2.061)	(362)	(4.805)	(1.227)	(2.879)	(668)	(4.774)
Financial costs	(603)	(943)	(386)	(1.931)	(1.011)	(1.386)	(245)	(2.642)
Share of associated	0	141	0	141	(732)	326	0	(405)
Exchange rate difference	(821)	781	137	96	(676)	246	(33)	(463)
Other earnings (losses)	185	78	200	463	6.273	(105)	(121)	6.047
Financial income	73	12	0	85	36	0	(12)	24
Other results total	(5.943)	(4.756)	(1.393)	(12.092)	(731)	(7.843)	(2.506)	(11.080)
Earnings (losses) before taxes	(2.308)	17.875	(3.377)	12.191	13.302	(14.190)	(2.608)	(3.497)
Taxes	(377)	(3.564)	387	(3.553)	(86)	1.995	281	2.191
Income (loss) from continued operations	(2.684)	14.311	(2.989)	8.638	13.216	(12.195)	(2.327)	(1.306)
Income (loss) from discontinued operations	0	0	0	0	0	0	0	0
Gain (loss) for the period	(2.684)	14.311	(2.989)	8.638	13.216	(12.195)	(2.327)	(1.306)
Minority share	2.318	0	0	2.318	835	0	0	835
Gain (loss) for the period	(367)	14.311	(2.989)	10.955	14.051	(12.195)	(2.327)	(471)
EBITDA	4.329	16.083	(2.577)	17.835	20.193	(5.053)	(1.689)	13.451
EBITDA after fair value adjustments	4.329	20.791	(2.577)	22.543	20.193	(10.409)	(1.689)	8.095

EBITDA: Gross Margin before Fair Value + Depreciation - Administrative expenses - Distribution costs - Other earnings

EBITDA after fair value adjustments: EBITDA + Fair value on biological assets - Fair value on harvest and sales

Physical Units

		Fishing Catches				Fishing Catches			
		YTD Q4 2013	YTD Q4 2012	Change	Change %	Q4 2013	Q4 2012	Change	Change %
Northern Chile									
Own	tons.	149.501	149.521	-20	0,0%	71.500	59.754	11.746	19,7%
Third Party	tons.	2.339	2.900	-561	-19,3%	0	0	0	-
South-Central Chile									
Own	tons.	53.967	84.604	-30.637	-36,2%	11.958	14.936	-2.978	-19,9%
Third Party	tons.	31.950	100.781	-68.831	-68,3%	6.837	17.610	-10.773	-61,2%
Ecuador									
Own	tons.	0	11.804	-11.804	-100,0%	0	0	0	-
Third Party	tons.	0	658	-658	-100,0%	0	0	0	-
Total	tons.	237.757	350.268	-112.511	-32,1%	90.295	92.300	-2.005	-2,2%

		Production				Production			
		YTD Q4 2013	YTD Q4 2012	Change	Change %	Q4 2013	Q4 2012	Change	Change %
Fishmeal	tons.	49.323	70.429	-21.106	-30,0%	20.321	20.643	-322	-1,6%
Fish Oil	tons.	6.800	11.746	-4.946	-42,1%	2.683	2.544	139	5,5%
Canned Fish	boxes	1.019.338	1.064.159	-44.821	-4,2%	959	20.027	-19.068	-95,2%
Langostino Lobster	kg.	727.304	530.945	196.359	37,0%	190.710	101.378	89.332	88,1%
Frozen Jack Mackerel	tons.	12.324	8.099	4.224	52,2%	330	113	217	192,0%

		Sales				Sales			
		YTD Q4 2013	YTD Q4 2012	Change	Change %	Q4 2013	Q4 2012	Change	Change %
Fishmeal	tons.	49.379	77.499	-28.120	-36,3%	20.439	23.634	-3.195	-13,5%
Fish Oil	tons.	5.324	12.714	-7.390	-58,1%	1.338	2.818	-1.480	-52,5%
Canned Fish*	boxes	1.007.168	836.768	170.400	20,4%	238.600	229.689	8.911	3,9%
Langostino Lobster	kg.	668.040	512.658	155.382	30,3%	223.950	188.973	34.977	18,5%
Frozen Jack Mackerel	tons.	12.449	8.380	4.070	48,6%	361	53	308	581,1%

* Not considering sales to Rabo Services for 78.352 boxes

		Salmon Harvest				Salmon Harvest			
		YTD Q4 2013	YTD Q4 2012	Change	Change %	Q4 2013	Q4 2012	Change	Change %
Trout	tons WFE	4.827	7.689	-2.861	-37,2%	1.567	209	1.359	651,5%
Atlantic Salmon	tons WFE	33.478	31.120	2.357	7,6%	11.622	14.359	-2.737	-19,1%

		Sales				Sales			
		YTD Q4 2013	YTD Q4 2012	Change	Change %	Q4 2013	Q4 2012	Change	Change %
Trout	tons WFE	4.053	7.612	-3.560	-46,8%	580	2.138	-1.558	-72,9%
Atlantic Salmon	tons WFE	34.611	28.463	6.147	21,6%	10.970	12.445	-1.475	-11,8%

		Other Sea Food Production				Other Sea Food Production			
		YTD Q4 2013	YTD Q4 2012	Change	Change %	Q4 2013	Q4 2012	Change	Change %
Scallops	tons.	339	393	-54	-13,8%	125	132	-7	-5,4%
Abalone	tons.	150	210	-61	-28,9%	59	69	-10	-15,1%
Canned Abalone	boxes	1.976	0	1.976	-	96	0	96	-
Mussels	tons.	6.193	7.130	-937	-13,1%	938	1.834	-896	-48,9%

		Sales				Sales			
		YTD Q4 2013	YTD Q4 2012	Change	Change %	Q4 2013	Q4 2012	Change	Change %
Scallops	tons.	394	460	-67	-14,4%	112	168	-57	-33,7%
Abalone	tons.	141	199	-58	-29,3%	66	75	-9	-11,4%
Canned Abalone	boxes	692	0	692	-	4	0	4	-
Mussels	tons.	6.668	6.750	-82	-1,2%	1.348	1.826	-478	-26,2%

Average selling prices

		Average selling prices of products				Average selling prices of products			
		YTD Q4 2013	YTD Q4 2012	Change	Change %	Q4 2013	Q4 2012	Change	Change %
Fishmeal	US\$ x tons	1.605	1.478	127	8,6%	1.398	1.777	-379	-21,3%
Fish Oil	US\$ x tons	2.260	1.728	531	30,7%	1.916	2.368	-453	-19,1%
Canned Fish	US\$ x box	29,3	27,5	1,8	6,5%	25,9	27,3	-1,5	-5,3%
Langostino Lobster	US\$ x Kg	20,7	18,5	2,1	11,4%	21,7	19,3	2,4	12,2%
Frozen Jack Mackerel	US\$ x tons	1.264	1.405	-140,9	-10,0%	1.382	1.380	2,5	0,2%
Trout	US\$ x Kg	4,3	4,1	0,2	4,4%	4,8	3,1	1,7	53,9%
Atlantic Salmon	US\$ x Kg	5,1	4,0	1,0	25,9%	5,8	3,7	2,1	57,0%
Scallops	US\$ x Kg	12,7	14,2	-1,5	-10,4%	12,5	12,4	0,1	0,7%
Abalone	US\$ x Kg	21,7	19,8	2,0	10,1%	19,3	22,2	-2,9	-12,9%
Canned Abalone	US\$ x box	396,4	-	-	-	445,0	-	-	-
Mussels	US\$ x Kg	2,6	2,5	0,09	3,5%	2,5	2,5	-0,05	-2,1%

Income Change due to price effect *

		Income Change due to price effect 2013 - 2012				Income Change due to price effect 2013 - 2012			
		YTD Q4 2013	YTD Q4 2012	Change	Change %	Q4 2013	Q4 2012	Change	Change %
Fishmeal	MUS\$	79.256	72.991	6.265	8,6%	28.576	36.323	-7.747	-21,3%
Fish Oil	MUS\$	12.029	9.201	2.828	30,7%	2.563	3.169	-606	-19,1%
Canned Fish	MUS\$	29.507	27.697	1.810	6,5%	6.170	6.516	-346	-5,3%
Langostino Lobster	MUS\$	13.801	12.383	1.418	11,4%	4.849	4.321	527	12,2%
Frozen Jack Mackerel	MUS\$	15.739	17.493	-1.754	-10,0%	499	498	1	0,2%
Trout	MUS\$	17.506	16.767	739	4,4%	2.783	1.809	974	53,9%
Atlantic Salmon	MUS\$	176.231	139.982	36.249	25,9%	64.033	40.782	23.251	57,0%
Scallops	MUS\$	4.995	5.577	-582	-10,4%	1.394	1.385	9	0,7%
Abalone	MUS\$	3.060	2.779	281	10,1%	1.278	1.467	-189	-12,9%
Canned Abalone	MUS\$	274	-	-	-	2	-	-	-
Mussels	MUS\$	17.047	16.472	576	3,5%	3.317	3.387	-70	-2,1%
Total	MUS\$	369.445	321.340	48.104	15,0%	115.463	99.656	15.806	15,9%

* With constant volume 2013

Fuel Expenditures Change due to price effect *

		Fuel Expenditures Change due to price effect				Fuel Expenditures Change due to price effect			
		YTD Q4 2013	YTD Q4 2012	Change	Change %	Q4 2013	Q4 2012	Change	Change %
Diesel Oil	MUS\$	12.998	13.308	-310	-2,3%	4.021	4.308	-287	-6,7%
Bunker Oil	MUS\$	7.612	8.123	-511	-6,3%	2.568	2.645	-77	-2,9%
Total	MUS\$	20.610	21.431	-821	-3,8%	6.589	6.953	-364	-5,2%

* With constant volume 2013

2.- BALANCE SHEET

	Dec 2013	Dec 2012	Difference	Variation
ASSETS				
Current Assets	277.719	279.213	-1.494	-0,5%
Properties, Plants and Equipment	252.259	271.918	-19.659	-7,2%
Other non-current assets	109.550	120.061	-10.511	-8,8%
Total Assets	639.528	671.192	-31.664	-4,7%
LIABILITIES				
Current Liabilities	100.086	259.102	-159.016	-61,4%
Non-current Liabilities	234.495	88.592	145.903	164,7%
Total Liabilities	334.581	347.694	-13.113	-3,8%
Equity of the Parent Company	250.118	265.175	-15.057	-5,7%
Minority share	54.829	58.323	-3.493	-6,0%
Total Equity	304.947	323.498	-18.550	-5,7%
Total Liabilities and Equity	639.528	671.192	-31.663	-4,7%

3.- FINANCIAL ANALYSIS OF THE BALANCE SHEET AND RESULTS STATEMENT

a.- Consolidated Analysis.:

In the following lines, the main financial indicators, based on the consolidated financial statements of the Company for the January-December 2013 period in comparison with January-December 2012 period, are presented.

	Periods	
	Dec 2013	Dec 2012
Liquidity Indicators		
1) Liquidity level ratio	2,77	1,08
2) Acid test ratio	1,00	0,51
3) Working Capital ThUS\$	177.633	20.111
Debt indicators		
4) Net debt ratio	1,08	1,03
5) Current liabilities/Total liabilities	0,30	0,75
6) Non-current liabilities/Total liabilities	0,70	0,25
Profitability indicators		
7) Return on equity	-5,53%	-7,70%
8) Return on assets	3,15%	1,90%

Notes:

7. Return on equity: Gain (loss) for the period over the Total Equity.

8. Return on assets: Gross Margin before Fair Value over the Total Assets.

b.- Cumulative Indicators for the Salmon Business:

	Periods	
	Dec-13	Dec-12
a) Atlantic Salmon Harvests / Site	3.235	3.089
b) Trout Harvests / Site	1.368	1.910
c) Atlantic Salmon Farming Density (kg/m3)	7,2	7,5
d) Trout Farming Density (kg/m3)	5,3	4,9
e) Atlantic Salmon groups survival rate (sea water)	87,9%	91,7%
f) Trout groups survival rate (sea water)	82,4%	84,0%
g) Atlantic Salmon EBIT per kilo WFE (US\$/kg WFE)	-0,23	-0,65
h) Trout EBIT per kilo WFE (US\$/kg WFE)	-1,33	-0,94

Notes:

a. and b. Harvests for the period in tons / Number of sites used, expressed in Tons per Site.

c. and d. Average Farming Density, expressed in Kilos per Cubic Meters (used in the analyzed period).

e. and f. Survival rate corresponding to the groups of harvested fish from the smolt transfer. A harvest group corresponds to fish of similar origin and strain.

g. and h. EBIT = Gross Margin before Fair Value – Administration Expenditures – Distribution Expenditures.

This supposes that the Administration Expenditures are distributed according to the harvested tons by species, and the Distribution Expenditures according to the sales by species.

Details of Fair Value YTD December 31:

	Fair Value on Biological Assets		Fair Value on Harvest and Sales	
	YTD 4Q 2013	YTD 4Q 2012	YTD 4Q 2013	YTD 4Q 2012
Atlantic Salmon	12.224	9.075	(7.048)	(7.647)
Trout	1.774	(4.131)	1.615	2.411
TOTAL	13.998	4.944	-5.433	-5.236

The gain on fair value adjustment of salmon biomass at December 31, 2013, amounted to a profit of US\$ 14 million compared to a profit of US\$ 4.9 million at the same date the previous year, this was mainly for the best prices of the susceptible species to be valued according to its weight (over 4.0 kg for the Atlantic salmon and 2.5 kg for the trout). The above effect was offset, to a lesser extent, by the effect of the higher real cost of harvesting and less actual sale price of the Atlantic salmon species, effect that on total reached a negative value of US\$ 5.4 million at December 2013, compared to the negative US\$ 5.2 million in December 2012. Thus, the net effect to December 2013 is US\$ 8.6 million positive, US\$ 8.9 million higher than to December 2012.

Salmon Business Revenues Details:

YTD December 2013

Product or Species	U.S. ThUS\$	Europe + EuroAsia ThUS\$	Asia ex Japan ThUS\$	Japan ThUS\$	LATAM ex Chile ThUS\$	National Market ThUS\$	Others ThUS\$	TOTAL ThUS\$
Atlantic Salmon	97.242	14.905	17.554	9.554	33.907	2.640	429	176.231
Trout	1.169	65	0	13.690	1.315	1.099	167	17.506
OTHERS	28.011	0	0	3.655	0	26.398	0	58.064
TOTAL	126.423	14.969	17.554	26.899	35.222	30.138	596	251.801

YTD December 2012

Product or Species	U.S. ThUS\$	Europe + EuroAsia ThUS\$	Asia ex Japan ThUS\$	Japan ThUS\$	LATAM ex Chile ThUS\$	National Market ThUS\$	Others ThUS\$	TOTAL ThUS\$
Atlantic Salmon	60.704	5.823	5.160	10.794	25.230	4.939	2.470	115.119
Trout	222	0	1.133	29.229	0	835	75	31.495
OTHERS	10.375	0	0	2.446	0	23.362	0	36.184
TOTAL	71.301	5.823	6.293	42.469	25.230	29.136	2.545	182.797

The commercial policy of the Company seeks to diversify its products and target markets. Thus, Camanchaca has offices and representatives in the U.S., Japan, Europe and Mexico. During the year 2013, through its subsidiary Salmenes Camanchaca, the Company participates in "New World Currents", a Company created together with another three Chilean producers to satisfy the demand for salmon in the Chinese market. So, Camanchaca focuses its strategies targeting the most attractive markets in terms of return. The Company defines its value-added products such as those containing some degree of secondary process, corresponding to 88% of sales for 2012 and 91% for 2013 and the rest is related to fresh whole salmon which has only primary process (bled and gutted). The Atlantic salmon fresh fillets are preferably commercialized in the U.S.; frozen Atlantic salmon fillets and portions in Europe; whole Atlantic salmon in Asia (excluding Japan); whole headless frozen trout and frozen Atlantic salmon and trout fillets in Japan; whole fresh Atlantic salmon in Brazil and frozen Atlantic salmon fillets to the other countries in Latin America.

During the year, the U.S. market grew from 39% of total sales in 2012 to 50% in 2013 and the Asian market excluding Japan rose from 3% to 7%. In the case of Japan, the market fell from 23% to 11% mainly due to lower harvested trout in 2013. The Others ("Product or Species") account reflects the services and sales to third parties, and salmon purchase-sale operations in the U.S. and Japan offices.