

2014



Camanchaca

Annual Report 2014



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LETTER FROM THE CHAIRMAN

CHAPTER LETTER FROM THE CHAIRMAN

Dear Shareholders,

After several years of unfavorable conditions affecting our businesses, Camanchaca ended 2014 with positive results. This year was a turning point for our operations, with profitability returning to normal levels. The Company posted record revenue of US\$496 million and EBITDA of US\$66 million, representing 13% of revenue. It posted profit of US\$11 million, an increase of US\$28 million from the loss of US\$17 million recorded in 2013.

These results make 2014 the first year since our December 2010 initial public offering that our overall business portfolio has reported normal results.

Even with favorable results, the Company's different business areas faced several challenges in 2014.

In our fishing business, we went to great lengths when two earthquakes struck the city of Iquique (8.3 and 7.9 on the Richter scale) in April 2014. Camanchaca focused efforts on quickly recovering its fleet and plant operations while assisting employees with their material losses. The earthquakes occurred at a very critical point in the fishing season, but thanks to the rapid, effective response by corporate management and Iquique-based executives, we recovered plant and fleet production capacity within a few short days of the disaster.

In our fishing operations in northern Chile, we made significant investments that transformed fleet management and the process of unloading raw materials. These investments totaled more

than US\$3 million and included state-of-the-art unloading pontoons, which increased operating speed and improved raw material integrity and final product quality, while reducing the environmental impact of the process in general. The improvements were part of a restructuring agreement with the Iquique port administrator (Empresa Portuaria de Iquique, EPI) to extend the concession and continue operating out of the port's breakwater.

In our fishing operations in southern Chile, grouped together under our subsidiary Camanchaca Pesca Sur, we observed significant recovery in the sardine biomass. Catches were up 124% relative to 2013, totaling 96 thousand tons, with exceptional fish oil yields. Jack mackerel catches rose nearly 7%, ending the year at 45,700 tons. Camanchaca caught its full annual quotas in both of the pelagic fishing areas in southern Chile.

In langostino lobster, which accounts for nearly 4% of the Company's revenue, 2014 catches reached 7 thousand tons with very favorable yields. Production exceeded 900 tons of finished product, representing a 26% increase over 2013. Prices were up 10% in the USA, where this product is marketed as a premium product.

Production of nearly 15 thousand tons of frozen jack mackerel in 2014—a Company record, generating revenue similar to langostino lobster—brought significant challenges for Camanchaca due to non-tariff import restrictions imposed in Africa, the lead market for the product. This not only drove prices down, but caused inventories to accumulate to levels unseen

in years prior. Although inventory levels had returned to normal by late 2014, the situation introduced the challenge of creating new markets for this important product.

The late opening of the fishing season throughout Chile and the earthquake in Iquique combined to delay Camanchaca's sale of finished product as compared to 2013, resulting in significant accumulation of fishing product inventory as of mid-2014. The extraordinary inventory situation had some important advantages, however, in light of changing fishmeal prices. As a result of Peruvian fishing authorities not issuing any catch quotas during the second half of the year, the price of fishmeal surpassed the US\$2,000/ton price barrier. Camanchaca seized the opportunity to sell its available inventory, bringing the Company's annual average sales price to US\$1,763, 10% above the prior year.

There was favorable news in the salmon division as the average price of Atlantic salmon was up 10% over 2013, realigning itself with historic trend levels. Likewise, the return to normal sanitary conditions also impacted costs favorably. Prices fell only toward year end as a result of greater-than-expected supply of Chilean Atlantic salmon, a reflection of improved sanitary conditions overall.

Our 2014 Atlantic salmon harvests totaled 39 thousand tons, 19% above 2013 figures, with improved sanitary conditions thanks to implementation of best practices and improved coordination between the area's different producers to control sealice. This progress was partially offset by greater prevalence of SRS, which required increased antibiotic treatment. Overall, these changes led to lower mortality rates and higher average weights than in 2013.

Diversifying and developing new markets for our products has been an ongoing challenge

for Camanchaca. In 2014, through New World Currents—a partnership with three other Chilean salmon companies—represented nearly 25% of Chilean Atlantic salmon sold to China, making it the largest importer of Atlantic salmon in this market. The partnership aims to significantly increase salmon sales in China and assess synergies in adjacent markets.

Camanchaca continues to play a leading role in the Global Salmon Initiative (GSI), which seeks progress in sustainable salmon farming. Our Chief Executive Officer was named co-chairman of the southern hemisphere for the initiative, which includes the world's leading producers of Atlantic salmon.

In this spirit, Camanchaca has decided to publish its first Salmon Sustainability Report. We are confident that this transparency initiative and sign of genuine interest in sustainable salmon farming will be the starting point for future improvements and continued progress on the issue.

In our other seafood divisions, I would like to highlight the positive performance in mussels farming and production, where efforts to control costs and identify new customers and markets brought not only positive results but EBITDA margins above 20%, without any extraordinary items. Chile has clear competitive advantages for this product and we are confident that we will continue developing them with our significant assets in Chiloé.

The challenges in other seafood have been concentrated in abalone and scallops, which have faced adverse scenarios. In abalone, a luxury product in Asia, prices fell as a result of austerity measures in China, which brought a sharp drop in sales turnover as well as losses exceeding US\$2 million despite the significant cost reductions that Camanchaca has achieved in recent years.

In scallop farming, after analyzing different strategies, we opted to concentrate operations in the Coquimbo Region and discontinue operations in the Atacama Region, where costs were higher. Despite good growth in local demand, Chile's relative lack of competitive advantages compared to Peru has resulted in a sharp decline for the Chilean industry. Consequently, our operations in Guanaqueros primarily aim to serve the Chilean market. This product adjustment brought a one-time extraordinary expense of US\$2.5 million. We are confident that this product will reach equilibrium, with Camanchaca producing around 150 tons per year.

Our Company is continuously seeking gains in efficiency. Between 2013 and 2014, we reduced administrative and delivery expenses from 11.2% to 9.1% of revenue. As a cornerstone of our efforts to achieve additional long-term stability, we understand that Camanchaca must improve cost and expense efficiency each year. Accordingly, we have strengthened the open and competitive bidding process used at all levels of the organization, placing special emphasis on the energy efficiency of our production processes.

However, sustainability is more than cost efficiency; it also means being a good neighbor in the communities where we fish, harvest and produce. That is why we are proud to have received EDITEC's Good Neighbor CSR award at the 2014 Aquasur Fair. The award is a reflection of our Friendly Camanchaca (Camanchaca Amiga) program, which seeks to deepen relationships between the Company, its employees and the surrounding communities. The award recognizes the well-guided efforts that have become the backbone of our strategy and corporate culture and which we hope to expand in the future.

Consequently, we have broadened our objectives to include contributing to healthy, seafood-based diets in Chile, promoting them in the communities where the Company operates. We have opened points of sale in Tomé and Coronel and plan to open others in Iquique and Santiago in 2015.

I would also like to highlight that we were the only company in the salmon and fishing industry to make the 2014 MERCO ranking of corporate reputation.

None of these important accomplishments would have been possible without the support of the people who work at Camanchaca. I would like to recognize all of our devoted employees throughout Chile who bring our organization to life. They are the best at what they do. They identify with and are committed to our corporate values and we want to retain and develop their talent.

In 2014 and early 2015, we have witnessed significant mergers and acquisitions in the Chilean salmon industry. This is a normal market process, especially when consolidation generates production and sanitary synergies and advantages. Joining forces allows for better coordination of sanitary efforts as well as opportunities to research and develop technological solutions for competitive salmon production.

Finally, I would like to thank all our shareholders for placing their valuable confidence in us. They have accompanied us through these years of growth and consolidation and have seen Camanchaca's share price rise considerably in 2014.

Sincerely,



Jorge Fernández Valdés
Chairman



Río del Este Hatchery, Los Lagos Region
Breeders for spawning

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FINANCIAL RESULTS

CAMANCHACA ANNUAL REPORT 2014

SUMMARY OF FINANCIAL POSITION

CHAPTER FINANCIAL RESULTS

MAIN FINANCIAL RATIOS	2014	2013
Liquidity Ratios		
Current Liquidity	2.98	2.73
Acid Test Ratio	1.36	0.90
Working Capital ThUS\$	174,965	173,180
Leverage Ratios		
Debt Ratio	0.92	1.08
Short-term Debt / Total Debt	0.20	0.30
Long-term Debt / Total Debt	0.71	0.70
Profitability Ratios		
Return on Equity (ROE)	3.47%	-5.53%
Return on Assets (ROA)	12.75%	3.15%

CONSOLIDATED FINANCIAL STATEMENTS

CHAPTER FINANCIAL RESULTS

CONSOLIDATED INCOME STATEMENT	2014 THUS\$	2013 THUS\$
Revenue	496,392	438,790
Cost of sales	-416,270	-413,246
GROSS PROFIT BEFORE FAIR VALUE	80,122	25,544
Gain (loss) on fair value of biological assets	-2,047	13,998
Cost of harvested and sold biological assets	-8,391	-5,433
GROSS PROFIT	69,684	34,108
Other income	-53,701	-57,332
PROFIT (LOSS) BEFORE TAXES	15,983	-23,223
PROFIT (LOSS) FOR THE PERIOD	11,089	-16,871
EBITDA BEFORE FAIR VALUE	66,138	11,942

For the year ended December 31, 2014, the Company posted an improvement of US\$28 million, from a loss of US\$17 million in 2013 to profit of US\$11 million in 2014. These results reflect a normalization of margins, which rose by US\$55 million to close the year at US\$80 million, for the Company's diverse business lines. Specifically, the Fishing, Salmon, Mussels and Scallops & Abalone areas improved their results by US\$16 million; US\$6.4 million, US\$4.8 million and US\$1.1 million, respectively.

This resulted in an EBITDA (before fair value adjustment of the salmon biomass) of US\$66 million for 2014 (+ US\$54 million), demonstrating five-fold growth from the US\$12 million recorded for the same period in 2013. This EBITDA figure represents 13% of sales and 10.5% of the Company's assets. The salmon business had

a negative fair value adjustment of US\$10 million as a result of reduced market prices for fresh salmon in the United States during the last quarter. Scallop operations in Bahía Inglesa (Atacama Region) were suspended, which generated a one-time expense of US\$2.5 million. This extraordinary disbursement accounts for 52% of the losses in the northern other seafood business.

The Company posted record revenue of US\$496 million in 2014, up 13% from the prior year. This rise reflects significant increases across all business lines (salmon +11%; other seafood +10%; and fishing +18%). The other seafood division boasted a yearly rise of 23% in mussels, which more than offset the 19% drop in abalone and scallops in the north.

BALANCE SHEET

CHAPTER FINANCIAL RESULTS

CONSOLIDATED BALANCE SHEET	2014 THUS\$	2013 THUS\$
Current assets	263,148	273,268
Property, plant and equipment	240,670	252,259
Other non-current assets	124,835	114,003
Total Assets	628,653	639,530
Current liabilities	88,183	100,089
Long-term liabilities	220,689	234,495
Total Liabilities	308,871	334,584
Net equity of parent company	263,613	250,117
Non-controlling interest	56,168	54,829
Total Equity	319,782	304,947
Total Liabilities and Equity	628,653	639,530

Current assets recorded a negative variation of US\$10.1 million as of year-end 2014, attributable to:

A US\$31.4 million decrease in current biological assets, primarily due to a large drop in the fair value of these assets in 2014.

A US\$9.4 million increase in cash and cash equivalents, which is primarily explained by recovered payments on sales in the different business lines (especially salmon and fishing), improved fishmeal prices and the positive performance of the mussel business. These factors were offset by the use of funds for working capital for the northern other seafood division.

A US\$10.5 million increase in trade and other receivables as a result of the high sales volume in the fourth quarter. A strict collections policy and follow-up is expected to bring this figure down in 2015.

Non-current assets posted a negative variation of US\$758 thousand as of year-end 2014, reaching US\$365.5 million. This was mainly attributable to a decrease of US\$11.6 million in property, plant and equipment, which was offset by a US\$10.5 million increase in non-current biological assets reflecting the growth and smolt transfer of the salmon biomass.

Current liabilities were down US\$11.9 million (-11.9%), primarily due to a US\$23.1 million reduction in trade and other payables, which was offset by an increase of US\$12.9 million in other current financial liabilities. This increase reflects the portion of short-term bank debt due in May and November 2015 based on the refinancing agreement signed in May 2013.

Non-current liabilities fell by US\$13.8 million (-5.9%), mainly as a result of the aforementioned increase in other current financial liabilities.

Equity rose 4.9% to US\$319.8 million (US\$304.9 million as of December 31, 2013). This change was primarily due to 2014 results and the positive effects of US\$2.5 million in deferred taxes credited to equity as a result of the tax reform and in accordance with Official Ruling 856 from the Chilean Superintendency of Securities and Insurance.

RESULTS BY BUSINESS AREA

CHAPTER FINANCIAL RESULTS

INCOME STATEMENT - FISHING BUSINESS

	2014	2013
COMPANY AND THIRD-PARTY CATCHES (TONS)		
Northern Chile	128,960	151,840
South-Central Chile	142,116	85,917
SALES VOLUMES		
Fishmeal (tons)	51,988	49,379
Fish oil (tons)	13,332	5,324
Canned fish (boxes)	1,087,018	1,007,168
Frozen jack mackerel (tons)	14,023	12,449
Langostino lobster (tons)	956	668
	ThUS\$	ThUS\$
Revenue	184.428	156.518
Cost of sales	-150,161	-144,427
GROSS PROFIT	34,267	12,091
Other income	-24,157	-26,908
PROFIT (LOSS) BEFORE TAXES	10,111	-14,817
PROFIT (LOSS) FOR THE PERIOD	6,176	-9,529
EBITDA	33,103	11,200

In the **fishing** business, revenue grew 18%, reaching US\$184 million, with a significant rise in EBITDA from US\$11 million in 2013 to US\$33 million in 2014. Results went from a loss of US\$9.5 million in 2013, to profit of US\$6.2 million in 2014. The fishing division's results can be attributed to the following factors:

- i. Full-quota sardine and anchovy catches as of December, which helped reduce the operating costs of the units produced. Sardine catches in the south-central zone reached 96,000 tons, 124% greater than the same period in 2013. Anchovy catches in the northern zone totaled 129 thousand tons. Although these catches reflect a 15% drop over the same period in 2013, they account for 100% of annual quotas.
- ii. In line with these catches, production of fishmeal in the northern zone fell by 14% over 2013, but the greater yield for oil (+33%) led to a production increase of 12%.
- iii. In the south-central zone, in addition to recovering sardine biomass, the Company reported a 23% increase in sardine oil yields. Thus, fishmeal production increased 72% in 2014, while fish oil was up 121%.
- iv. Average fishmeal prices rose 10%. The spike was influenced by low catches in Peru during the May-July season and the decision by Peruvian authorities to issue no quotas for the November-January season. The 2014 price of fish oil was 13% below the year prior due to an abundance of oil in the south-central zone.
- v. Jack mackerel catches were up 6.7% relative to 2013. The 22% increase in production of frozen jack mackerel was offset by a 6.5% reduction in production of canned jack mackerel, the price of which was down 14% as a result of currency devaluations in destination markets. Prices of frozen jack mackerel also fell 7.8% due to restrictions on imports in Nigeria, our main market for that product.
- vi. In the langostino lobster business, production was 26% higher than in 2013, mainly because of increased raw material yield (+14%).

RESULTS BY BUSINESS AREA

CHAPTER FINANCIAL RESULTS

INCOME STATEMENT - SALMON BUSINESS

	2014	2013
HARVESTED RAW MATERIAL (tons WFE)		
Atlantic salmon	39,347	33,090
Trout	1,291	5,088
SALES VOLUMES (tons WFE)		
Atlantic salmon	36,814	34,611
Trout	2,573	4,053
	ThUS\$	ThUS\$
Revenue	278,510	251,801
Cost of sales	-238,814	-237,527
GROSS PROFIT BEFORE FAIR VALUE	39,695	14,275
Gain (loss) on fair value of biological assets	-2,047	13,998
Cost of harvested and sold biological assets	-8,391	-5,433
GROSS PROFIT	29,257	22,840
Other income	-20,847	-22,370
PROFIT (LOSS) BEFORE TAXES	8,410	469
PROFIT (LOSS) FOR THE PERIOD	6,462	78
EBITDA BEFORE FAIR VALUE	31,452	6,064

In the **salmon** business, revenue rose 11% for the year ended December 31, 2014, reaching US\$279 million. The business recorded profit of US\$6.5 million as opposed to the US\$78 thousand posted for the same period in 2013, reflecting an improvement of US\$6.4 million. The salmon division's results can be attributed to the following factors:

- i. Atlantic salmon harvests increased 19% relative to 2013, reaching 39 thousand tons. Sales volumes were up 6.4%, reaching 37 thousand tons WFE while sales prices for the product rose 9.7% over 2013.
- ii. 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\$12 million in net operating margin during 2014, up 62% from 2013.
- iii. Mortality of Atlantic salmon at closed sites fell to 9.8% (12% in 2013). During 2014, Atlantic salmon harvests were concentrated in sites in the Los Lagos Region (11 of the 13 sites harvested). Average harvest weight evolved favorably during the year, closing at 4.7 kg as opposed to 4.3 kg in 2013.
- iv. Regarding the fair value adjustment, a loss of US\$10 million was recorded for the year ended December 31, 2014, as compared to a gain of US\$8.6 million for the same period in 2013. This is explained by reduced reference prices for the biomass included in the valuation.
- v. EBITDA before fair value adjustment for the year ended December 31, 2014, totaled US\$31 million in the salmon business. This figure compares favorably with the US\$6.1 million in 2013, which is well aligned with the US\$25 million increase in gross margin.

RESULTS BY BUSINESS AREA

CHAPTER FINANCIAL RESULTS

INCOME STATEMENT - OTHER SEAFOOD BUSINESS

	2014	2013
HARVESTED RAW MATERIAL		
Abalone (thousands of units)	1,623	1,356
Scallops (thousands of units)	17,096	21,942
Mussels (tons)	23,814	16,244
SALES VOLUMES		
Abalone (tons)	206	141
Canned abalone (boxes)	386	692
Scallops (tons)	254	394
Mussels (tons)	8,422	6,668
	ThUS\$	ThUS\$
Revenue	33.454	30.471
Cost of sales	-27,294	-321,293
GROSS PROFIT	6,160	-822
Other income	-8,697	-8,053
PROFIT (LOSS) BEFORE TAXES	-2,538	-8,875
PROFIT (LOSS) FOR THE PERIOD	-1,549	-7,420
EBITDA	1,582	-5,322

In the other **seafood** business, revenue grew 9.8%, reaching US\$33 million for the year ended December 31, 2014. This division recorded a loss of US\$1.5 million, a US\$5.9 million improvement over the loss recorded in 2013. The segment's results can be attributed to the following factors:

- i. Camanchaca Cultivos Sur, which includes all mussel operations, recorded revenue totaling US\$25.7 million in 2014 and EBITDA of US\$5.3 million—an improvement on the almost nil EBITDA recorded in 2013. The subsidiary posted profit of US\$3.3 million, up US\$4.8 million from the same period in 2013.
- ii. The abalone and scallop business (in northern Chile) recorded a loss of US\$4.9 million, or US\$1.1 million less than in 2013. Fifty-two percent of this loss can be explained by US\$2.5

million in extraordinary expenses and costs to close operations in Bahía Inglesa. Abalone sales grew 46%, 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—leading to above-normal inventory and a 13% drop in prices. From a cost perspective, higher caliber and a shorter growth cycle in 2014 helped drive average costs down to US\$24 per kilo. However, this reduced figure did not offset the drop in prices.



Petrohué Hatchery, Los Lagos Region
Smolts transfer.

3

THE
COMPANY

CAMANCHACA ANNUAL REPORT 2014

IDENTIFICATION

• CHAPTER THE COMPANY

- **CORPORATE NAME**
Compañía Pesquera Camanchaca S.A.
- **CHILEAN TAXPAYER ID NUMBER**
93.711.000-6
- **TYPE OF ENTITY**
Publicly held corporation
- **SECURITIES REGISTRY**
No. 1060
- **ADDRESS**
Avenida El Golf 99, Piso 10, Las Condes, Santiago, Chile
- **TELEPHONE**
(56 2) 2 363 57 00
- **FAX**
(56 2) 2 375 43 84
- **CONTACT E-MAIL**
inversionistas@camanchaca.cl
- **WEBSITE**
www.camanchaca.cl

OUR HISTORY

CHAPTER THE COMPANY

1963

The Company begins operations on May 10th in the port of Iquique.

1965

The Company's operations commence with the catching and processing of langostino lobsters in the Tomé district of the Bio Bio Region. Production is sold on the North American market.

1980

The Company focuses on catching and processing seafood and other marine products. Important investments are made such as building the first indirect drying plant for fishmeal and fish oil in Talcahuano; acquiring a frozen food plant in Caldera; equipping the fleet with cutting-edge technology; and incorporating new ocean vessels with greater capacity.

1987

- Aquaculture concessions are acquired with a potential production of 75,000 tons per year, allowing the Company to diversify its production through salmon farming.
- It acquires the Polcura hatchery in the Bio Bio Region, where the first Pacific salmon smolts are produced, the first species farmed by the Company.

1990

Scallop farming begins in Caldera, with a production potential of 850 tons per year.

1993

Fishing operations begin in northern Chile with important investments, such as building a fishmeal plant in Iquique and acquiring various vessels for catching anchovies.

2001

- The Company makes a pioneering investment and launches the first recirculating hatchery for salmon in Chile, with a production capacity of 15 million smolts per year. The hatchery remains the most modern in South America today.
- Camanchaca Inc's retail office in Miami, Florida, commences operations to sell and distribute the Company's products, especially fresh salmon, in the USA.
- In the port of Caldera, land-based abalone farming joins the product mix, with production capacity of 400 tons per year.

2003

The Company acquires Cultivos Marinos del Pacífico, which allows it to enter the mussel business.

2004

Fiordo Blanco, a salmon fishery, is acquired. This launches the Atlantic salmon breeding program, with an exclusive high-growth breed.

2005

- The Company opens a sales office in Tokyo, Japan.
- A modern mussel processing plant with production capacity of more than 20,000 tons per year, is inaugurated in Rauco, on the island of Chiloé.

2006

Pesquera Centromar, which produces fishmeal and oil, begins operations in Ecuador, with catch capacity of 50,000 tons per year.

2010

- In October, the Company is granted authorization to farm abalone in sea sites, significantly increasing production.
- On December 1st, the Company successfully placed 31.5% of its shares on the Santiago Stock Exchange, raising a total of US\$205 million,
- and becoming a publicly traded corporation.

2011

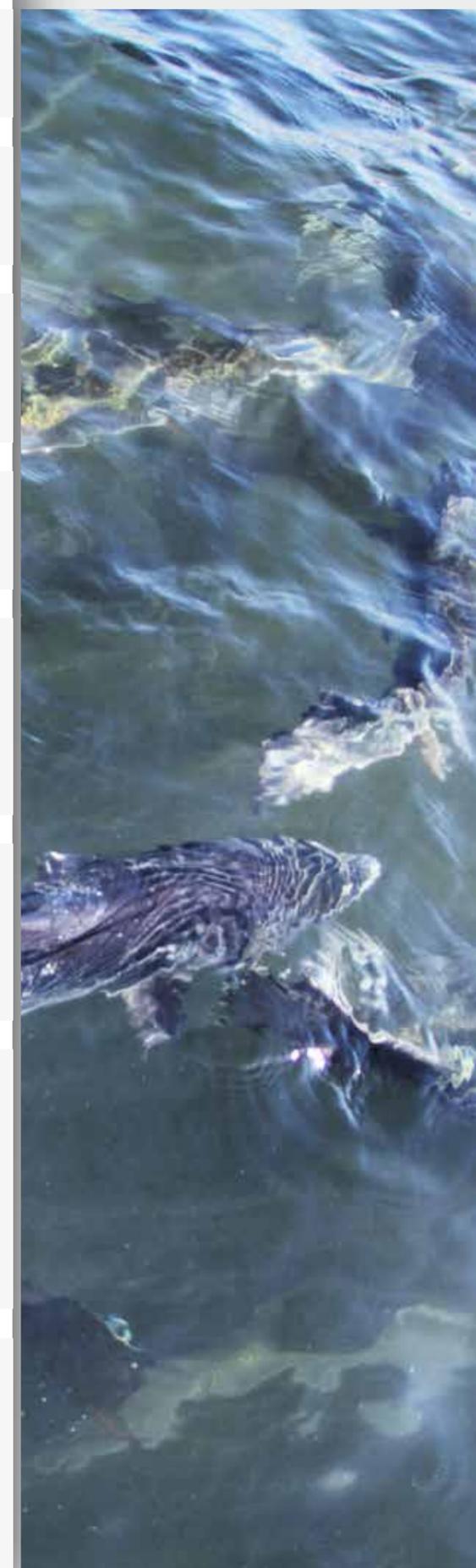
- The successful merger with Pesquera Bio Bio doubled the size of the Company's operations in southern Chile, increasing its jack mackerel and sardine quotas in the south-central zone by nearly 20%.
- After a two-year interruption due to the ISA virus, the Company resumes Atlantic salmon harvesting, with positive health and yield indicators.

2012

- Volume returns to pre-ISA virus crisis levels, at 40,000 tons WFE, demonstrating recovery and a sharp increase in harvests, with exports to more than 30 countries.
- Camanchaca becomes the world's first salmon producer to earn three stars for the Global Aquaculture Alliance's (GAA) Best Aquaculture Practices (BAP) certification.
- The merger with Pesquera Bio Bio is finalized. The majority of the jack mackerel catches is sold for human consumption—frozen and canned—thus generating higher returns.

2013

- Global Salmon Initiative (GSI): The Global Salmon Initiative was launched in 2013. This organization brings together the world's leading salmon farmers, including Camanchaca, in search of significant advances in sustainable salmon farming—a key priority considering that 70% of the world's farmed salmon is produced by GSI members.
- New World Currents: Camanchaca formed this partnership together with three other Chilean companies. The initiative aims to import salmon to China efficiently, consistently and on a large scale.



2014 HIGHLIGHTS

CHAPTER THE COMPANY

1



IMPROVEMENTS AT IQUIQUE PLANT

The Company made a series of investments totaling US\$3.5 million as well as logistical changes at our fishmeal and fish oil plant located at the port of Iquique. The enhancements included new pontoons that improved operating and environmental efficiency indicators. The project was completed successfully despite the earthquake that struck northern Chile on April 1st.

2



BEST CORPORATE REPUTATION IN THE INDUSTRY

Camanchaca stood out on the ranking by MERCO (Business Monitor of Corporate Reputation) as the only company from the aquaculture and fishing industry among Chile's 100 most reputable companies.

3



FRIENDLY CAMANCHACA PROGRAM EARNS THE GOOD NEIGHBOR AWARD

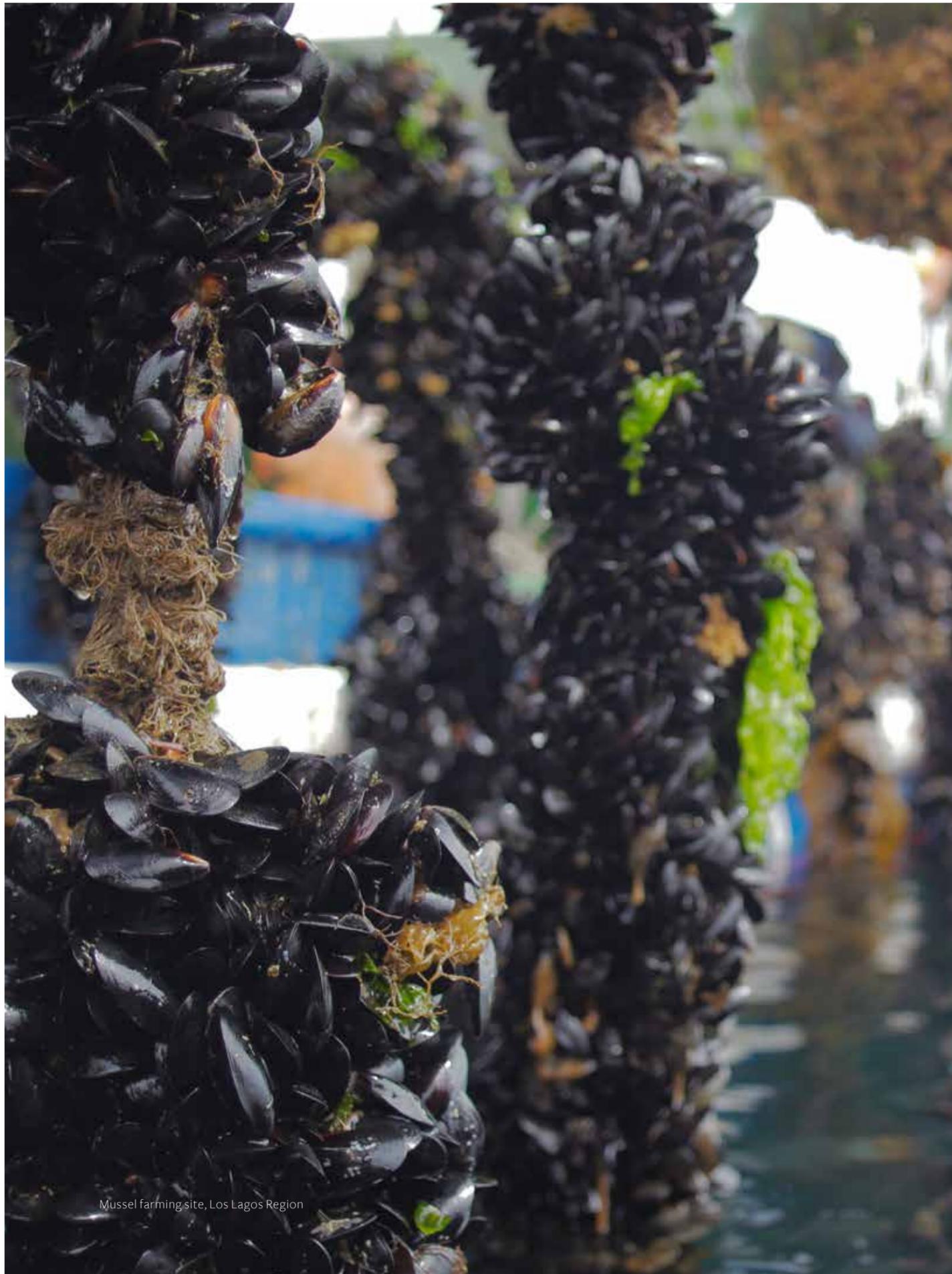
The Company's work in community integration, environmental protection, and promotion of a healthy, nutritious diet earned it the Good Neighbor award. One highlight of the program is the opening of an affordably priced point of sale in Coronel and another in Tomé. Other potential future locations include Iquique, Santiago and Chiloé.

4



CAMANCHACA'S STOCK ON THE SANTIAGO AND ELECTRONIC STOCK EXCHANGE INDEXES

As a result of its market capitalization, Camanchaca is listed on the Electronic Stock Exchange's Chile 65 Index. On the basis of its adjusted stock market presence, it is also listed on the Santiago Stock Exchange's Food & Beverage Index.



Mussel farming site, Los Lagos Region

MAJOR SHAREHOLDERS

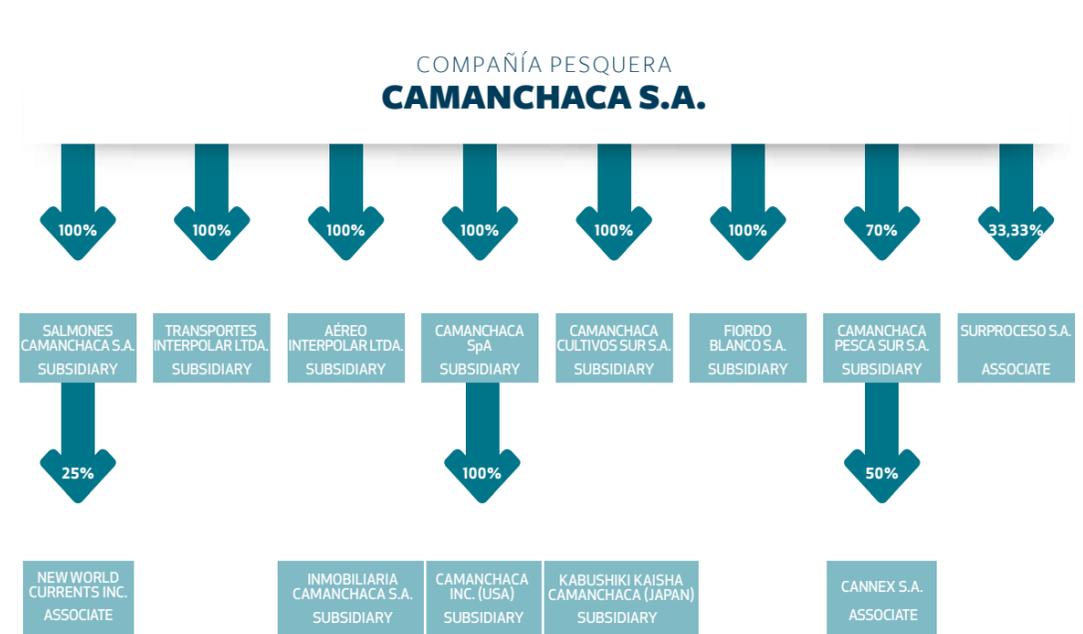
MAJOR SHAREHOLDERS	STOCKS	%
INVERSIONES HFG LTDA.	1,376,846,422	33.17%
INVERSIONES LOS FRESNOS LTDA.	813,616,503	19.60%
INVERSIONES HCL LTDA.	416,644,260	10.04%
INVERSIONES CIFCO LTDA.	205,573,288	4.95%
LARRAIN VIAL S.A. CORREDORA DE BOLSA	158,323,750	3.81%
CHILE FONDO DE INVERSION SMALL CAP	134,121,660	3.23%
FONDO DE PENSIONES HABITAT C	133,809,339	3.22%
CELFIN SMALL CAP CHILE FONDO DE INVERSION	123,347,466	2.97%
BANCHILE ADMINISTRADORA GENERAL DE FONDOS S.A.	101,569,685	2.45%
FONDO DE INVERSION LARRAIN VIAL-BEAGLE	93,058,665	2.24%
COMPASS SMALL CAP CHILE FONDO DE INVERSION	59,459,065	1.43%
FONDO DE PENSIONES HABITAT B	59,100,855	1.42%
SUBTOTAL	3,675,470,958	88.55%
OTHER SHAREHOLDERS	475,201,042	11.45%
TOTAL STOCKS	4,150,672,000	100.00%



Salmon farming sites, Los Lagos Region

OWNERSHIP STRUCTURE

CHAPTER THE COMPANY



Note: Considers direct and indirect ownership



Fishmeal and fish oil processing plant, Coronel, Bío Bío Region

SUBSIDIARIES

CHAPTER THE COMPANY

AS OF DECEMBER 31, 2014

TAXPAYER ID	COMPANY NAME	OWNERSHIP INTEREST		
		DIRECT	INDIRECT	TOTAL
76.065.596-1	SALMONES CAMANCHACA S.A.	99.99	0.01	100.00
77.970.900-0	TRANSPORTES INTERPOLAR LTDA.	50.00	50.00	100.00
79.676.190-3	AÉREO INTERPOLAR LTDA.	99.00	1.00	100.00
76.125.633-5	CAMANCHACA SpA	100.00	0.00	100.00
96.633.150-K	CAMANCHACA CULTIVOS SUR S.A.	93.05	6.95	100.00
96.540.710-3	FIORDO BLANCO S.A.	99.99	0.01	100.00
76.143.821-2	CAMANCHACA PESCA SUR S.A.	70.00	0.00	70.00
96.786.700-4	INMOBILIARIA CAMANCHACA S.A.	3.06	96.94	100.00
0-E	CAMANCHACA INC.	0.05	99.95	100.00
0-E	KABUSHIKI KAISHA CAMANCHACA	0.50	99.50	100.00

**CORPORATE NAME AND TYPE OF ENTITY:
SALMONES CAMANCHACA S.A.****OBJECTIVE**

Breeding, producing, marketing and farming salmon, trout and other species or organisms whose normal and most frequent environment is water, including research and development of salmonidae genetics, farming, processing, producing and marketing marine products.

GENERAL INFORMATION

The Company was formed from a division of Camanchaca as a privately held corporation, and incorporated on June 26, 2009, before Santiago notary public Félix Jara Cadot. It was registered with the Santiago Commerce Registry on page 33,897 No. 23,131 in 2009.

SUBSCRIBED AND PAID CAPITAL

US\$34,843,047

CHAIRMAN

Francisco de Borja Cifuentes Correa

CHIEF EXECUTIVE OFFICER

Jorge Andrés Fernández García

BOARD OF DIRECTORS

Francisco de Borja Cifuentes Correa, Ricardo García Holtz, Jorge Andrés Fernández García, Cristián Fernández García and Jan Stengel Meierdirks.

**CORPORATE NAME AND TYPE OF ENTITY:
TRANSPORTES INTERPOLAR LTDA.****OBJECTIVE**

Distributing and marketing, developing all types of aquaculture activities; purchasing, selling, importing and transporting in any form all classes of assets related to its corporate objective, representing domestic and foreign companies; providing services and consulting on such matters and transporting all kinds of cargo in Company or third-party trucks.

GENERAL INFORMATION

The Company was incorporated on July 31, 2003, before Santiago notary public Félix Jara Cadot. It was registered with the Santiago Commerce Registry on page 23,151 No. 17,499 in 2003.

SUBSCRIBED AND PAID CAPITAL

US\$2,708

MANAGEMENT

The management and representation of the Company and the use of its corporate name are controlled by Compañía Pesquera Camanchaca S.A.

**CORPORATE NAME AND TYPE OF ENTITY:
AÉREO INTERPOLAR LTDA.****OBJECTIVE**

1. - Transporting all kinds of cargo in Company or third-party trucks. 2. - Commercial aeronautics both for cargo and passenger services, and providing different types of air services including aerial fish prospecting and any other commercial activity carried out using aircraft, their rental, chartering and other aeronautical contracts, both with Company and third-party aircraft; and aircraft maintenance, all within Chilean territory.

GENERAL INFORMATION

The Company was incorporated on September 9, 1986, before Santiago notary public Andrés Rubio Flores. It was registered with the Santiago Commerce Registry on page 18,301 No. 10,092 in 1986.

SUBSCRIBED AND PAID CAPITAL

US\$6,021

MANAGEMENT

The management of the Company and the use of its corporate name are controlled by Compañía Pesquera Camanchaca S.A.

**CORPORATE NAME AND TYPE OF ENTITY:
CAMANCHACA SPA.****OBJECTIVE**

Making investments, in chattel or real estate, corporate stocks, rights in other companies, bonds, commercial paper and other securities.

GENERAL INFORMATION

The Company was incorporated on August 9, 2010, before Santiago notary public Félix Jara Cadot. It was registered with the Santiago Commerce Registry on page 44,163 No. 30,603 in 2010.

SUBSCRIBED AND PAID CAPITAL

US\$28,201,943

MANAGEMENT

The management and representation of the Company and the use of its corporate name are controlled by Compañía Pesquera Camanchaca S.A.

**CORPORATE NAME AND TYPE OF ENTITY:
CAMANCHACA CULTIVOS SUR S.A.****OBJECTIVE**

Research, development, production, industrialization and marketing of all types of marine products.

GENERAL INFORMATION

The Company was incorporated on March 5, 1992, before Santiago notary public Aliro Veloso Muñoz. It was registered with the Santiago Commerce Registry on page 9371 No. 4,672 in 1992.

SUBSCRIBED AND PAID CAPITAL

US\$19,774,019

CHAIRMAN

Francisco de Borja Cifuentes Correa

CHIEF EXECUTIVE OFFICER

Nicolás Guzmán Covarrubias

BOARD OF DIRECTORS

Francisco de Borja Cifuentes Correa, Ricardo García Holtz and Cristián Fernández García.

**CORPORATE NAME AND TYPE OF ENTITY:
FIORDO BLANCO S.A.****OBJECTIVE**

Research, development, farming, processing, production and marketing of marine products.

GENERAL INFORMATION

The Company was incorporated on September 20, 1988, before Santiago notary public Ricardo Maure Gallardo. It was registered with the Los Andes Commerce Registry on page 59 No. 47 in 1988.

SUBSCRIBED AND PAID CAPITAL

US\$45,960,499

CHAIRMAN

Francisco de Borja Cifuentes Correa

CHIEF EXECUTIVE OFFICER

Jorge Andrés Fernández García

BOARD OF DIRECTORS

Francisco de Borja Cifuentes Correa, Ricardo García Holtz and Cristián Fernández García.

**CORPORATE NAME AND TYPE OF ENTITY:
CAMANCHACA PESCA SUR S.A.****OBJECTIVE**

Fishing activity in general, including research-related fishing and, particularly, capturing, catching, collecting and harvesting hydro-biological resources; engaging in aquaculture of all species, including all living marine organisms and algae; conserving, freezing, and applying preservation techniques to hydro-biological species; creating products originating from any hydro-biological species through partial or complete processing of Company catches or third-party catches obtained during the extraction or harvesting phases; building, maintaining, repairing, operating, and leasing ships suitable for extractive fishing or processing, or other support vessels; and industrializing, creating, selling, distributing and exporting products originating from its activities.

GENERAL INFORMATION

The Company was incorporated on March 17, 2011, before Santiago notary public Félix Jara Cadot. It was registered with the Santiago Commerce Registry on page 15,721 No. 11,916 in 2011.

SUBSCRIBED AND PAID CAPITAL

US\$180,192,217

CHAIRMAN

Francisco de Borja Cifuentes Correa

CHIEF EXECUTIVE OFFICER

Gonzalo Fernández García

BOARD OF DIRECTORS

Francisco de Borja Cifuentes Correa, Juan Ignacio Domínguez Arteaga, Jan Stengel Meierdirks, Frank Stengel Meierdirks and Ricardo García Holtz.

**CORPORATE NAME AND TYPE OF ENTITY:
CAMANCHACA INC.****OBJECTIVE**

Distributing and selling salmon, mussels and langostino lobsters.

GENERAL INFORMATION

The Company was incorporated on January 4, 2001, in Miami, Florida, USA.

SUBSCRIBED AND PAID CAPITAL

US\$4,002,000

CHAIRMAN

Ricardo García Holtz

CHIEF EXECUTIVE OFFICER

Bert Bachmann

BOARD OF DIRECTORS

Ricardo García Holtz, Jorge Andrés Fernández García, Daniel Bortnik Ventura and Igal Neiman Brodsky.

**CORPORATE NAME AND TYPE OF ENTITY:
INMOBILIARIA CAMANCHACA S.A.**

OBJECTIVE

1. Acquiring real estate, repairing, transforming, refurbishing, rebuilding, restoring, urbanizing and subdividing property acquired under any title, constructing any type of building, residence, office, store, warehouse and parking area intended for rental, sale to third parties and any other form of disposal or exploitation. 2. Managing buildings. 3. Investing in, managing and collecting income from all types of chattel, whether tangible or intangible, especially rights in corporations, shares, bonds and other securities.

GENERAL INFORMATION

The Company was incorporated on March 15, 1996, before Santiago notary public Félix Jara Cadot. It was registered with the Santiago Commerce Registry on page 7,681 No. 6,285 in 1996.

SUBSCRIBED AND PAID CAPITAL

US\$414,093

CHAIRMAN

Jorge Fernández Valdés

CHIEF EXECUTIVE OFFICER

Jorge Andrés Fernández García

BOARD OF DIRECTORS

Jorge Fernández Valdés, Francisco de Borja Cifuentes Correa and Ricardo García Holtz.

**CORPORATE NAME AND TYPE OF ENTITY:
KABUSHIKI KAISHA CAMANCHACA**

OBJECTIVE

1. Importing, exporting, domestic sales and processing of seafood, agricultural produce and food products. 2. Importing, exporting and domestic sales of food processing and packaging machinery as well as their auxiliary equipment. 3. Importing, exporting and domestic sale of alcoholic beverages. Any other commercial activities inherent in the preceding objectives.

GENERAL INFORMATION

Kabushiki Kaisha Camanchaca (Japanese for Camanchaca Limited) was incorporated in Japan, in accordance with Japanese legislation, on May 6, 2005.

SUBSCRIBED AND PAID CAPITAL

US\$123,320

CHAIRMAN

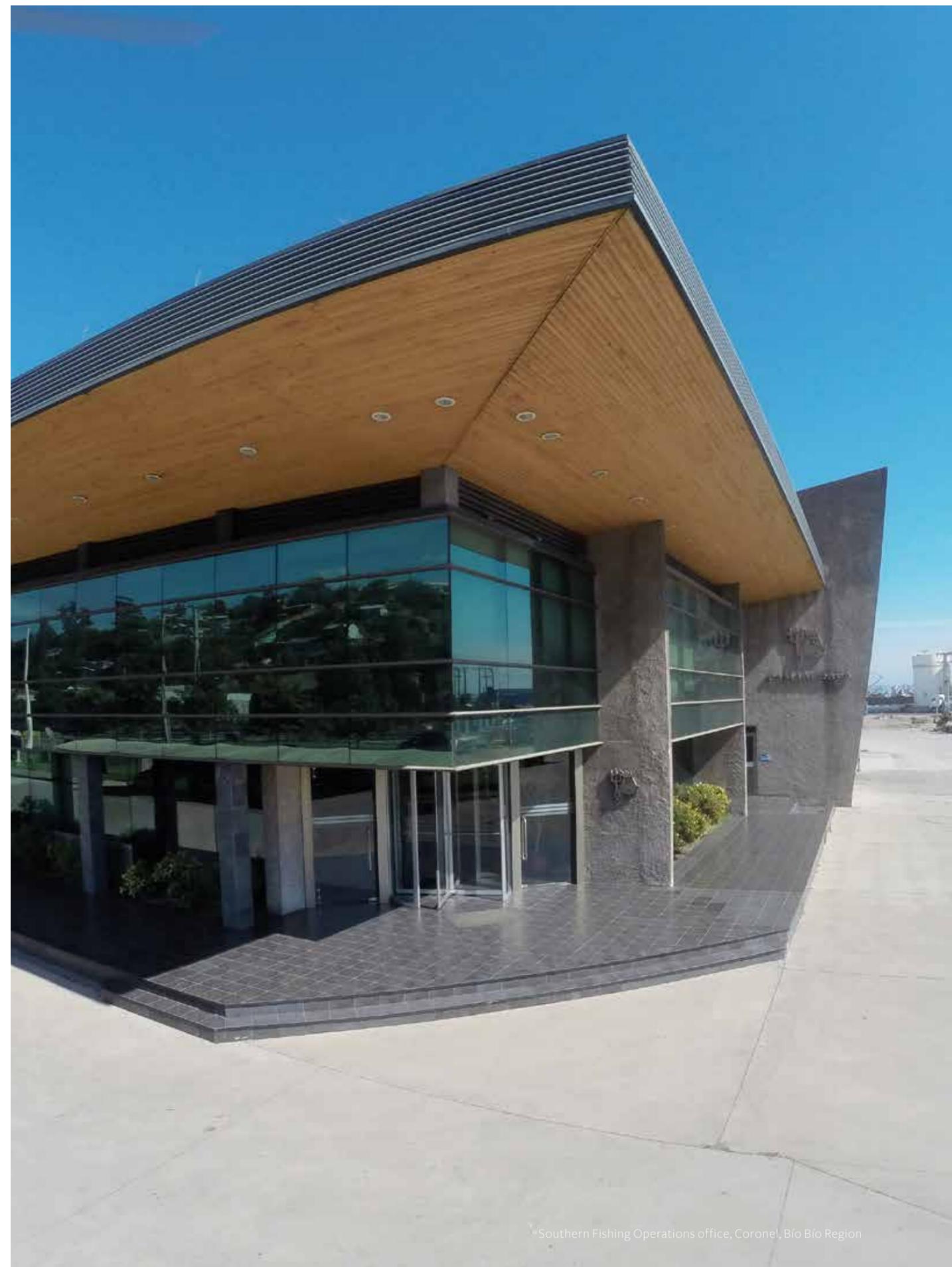
Minoru Shiraishi

CHIEF EXECUTIVE OFFICER

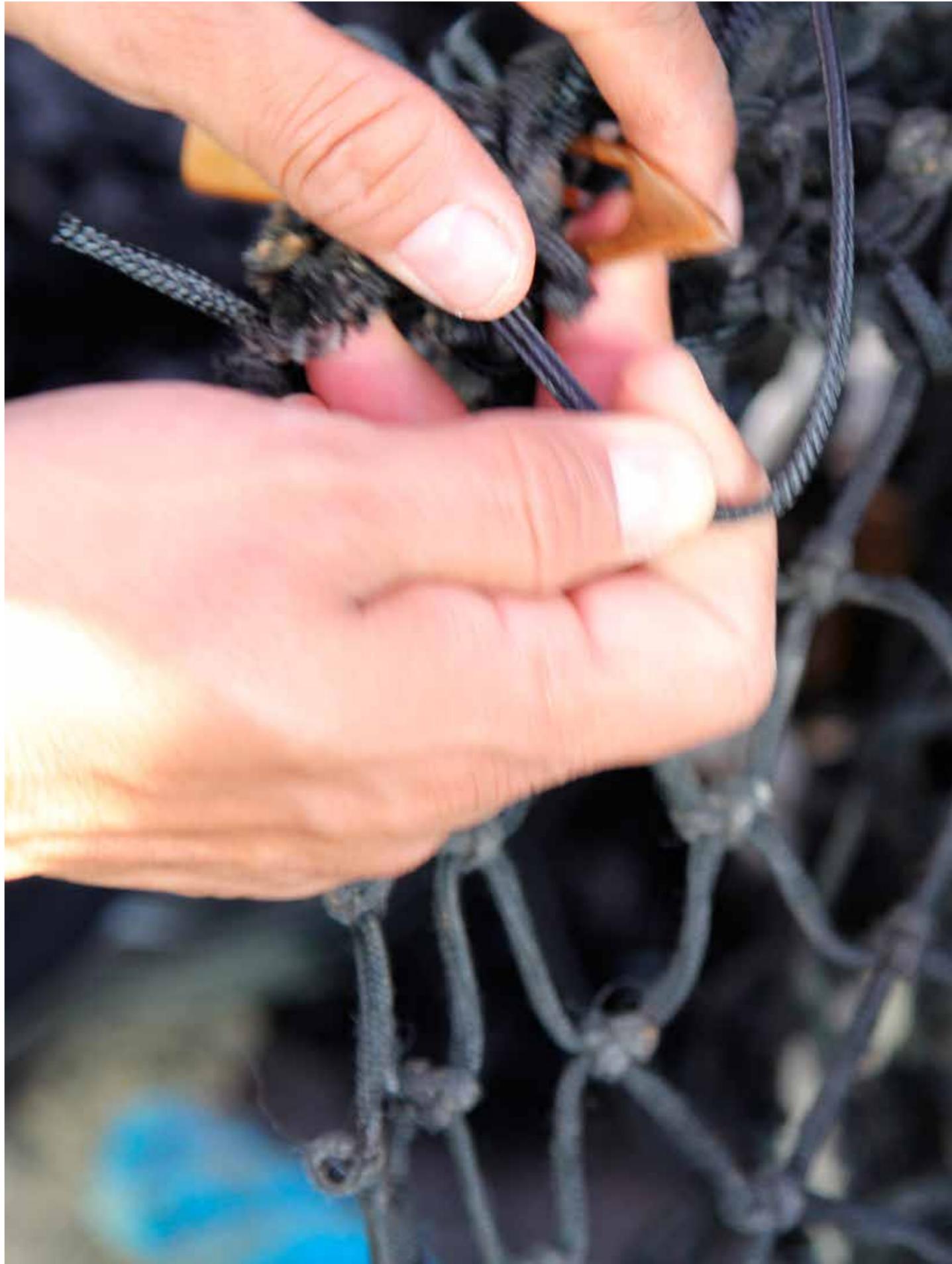
Minoru Shiraishi

BOARD OF DIRECTORS

Ricardo García Holtz, Jorge Andrés Fernández García, Igal Neiman Brodsky, Daniel Bortnik Ventura, Hiranori Mitsuhashi, Gonzalo Fernández García, Cristián Fernández García, Nicolás Guzmán Covarrubias, Juan Carlos Ferrer Echavarrí and Minoru Shiraishi.



*Southern Fishing Operations office, Coronel, Bío Bío Region



ASSOCIATES

CHAPTER THE COMPANY

AS OF DECEMBER 31, 2014

TAXPAYER ID	COMPANY NAME	OWNERSHIP INTEREST		
		DIRECT	INDIRECT	TOTAL
96.969.520-0	CANNEX S.A.			50.00
76.346.370-2	SURPROCESO S.A.	33.33	0.00	33.33
0-E	NEW WORLD CURRENTS INC.	0.00	25.00	25.00

**CORPORATE NAME AND TYPE OF ENTITY:
CANNEX S.A.****OBJECTIVE**

Marketing of canned fish, shellfish and food products.

GENERAL INFORMATION

The Company was incorporated on October 31, 2001, before Santiago notary public Félix Jara Cadot. It was registered with the Santiago Commerce Registry on page 29,112 No. 23,753 in 2001.

SUBSCRIBED AND PAID CAPITAL

US\$1,215,745

CHAIRMAN

Francisco Cifuentes Correa

CHIEF EXECUTIVE OFFICER

Domingo Arteaga Echeverría

BOARD OF DIRECTORS

Guillermo Cornejo Bustamante, Domingo Arteaga Echeverría, Francisco Cifuentes Correa and Juan Carlos Ferrer Echavarrí.

**CORPORATE NAME AND TYPE OF ENTITY:
SURPROCESO S.A.****OBJECTIVE**

Aquaculture-related services

GENERAL INFORMATION

The Company was incorporated on March 17, 2005, before Santiago notary public Arturo Carvajal Escobar. It was registered with the Santiago Commerce Registry on page 177 No. 139 in 2005 and with the Puerto Montt Commerce Registry on page 167 No. 139 in 2005.

SUBSCRIBED AND PAID CAPITAL

US\$1,155,624

CHAIRMAN

Ignacio Pérez Benítez

CHIEF EXECUTIVE OFFICER

Guillermo Enrique Vásquez Maldonado

BOARD OF DIRECTORS

Ignacio Pérez Benítez, Adrián Fernández Rosemberg, Sergio Smith Partarrieu, Álvaro Contreras Pérez, Jorge Fernández García and Daniel Bortnik Ventura.

**CORPORATE NAME AND TYPE OF ENTITY:
NEW WORLD CURRENTS INC.****OBJECTIVE**

Establishing, processing, and carrying out the business of an investing company in any part of the world; buying, selling and negotiating all kinds of articles for consumption, capital stock, bonds and securities of all kinds; buying, selling, renting, leasing or otherwise acquiring or disposing of movable or immovable property; investing in any industrial or commercial business either as owner or shareholder; receiving and granting secured or unsecured loans; agreeing, celebrating, complying with and carrying out all kinds of contracts; opening and operating bank accounts of any kind in any part of the world, acting as guarantor or ensuring compliance with and enforcement of any and all contracts; engaging in any lawful business not forbidden to a corporation; and executing any of these preceding objectives as principal, agent or any other form of representation.

GENERAL INFORMATION

The Company began operations on December 20, 2013.

SUBSCRIBED AND PAID CAPITAL

US\$10,000

CHAIRMAN

Juan Carlos Ferrer Echavarrí

BOARD OF DIRECTORS

Juan Carlos Ferrer Echavarrí, José Miguel Barriga Philips, Ricardo Misraji Vaizer and Eduardo Goycoolea Moreno.



Salmon farming site, Los Lagos Region
Grow-out process

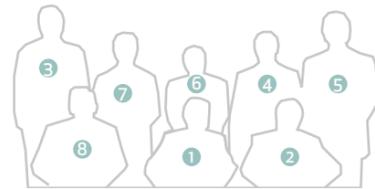
4

BOARD OF DIRECTORS AND MANAGEMENT

CAMANCHACA ANNUAL REPORT 2014

BOARD OF DIRECTORS

CHAPTER BOARD OF DIRECTORS AND MANAGEMENT



1. Jorge Fernández Valdés
Chairman

Entrepreneur

2. Francisco de Borja Cifuentes Correa
Vice Chairman

Lawyer
Pontificia Universidad Católica de Chile

3. Jan Stengel Meierdirks
Board Member

Mechanical Engineer
Universidad Técnica del Estado

4. Juan Ignacio Domínguez Arteaga
Board Member

Economist and Business Administrator
Universidad de Chile

5. Luis Hernán Paul Fresno
Board Member

Civil Engineer Pontificia Universidad Católica de Chile
MBA Massachusetts Institute of Technology

Joaquín Cortez Huerta
6. Board Member

Economist and Business Administrator
Pontificia Universidad Católica de Chile
Master of Arts in Economics, University of Chicago

7. Patrick Michel Meynial
Board Member

Engineer l'Ecole des Mines de Paris
MBA Kellogg Graduate School of Management - Northwestern University

8. Ricardo García Holtz
Chief Executive Officer

Economist and Business Administrator
Pontificia Universidad Católica de Chile
Master's in Economics,
Pontificia Universidad Católica de Chile
Master's in Economics, University of California, Los Angeles (UCLA)



KEY EXECUTIVES

● CHAPTER BOARD OF DIRECTORS AND MANAGEMENT



1. Ricardo García Holtz
Chief Executive Officer

Economist and Business Administrator
Pontificia Universidad Católica de Chile
Master's in Economics
Pontificia Universidad Católica de Chile
Master's in Economics
University of California, Los Angeles (UCLA)

2. Jorge Fernández García
Salmon Division Director

Economist and Business Administrator
Universidad de Chile

3. Cristián Fernández García
Scallop and Abalone Division Director

4. Gonzalo Fernández García
Fishing Division Director

5. Nicolás Guzmán Covarrubias
Mussel Division Director

Civil Engineer
Universidad de Chile

6. Igal Neiman Brodsky
Corporate Marketing, Planning, Processes and IT Director

Economist and Business Administrator
Universidad de Chile
MBA,
Stern School of Business - New York University

7. Daniel Bortnik Ventura
Chief Financial Officer

Economist and Business Administrator
Pontificia Universidad Católica de Chile
MBA,
Pontificia Universidad Católica de Chile

8. Juan Carlos Ferrer Echavarrí
Corporate Business Director

Industrial Engineer
Pontificia Universidad Católica de Chile

9. Rafael Andrés Le-Bert Ramírez
Corporate Legal Affairs Director

Lawyer
Universidad de Chile
Master's in Law,
Université de Franche-Comté, Besançon,
France

10. Pablo Hernández Neira
Corporate Human Capital Director

Public Administrator
Universidad de Chile
Master's in Human Resources Management
Universidad Adolfo Ibáñez



PROFESSIONALS, TECHNICIANS AND LABORERS

CHAPTER BOARD OF DIRECTORS AND MANAGEMENT

	2014				2013			
	Laborers	Technicians	Executives	Total	Laborers	Technicians	Executives	Total
Compañía Pesquera Camanchaca S.A.	416	205	18	639	632	211	18	861
Salmones Camanchaca S.A.	1,428	295	15	1,738	1,190	268	11	1,469
Transportes Interpolar Ltda.	29	8	0	37	30	5	0	35
Aéreo Interpolar Ltda.	0	7	0	7	0	7	0	7
Camanchaca Cultivos Sur S. A.	366	51	2	419	202	52	2	256
Camanchaca Pesca Sur S.A.	1,178	185	2	1,365	681	165	2	848
Camanchaca SpA.	0	14	4	18	0	12	4	16
Camanchaca Inc	0	10	3	13	0	9	3	12
Camanchaca Japón	0	4	1	5	0	3	1	4
CONSOLIDATED	3,417	765	41	4,223	2,735	720	37	3,492





Salmon farming site, Islotes, Los Lagos Region
Harvest process with wellboat 'Ana Cristina'.

5

CAMANCHACA'S BUSINESS AND INDUSTRY

CAMANCHACA ANNUAL REPORT 2014

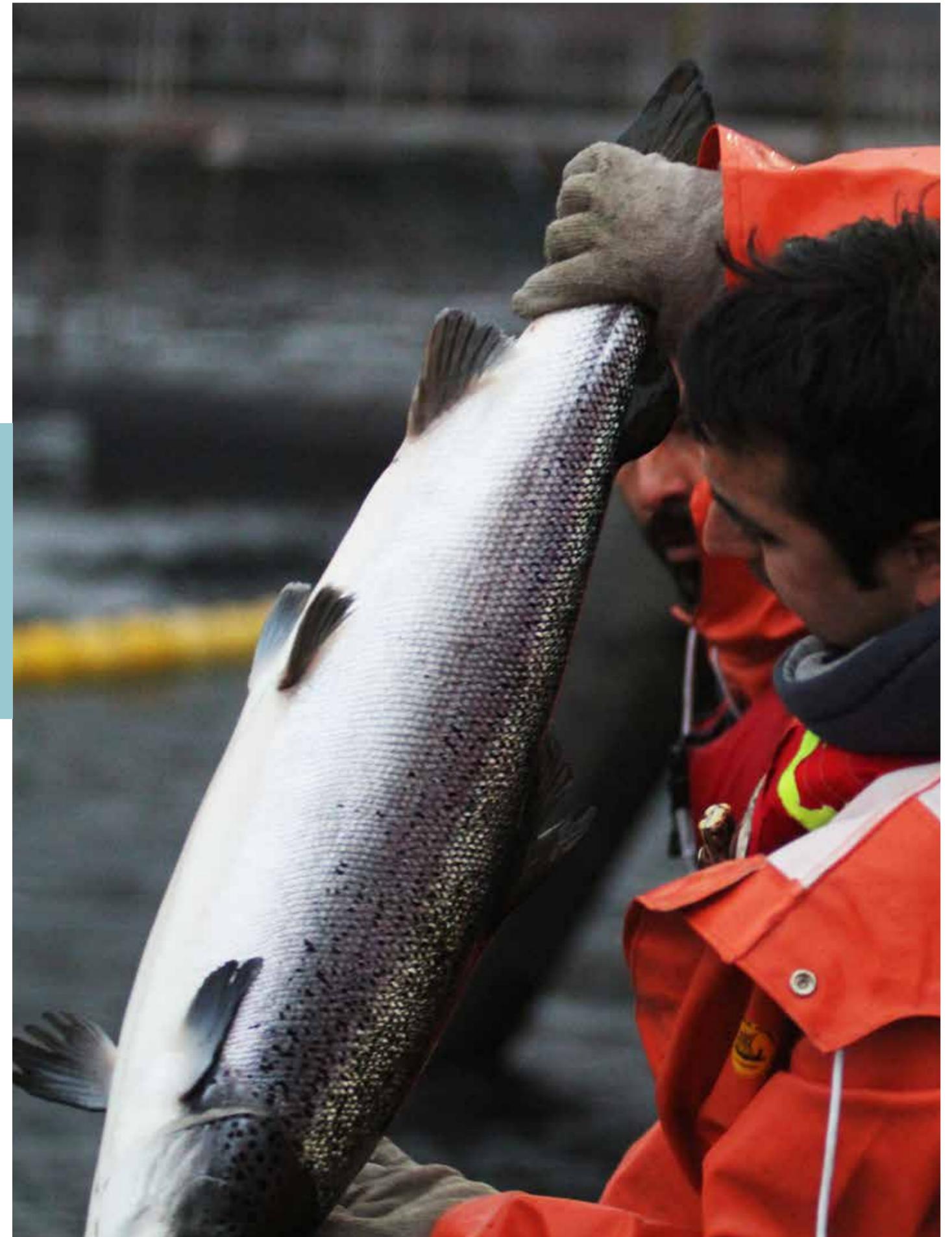
SALMON

● CHAPTER CAMANCHACA'S BUSINESS AND INDUSTRY

Camanchaca has
been in the salmon
business since 1987

In the salmon business since 1987, Camanchaca is a major market player. It shows ongoing concern for the surrounding communities and environment while leading the salmon industry in best practices for smolt transfer, farming, harvesting, processing and marketing.

In 2014, production concentrated on Atlantic salmon. Smolt transfer for trout remained suspended due to poor sanitary conditions that made the species unprofitable. Camanchaca's main export markets for Atlantic salmon are the United States, Brazil, Mexico, Japan and South Korea, with Russia and China also showing high growth potential.



SANITARY CONDITIONS

Losses from mortality were down relative to 2013. In terms of illnesses like SRS, sanitary conditions at farming sites were controlled with rigorous health monitoring; timely, effective treatment; and diets fortified to boost the fish's immune systems.

Measures like vaccinations at sea sites and modifications to net cleaning procedures have been implemented in order to decrease antibiotic use.

To reduce losses due to environmental factors, Camanchaca has incorporated measures like continuous parameter monitoring and oxygenation systems in the most environmentally vulnerable concessions. It has also implemented equipment for daily monitoring of changes in microalgae, data that is especially critical in some production periods and stages.

To reduce losses from mechanical damage, the floating structures of the cages were changed, significantly reducing the related mortalities.

In 2014, Camanchaca effectively controlled sea lice levels—significantly reducing infestations relative to 2013—thanks to improved treatment coordination throughout the salmon industry; strong commitment to uphold agreements; an appropriate pharmaceutical use strategy; and selection of sites with favorable environmental conditions and low salinity.

New technology was used to implement initiatives like remote feeding, which reduced the number of unscheduled fast days, thus shortening the grow-out cycles; and mortality collectors, which reduced the number diving hours.

These factors, coupled with improved sanitary conditions, positively impacted production and processing costs, driving them down to US\$3.42 per kilo, 4% below 2013.

MARKETS

In 2014, global supply rose 9%, slightly above the natural growth in demand. Chilean supply increased sharply in the second half of the year. This spike, along with significant devaluation of local currencies relative to the US dollar in the main destination markets, drove international prices down in the last months of the year.

Nonetheless, the Company's average price in 2014 was 10% higher than prior year, thanks to a sales strategy that prioritized mature markets, where sound client relationships have been developed. Our sales office in Miami performed particularly well in this respect. New market penetration has also been important. The New World Currents partnership, which aims to market Atlantic salmon in China, has established itself in the market.

BEST AQUACULTURE PRACTICES (BAP)

In 2014, Camanchaca has continued BAP certification for all its sea water sites in harvest and its processing plant in Tomé. This strengthens our commitment to the highest production standards, ensuring quality salmon for our customers.

SUSTAINABILITY

Progress has been made on educational issues through agreements with technical training institutions that play a leading role in human capital formation. The Company has also strengthened ties with the community through its open door policy and made strides in environmental matters through beach cleaning activities. These efforts have been highly prized by surrounding communities.

EL MERCURIO NEWSPAPER

NOVEMBER 16, 2014

C 22

NACIONAL

EL MERCURIO DOMINGO 16 DE NOVIEMBRE DE 2014



Ayúta. Con planta desalinizadora y de tratamiento de aguas servidas, además de internet y televisión, el pontón de Marlene, en el fundo Camara, es el más moderno de Camanchaca. Y, por estos días, se prepara para recibir una nueva producción de salmónes, que circularán en este centro su etapa de mar.

Vivir a flote

Los pontones se han convertido en un símbolo de la industria salmonera. Están los que permiten una vida con todas las comodidades sobre el agua, junto a los centros de cultivo. Y están los de las zonas más expuestas en el océano, que pueden convertirse en una pesadilla cuando se desata un temporal.



INGOSOL. Mientras las peces se acomodan a recibir el alimento por el dispensador automatizado, se les reparte los pellets correspondientes, para que nada. El objetivo es, al término del ciclo de 18 meses de producción, estar listo para la cosecha, explica Francisco Rojas.

Afirmate, cabrito

—Hacia la vida flotante. Yendo a ver al agua. Maltrid Schweiter, ingeniero agrícola, quien acaba de pasar 10 días en un pontón en el sector de La Unión, también produce mariscos y diversos de cabrita. Al final, dice, el campo se acostumbró. Cuenta que cuando se está en tierra es difícil imaginar lo que puede ser vivir y trabajar a diario en el agua. —No podía tener en ningún momento. Todo es en el agua, desde que te levantas. La casa, el trabajo, el transporte... todo es sobre el agua.

FAMOSO. En Cauquenes, Agustín Uribe Galdames es el "coche", como le dicen a los chefs en los pontones. Su reputación es tanta en otros centros, donde recorren regularmente los hoteles a trabajar.

Comer, rezar, flotar Justaban, el chef, estuvo en los famosos pontones de Ayúta apenas llegó a la industria salmonera. "A los locales al inicio me mandaron al canal Schaffner, al centro de Despeñadero de Melinka. Cuando se colocaba estaba en medio de todo, todo", recuerda. Allí, los pontones de las empresas tienen su propia vida. Igual que en los barcos. "Y las cosas livianas van arriba y la zona pesada abajo".

Tan complicado como el bumbo en la cocina que significa llegar a ellos. Hay que volver a Buena Vista, luego seguir por tierra a Puerto Chaihuaco y, desde ahí, tomar una lancha pesquera.

Puede ser fácilmente más de un día viajando. "Te vas temprano de que llegas las empresas con los centros de habitabilidad y

Francisco Rojas está frente un "cabrito" en un pontón. No vuela en él, pero que cuando él y sus compañeros de trabajo están en el agua, se sienten como si estuvieran en un barco. Probablemente, son los buenos los más contrastados con los pontones. Ellos realizan la faena más dura y rítmica en un centro de cultivo, sumergidos durante horas retirando peces muertos para evitar la presencia de un agente patógeno de la enfermedad de los salmónes, que se reduce en los recipientes cercanos.

Jorge Miranda, uno de esos buenos, afirma que los primeros meses de operación los más difíciles son los primeros, porque cuando las peces están pequeñas no les llaman la atención. Pero cuando crecen, se sienten como si estuvieran en un barco de guerra, los salmónes se espantan y comienzan a moverse en busca de un bote.

Alto los salmónes deben reducir sus esfuerzos para detectar el mismo problema en la red flotante. Lo que está ahí arriba protege el centro, "porque aprovechan cualquier espacio que se abra".

Marcel Pérez, con 21 años, es el más novato de los buenos en Cauquenes. No comienza los pontones ni había escuchado hablar de estas cosas flotantes. Y aunque está de nuevo a sus amigos en el al gremio, se siente cómodo haciendo su vida sobre el agua.

Con más experiencia en el campo, Maltrid recuerda sus inicios en esta actividad. —Me habían dicho que me iba a estar mal, pero me fue así. Volví a estar al pontón.

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PRODUCTION CHAIN

Camanchaca owns a large portion of the assets used throughout the salmon production chain. This advantage distinguishes the Company from competitors and grants it the autonomy and flexibility to develop production plans according to market needs.

FRESH WATER PRODUCTION CYCLE

POLCURA HATCHERY

Located in the Antuco sector of the Bío Bío Region, these facilities, with more than 15 highly qualified professionals, are home to the advanced genetic improvement program for Atlantic salmon. The production cycle begins with the development of breeders. After some years, breeders are transferred to the Río del Este hatchery, in the Los Lagos Region, where light and temperature techniques are used to prepare them for spawning, making eggs available year-round.

RÍO DEL ESTE HATCHERY

Spawning occurs at this hatchery, which employs more than 20 professionals. Eggs are then transferred to the Río Petrohué hatchery, also in the Los Lagos Region, located 40 kilometers away.

RÍO PETROHUÉ HATCHERY

Located in the Ensenada sector of the Los Lagos Region, this is the world's largest recirculating hatchery, with capacity of up to 15 million smolts per year. In this closed structure, protected from the elements, production variables like temperature, oxygen and light are controlled. Recirculation reduces the impact on its surroundings, allowing for an environmentally friendly hatchery and sustainable farming.



Río del Este Hatchery, Los Lagos Region

SEA GROW-OUT PRODUCTION CYCLE

SEA FARMING SITES

The Company has 75 concessions distributed among 14 neighborhoods in the Los Lagos and Aysén regions. These concessions provide harvests throughout the majority of the year and ensure sustainable growth in years to come.

The process begins with the approximately month-long process of seeding smolts in the sea. The Atlantic Salmon smolts are grown-out for between 14 and 19 months, then harvested in wellboats and transferred to the Camanchaca processing plant.

HARVEST AND PROCESSING

WELLBOATS

The Company-owned, closed-cycle wellboat, the Ana Cristina, lends autonomy and flexibility to the harvesting process. This is a crucial business advantage.

To cover additional harvesting needs throughout the year, Camanchaca maintains an exclusive use contract on an open-cycle wellboat that it uses primarily to harvest sites in the Aysén Region and transport raw material to the Surproceso plant.

PROCESSING PLANT

Salmones Camanchaca has three high-tech processing plants:

PRIMARY PROCESSING PLANTS

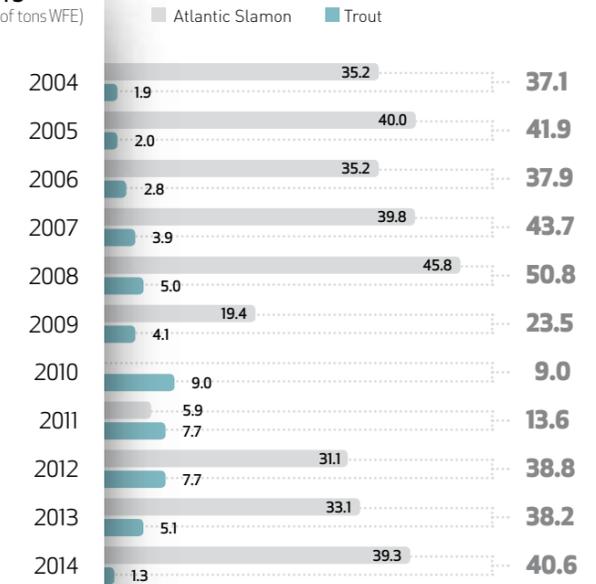
San José: In the city of Calbuco, this primary plant processes fish from sites in the Los Lagos Region. Its capacity of 100,000 fish per day allows it to process fish from other producers, providing the Company with an additional source of income.

Surproceso: Salmones Camanchaca owns one-third of this plant. Located in the city of Quellón, in the Los Lagos Region, the plant has a capacity of 115,000 fish per day and processes fish from grow-out sites in the Aysén Region.

VALUE-ADDED PLANT

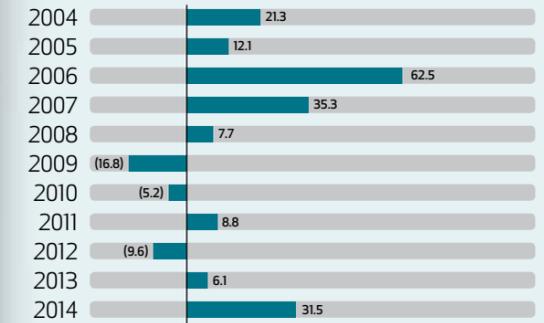
Tomé: This modern plant produces frozen fish, fillets, portions and other value-added products. It has a daily processing capacity of 240 tons of raw material and can produce 100 tons of frozen product, 80 tons of various fresh salmon fillets and 50 tons of portions each day.

HARVESTS
(thousands of tons WFE)



EBITDA BEFORE FAIR VALUE ADJUSTMENT
(Millions of US\$)

SALMON



REVENUE
(Millions of US\$)*



*Excludes other revenue from the salmon business.

FISHING

CHAPTER CAMANCHACA'S BUSINESS AND INDUSTRY

The Company is a major player in the fishing business, both in northern and southern Chile.

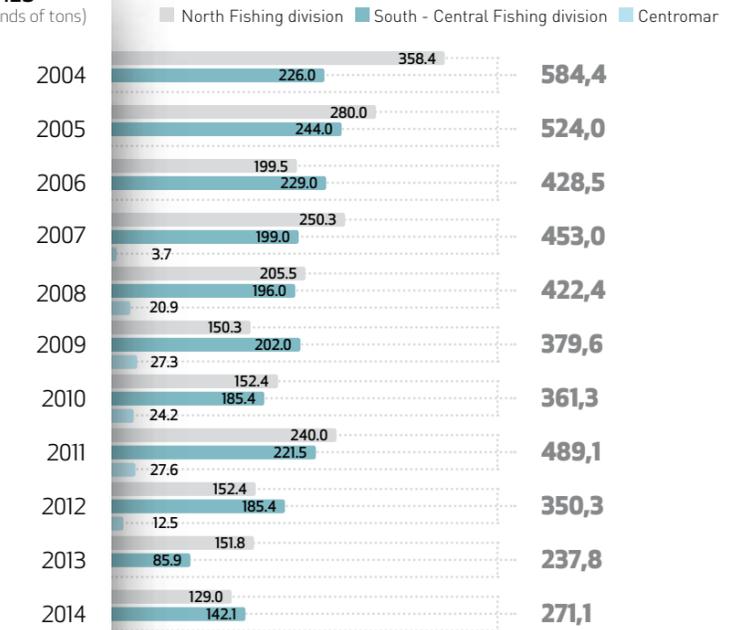
Since 2000, the global fishing industry has felt the effects of shortages in the biomass of wild species. Major producers, like Chile, have established catch quotas designed to prevent overexploitation of marine resources. These quotas have kept global supply relatively stagnant in recent years. The supply of pelagic fish for human consumption is expected to remain stable in upcoming fishing seasons, with a focus on higher value-added products.

Consequently, products made from pelagic fish have increased in price. In late 2014, fishmeal

prices increased dramatically due to a shortage of raw material in Peru, the world's largest producer.

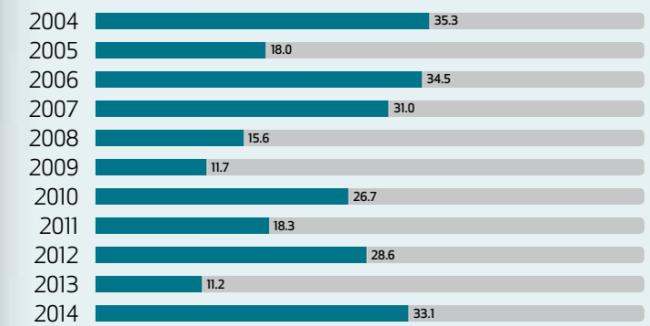
The Company is a major player in the fishing business, both in northern and southern Chile. From its base in Iquique, it covers the regions of Tarapacá, Antofagasta and Arica-Parinacota in the north; and from Coronel and Talcahuano, it covers central and southern Chile.

CATCHES
(thousands of tons)

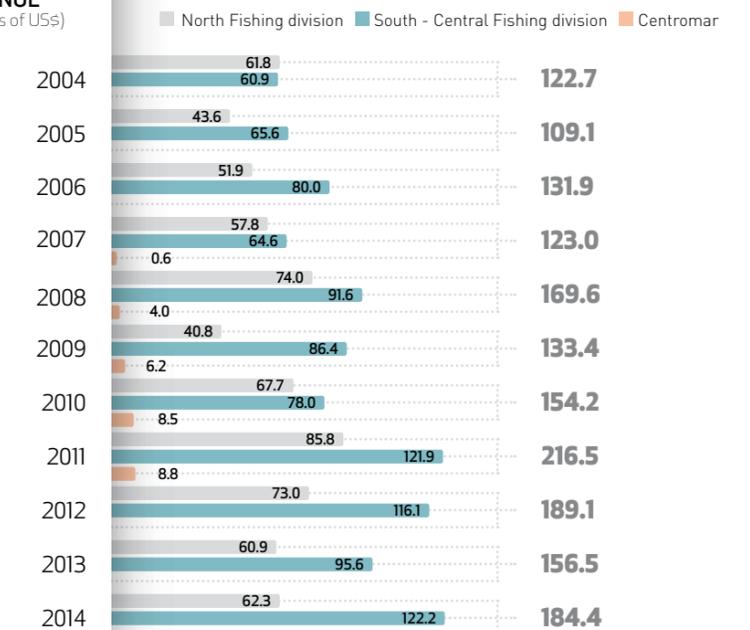


EBITDA
(Millions of US\$)

FISHING



REVENUE
(Millions of US\$)



NORTHERN FISHING OPERATIONS

CHAPTER CAMANCHACA'S BUSINESS AND INDUSTRY

LA ESTRELLA
NEWSPAPER, IQUIQUE

APRIL 10, 2014

64

Pesquera Camanchaca sigue funcionando



EJECUTIVOS DE LA PESQUERA.

Con sus 500 trabajadores el labores normales, la pesquera Camanchaca sigue funcionando pese a los dos terremotos que azotaron a la región. El recinto sufrió daños de consideración, según sus ejecutivos. Adolfo Carvajal, gerente regional pesca norte; Gonzalo Fernández, gerente Camanchaca y Ricardo García gerente general, señalaron que continúan laborando y manteniendo

una carga importante de trabajo Resaltaron que están preocupados por sus trabajadores y les están ofreciendo todo tipo de ayuda. "Nuestra planta sufrió algunos daños de consideración que están siendo reparados, pero hay que seguir laborando especialmente por nuestros clientes en el extranjero porque anualmente exportamos 40 mil toneladas de harina y aceite de pescado".

The Company's northern fishing division is focused on purse-seine anchovy and jack mackerel fishing for fishmeal and fish oil production.

Camanchaca is the second largest player in this geographical area, with 19.75% of the anchovy quotas and 17.49% of the jack mackerel quotas.

Its facilities are located at the port of Iquique, and include a modern plant with a daily processing capacity of 2,500 tons.

In April 2014, two earthquakes (8.3 and 7.9 on the Richter scale) struck the city of Iquique, forcing the Company to focus efforts on maintaining operations in the Iquique plant.

Thanks to a quick response by the Company and authorities, operations continued in the zone without major problems. At the time of

this publication, the damage has been almost completely repaired.

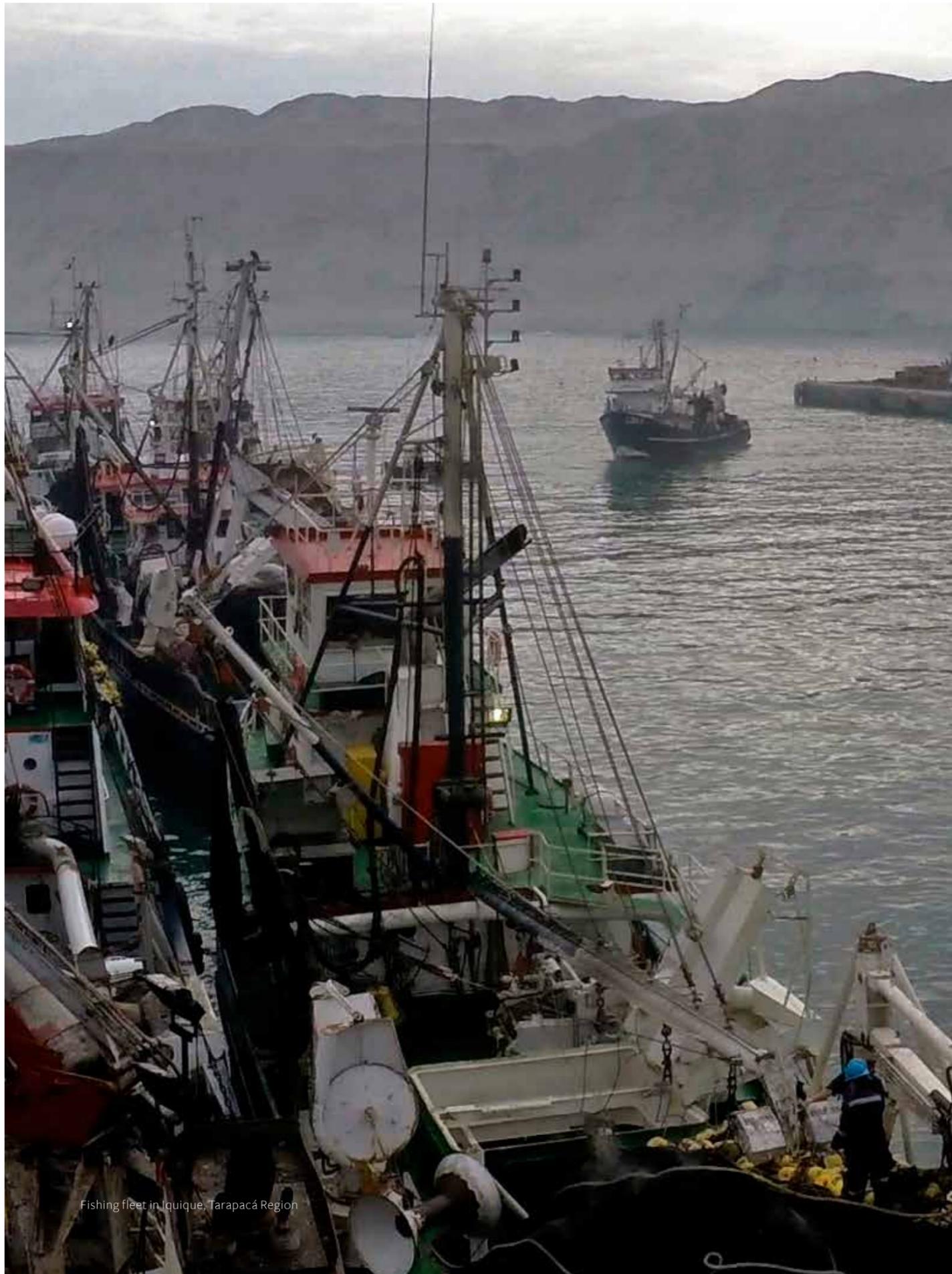
The Company has earned the following quality certifications for this segment: G.M.P. ISO 9001, ISO 14001, IFFORS, HACCP, PAC and OHSAS 18001. These certifications enable our products to be exported around the world by guaranteeing quality, environmental protection, and worker health and safety.

The fleet in northern Chile is comprised of 15 fishing vessels equipped with cutting-edge technology for detection and catching, air support for fish prospecting, communications and navigation. It has a modern fish-unloading system that preserves raw material quality, improving yield and finished-product quality while mitigating potential environmental impacts.



Fishing fleet in Iquique, Tarapacá Region

65



Fishing fleet in Iquique, Tarapacá Region

SUSTAINABILITY

Through an agreement with the Center for Applied Ocean Research (Centro de Investigación Aplicada del Mar, CIAM) and in an effort to improve fishery management in northern Chile, the Company conducts prospecting of biomass and oceanographic conditions, contributing data to the Subsecretary of Fishing.

The Company's contact with the community increased markedly when it began inviting surrounding civic associations and educational institutions (schools and universities) to visit its facilities and learn about its operations and how Camanchaca contributes to the region. For the first time and in conjunction with the regional government, the Company hosted Pasamos Agosto, a celebration in which the elderly celebrate the passing of winter. Nearly one hundred senior citizens from the Tarapacá Region joined government authorities to celebrate.

PRODUCTION ACTIVITIES

As anchovies are the main pelagic fish processed by the division, catches in northern Chile have historically been influenced by the anchovy cycle. The Company has processed a yearly average of nearly 210 thousand tons since 2004, when volume peaked at 360 thousand tons.

Applicable as of 2015, authorities announced a new reduction in the anchovy quotas for fishing operations in the Arica-Parinacota and Antofagasta regions. Since 2011, quotas have been reduced by 55%, falling from 240 thousand tons to approximately 115 thousand tons in 2015.

These changes forced the Company to reduce its fleet by three vessels (a 20% decrease) and lay off 47 workers (12% of direct and indirect personnel in Iquique). Consequently, as of the 2015 season, the division will operate with 12 vessels.

This area produces and sells two main products:

- Fishmeal: With its high protein content, high level of digestibility, and the presence of essential amino acids. Fishmeal is used as an ingredient in animal feed, primarily in aquaculture.
- Fish oil for human consumption: It is used principally for nutritional and pharmacological purposes due to its high omega 3 content (EPA, DHA and DPA). This product is sold primarily in Europe and North America.

SOUTHERN FISHING OPERATIONS

● CHAPTER CAMANCHACA'S BUSINESS AND INDUSTRY

Ninety percent of the jack mackerel caught by Camanchaca Pesca Sur in 2014 was used for direct human consumption.

Subsidiary Camanchaca Pesca Sur holds 19.33% of the quotas for jack mackerel and 18.2% for sardine and anchovy species in Chile's south-central zone.

Among the main assets of this division is a fleet of 8 offshore purse-seine fishing vessels with a hold capacity totaling 10,000 m³, and 3 vessels for crustacean fishing with a hold capacity of 400 m³.

The division has two plants in Coronel: one for canning, with a production capacity of 25,000 boxes per day, and one for fishmeal and fish oil, with a raw material processing capacity of 2,200 tons per day.

In Talcahuano, the division has a fishmeal and fish oil plant with a processing capacity of 1,500 tons of raw material per day. Its production processes are ISO 9001, IFFORS and HACCP certified. The division has begun the processes of earning MSC certification for langostino lobster operations and IFS certification for canning processes.

In response to growing demand for products for direct human consumption, the Company has continued investing in Talcahuano's frozen jack mackerel plant, increasing daily production capacity to 270 tons. The plant expansion was undertaken primarily because it

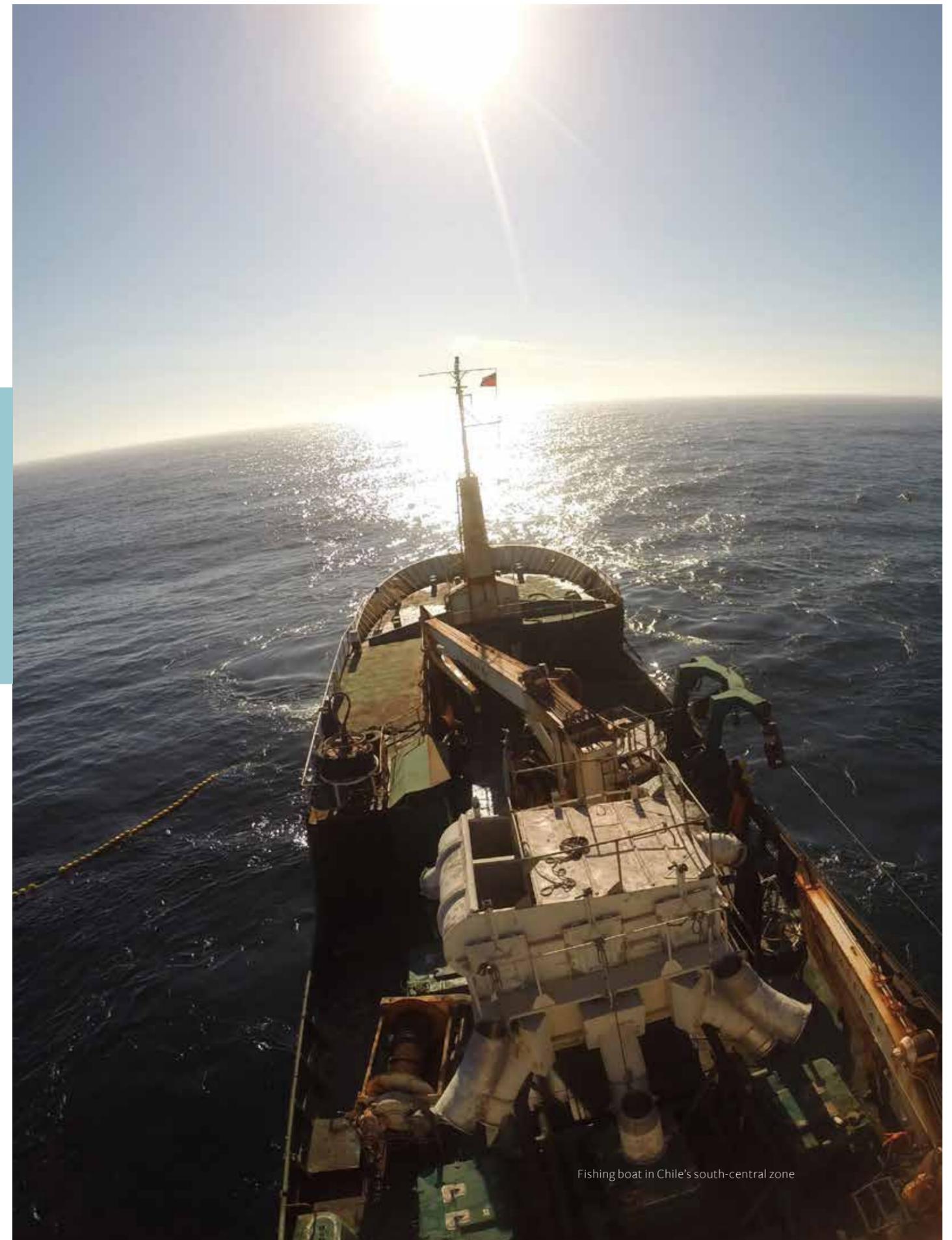
is more profitable to process in a Company-owned plant than one owned by a third-party.

Ninety percent of the jack mackerel caught by Camanchaca Pesca Sur in 2014 was used for direct human consumption.

The Company's langostino lobster plant in Tomé has a raw material processing capacity of 60,000 kilos per day.

Historically, catches in Chile's south-central zone are primarily determined by the jack mackerel's migratory pattern and the state of the sardine biomass. On average, during the last decade, the Company has processed 190 thousand tons annually, peaking at 244 thousand tons in 2005. Small-scale independent fishermen are important in the sardine fishing industry and in recent years have accounted for between 70% and 75% of the annual sardine catches for the Company.

The quotas allotted to Camanchaca Pesca Sur in 2015 for sardines (industrial and independent) and jack mackerel are approximately 87 thousand tons and 45 thousand tons, respectively.



Fishing boat in Chile's south-central zone

PRODUCTS

The products marketed by this area are:

- Fishmeal: With its high protein content, high level of digestibility, and the presence of essential amino acids. Fishmeal is used as an ingredient in animal feed, primarily in aquaculture.
- Fish oil: With its high nutritional value and caloric content, fish oil is used as an ingredient in animal feed, primarily in aquaculture.
- Frozen jack mackerel: A product for direct human consumption that is in high demand given its high protein content.
- Canned fish: Made primarily from jack mackerel and mackerel, its high protein and omega 3 content and low cost make it a product in high demand for human consumption.
- Frozen langostino lobster: A member of the lobster family, nutritional content and rich flavor make langostino lobsters highly valued and sought after world-wide. Camanchaca has placed strong emphasis on production of red langostino (langostino colorado), which has a healthy biomass. The Company owns a significant portion of the extraordinary fishing permits for the species.

MARKETS

External markets and customers have increasingly demanded higher quality in terms of product freshness and product analyses.

For example, because of its good quality protein, fishmeal is being increasingly used for animal consumption as the market prefers uses where greater value can be added. In addition, the availability of fishmeal has remained stable, while demand has increased. In 2014, 73% of fishmeal sales and 78% of fish oil sales were made on the Chilean market, where Camanchaca Pesca Sur has supply contracts with the largest salmon feed producers. The remaining 27% of fishmeal sales were exports, primarily to China, Japan and South Korea.

Camanchaca is focusing frozen jack mackerel exports on emerging markets exhibiting rapid growth such as Nigeria, Cameroon, Ghana and Peru. Efforts are being made to export products with higher added value, in individual packages aimed at the final consumer. In 2014, jack mackerel production was up 22%, reaching 15 thousand tons.

Canned products were marketed in 2014 using two formats with high added value, targeting end consumers in Chile, Central America and the Caribbean. The goal is to join the trend of reaching smaller family units.

SUSTAINABILITY

The district of Coronel recognized Camanchaca's efforts to position itself as a model of CSR within the community with an award of distinction. The award was primarily thanks to the Company's open door policy, beach cleanup and clean neighborhood campaigns.

In 2014, as part of the Friendly Camanchaca program, a point of sale for Camanchaca products was inaugurated in Coronel. It aims to provide residents of the Bío Bío Region with access to highly nutritious food products at reasonable prices.

Furthermore, the Company voluntarily joined Coronel's Environmental and Social Recovery Program (Programa de Recuperación Ambiental y Social de Coronel, PRAC), which seeks to resolve the area's pollution problems. The Company also actively collaborates on the recovery of lagoons surrounding Rocuant Island.

EL SUR NEWSPAPER,
CONCEPCIÓN

AUGUST 29, 2014

ABRE EN CORONEL SU SEGUNDA SALA DE VENTAS

Pesquera Camanchaca acerca sus productos de exportación a los vecinos

Se podrán comprar conservas, varios productos de salmón, ostiones y choritos, que la empresa vende en el extranjero.

Su segundo punto de venta abrió ayer en la Región pesquera Camanchaca, esta vez en la comuna de Coronel. El objetivo es promover la alimentación sana entre sus vecinos poniendo a su disposición productos de exportación de gran calidad, con alto valor nutricional y a precios accesibles, dando a conocer así el trabajo que realiza en sus operaciones a lo

largo de Chile.

La iniciativa se enmarca en el programa "Camanchaca Amiga", que busca profundizar y fortalecer la relación de la empresa con sus colaboradores y con las comunidades vecinas.

En la tienda, ubicada en la entrada de la planta industrial de Camanchaca en Coronel, se podrán comprar productos tales como conservas de pescado, varios productos de salmónes, ostiones y choritos, que la empresa exporta a

diferentes mercados, pero que podrá a precios accesibles de manera de promover su consumo en la comunidad. Además, se entregarán

recetarios para fomentar la preparación fácil y rápida de todos estos productos, indicando los valores nutricionales y las ventajas para combatir la creciente obesidad.

El gerente general de la compañía, Ricardo García Holdr, destacó que Chile, pese a ser un importante productor de proteínas

marinas, el consumo de éstos no supera los 5 a 7 kilos al año por persona. Esto se compara negativamente con los 50 kilos de consumo por habitante en Japón o los 30 kilos que comen los españoles al año.

El primer punto de ventas se habilitó en Tomé en mayo de 2013, el que ha tenido una excelente recepción por parte de los vecinos del sector.

En la actividad participaron el presidente de la Aspes, Luis Felipe Moncada; la senadora, Jacqueline Van Rysselberghe; la directora de planificación comunal de la Municipalidad de Coronel, Débora Parra; presidentes de juntas de vecinos del sector; y trabajadores de la empresa.

5

a 7 kilos por persona al año consume Chile en productos marinos.



Para dar el vamos a la tienda, se efectuó la primera compra simbólica encabezada por María Villegas, presidenta de la junta de vecinos de Villa Alegre, acompañada por el gerente general de Camanchaca, Ricardo García, y el gerente División Pesca de Camanchaca, Gonzalo Fernández.

OTHER SEAFOOD

● CHAPTER CAMANCHACA'S BUSINESS AND INDUSTRY

Camanchaca farms mussels, abalone and scallops in privileged concessions located in northern and southern Chile.

OTHER SEAFOOD

Camanchaca has three areas of seafood farming—in addition to the salmon business—which are found in two geographical areas: The Southern Shellfish Division produces mussels on the island of Chiloé in the Los Lagos Region, while the Northern Shellfish Division produces scallops and abalone in the Coquimbo and Atacama regions, respectively.



Mussel processing plant in Rauco, Los Lagos Region

MUSSELS DIVISION

CHAPTER CAMANCHACA'S BUSINESS AND INDUSTRY

More than 24 thousand tons of mussels (raw material) were processed in 2014, reaching record production levels.

MUSSEL PRODUCTION

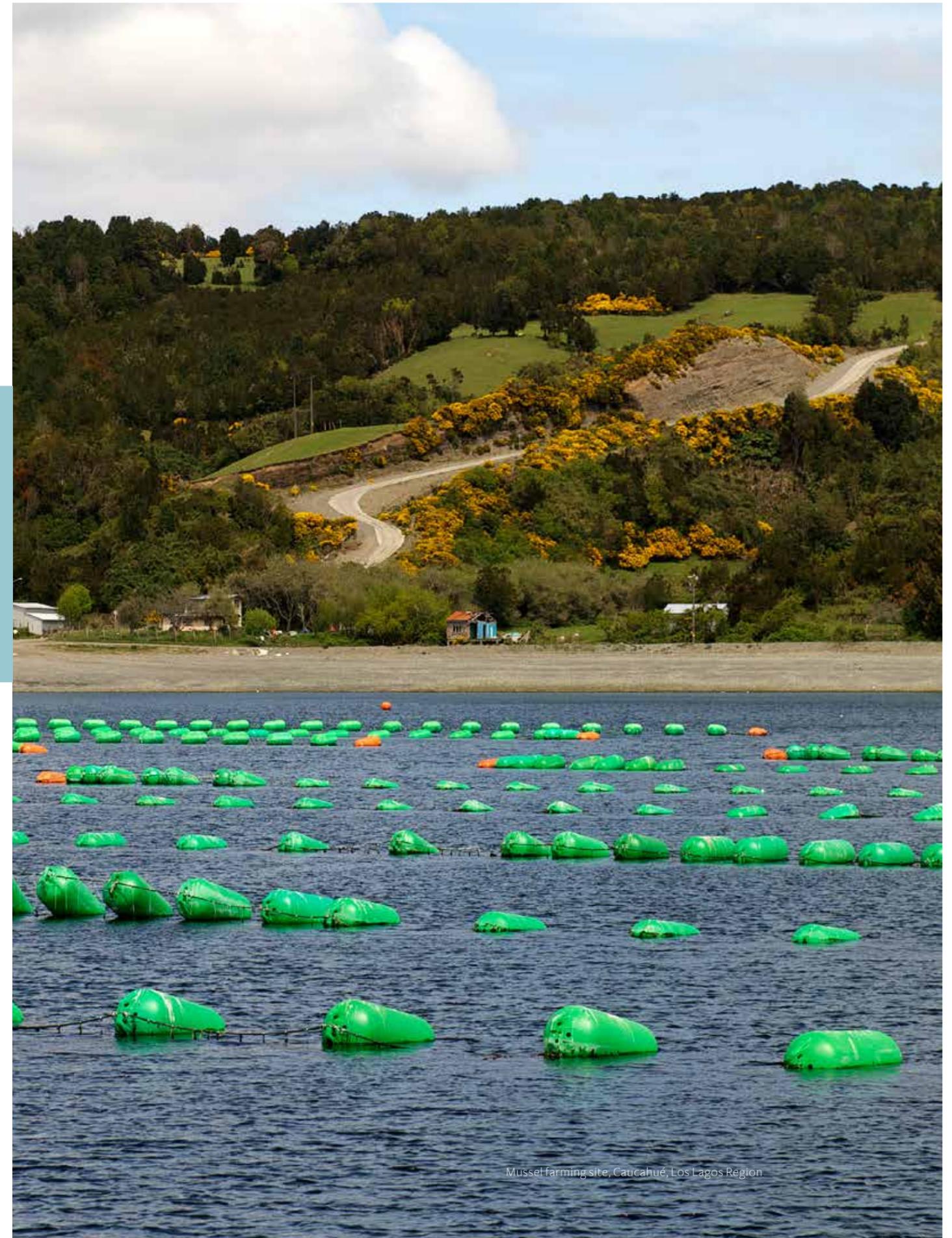
Camanchaca has more than 1,000 hectares of aquaculture concessions for mussel farming in Chiloé. They are divided into three large, fully operational farming areas: Caucahué, in the district of Quemchi; Chequián in the district of Quinchao; and Puyao in the district of Castro. In each area, the Company has its own facilities and direct access to beaches, which makes unloading and storage logistics more efficient.

The mussel production cycle lasts between 14 and 20 months, beginning in the spring with the natural collection of larvae in the estuaries of the Los Lagos Region. After a couple months, the seeds are transported to grow-out sites where they undergo production processes aimed at achieving optimum harvest weight and size.

By seeking cost efficiencies throughout the production chain, strengthening sales management, developing new markets and products, and focusing on business sustainability (especially human capital, the environment and community relations), the division has managed to reverse ailing financial results. Today it is beginning a new stage of consolidation and positive returns on assets.

In 2014, the division processed more than 24 thousand tons of raw materials, reaching record production levels despite the seed shortage of 2013. These levels, in combination with the purchase of a small volume of third-party raw materials, allowed the Company to better leverage its plant assets. The plant's current infrastructure and processes have annual production capacity of around 25 thousand tons.

The processing plant is located in Rauco, in the Chonchi district. Measuring over 5,000 m², it is strategically located with respect to the farming sites, which guarantees raw material freshness. The plant contains state-of-the-art equipment with automated processes and high quality control and food safety standards that provide access to the most demanding and sophisticated markets. It has also been certified by the British Retail Consortium (type A, issue 6 BRC certification) every year since 2008. It was awarded the seal of sustainability by the institution "Friend of the Sea", which guarantees consumers that mussel production is performed in a socially and environmentally responsible manner.



Mussel farming site, Caucahué, Los Lagos Region

SUSTAINABILITY

The Company's open door policy, part of the Friendly Camanchaca program, invites neighboring educational institutions, authorities and stakeholders to tour its sea and land facilities. Through this initiative, Camanchaca has partnered with technical-professional and higher education institutions as well as municipalities.

PRODUCTS

Camanchaca processes mussels as two products:

- Mussel meat (cooked, frozen): This product is widely known in different markets around the world, especially Europe. It is offered in various formats for food service and retail channels.
- Mussels in the shell (cooked, frozen, vacuum-packed): These are sold in their natural state or with different sauces depending on the destination markets. This product has been increasingly marketed and introduced into new markets in recent years. It is offered in different formats for food service and retail channels.

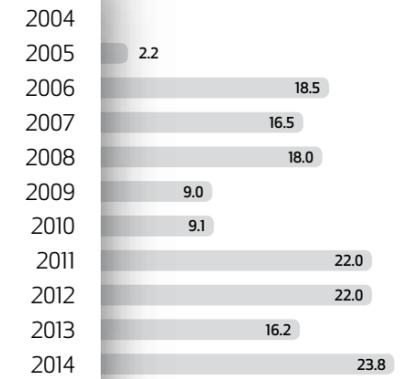
MARKETS

During 2014, the division focused its efforts on achieving greater penetration in retail channels in new and better markets, such as the USA, France, Russia, England, Brazil, Japan, Mexico and South Korea.

With the support of Prochile, the Patagonia Mussel brand is being developed, hoping to open and develop the Chinese market after positive experiences in Russia and Brazil.

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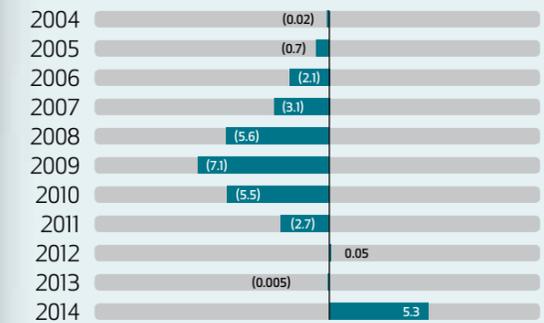
HARVEST
(thousands of tons)



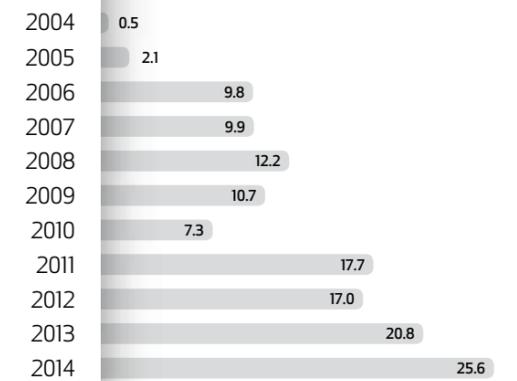
MUSSELS

EBITDA
(Millions of US\$)

OTHER SEAFOOD (SOUTH)



REVENUE
(Millions of US\$)



OTHER SEAFOOD (SOUTH)

SCALLOPS AND ABALONE DIVISION

● CHAPTER CAMANCHACA'S BUSINESS AND INDUSTRY

In 2014, Camanchaca achieved significant reductions in production costs and improvements in abalone quality.

ABALONE PRODUCTION

This area has aquaculture concessions in Bahía Inglesa and Bahía Ramada, in the Atacama Region, equivalent to 105,79 hectares of ocean and private maritime and land concessions that protect the on-land farming sites.

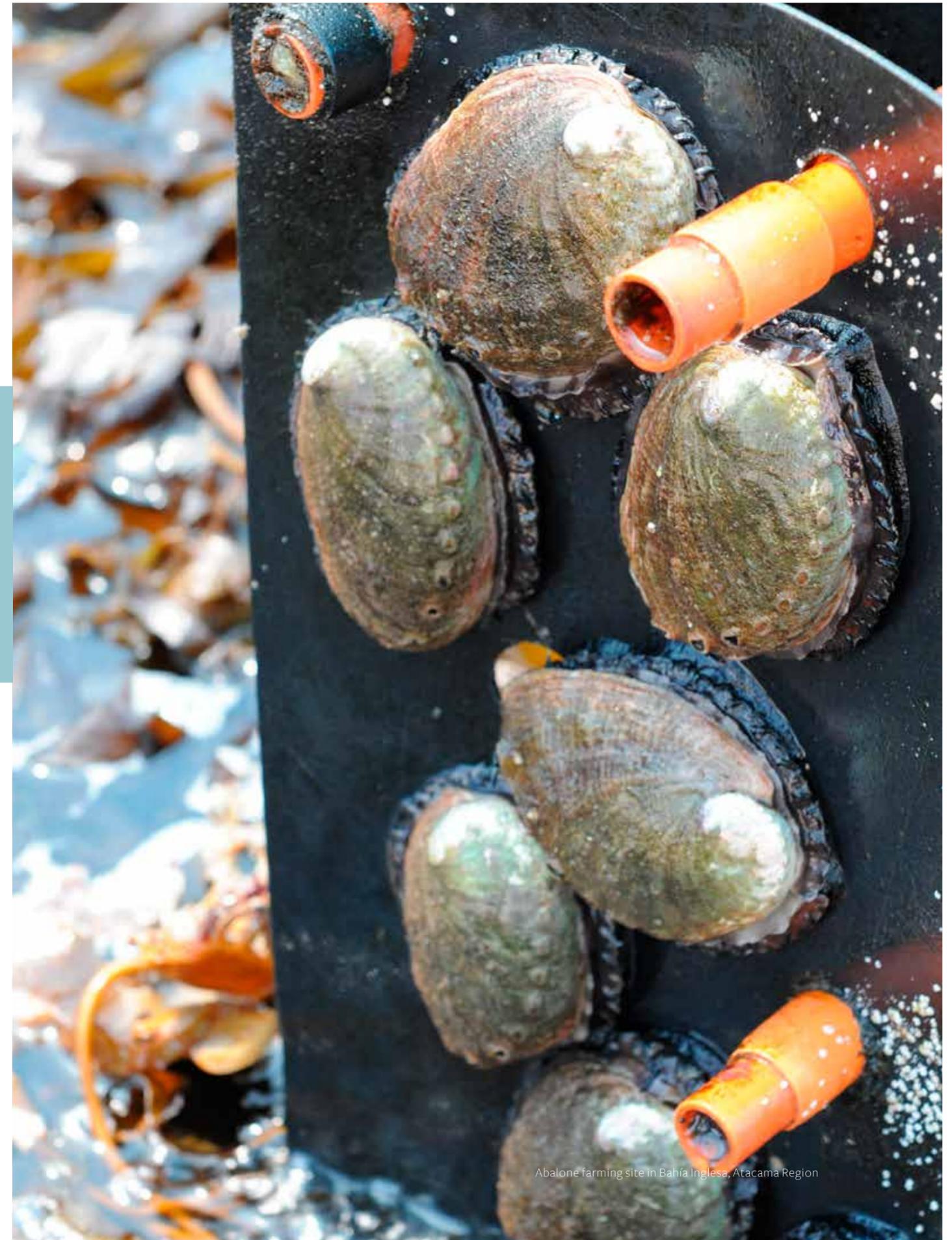
In 2014, Camanchaca achieved significant reductions in production costs and improvements in abalone quality.

Its operations include:

- Farming sites: In Calderilla and Tres Quebradas, with combined production capacity of 330 tons per year.

- Frozen and canned abalone processing plant: Located in Caldera, with a daily production capacity of 1,500 kg of frozen product and 2,500 kg of canned product.

- Seaweed cultivation: In order to ensure an ongoing and sustainable supply of the abalone's main food source, Camanchaca cultivates seaweed (macroalgae) in Bahía Inglesa.



Abalone farming site in Bahía Inglesa, Atacama Region

MARKETS

The main destinations for abalone are Japan, Hong Kong, Vietnam and Singapore. The product is sold in individually quick frozen (IQF) format, frozen meat only, and pre-cooked frozen.

The abalone business was impacted by a steep drop in Chinese demand resulting from austerity measures implemented by the new government. This meant that local production had to be placed on other Asian markets, which drove prices down.

SCALLOP PRODUCTION

The Company has 477 hectares of freshwater concessions and 1.6 hectares of saltwater concessions in Guanaqueros, Coquimbo Region, and 688 hectares of freshwater concessions and 4.3 hectares of saltwater concessions in Bahía Inglesa, Atacama Region.

Its operations include:

- Farming site: located in Guanaqueros; annual production of 130 tons.
- Scallop larvae production laboratory (hatchery): in Tres Quebradas; annual production capacity of 120 million seeds.

Given the Company's lack of competitive advantages relative to Peruvian scallop production, in 2014 the Company decided to close the production site in Bahía Inglesa and the plant located in Caldera. This site represented 60% of production capacity, leaving scallop production capacity at the Guanaqueros site at 130 tons per year.

In closing this operation, the Company provided support for laid-off workers that included training in other trades to aid social reinsertion.

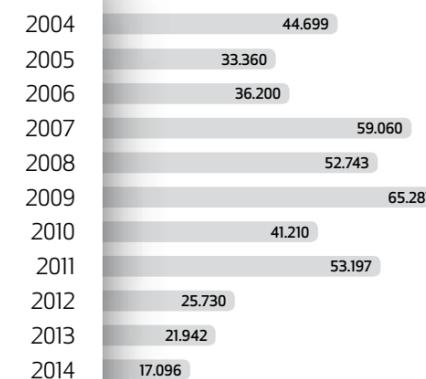
The scallop production cycle lasts between 16 and 20 months, from seed to harvest.

MARKETS

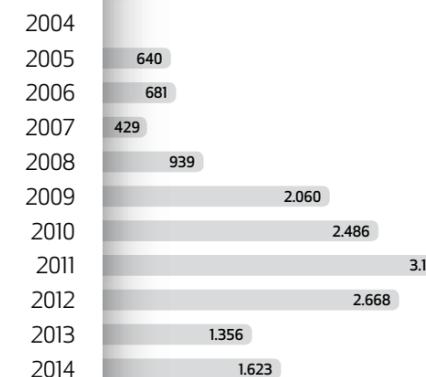
The main destinations for Camanchaca scallops are currently Chile, through off-coast sales; France; the United Kingdom and Brazil, with new markets for the product opening each year.

The main products marketed by the Company include individually quick frozen (I.Q.F.) scallop meat, fresh refrigerated scallops and frozen scallops on the half shell. These are organic products known for their high protein and omega 3 content.

HARVESTS
(thousands of units)



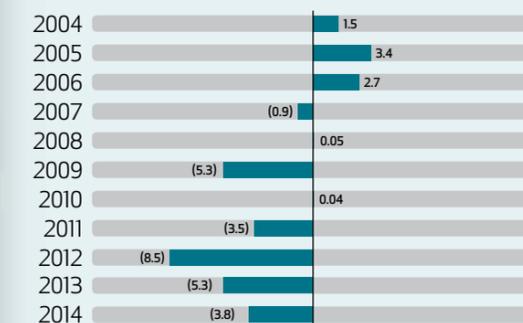
HARVESTS
(thousands of units)



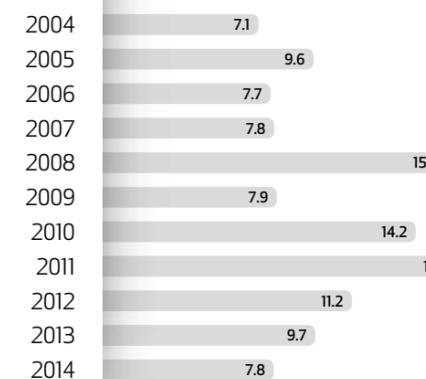
SCALLOPS

ABALONE

EBITDA
(Millions of US\$)
OTHER SEAFOOD (NORTH)



REVENUE
(Millions of US\$)



OTHER SEAFOOD (NORTH)

The abalone business was impacted by a steep drop in Chinese demand resulting from austerity measures implemented by the new government.

DISTRIBUTION NETWORK

Camanchaca's sales team includes offices and representatives in different parts of the world, which allows the Company to serve and develop different markets more directly and effectively.

With representation agencies in Mexico and Europe and sales offices in Santiago, Miami, Tokyo, and recently in China as a result of the "New World Currents" partnership, the Company has positioned itself on international markets as a reliable supplier of premium marine products. Throughout its history, Camanchaca has built long-term business relationships with important retail, food service and distribution customers around the world.

On international markets, Camanchaca sells frozen and high value-added products under the Camanchaca Gourmet and Pier 33 brands, which mainly target end consumers.

Number of Camanchaca clients with annual sales over US\$10,000:

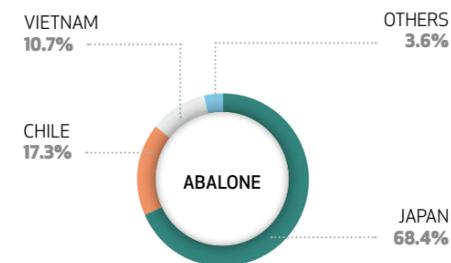
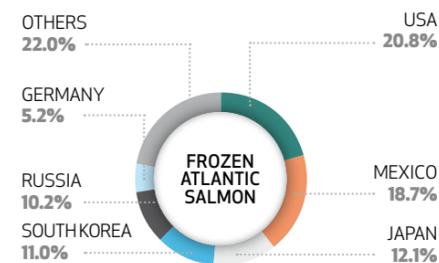
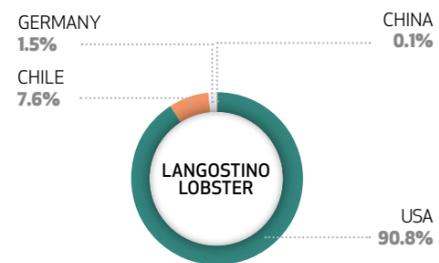
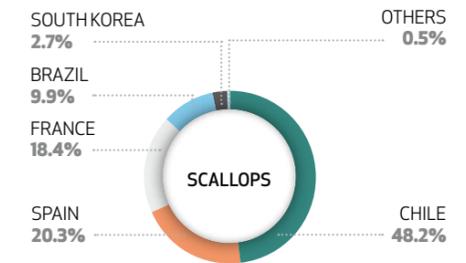
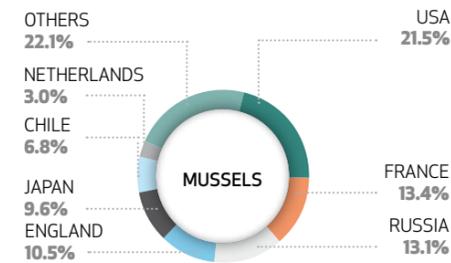
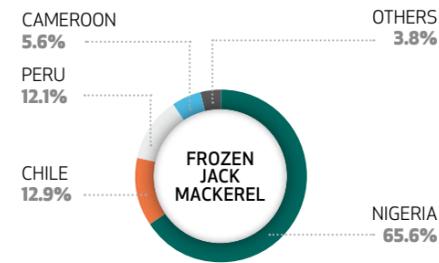
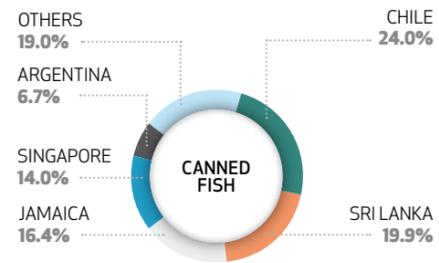
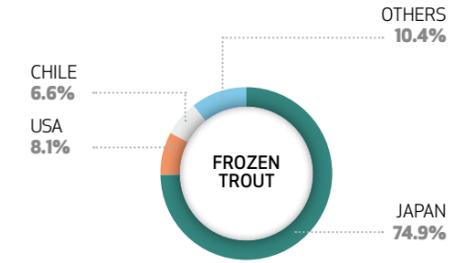
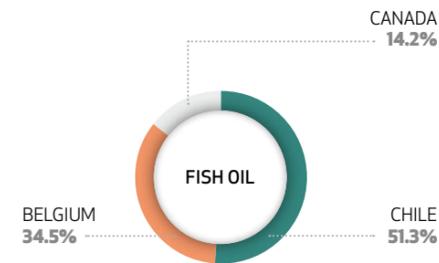
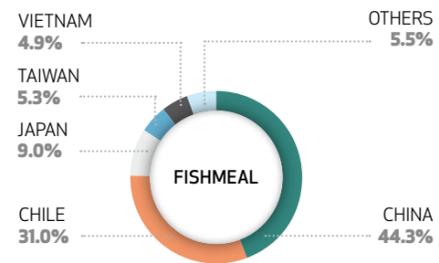
YEARS	Nº CLIENTS
2011	297
2012	401
2013	439
2014	423



CAMANCHACA IN THE WORLD

CHAPTER CAMANCHACA'S BUSINESS AND INDUSTRY

SALES DISTRIBUTION





Dispatch of fresh salmon to Brazil from the San José Plant, Los Lagos Region

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SUSTAINABILITY

CAMANCHACA ANNUAL REPORT 2014

SUSTAINABILITY

CHAPTER SUSTAINABILITY

EL MERCURIO
NEWSPAPER

NOVEMBER 7, 2014



At Camanchaca, the concept of sustainability is a priority throughout our entire organization and is key to long-term business projections. The Company focuses its efforts along several lines of action—community, the environment and employees—all of which are strategic to our operations.

Camanchaca's business includes fishing and farming activities, which impact their surroundings. The Company plays an important role in the surrounding

communities. Maintaining healthy relationships with them and adding value to these relationships is vital so that all stakeholders benefit.

The Friendly Camanchaca program includes several initiatives designed to build deeper relationships between the Company and its stakeholders. The Efficient Camanchaca program makes the Company a cost-competitive player.

The Company focuses its efforts along several lines of action—community, the environment and employees—all of which are strategic to our operations.



FRIENDLY CAMANCHACA

CHAPTER SUSTAINABILITY

The *Friendly Camanchaca* program is rooted in the importance that the Company places on its environment and the places where its employees live. The Company believes that the value it creates should be shared with the communities in which it operates.

EL LONGINO
NEWSPAPER,
IQUIQUE

SEPTEMBER 5, 2014



Friendly Camanchaca seeks to strengthen relationships between the Company and its employees with the surrounding communities through a variety of initiatives. The program is rooted in the importance that the Company places on its environment and the places where its employees live. The Company believes that the value it creates should be shared with the communities in which it operates, thus forming a long-term virtuous circle.

Camanchaca understands that sustainable operations are the only way to ensure long-term viability.

In terms of internal and external community building efforts, the Company has focused on creating a culture of active employee participation and offering an array of activities. It has also worked to strengthen relationships with its diverse stakeholders. A strategy years in the making was consolidated in 2014 to focus on three main elements: environmental protection, community integration, and promotion of a healthy, nutritious diet.

As proof of the strategy's success, EDITEC, an editorial group, recognized the *Friendly Camanchaca* program with the Good Neighbor 2014 award at the Aquasur Fair in Puerto Montt. This recognition reaffirmed the Company's internal and external efforts related to the initiative.

In other matters, despite Chile's role as a major producer of sea protein, local annual seafood consumption does not exceed 5 to 7 kg per person according to the FAO. This figure is well-below the 50 kg and 30 kg per capita consumed in Japan and Spain, respectively, each year. According to the same international organization, Chile leads indices of childhood obesity and overweight adults, reaching worrisome levels that impact public health.

In order to promote a healthy, nutritious diet, Camanchaca opened a point of sale in Coronel in 2014. It aims to provide area residents with access to the highest quality products at affordable prices. In addition to those currently operating in Tomé and

Coronel, the Company is studying the possibility of opening points of sale in places like Iquique, Santiago, and Chiloé.

One of last year's highlights was Camanchaca's involvement in beach cleanup efforts. For the first time, the Company supplied divers in the Los Lagos Region who are specialized in cleaning the seabed.

The Company's open door policy, through which civic associations, retirement homes, educational institutions, and others are invited to tour the facilities, has also been well-received by neighboring communities.

The employees' children were also invited into the facilities, giving them the chance to visit their parents' workplace so that they understand what they do each day.

The *Friendly Camanchaca* program also encouraged partnerships with educational institutions (schools, colleges and universities). These generated

awareness of the benefits of Camanchaca's products and the safety of its processes, while also attracting young people to careers and trades within the Company, offering employment to members of these communities in the future. Each activity was planned with a focus on the benefits of seafood, which is associated with a healthy lifestyle. Each division also organizes sports activities that drew employees together. It is important to note that while the *Friendly Camanchaca* program is designed to serve the Company's neighboring communities, it also addresses employee aspirations and needs that are not usually met through traditional employer-employee relationships.

EFFICIENT CAMANCHACA

CHAPTER SUSTAINABILITY

Efficiency is one of the Company's core values. Consequently, in 2014, senior management decided to create the Procurement and Supplies Department, which reports to the Chief Financial Officer, who continues to oversee the logistics area. The new department seeks efficiency and cost reduction by strengthening open, competitive bidding processes throughout the organization.

In 2014, Camanchaca held bidding processes for 78% of the goods and services it required, driving costs down US\$7.9 million, a 5.6% reduction as compared with costs prior to the bidding process.

SOME OF THE MOST IMPORTANT ADVANCES OF 2014 WERE:

NORTHERN FISHING OPERATIONS

Indicators improved despite the April 1st earthquake. Tons per fishing expedition rose from 97 in 2013 to 102 in 2014, while fuel yield went from 140 liters/hour in 2013 to 136 liters/hour in 2014.

The plant's ability to process available raw materials despite the adverse effects of the earthquake was remarkable. In 2014, fishmeal yield rose from 24.5% in 2013 to 25%, while fish oil yield increased from 1.6% to 2.1%.

New pontoons improved indicators for unloading speed, raw material integrity and energy consumption, which fell 12% nominally.

SOUTHERN FISHING OPERATIONS

In the south, fuel consumption by ships was down (-5%) as a result of cost-savings policies, use of low-consumption generators, tighter shipping controls, and optimized ship refrigeration.

The fishmeal plant achieved a 7% reduction in fuel costs by mixing bunker oil with alternative fuels. A

US\$2 million investment was made at the frozen jack mackerel plant to increase production capacity from 168 tons/cycle to 268 tons/cycle in 2015. This improvement will allow the Company to produce 100% of its product in Company-owned plants.

SALMON

At the salmon plant in Tomé, water consumption was reduced significantly to 12.3 m³ per ton of raw material, generating savings of US\$75 thousand.

In October 2014, after several transportation optimization studies, the Company began using reefer ships to transport raw material between Puerto Montt and Tomé. This cargo optimization generated savings of nearly US\$200 thousand. The decision also helped control the cold chain and preserve product quality, while improving transport safety and reducing the Company's exposure to theft.

MUSSELS

At our subsidiary Cultivos Sur, the mussel plant's improved efficiency resulted in a 40% production increase relative to 2013.

Refrigeration costs were down 19% and average days in inventory fell from 66 to 33.

SCALLOPS AND ABALONE

In scallop and abalone operations, the Company made progress on implementing the Measurement and Verification for Energy Efficiency Projects program, co-funded by the Chilean Energy Efficiency Agency (Agencia Chilena de Eficiencia Energética, AChEE). This program technically and economically assesses the variables affecting consumption of electric energy in order to make operational and equipment improvements that positively impact processes.



BUY ONE GET ONE FREE

BUY ONE GET ONE FREE

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RISK FACTORS

CAMANCHACA ANNUAL REPORT 2014

Camanchaca's products in supermarket shelves, USA

RISK FACTORS

CHAPTER RISK FACTORS

External variables materially impact the Company's annual results. In terms of revenue, the main variables are the pelagic fish catch levels, the price of fishmeal and the price of Atlantic salmon. In terms of costs, the most critical factors are: the sanitary conditions of the salmon biomass, including biological feed conversion, and oil and energy prices.

Individually and in aggregate, the fishing and aquaculture businesses are exposed to different types of risks. Consequently, Camanchaca has a risk matrix that allows it to: i) review and update the critical risk inventory; ii) assess these critical risks on the basis of impact and probability parameters; iii) conduct risk mapping; iv) implement an audit and internal control plan that uses the risk matrix as the basis for an annual control work plan. These risk maps are used to constantly manage and mitigate each risk and establish the corresponding responsibilities as well as the frequency and depth of internal controls to validate the effectiveness of mitigating measures.

The Company's mission, vision and values; short and long-term strategic planning; critical business and knowledge risks; and the experience of key personnel are among the factors used to detect critical risks.

A) PHYTOSANITARY RISKS

The Company is exposed to risk of disease or parasites that can affect the biomass, increasing mortality or impacting growth of the different species, and thereby, production and sales volumes. Camanchaca has strict control standards to minimize the risks associated with salmon farming, complying with the requirements determined by fishing authorities

with respect to fallow periods for concessions and neighborhoods, fish density by cage, constant monitoring of biomasses, and hatcheries that use closed recirculation processes fed with underground water. In terms of catches, oceanographic and climatic conditions are among the variables that affect the condition and location of fishable schools.

B) NATURAL RISKS

The Company is exposed to natural risks that may affect normal operations, such as volcanic eruptions, tidal waves and tsunamis, earthquakes, existence of natural predators and other factors that may threaten the biomasses, fish catches and production facilities. The Company is constantly monitoring these variables using first-rate instruments within the salmon industry, in addition to having appropriate insurance coverage for these risks, all of which are monitored from a central, specialized unit.

C) PRODUCT SALE PRICE RISKS

The Company exports its products mainly at prices that are fixed on international markets, for which it has a wide commercial network. The Company adjusts the speed of its sales in accordance with production and market conditions, which are constantly in flux. However, it does not accumulate inventory under speculation of a better sale price in the future.

- Fishing Business: Despite short-term price volatility, global supply restrictions and sustained growth in demand, driven primarily by development of aquaculture and increased availability of protein for human consumption, have kept prices trending positively in recent years.

- Salmon Business: Prices fell significantly in 2012, primarily as a result of the Chilean salmon industry's recovery and increased Norwegian supply. However, beginning in 2013, demand grew more quickly than global supply, driving prices up again. This situation is expected to continue in 2014. Camanchaca has mitigated price risk through its marketing capacity and by manufacturing higher value-added products.

- Other Seafood Business: In recent years, mussel prices have experienced an upward trend on international markets, without large interannual fluctuations. Whereas scallop prices have been driven down by strong Peruvian production and decreased demand from France, the lead market for this product. Abalone prices have been substantially affected by tighter controls by the Chinese authorities on luxury expenditures by its public officials, which has affected demand. The Company has mitigated these risks by optimizing costs, strengthening commercial ties with offices in different parts of the world and creating high-quality, high-value products.

D) PURCHASE PRICE RISKS

The Company is exposed to variations in the prices of commodities such as diesel and bunker oil. Over the past few years the prices of these consumables has risen significantly. The Company does not use derivatives to mitigate this risk, as the size of future catches is uncertain; however, historically there has been some correlation between the price of fishmeal and other commodities, which reflect the state of global economic activity.

The important consumables used in producing salmon feed are fishmeal and fish oil. In order to mitigate the effects of price variations in these commodities, Camanchaca varies certain diet conditions for salmon, replacing animal proteins with vegetable proteins at a lower cost and negotiating purchase contracts with quarterly price adjustment mechanisms. Given that Camanchaca is an important producer of fish oil and fishmeal, price variations in these foodstuffs generate a natural inverse correlation with salmon feed costs.

On average, 30% of total fishing for the Company comes from local independent fishermen. The Company has long-term agreements with them in relation to volumes, pricing systems and additional guarantees. Therefore, Camanchaca is protected as purchase prices are indexed to fishmeal sales prices. The Company provides boat construction financing to local independent fisherman with whom it holds fish purchasing agreements, allowing boat owners to pay off the loan as the Company purchases fish.

E) REGULATORY RISKS

Camanchaca's businesses are subject to laws, standards and regulations issued by fishing authorities, and significant changes could impact results. In that context, the Fisheries Act, which replaced individual fishing quotas with transferable fishing licenses, was published on February 9, 2013. The regulations governing fish and shellfish farming are mainly established by the General Law on Fisheries and Aquaculture, and its associated regulations that assign concessions, manage the biomass, and manage the joint operation of the industry, among others. The Company is constantly monitoring any potential changes in the

regulations in order to minimize and anticipate any potential impacts. Camanchaca's financial position and results could be affected by changes in economic policies, specific regulations and other standards established by the authorities.

F) LIQUIDITY RISK

Liquidity risk is the risk of potential mismatches between the funds needed for asset investments, operating expenses, finance costs, repayment of debt as it matures and committed dividends, and funding sources like product sales revenue, collections from customers, disposal of financial investments and access to financing.

Camanchaca maintains a policy of prudently managing this risk, maintaining sufficient liquidity and access to third-party financing.

G) INTEREST RATE RISK

The Company is exposed to interest rate risk since its long-term financing includes a variable interest rate component, which is adjusted every six months. Depending on market conditions, the Company assesses hedging alternatives.

H) EXCHANGE RATE RISK

A significant portion of the Company's revenue is in US dollars, mainly from exports. For the approximately one third of costs and expenses that are indexed

in Chilean pesos, corporate policy is to re-negotiate prices in US dollars where possible. Liabilities with financial institutions are in US dollars. The Company continuously evaluates alternatives to mitigate exchange rate risks.

I) CREDIT RISK

I.1) SURPLUS CASH INVESTMENT RISK

The Company has defined a low-risk policy for investing cash surpluses. This policy encompasses both the quality of financial institutions and the type of financial products used.

I.2) SALES OPERATIONS RISKS

Camanchaca has insurance policies covering most of the sales of its products. The remaining sales are backed by letters of credit, or advance payments, or are to customers with an excellent credit performance.



Camanchaca's salmon at a restaurant chain, USA

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