



COMPAÑÍA PESQUERA CAMANCHACA S.A. AND
SUBSIDIARIES

Quarterly Analysis of the Consolidated Financial Statements

for the periods ended September 30, 2014 and 2013.

QUARTERLY ANALYSIS

This document contains the Quarterly Analysis of the Consolidated Financial Statements of Compañía Pesquera Camanchaca S.A. as of September 30, 2014, compared to the consolidated statement of financial position as of December 31, 2013, and the statement of income for the period ended September 30, 2013.

The Company began preparing its accounting records and those of its subsidiaries in accordance with IFRS (International Financial Reporting Standards) as of January 1, 2011.

Business Areas

The Company is engaged in the following three lines of business:

1. **Industrial Fishing:** This business is conducted through the Company's operations in Chile's northern and south-central zones. Our catches are intended for human consumption (both canned and frozen) whenever possible, as in the case of jack mackerel, mackerel and langostino lobster in the south-central zone, or for fishmeal and fish oil, as in the case of anchovy or sardine catches in the northern and south-central zones, respectively.
2. **Salmon Farming:** This business is carried out through the Company's operations in southern Chile, specifically the 8th, 10th and 11th regions. These operations include a breeding program to produce their own eggs, a freshwater inland hatchery, 75 sea water grow-out sites in 14 neighborhoods, 2 primary processing plants in the 10th and 11th regions and, finally, a secondary processing and freezing plant in the 8th region.
3. **Other Seafood:** The Company farms mussels in Chile's 10th region (Island of Chiloé) and abalones and scallops in the 3rd and 4th regions, from which it produces a complete line of finished products intended entirely for human consumption.

Summary

For the period ended September 30, 2014, the Company improved from a loss of US\$ 28 million in 2013 to a profit of US\$ 10 million (+US\$ 38 million) in 2014, thanks to an aggregate rise in margins across its three business lines of US\$ 47 million. Specifically, the salmon farming division and the subsidiary Cultivos Sur increased profit by US\$ 25 and US\$ 3.6 million, respectively. The industrial fishing business, on the other hand, attributes its loss of US\$ 1 million to decreased fishing activity in the third quarter due to an annually recurring, spawning-season fishing ban on anchovy in the north and sardines in the south. This resulted in an EBITDA (before fair value adjustment of the salmon biomass) of US\$ 43 million for the first nine months of 2014, up US\$ 48 million from the negative US\$ 5.4 million recorded for the same period in 2013. This EBITDA figure represents 12% of sales.

Third quarter results also improved, rising US\$ 3.8 million over 2013 thanks to an increase in the gross margin before fair value adjustment of US\$ 9.5 million. For the quarter, the Company ultimately posted profit of US\$ 803 thousand, with improvements in all three business lines (i.e. industrial fishing: +US\$ 110 thousand; salmon farming: +US\$ 1.1 million; other seafood: +US\$ 2.7 million). Therefore, EBITDA before fair value adjustment for the quarter reached US\$ 4.4 million, up US\$ 7.1 million from the same quarter in 2013.

The Company posted US\$ 353 million in revenue for the nine months ended September 2014, up 15% from the prior year, while third quarter revenue totaled US\$ 101 million, or an improvement of 1.2%. Revenue accumulated as of September 30, 2014, reflects significant growth in all three business lines (salmon farming +21%, other seafood +13% and industrial fishing +6%). For the quarter, the increases in industrial fishing (23%) and other seafood (24%) are worth highlighting. The performance of the other seafood business reflects very different circumstances in scallop and abalone operations, with revenue falling 25% as of the end of September, versus mussel operations, where revenue increased 28%.

The gross margin before fair value adjustment of the salmon biomass for the nine months ended September 30, 2014, was US\$ 52 million, which is 9.3 times greater than the same period in 2013, reflecting improved prices and costs. This margin represents 15% of revenue, which is substantially greater than the 1.6% in 2013. In the third

quarter, this margin represented 7.7% of revenue, another substantial improvement from the negative 1.8% for the third quarter of 2013.

The improved results for the first nine months of 2014 can be explained by a combination of factors, including:

- a. Salmon prices rose 21% or US\$ 1 per kilo WFE, reaching historical trend levels as of September 2014. This is in addition to a 17% rise in Atlantic salmon harvests, which totaled 25 thousand tons WFE, as well as an improvement in average costs. Sales mirrored harvests with an increase of 7.6%. Since the close of the accounting period, U.S. dollar prices of Atlantic salmon have fallen by around 10%. We believe this situation will continue for the rest of the year.
- b. Good sanitary conditions at our farm sites, thanks to improved sanitary coordination among companies operating in the area and the use of improved bathing techniques to combat sea lice, have led to cost reductions. These reductions offset rises seen in the second quarter of 2013 of close to US\$ 1.5 per kilo WFE because of unfavorable sanitary conditions in District 20 (north of Aysén).
- c. Improved fishmeal prices throughout the first nine months of 2014, bouncing back from the low levels seen in the fourth quarter of 2013 (US\$ 1,398 per ton), to reach US\$ 1,632 per ton. The average price for the third quarter was US\$ 1,850, up from the US\$ 1,532 in 2013. This improvement in 2014 resulted from lower-than-expected catches in Peru during its first fishing season. Also, given announcements from the Peruvian Sea Institute on the reduced biomass detected in October of this year, the market has seen significant increases in fishmeal prices in October, exceeding US\$ 2,000 per ton of super prime fishmeal. The Company hopes to take advantage of these conditions during the fourth quarter of the year with available inventory and remaining catches in 2014.
- d. Despite the extended recruitment ban in January and February and the earthquake on April 1, 2014, anchovy catches in the north have risen by 11%, totaling 89 thousand tons. In the third quarter, catches fell 34% from the prior year, reaching 18 thousand tons.
- e. A significant recovery of the sardine biomass in the south enabled the Company to catch three times as much as in the same period in 2013, which represents 95% of the annual catch quotas as of September, with 80 thousand tons. In 2013, sardine catches totaled merely 43 thousand tons for the entire year, or 52% of the annual catch quotas granted for that year, as a result of the weak biomass at that time. In addition to these larger catches, the Company obtained high yields from sardine oil processing, reaching 10%, or 51% higher than both the prior year and a normal year.
- f. The Company's total catches of jack mackerel in the south-central zone reached 42 thousand tons. This enabled the Company to produce 15 thousand tons of frozen product (26% more than in 2013) and 953 thousand boxes of canned product (6.5% less than in 2013).
- g. EBITDA from the other seafood business for the first nine months of 2014 improved from a negative US\$ 2.5 million in 2013 to a positive US\$ 2 million in 2014, fully explained by the EBITDA from mussel farming of US\$ 5 million due to good yields, lower costs and a 7.3% increase in prices.

Once more, in analyzing the margins obtained, it is important to mention the inventory of finished products, which was much higher than normal as of September 30, 2014, especially in the industrial fishing business. If this inventory surplus were sold at September prices, it would generate an additional gross margin of approximately US\$ 13 million, mainly in fishmeal and fish oil. The Company expects to significantly reduce fishmeal and fish oil inventories during the fourth quarter with improved price conditions over September.

Key Business Drivers

- Camanchaca's results are closely 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. Catch levels, which impact the scale of operations given the high fixed costs;
 - iv. Fuel expenditures, which strongly impact fishing as well as fishmeal processing costs;
 - v. The sanitary conditions for Atlantic salmon, which determine not only biomass and scale but also cost.

- Trends in Key Drivers

- i. In 2013, **fishmeal prices** exceeded trends during the first half of the year due to drops in Peru's catch quotas during that period. However, they began to decrease during the third quarter of 2013 as quotas resumed normal levels, reaching a low for the year during the fourth quarter of 2013, which was also below trends. From this point and throughout 2014, prices began to rise, posting an average of US\$ 1,850 per ton for the third quarter of 2014. This figure is 21% greater than the same quarter in 2013. Peruvian catches for the first fishing season in 2014 fell behind expectations at around 68% of catch quotas, which explains the high price in the third quarter of 2014. Peruvian catches for the second season should be well below expectations, and no catch quotas may even be set. This has led to fishmeal prices of around US\$ 2,200-2,300 per ton of super prime fishmeal as of period-end for this report, which far exceeds long-term trends.

Fishmeal Price (US\$ / ton)

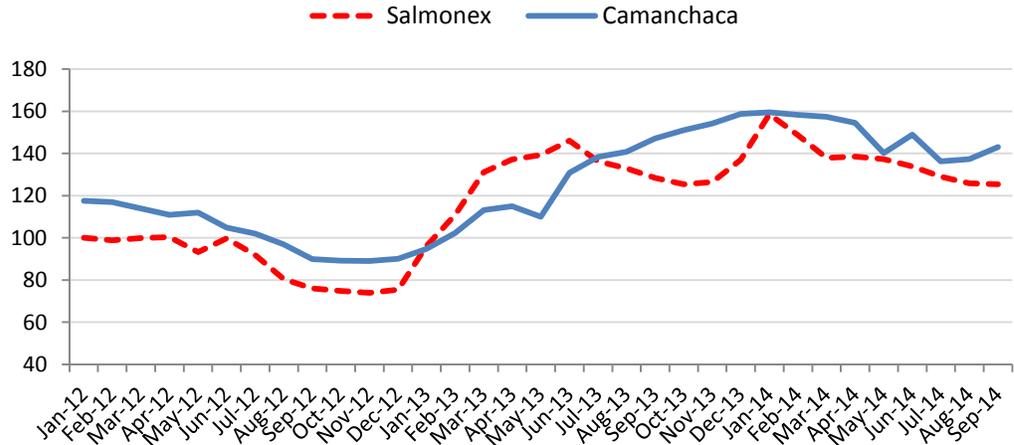


- ii. The **price of Atlantic salmon** fell during the third quarter of 2014, reaching US\$ 5.4 per kilo WFE, or 5.1% below the same quarter in 2013, as a result of increased growth of Chilean supply in 2014 over budgeted figures, caused by good sanitary conditions (decreased mortality and greater average weights). This has particularly affected the Brazilian and North American markets in the third quarter of 2014, a situation which we expect to continue throughout the fourth quarter of this year. In this scenario, Camanchaca has obtained higher prices for its products than comparable products among Chilean exporters.

Atlantic Salmon Price (US\$ / kg WFE)



**Raw Material Return (US\$ / kg WFE) Camanchaca v/s Market
Salmonex January 2012 = Base 100**



The Raw Material Return is the price obtained for each of the different types of products sold, net of distribution and specific secondary processing costs for each type. It provides a reference of the price obtained for the fish before processing or before reaching its final destination. It also allows aggregation and comparison of the Company's diverse products.

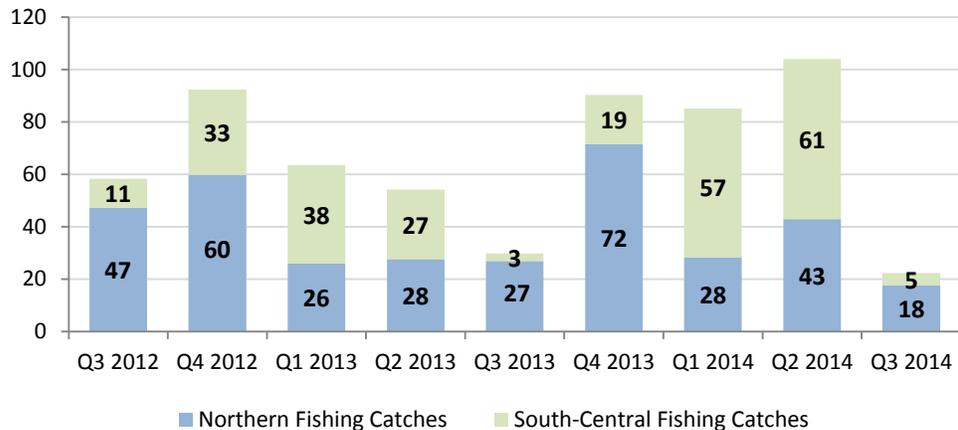
The market Index or "Salmonex" is based on the price of fresh fillet trim D exported by Chilean firms, net of processing and distribution costs for Camanchaca's fresh trim D. It provides a comparable index to Camanchaca's Raw Material Return.

iii. **Pelagic fishing levels.** For the period ended September 30, 2014, anchovy catches in the north reached 88,830 tons, or 11% greater than the same period in 2013 despite two situations: a) an earthquake on April 1, 2014, that damaged our assets and operations in the northern zone; and b) the delayed start to the 2014 season, which did not begin until March due to a voluntary fishing ban because of an abundance of small fish.

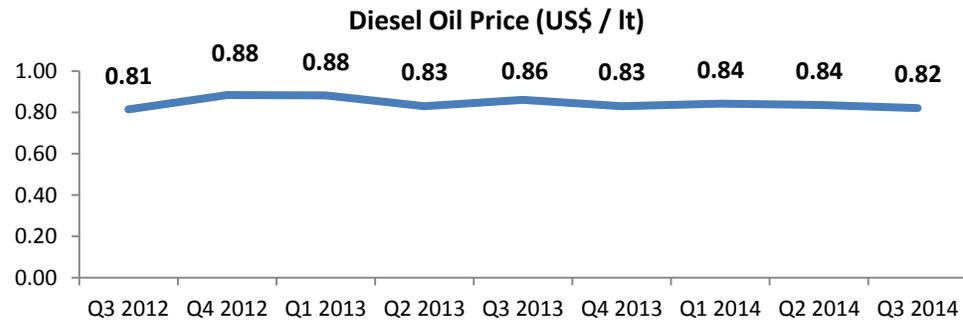
In the south-central zone, the sardine biomass recovered significantly to more normal levels during the first nine months of 2014, following low levels in 2013. For the period ended September 30, 2014, catches totaled 80,193 tons, which compares favorably with 26,257 tons in the same period in 2013 and even more so with 43,083 tons for the entire year in 2013.

Jack mackerel catches in the south-central zone reached 42,331 tons for the period, or 3.6% greater than the same period in 2013. As of September, the entire annual catch quota for this zone had already been caught.

Catches (Thousands of Tons)



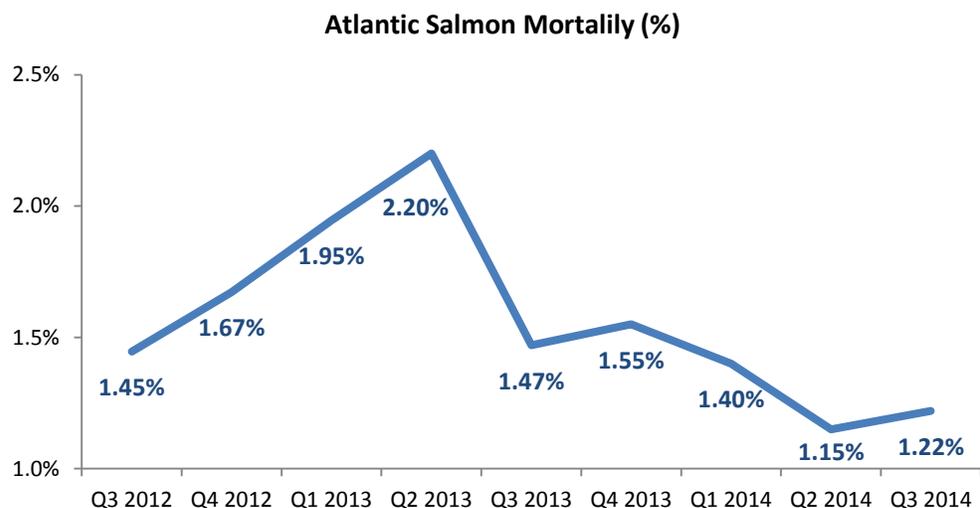
iv. **Diesel prices** posted no significant changes during this period. However, as of the close of this report, bunker and diesel purchases reflect consistent price reductions in line with drops in international markets.



v. **Sanitary conditions at salmon farms.** Fish health was in better conditions during the period, with an improvement in the cumulative survival rate of Atlantic salmon (for closed cycles), reaching 90% for the nine months ended September 30, 2014, in contrast to 88% for the same period in 2013. Likewise, since July there has been a favorable change from the conditions seen in the summer and fall of 2014, when some operating sites experienced low marine oxygen levels. This phenomenon triggered reduced feeding, a greater conversion factor and in some cases early maturation of fish, which led to a lower-than-expected biomass (approximately 2,000 tons). Current conditions lead us to predict that this reduced biomass, due to reduced conversion until June 2014, has begun to recover since July/August. Towards the end of the year, the Company estimates harvests of closer to 39 thousand tons WFE, slightly above our original estimates.

The unfavorable sanitary conditions during the second quarter of 2013 were mitigated in late 2013 and throughout 2014 thanks to improved sanitary coordination among neighboring producers, including the use of collective sanitary treatments and more effective devices, as well as reduced biomass loads in more sensitive ecosystems.

In the case of trout, as Camanchaca had announced, the Company ceased harvests during the first quarter of 2014 and suspended smolt transfer for future harvests. The suspension of trout production has not affected the production assets for this species thanks to service contracts with third parties.



*Total quarterly mortality including both closed and open sites.

Highlights and Financial Results for Camanchaca S.A.

- In the **industrial fishing** business, revenue grew 6%, reaching US\$ 119 million, with a significant rise in EBITDA from US\$ 7.1 million in 2013 to US\$ 18.4 million for the nine months ended September 30, 2014. Results went from a loss of US\$ 9.2 million in September 2013, to a loss of US\$ 1 million in the same period in 2014, both of which can be explained by the Company's normal reduction in activity during the third quarter as a result of fishing bans during the spawning season in the north and south of Chile. Third quarter revenue increased 22%, totaling US\$ 34 million in 2014, with improved margins, thanks to greater inventory sold during the period. However, there was not a substantial variation in profit with a loss of around US\$ 6.5 million for the third quarters of 2013 and 2014. Additional information:
 - i. Greater sardine and anchovy catches during the first nine months of the year, which helped reduce the operating costs of the units produced. Sardine catches in the south-central zone reached 80 thousand tons, or 205% greater than the same period in 2013. Anchovy catches in the northern zone totaled 89 thousand tons, or 11% more than the same period in 2013.
 - ii. In line with these increased catches, production of fishmeal in the northern zone rose by 12% over 2013, but the vastly greater yield for fish oil (up 69%) led to a production increase of 86% for this product, producing a total of 21,914 tons of fishmeal and 2,239 tons of fish oil. Yields of anchovy fish oil are especially valuable given their high concentration of omega 3 fatty acids, lending to human consumption. As a result, prices were approximately 30% greater than sardine oil for aquaculture in the south.
 - iii. In the south-central zone, in addition to recovering biomass, the Company reported a 51% increase in sardine oil yields, reaching 10% in contrast to the 6.5% considered normal. As a result, as of September 2014, fish oil production had risen 216% to 9,200 tons, while fishmeal production had increased 90% to 17,851 tons. These increases significantly impacted unit operating costs, translating into cost reductions of around 10% and 50%, respectively, over costs as of September for the last four years.
 - iv. Prices of fishmeal and fish oil were lower in 2014 than in the first nine months of 2013, posting variations of -6.8% and -18%, respectively. However, fishmeal prices have begun to recover, rising 21% in the third quarter of 2014 compared to the same quarter in 2013, reaching US\$ 1,850 per ton. The price of fish oil as of September 30, 2014, was US\$ 1,960 per ton, which is lower than the prior year due to the abundance of oil in the south-central zone (greater volume and better yield for sardines). Accounting closes after September 30th reflect additional increases of at least 10% in prices for fourth quarter 2014 as a result of the situation in Peru mentioned above.
 - v. Jack mackerel fishing took place further off coast and in more disperse locations than in 2013, which increased costs for its associated products. However, for the period ended September 30, 2014, catches totaled 42,331 tons, or 3.6% more than the same period in 2013. The 26% increase in the production of frozen jack mackerel, totaling 15 thousand tons with very similar catch quotas, led to a 6.5% reduction in the production of canned jack mackerel. During the year, 953 thousand boxes were produced, leaving a stock of approximately 522 thousand boxes as of September 30, 2014, after sales of 730 thousand boxes in the first nine months of the year. These were slightly below 2013 figures and at reduced prices (-17%) due to currency devaluations in destination markets. Sales volumes of frozen jack mackerel fell 12% during the period, reaching 10,702 tons at prices 2.9% lower than in 2013. This situation is explained by restrictions on imports in Nigeria, our main market for the product. As of the date of this report, reports indicate that these restrictions have been relaxed for the last part of the year.
 - vi. In the langostino lobster business, which accounts for close to 4% of the Company's revenue, as of September 30, 2014, catches amounted to 5 thousand tons with production of 634 tons of finished product, or 18.2% over 2013, mainly because of a higher raw material yield (12.8%). The Company's shipments of 571 tons reflect 8.8% growth in prices.
 - vii. The results of the Company's fishing operations were:
 - The northern fishing division recorded a loss of US\$ 1.5 million, which compares favorably—in spite of the earthquake—to the loss of US\$ 4.1 million for the same period in 2013.

- Our subsidiary Camanchaca Pesca Sur posted after-tax profit of US\$ 3.5 million, which compares quite favorably to the loss of US\$ 3.9 million for the period ended September 30, 2014. These results can be explained mainly by greater sardine catches and improved fish oil yields.
- In the **salmon farming** business, revenue rose 21% for the first nine months of 2014, reaching US\$ 208 million. The business recorded a profit of US\$ 11 million as opposed to the loss of US\$ 14 million posted for the same period in 2013, reflecting an improvement of US\$ 25 million. For the third quarter, the business reported a profit of US\$ 7 million, up 18% from the same quarter in 2013. Additional information:
 - i. Sales prices for shipments of Atlantic salmon rose 21% with respect to the first nine months of 2013, while Camanchaca's sales price averaged US\$ 5.7 per kilo WFE with a raw material return 40 cents above average figures for Chilean exports and 60 cents above the spot market in Miami. This growth was aided by greater market diversification and product versatility.
 - ii. Atlantic salmon harvests rose by 3,565 tons WFE as of September 2014 compared to the same period in 2013, totaling 25,096 tons. Sales volumes increased 7.6%, reaching 25,430 tons WFE. For the third quarter, sales increased 28%, totaling 8,344 tons.
 - iii. The Company's last trout harvests took place during the first quarter of 2014, thus suspending production of this species. As reported in prior quarterly analyses, the Company suspended smolt transfer for trout because of its high mortality rates. However, it has not ruled out resuming operations in the future if methods for addressing sanitary conditions are improved. Trout sales fell from 3,473 to 2,069 tons WFE during the first nine months of 2014. The Company expects to sell its remaining stock during the current year. Its trout farming assets, which account for nearly 10% of the salmon farming division's assets, are operating by providing services to third parties.
 - iv. There was a 5.4% drop in administrative costs during the first nine months of the year, which are now consistent with a harvest scale of 38,000 to 42,000 tons. Distribution costs fell 4.5% despite steady sales figures for Atlantic salmon and trout in aggregate, which is proof that the Company's cost efficiency and continuous improvement programs are functioning well. In short, the percentage of income allocated to administrative activities and sales in the salmon farming business dropped from 8.8% to 6.9%.
 - v. To maximize returns on existing assets that are not being used at full capacity, the Company provides services to third parties. These services generated US\$ 8 million in net operating margin during the period ended September 30, 2014, up 55% from the same period in 2013. These services include fish processing, concession leases, smolt sales, fish offal sales and logistics services for third parties.
 - vi. As of September 30, 2014, mortality of Atlantic salmon at closed sites had fallen to 9.8% (12% in 2013). During the first nine months of 2014, Atlantic salmon harvests were concentrated in sites in the 10th region (10 of the 12 sites harvested). This was in addition to reduced expenses for antiparasitic treatments, which positively impacted costs. Lastly, the biological feed conversion rate for closed sites (live weight) evolved favorably in the third quarter, finishing the period at 1.29 as opposed to 1.39 for the same period in 2013.
 - vii. Regarding the fair value adjustment of biological assets (the salmon biomass) in accordance with IAS 41, a gain of US\$ 580 thousand was recorded for the period ended September 30, 2014, as compared to a gain of US\$ 3.9 million for the same period in 2013. This is explained by reduced prices for the biomass included in the valuation.
 - viii. EBITDA before fair value adjustment for the period ended September 30, 2014, totaled US\$ 22 million in the salmon farming business. This figure compares favorably with the negative US\$ 9.9 million in the same period in 2013 and is well aligned with the increase of US\$ 32 million in the gross margin.
- In the **other seafood** business, revenue grew 13%, reaching US\$ 26 million for the period ended September 30, 2014. This division recorded a profit of US\$ 140 thousand, up US\$ 4.6 million from the same period in 2013. These results reflect very different circumstances between mussel operations in Chiloé and abalone and scallop operations in Caldera and Guanaqueros. The Company's mussel operations have reported favorable trends in costs and prices, ending the nine-month period with a 422% improvement in EBITDA and a profit of US\$ 3.2 million. In contrast, conditions for the scallop business

continue to show limited competitive advantages for Chile over Peru, which has experienced record harvests of wild scallops this year. After having explored several alternatives for improving this product line, the Company has concluded efforts to substantially reduce scallop operations in Caldera (3rd region) and to concentrate efforts in Guanaqueros (4th region), dismissing 150 employees on April 30, 2014. This will lead to reductions in production of around 50% by 2015 in order to focus on the domestic market, which has shown strong promise and does not require the Company to keep its processing plants. Lastly, the operations for abalone farming and production that are also located in Caldera have continued to enjoy significant improvements in cost, albeit insufficient to offset the sharp fall in prices as a result of decreased demand in China because of that country's austerity measures. The division's results can be attributed to the following factors:

- i. In the subsidiary Camanchaca Cultivos Sur, which includes all mussel operations, EBITDA reached US\$ 5.1 million, or an improvement of US\$ 4.2 million over the first nine months of 2013, while it posted a profit of US\$ 3.2 million, up US\$ 3.6 million from the same period in 2013. During the first nine months of 2014, mussel seed collection conditions remained stable, which confirms that the biomass deficit from 2013 has been restored and reinforces the Company's decision to adjust its product mix toward mussels in the shell—the product with the greatest raw material return—for the retail market. This has translated into good yield and cost conditions with an increase in production and sales of around 44%, reaching 7,695 and 7,558 tons, respectively, in addition to a 7.3% rise in prices as compared to the first nine months of the prior year.
 - ii. The abalone and scallop business (in northern Chile) recorded a loss of US\$ 3.1 million, US\$ 1 million less than the same period in 2013. This decreased loss occurred despite additional expenses for employee termination benefits of US\$ 700 thousand as a result of the extraordinary and non-recurring effects of the adjustment to scallop production in Caldera. Abalone sales grew 54%, reaching 115 tons, but continue to be affected by restrictions on Chinese consumption. These restrictions have also impacted the Japanese market—where Camanchaca boasts significant market share and sells most of its production—which has led to over 180 tons in inventory and a 14% decrease in prices. From a cost perspective, yield improved to 7.1 units per kilo from 9 units per kilo in 2013 and growth time decreased from the original figure of 48 months to 42 months in 2014, thus reducing costs to US\$ 23.1 per kilo. However, this figure is still US\$ 3 over the current sales price. Overall, until prices in Asia recover, this negative margin cannot foreseeably be reduced.
- On a consolidated level, administrative expenses as a percentage of revenue fell from 6% to 4.9%, while distribution costs fell from 6.1% to 4.5%, with absolute reductions in the Company's three business lines. Administrative and distribution expenses in aggregate fell from 12.1% to 9.4% of revenue. This reduction is explained, among other factors, by: i) a new commission structure for export markets this year; ii) a larger business scale especially for the fishing business, which directly impacted fixed costs and expenses and; iii) several cost containment initiatives and efforts to optimize logistics and storage costs.
 - Prices for all of Camanchaca's products as a whole rose 6.2% for the period ended September 2014 with respect to 2013, with a positive effect on revenue and margins of US\$ 17 million.
 - Finance costs for the period ended September 30, 2014, totaled US\$ 4.7 million, down from US\$ 7.8 million in 2013. This improvement can be attributed to interest rate hedges dating back to 2005 that matured in August 2013. These contracts had fixed rates above current spot market rates, which resulted in greater costs. This year, the Company decided to discontinue these hedges.
 - Cash and cash equivalents increased by US\$ 14 million as compared to December 31, 2013, totaling US\$ 19 million as of September 30, 2014. This is explained mainly by payments received from sales made in the different business lines (especially the salmon farming and northern industrial fishing businesses), offset by the use of funds for working capital for the south-central industrial fishing business. Of all accounts payable to suppliers, 93% are paid on time and 99% do not exceed 30 days past due.
 - Cash flows improved during the period ended September 30, 2014, from a positive US\$ 5.8 million provided by operating activities in 2013 to a positive US\$ 31 million provided by operating activities in

2014. Including financing and investing activities, the improvement in net cash and cash equivalents was approximately US\$ 24 million.

- On September 29, 2014, law No. 20,780 was published in the Official Gazette. This law introduced several amendments to the current system for income and other taxes. One of the main amendments includes a progressive increase in corporate income tax rates, set to reach 27% in 2018 for entities applying the semi-integrated system. According to the law, a publicly held corporation like Camanchaca must apply the semi-integrated system by default unless shareholders vote in the future to use the attributed income system, which will reach a maximum rate of 25% starting in 2017. For these financial statements, the income tax rate has been increased from 20% to 21%, which has marginal effects on the income statement given the accumulated losses presented by the Group's main companies. The effect on deferred taxes must be recognized in equity as opposed to profit and loss, in accordance with Official Ruling No 856 from the Chilean Superintendency of Securities and Insurance. Thus, the effect on Camanchaca's equity is a positive US\$ 2.5 million (approx.) due to the increase in net deferred tax assets explained mainly by the fact that the accumulated tax losses are greater than the differences between the book and tax basis values for depreciation of property, plant and equipment.
- Debt with financial institutions as of September 30, 2014, totaled US\$ 234 million, which is US\$ 2.2 million less than the balance as of December 2013. As of September 30, 2014, the Company recorded total equity of US\$ 318 million, or 4.4% greater than December 2013. As a result, leverage decreased from 0.78 to 0.74 and the net debt ratio from 1.08 to 0.91.

1. STATEMENT OF INCOME (CONSOLIDATED AND BY SEGMENT).

For the period ended September 30 (ThUS\$):

STATEMENT OF INCOME	YTD Q3 2014				YTD Q3 2013			
	FISHING	SALMON	OTHER SEAFOOD	TOTAL	FISHING	SALMON	OTHER SEAFOOD	TOTAL
Revenue	118,534	208,243	26,391	353,167	111,780	172,112	23,395	307,286
Cost of sales	(100,196)	(180,106)	(20,792)	(301,094)	(104,120)	(175,759)	(22,343)	(302,222)
Gross margin before fair value adjustments	18,337	28,137	5,599	52,074	7,660	(3,647)	1,052	5,065
Fair value adjustment to biological assets		11,778		11,778		2,486		2,486
Fair value adjustment to harvest and sales		(11,199)		(11,199)		1,370		1,370
Gross margin	18,337	28,716	5,599	52,653	7,660	209	1,052	8,921
OTHER INCOME AND EXPENSES								
Administrative expenses	(7,257)	(7,463)	(2,747)	(17,467)	(7,713)	(7,891)	(2,818)	(18,422)
Distribution costs	(6,279)	(6,986)	(2,454)	(15,719)	(9,032)	(7,315)	(2,543)	(18,889)
Finance costs	(1,578)	(2,750)	(397)	(4,724)	(2,701)	(3,798)	(1,345)	(7,845)
Share of profit (loss) of associates	(34)	1,268	0	1,234	83	551	0	634
Exchange differences	(3,005)	1,193	106	(1,706)	(637)	423	113	(101)
Other income (losses)	(81)	48	51	19	(172)	381	34	243
Finance income	13	33	5	52	4	35	8	46
Other income and expenses, net	(18,220)	(14,656)	(5,435)	(38,312)	(20,170)	(17,615)	(6,550)	(44,334)
Profit (loss) before taxes	117	14,060	164	14,342	(12,510)	(17,406)	(5,498)	(35,414)
Income taxes	(68)	(3,090)	(24)	(3,182)	2,167	3,173	1,067	6,407
Profit (loss) from continuing operations	49	10,970	140	11,160	(10,343)	(14,233)	(4,431)	(29,007)
Profit (loss) from discontinued operations	0	0	0	0	0	0	0	0
Profit (loss) for the period	49	10,970	140	11,160	(10,343)	(14,233)	(4,431)	(29,007)
Non-controlling interest	(1,056)	0	0	(1,056)	1,180	0	0	1,180
Profit (loss) for the period attributable to owners of the parent	(1,006)	10,970	140	10,104	(9,162)	(14,233)	(4,431)	(27,826)
EBITDA	18,443	22,191	2,013	42,647	7,056	(9,940)	(2,545)	(5,430)
EBITDA after fair value adjustments	18,443	22,770	2,013	43,227	7,056	(6,084)	(2,545)	(1,574)

Third Quarter (ThUS\$):

STATEMENT OF INCOME	Q3 2014				Q3 2013			
	FISHING	SALMON	OTHER SEAFOOD	TOTAL	FISHING	SALMON	OTHER SEAFOOD	TOTAL
Revenue	34,334	56,795	9,866	100,996	28,047	63,772	7,945	99,764
Cost of sales	(35,898)	(49,198)	(8,119)	(93,214)	(33,449)	(59,040)	(9,028)	(101,517)
Gross margin before fair value adjustments	(1,563)	7,597	1,747	7,781	(5,402)	4,732	(1,083)	(1,753)
Fair value adjustment to biological assets		7,789		7,789		6,616		6,616
Fair value adjustment to harvest and sales		(1,904)		(1,904)		917		917
Gross margin	(1,563)	13,483	1,747	13,667	(5,402)	12,266	(1,083)	5,780
OTHER INCOME AND EXPENSES								
Administrative expenses	(2,202)	(2,436)	(785)	(5,423)	(2,249)	(1,987)	(897)	(5,133)
Distribution costs	(2,794)	(2,072)	(810)	(5,676)	(2,081)	(1,917)	(709)	(4,706)
Finance costs	(511)	(811)	(129)	(1,451)	(556)	(735)	(379)	(1,670)
Share of profit (loss) of associates	(12)	193	0	181	(2)	176	0	174
Exchange differences	(1,897)	493	28	(1,376)	43	(371)	(51)	(379)
Other income (losses)	28	7	39	74	(87)	273	108	294
Finance income	(17)	18	0	1	0	23	0	23
Other income and expenses, net	(7,405)	(4,608)	(1,657)	(13,670)	(4,931)	(4,537)	(1,928)	(11,397)
Profit (loss) before taxes	(8,968)	8,874	91	(3)	(10,334)	7,728	(3,011)	(5,617)
Income taxes	1,743	(1,835)	126	34	2,022	(1,759)	564	827
Profit (loss) from continuing operations	(7,225)	7,039	217	31	(8,311)	5,969	(2,447)	(4,790)
Profit (loss) from discontinued operations	0	0	0	0	0	0	0	0
Profit (loss) for the period	(7,225)	7,039	217	31	(8,311)	5,969	(2,447)	(4,790)
Non-controlling interest	773	0	0	773	1,749	0	0	1,749
Profit (loss) for the period attributable to owners of the parent	(6,453)	7,039	217	803	(6,562)	5,969	(2,447)	(3,041)
EBITDA	(2,137)	5,850	685	4,398	(4,314)	3,768	(2,124)	(2,670)
EBITDA after fair value adjustments	(2,137)	11,736	685	10,283	(4,314)	11,302	(2,124)	4,863

EBITDA: gross margin before fair value adjustments + depreciation - administrative expenses - distribution costs
 EBITDA after fair value adjustments: EBITDA + fair value adjustments to biological assets - fair value adjustments to harvest and sales

Sales Volumes

		Fishing Catches				Fishing Catches			
		YTD Q3 2013	YTD Q3 2012	Change	Change %	Q3 2014	Q3 2013	Change	Change %
Northern Zone									
Own	tons	88,764	78,001	10,763	13.8%	17,662	25,476	-7,814	-30.7%
Third Party	tons	66	2,339	-2,273	-97.2%	0	1,415	-1,415	-100.0%
South-Central Zone									
Own	tons	60,636	42,009	18,627	44.3%	784	0	784	-
Third Party	tons	61,888	25,113	36,775	146.4%	3,819	2,912	907	31.1%
Total	tons	211,354	147,462	63,893	43.3%	22,265	29,803	-7,538	-25.3%

		Production				Production			
		YTD Q3 2013	YTD Q3 2012	Change	Change %	Q3 2014	Q3 2013	Change	Change %
Fishmeal	tons	39,766	29,002	10,764	37.1%	5,147	7,040	-1,894	-26.9%
Fish Oil	tons	11,439	4,118	7,321	177.8%	334	364	-30	-8.3%
Canned Fish	boxes	952,684	1,018,379	-65,695	-6.5%	54,407	0	54,407	-
Langostino Lobster	kg.	634,163	536,594	97,569	18.2%	360,897	267,843	93,054	34.7%
Frozen Jack Mackerel	tons	15,061	11,994	3,067	25.6%	150	0	150	-

		Sales				Sales			
		YTD Q3 2013	YTD Q3 2012	Change	Change %	Q3 2014	Q3 2013	Change	Change %
Fishmeal	tons	34,059	28,940	5,119	17.7%	9,037	5,871	3,166	53.9%
Fish Oil	tons	9,292	3,986	5,307	133.1%	724	1,386	-662	-47.8%
Canned Fish*	boxes	729,214	768,568	-39,354	-5.1%	318,424	195,504	122,920	62.9%
Langostino Lobster	kg.	570,619	444,090	126,529	28.5%	335,542	275,320	60,222	21.9%
Frozen Jack Mackerel	tons	10,702	12,088	-1,386	-11.5%	2,956	2,057	899	43.7%

* Not considering sales to Rabo Services for 100,000 boxes

		Salmon Harvest				Salmon Harvest			
		YTD Q3 2013	YTD Q3 2012	Change	Change %	Q3 2014	Q3 2013	Change	Change %
Trout	tons WFE	1,291	3,384	-2,093	-61.8%	0	1,310	-1,310	-100.0%
Atlantic Salmon	tons WFE	25,096	21,531	3,565	16.6%	9,224	7,079	2,145	30.3%

		Harvest				Harvest			
		YTD Q3 2013	YTD Q3 2012	Change	Change %	Q3 2014	Q3 2013	Change	Change %
Trout	tons WFE	2,257	3,260	-1,003	-30.8%	299	1,307	-1,009	-77.2%
Atlantic Salmon	tons WFE	24,993	21,855	3,138	14.4%	8,333	7,584	749	9.9%

		Sales				Sales			
		YTD Q3 2013	YTD Q3 2012	Change	Change %	Q3 2014	Q3 2013	Change	Change %
Trout	tons WFE	2,069	3,473	-1,404	-40.4%	472	1,930	-1,457	-75.5%
Atlantic Salmon	tons WFE	25,430	23,641	1,790	7.6%	8,344	6,524	1,820	27.9%

		Other Seafood Production				Other Seafood Production			
		YTD Q3 2013	YTD Q3 2012	Change	Change %	Q3 2014	Q3 2013	Change	Change %
Scallops	tons	185	214	-29	-13.4%	10	31	-21	-66.4%
Abalone	tons	165	91	74	81.2%	36	11	25	219.6%
Canned Abalone	boxes	0	1,880	-1,880	-100.0%	0	1,203	-1,203	-100.0%
Mussels	tons	7,695	5,255	2,440	46.4%	1,273	780	493	63.2%

		Sales				Sales			
		YTD Q3 2013	YTD Q3 2012	Change	Change %	Q3 2014	Q3 2013	Change	Change %
Scallops	tons	185	282	-97	-34.4%	54	71	-17	-24.3%
Abalone	tons	115	74	41	54.4%	35	41	-6	-14.9%
Canned Abalone	boxes	0	688	-688	-100.0%	0	240	-240	-100.0%
Mussels	tons	7,558	5,320	2,237	42.1%	2,371	1,740	631	36.2%

Average Sales Prices

		Average Sales Price of Products				Average Sales Price of Products			
		YTD Q3 2013	YTD Q3 2012	Change	Change %	Q3 2014	Q3 2013	Change	Change %
Fishmeal	US\$ x ton	1,632	1,751	-119	-6.8%	1,850	1,532	318	20.7%
Fish Oil	US\$ x ton	1,960	2,375	-415	-17.5%	1,748	2,294	-546	-23.8%
Canned Fish	US\$ x box	25.3	30.4	-5.1	-16.6%	25.1	32.2	-7.1	-22.1%
Langostino Lobster	US\$ x kg	21.9	20.2	1.8	8.8%	22.1	20.1	2.0	10.0%
Frozen Jack Mackerel	US\$ x ton	1,224	1,261	-36.9	-2.9%	1,151	1,322	-171.0	-12.9%
Trout	US\$ x kg	5.2	4.2	1.0	23.5%	3.2	4.4	-1.2	-27.7%
Atlantic Salmon	US\$ x kg	5.7	4.7	1.0	21.0%	5.4	5.7	-0.3	-5.1%
Scallops	US\$ x kg	13.3	12.8	0.5	4.2%	13.1	12.4	0.7	5.5%
Abalone	US\$ x kg	20.5	23.9	-3.4	-14.1%	19.7	23.9	-4.2	-17.6%
Canned Abalone	US\$ x box	-	396.2	-	-	-	298.8	-	-
Mussels	US\$ x kg	2.8	2.6	0.19	7.3%	2.8	2.5	0.27	10.5%

Change in Revenue due to Price Effect*

		Change in Revenue due to Price Effect				Change in Revenue due to Price Effect			
		YTD Q3 2013	YTD Q3 2012	Change	Change %	Q3 2014	Q3 2013	Change	Change %
Fishmeal	ThUS\$	55,581	59,645	-4,063	-6.8%	16,715	13,845	2,870	20.7%
Fish Oil	ThUS\$	18,210	22,069	-3,859	-17.5%	1,266	1,661	-395	-23.8%
Canned Fish	ThUS\$	18,459	22,142	-3,683	-16.6%	7,980	10,249	-2,269	-22.1%
Langostino Lobster	ThUS\$	12,517	11,502	1,015	8.8%	7,400	6,728	672	10.0%
Frozen Jack Mackerel	ThUS\$	13,097	13,492	-395	-2.9%	3,402	3,907	-505	-12.9%
Trout	ThUS\$	10,827	8,770	2,057	23.5%	1,512	2,093	-581	-27.7%
Atlantic Salmon	ThUS\$	145,978	120,692	25,285	21.0%	45,133	47,541	-2,408	-5.1%
Scallops	ThUS\$	2,460	2,361	99	4.2%	700	664	37	5.5%
Abalone	ThUS\$	2,362	2,751	-389	-14.1%	681	827	-146	-17.6%
Canned Abalone	ThUS\$	-	-	-	-	-	-	-	-
Mussels	ThUS\$	20,920	19,505	1,416	7.3%	6,657	6,024	633	10.5%
Total	ThUS\$	300,410	282,929	17,482	6.2%	91,447	93,539	-2,092	-2.2%

* With constant volume 2014

Change in Fuel Expenditures due to Price Effect*

		Change in Fuel Expenditures due to Price Effect				Change in Fuel Expenditures due to Price Effect			
		YTD Q3 2013	YTD Q3 2012	Change	Change %	Q3 2014	Q3 2013	Change	Change %
Diesel Oil	ThUS\$	9,546	9,779	-233	-2.4%	1,305	1,357	-52	-3.8%
Bunker Oil	ThUS\$	6,589	6,934	-345	-5.0%	795	796	-1	-0.1%
Total	ThUS\$	16,135	16,713	-578	-3.5%	2,100	2,153	-53	-2.5%

* With constant volume 2014

2. BALANCE SHEET

	Sep 2014 ThUS\$	Dec 2013 ThUS\$	Difference ThUS\$	Change
ASSETS				
Current assets	267,647	277,721	-10,074	-3.6%
Property, plant and equipment	239,538	252,259	-12,720	-5.0%
Other non-current assets	121,151	109,550	11,601	10.6%
Total Assets	628,336	639,529	-11,193	-1.8%
LIABILITIES				
Current liabilities	82,148	100,088	-17,940	-17.9%
Non-current liabilities	227,909	234,495	-6,586	-2.8%
Total Liabilities	310,057	334,583	-24,526	-7.3%
Net equity attributable to owners of the parent	262,571	250,117	12,454	5.0%
Non-controlling interest	55,708	54,829	879	1.6%
Total Equity	318,279	304,947	13,333	4.4%
Total Liabilities and Equity	628,336	639,529	-11,193	-1.8%

3. FINANCIAL ANALYSIS

A. Consolidated Analysis:

This section compares the Company's key financial indicators for the periods from January to September 2014 and January to December 2013, based on its consolidated financial statements for those periods.

	Period	
	Sep 2014	Dec 2013
Liquidity Indicators		
1) Current Liquidity	3.26	2.77
2) Acid Ratio	1.13	1.00
3) Working Capital (US\$ millions)	185.5	177.6
Debt Indicators		
4) Net Debt Ratio	0.91	1.08
5) Current Liabilities / Total Liabilities	0.26	0.30
6) Non-Current Liabilities / Total Liabilities	0.74	0.70
Profitability Indicators		
7) Return on Equity	3.17%	-5.53%
8) Return on Assets	8.29%	3.15%

Notes:

7) Return on Equity: Profit (loss) attributable to owners of the parent / total equity.

8) Return on Assets: Gross margin before fair value adjustment / total assets.

B. Cumulative Indicators for Salmon Business:

	Period	
	Sep-14	Sep-13
a) Atlantic Salmon Harvests / Site	2,249	3,307
b) Trout Harvests / Site	1,388	1,820
c) Atlantic Salmon Farming Density (kg/m3)	8.4	7.3
d) Trout Farming Density (kg/m3)	7.3	4.9
e) Atlantic Salmon Group Survival Rate (sea water)	90.2%	87.9%
f) Trout Group Survival Rate (sea water)	82.5%	82.2%

EBIT / kg WFE:

(gross margin before fair value adjustment - administrative expenses - distribution costs) / kg WFE sold

g) Total Weighted Average for Salmon and Trout Businesses	0.50	-0.70
• Salmon Business	0.59	-0.60
• Trout Business	-0.62	-1.36
h) Weighted Average for Salmon and Trout Products	0.21	-0.98
• Salmon Products	0.28	-0.91
• Trout Products	-0.61	-1.46

Notes:

a, b Harvests for the period in tons / number of sites used, expressed in tons per site.

c, d Average farming density, expressed in kilos per cubic meters (in sites harvested during the period under analysis).

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

- g Includes other income and related costs (mainly from third-party fish processing, smolt sales, concession leases and intercompany salmon sales to foreign offices). It assumes that total revenue is distributed based on sales per species, total costs based on cost of sales per species, administrative expenses based on harvested ton per species and distribution costs based on sales per species.
- h Includes product-related income and costs but not those related to third-party services and intercompany salmon sales to foreign offices. It assumes that administrative expenses are distributed based on harvested ton per species and distribution costs based on sales per species.

Fair Value for the Period Ended September 30 (ThUS\$):

	Fair Value Adjustment to Biological Assets		Fair Value Adjustment to Harvest and Sales	
	YTD Q3 2014	YTD Q3 2013	YTD Q3 2014	YTD Q3 2013
Atlantic Salmon	9,428	3,027	(8,008)	(471)
Trout	2,351	(541)	(3,191)	1,841
TOTAL	11,778	2,486	(11,199)	1,370

The net effect of the fair value adjustment of the salmon biomass is reflected in two accounts:

- i) “Fair Value Adjustment to Biological Assets” for recording the estimated gain or loss for the period from valuing, as of the end of each month, the biomass of live and harvested fish that will be sold in the future. It can be positive or negative based on variations in the biomass included in the valuation and its market price. A gain of US\$ 11.8 million was recorded for the fair value adjustment of the live and harvested salmon biomass as of September 30, 2014, compared to a gain of US\$ 2.5 million as of the same date in 2013. This can be explained mainly by the increased prices of the species included in the valuation, which is based on weight and includes Atlantic salmon weighing over 4.0 kg and trout weighing over 2.5 kg, as well as the reduced cost of this biomass.
- ii) “Fair Value Adjustment to Harvest and Sales”, which records the realization of the estimated gain or loss for the live and harvested biomass, both for the current period as well as for prior periods for biomass sold in the current period. This account reverses the estimated gain or loss made in the current and prior periods and the actual result of the transaction is recorded in revenue and cost of sales. Thus, a loss of US\$ 11.2 million was recorded for the biomass sold for the period ended September 2014, in contrast to a gain of US\$ 1.4 million in September 2013 (arising from a negative fair value adjustment of the live and harvested biomass from prior periods).

The net effect of the fair value adjustment of the salmon biomass for the period ended September 30, 2014, is a positive US\$ 0.6 million, which is US\$ 3.3 million less than the same period in 2013.

Salmon Business Revenue:

September 2014

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	71,673	14,675	11,533	8,875	33,489	5,734	0	145,978
Trout	614	324	428	8,732	20	513	195	10,827
OTHERS	28,526	0	0	2,771	0	20,141	0	51,438
TOTAL	100,813	14,999	11,961	20,377	33,508	26,389	195	208,243

September 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	65,767	13,462	6,843	5,459	18,641	1,771	256	112,198
Trout	732	65	0	11,621	1,315	823	167	14,723
OTHERS	22,527	0	0	3,027	0	19,636	0	45,190
TOTAL	89,025	13,527	6,843	20,108	19,956	22,231	423	172,112

The Company's commercial policy seeks to diversify its products and target markets. To accomplish this, Camanchaca has offices and representatives in the U.S., Japan, Europe and Mexico. Since November 2013, the Company, through its subsidiary Salmenes Camanchaca, owns a stake in "New World Currents", a joint venture with three other Chilean producers to satisfy the demand for salmon in the Chinese market. In short, Camanchaca focuses its strategies to target the most attractive markets with the best raw material return. The Company defines its value-added products as those containing some degree of secondary processing. These products account for 80% and 92% of sales between January and September of 2014 and 2013, respectively. The remainder are sales of fresh whole salmon that have only undergone primary processing (bleeding and gutting). Fresh Atlantic salmon fillets are sold preferably 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 in the rest of Latin America.

From the first nine months of 2013 to the first nine months of 2014, the U.S. market as a percentage of total sales decreased from 52% to 48%, while the Asian market excluding Japan expanded from 4% to 6% and Latin America excluding Chile grew from 12% to 16%. Japan dropped from 12% to 10% and Europe and Eurasia fell from 8% to 7%. The account "others" includes services and sales to third parties, and intercompany salmon sales to our offices in the U.S. and Japan.