



Pesquera Exalmar S.A.A.



**Q4 2012
Company results**

February 19, 2012



Executive Summary

- FY 2012 results are good once it is accounted that effective industry catch was 3.3 million MT (46% below 6.1 million MT recorded in 2011 and similar to the 3.1 million MT recorded in 2010).
- First fishing season global quote was 2.7 million MT and second fishing season was 0.810 million MT.
- In 2012 Exalmar processed 397 thousand MT corresponding 61% to its own catch and 39% to third parties.
- Exalmar reported 2012 revenues of US\$ 217 MM (13% higher than 2011). The increase is explained by larger fishmeal sales in volume terms and higher fish oil year average sales prices (+45%). Revenues from the direct human consumption segment increased by 51%.
- Gross margin in 2012 was US\$ 27% versus 30% in 2011. This is explained by: (i) lower production volume that impacted production costs and (ii) US\$ 7 MM increase in ban expenses (2012 had 204 days of ban versus 173 days registered in 2011).



Executive Summary

- Exalmar reported in 2012 Net income of US\$ 19.4 MM versus US\$ 23.1 MM in 2011.
- In 2012 Exalmar spent US\$ 49.3 MM of CAPEX. The Company concluded the conversion of the Huacho Plant to the Steam Dried system. Currently 100% of Exalmar's facilities operate under that system. In 2012 Exalmar improved the capacity of Paita plant and continued the construction of Tambo de Mora Plant as part of its business strategy to develop its Human Direct Consumption segment.

On January 25th, 2013 Pesquera Exalmar successfully priced its inaugural bond in the international capital market for US\$ 200 MM, 7.375% senior notes due 2020.



Global Quote North Center (N-C)



Global Catch

Thousands of MT	2012			2011		
	First season	Second season	Total	First season	Second season	Total
Global Quote C-N	2,700	810	3,510	3,675	2,500	6,175
Total effective catch	2,607	732	3,339	3,685	2,448	6,133
%	96.6%	90.4%	95.1%	100.3%	97.9%	99.3%
Beginning - Ending date	05/02-07/31	11/22-01/31		04/01-07/31	11/23-01/31	

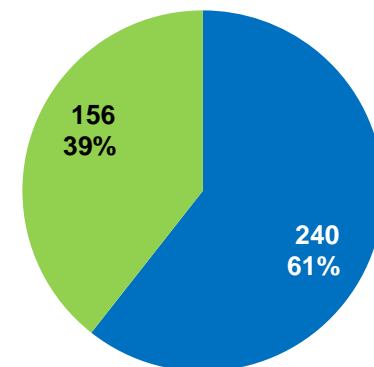
- Total 2012 effective global catch was 3.3 million MT, 46% below global catch in 2011.
- Due to climatological effects on resource, PRODUCE reduced fishing season catch. First season was 2.7 million MT and second season had a global quote of 0.810 million MT.
- Presence of “juveniles” made the catch more difficult and required an increased fishing effort.



Exalmar's Own and Third party Catch

Thousands of MT	Second season 2011 (Balance of Jan)	First season 2012 May-July	Second season 2012 December	Total 2012	Total 2011	%
Own Catch	52.1	162.4	25.8	240.3	339.4	-29%
Third party	20.8	114.5	20.9	156.2	282.6	-45%
Total Processed	72.9	276.9	46.8	396.6	622.0	-36%

Total MT processed in 2012
(In Thousands MT)

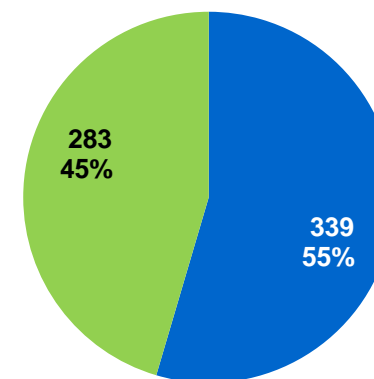


■ Own Catch ■ Third parties

- Total MT processed during 2012 were lower than 2011 (-36%) due to reduced quote.

- Exalmar processed 12.3% of the total national catch of 2012.

Total MT processed in 2011
(In Thousands MT)



■ Own Catch ■ Third parties

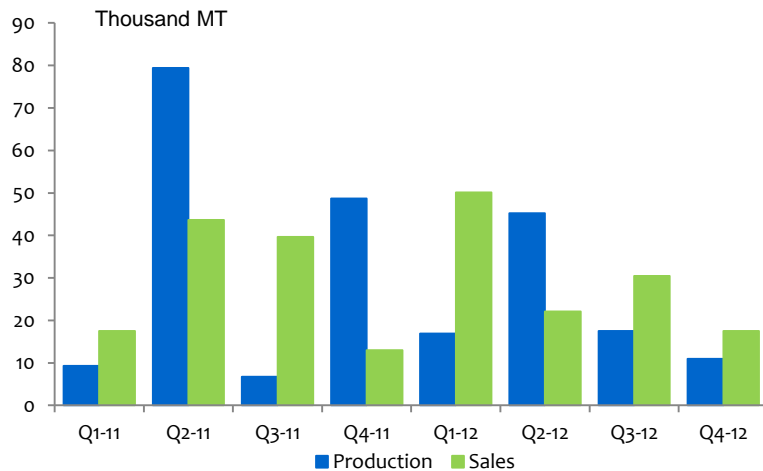


Stocks and sales of Fishmeal

**Stocks,
production and
sales of fishmeal**

Thousands MT	Q1	Q2	Q3	Q4	2012	2011
Beginning stock	40.6	7.8	32.3	17.5	40.6	9.4
Production	16.9	45.2	17.5	11.0	90.7	144.2
Sales	50.1	22.1	30.4	17.6	120.2	113.9
Reprocessing	0.4	1.3	-1.9	0.2	0.1	0.9
Ending Stock	7.8	32.3	17.5	11.1	11.1	40.6

Production and sales of Fishmeal



- 2012 Total fishmeal (MT) sold was 6% higher than 2011.

- The beginning fishmeal stock (40.6 thousand MT) and the January 2012 fishmeal production (both from the second season 2011) were sold during Q1 2012 (42%). This explains the higher 2012 sales in volume terms despite the lower volume of production.

- Total catch of first season 2012 was sold during 2012.

- Fishmeal production of December 2012 that corresponds to the second fishing season 2012, was left as final stock (11.1 MT) and will be sold in 2013.

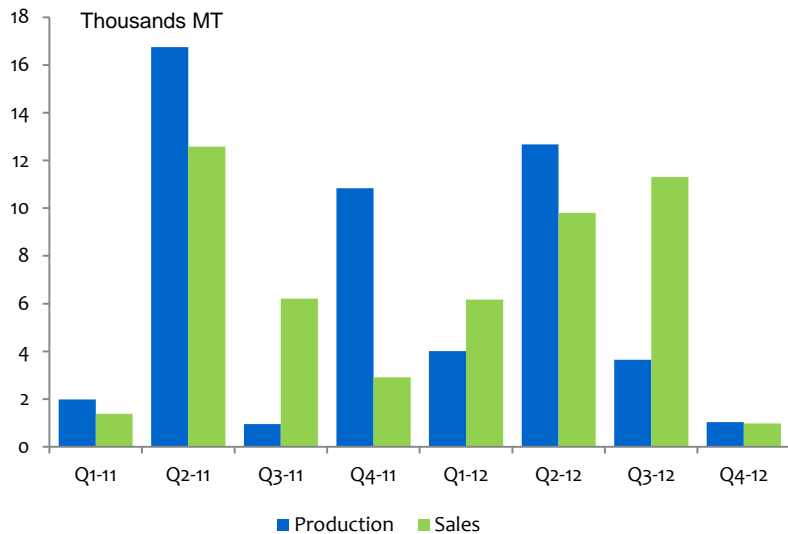


Stocks and sales of Fish oil

**Stocks,
production and
sales of fish oil**

Thousands MT	Q1	Q2	Q3	Q4	2012	2011
Beginning stock	8.2	6.1	8.2	1.0	8.2	1.2
Production	4.0	12.7	3.6	1.0	21.3	30.5
Sales	6.2	9.8	11.3	1.0	28.3	23.1
Reprocessing	0.1	-0.8	0.4	0.1	-0.2	-0.4
Ending Stock	6.1	8.2	1.0	1.0	1.0	8.2

Production and sales of Fish oil



- 2012 total fish oil MT sold was 22% above 2011.
- Beginning stock of fish oil of 8.2 thousand MT (1.2 thousand MT in 2011) supported the increase in sales during 2012.
- Fish oil stock as of December 2012 is 1.0 MT.



Financial Results



Financial Results

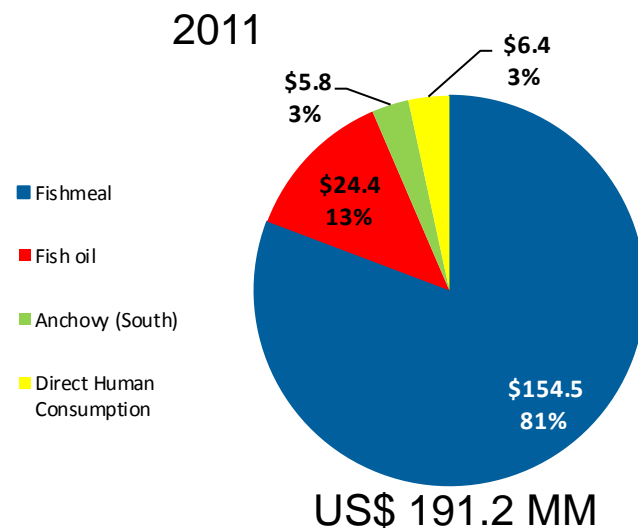
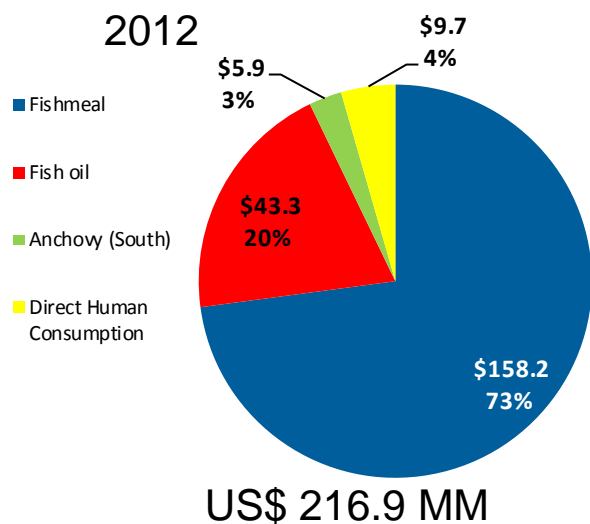
MM US\$	Q4 2012	Q4 2011	%	Total 2012	Total 2011	%
Revenues	29.9	20.4	47%	217.0	191.2	13%
Gross Profit	5.4	3.8	42%	59.2	58.3	2%
Operating Income	-1.4	-1.0	34%	37.3	40.4	-8%
Pre-Tax Income	-2.1	-1.8	20%	29.8	34.7	-14%
Net Income	-2.0	-2.1	-4%	19.4	23.1	-16%
EBITDA*	4.4	2.4	83%	61.1	65.9	-7%
<i>%of revenues</i>						
Gross Margin	18%	19%	-1%	27%	30%	-3%
Operating Margin	-5%	-5%	0%	17%	21%	-4%
Net Income Margin	-7%	-10%	3%	9%	12%	-3%
EBITDA Margin	15%	12%	3%	28%	34%	-6%

1/ EBITDA does not include other income & other expenses and worker profit sharing.

- Increase in 2012 revenues (+13%) is explained by: i) bigger fishmeal volume sold (+6%), ii) higher revenues of fish oil (+77%) and iii) increase in revenue of Direct Human Consumption segment (+51%).
- Gross margin was 27% explained by: i) higher ban expenses (US\$ 7.0) due to less fishing days (204 days of ban in 2012 vs. 173 in 2011), ii) higher costs of production due to lower processed volume and iii) lower fishmeal year averages prices.
- Operating income in 2012 was lower than 2011(-8%) explained by higher selling & administrative expenses.
- Net income in 2012 recorded US\$19.4 MM versus US\$ 23.1 MM in 2011.
- 2012 EBITDA was US\$ 61.1 MM (28% of Ebitda margin).



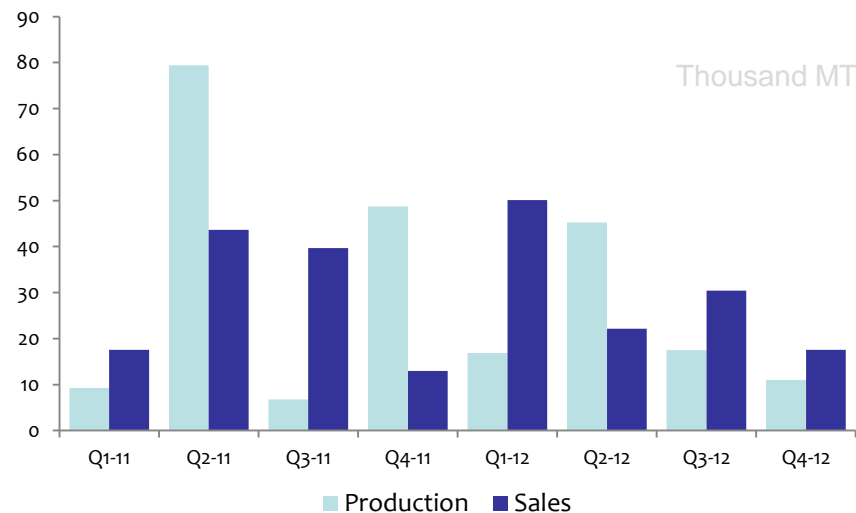
Revenues Composition



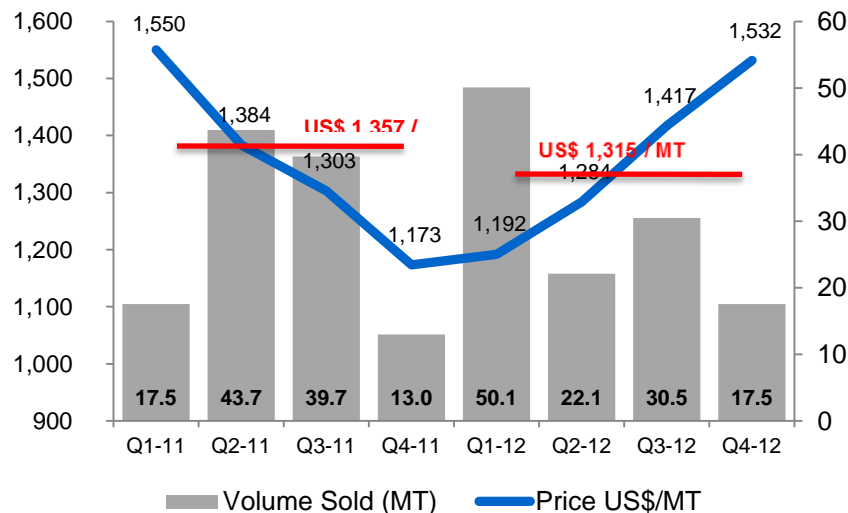
- Exalmar's revenues in 2012 were 13% higher than in 2011.
- Fishmeal revenues grew 2% versus 2011 and explained 73% of total revenues (81% in 2011).
- Fish oil revenues grew 77% and explained 20% of revenues in 2012 (13% in 2011).
- Direct human consumption revenues increased 51% and explained 4% of total revenues (3% in 2011)

Fishmeal Revenues

2012	Q1	Q2	Q3	Q4	2012
MM US\$	59.7	28.4	43.2	26.9	158.2
%	38%	18%	27%	17%	100%
Thous. MT	50	22	30	17.5	120
%	42%	18%	25%	15%	100%
2011	Q1	Q2	Q3	Q4	2011
MM US\$	27.2	60.4	51.7	15.2	154.5
%	18%	39%	33%	10%	100%
Thous. MT	18	44	40	13.0	114
%	15%	38%	35%	11%	100%



Exalmar Fishmeal Average sales prices US\$/MT



- +6% increase in fishmeal volume sold in 2012 versus 2011.

- 42% corresponded to the beginning stock of 2012 & to production of January 2011, both of the second fishing season 2011 that was sold in Q1.

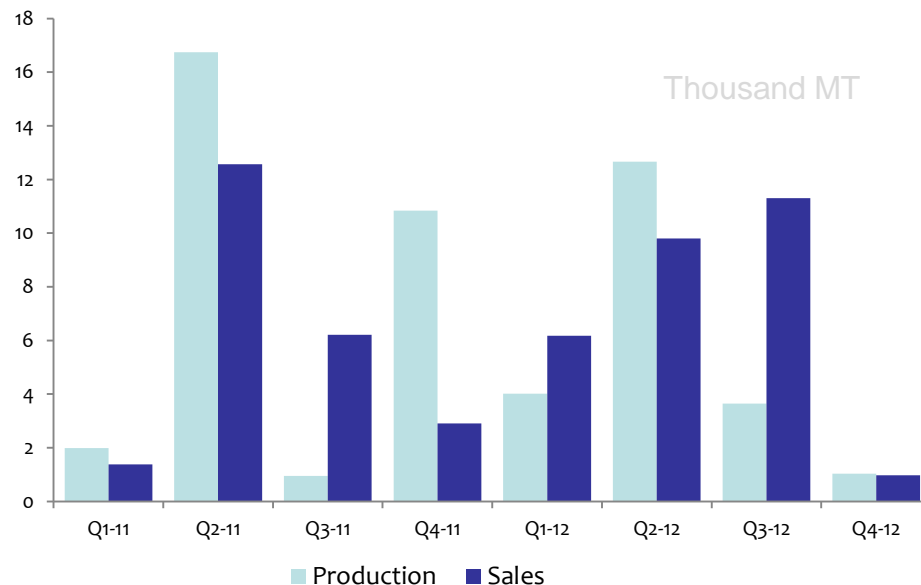
- Q4 revenues were of final stocks of first fishing season 2012

- Production of second fishing season 2012 remain as stock for 2013 (11.1 Mt).

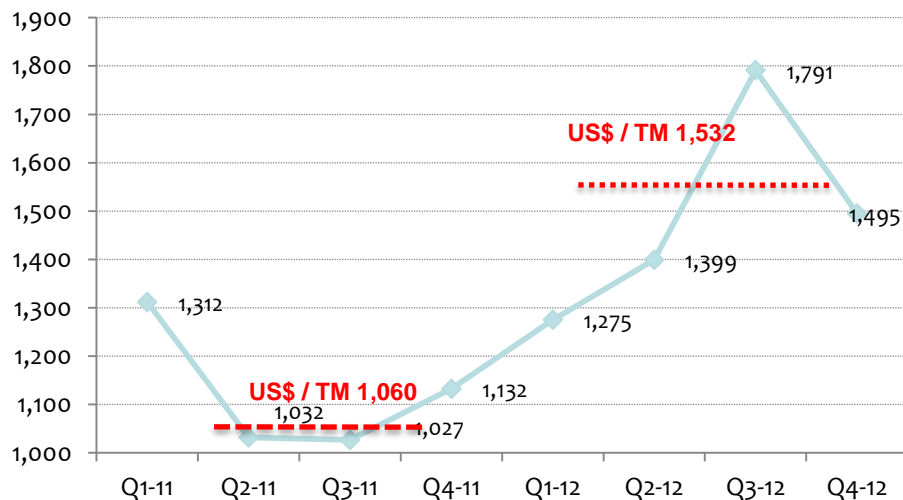


Fish oil Revenues

2012	Q1	Q2	Q3	Q4	2012
MM US\$	7.9	13.7	20.3	1.46	43.3
	18%	32%	47%	3%	100%
Thous. MT	6.2	9.8	11.3	0.98	28.3
%	22%	35%	40%	3%	100%
2011	Q1	Q2	Q3	Q4	2011
MM US\$	1.8	13.0	6.4	3.29	24.5
	7%	53%	26%	13%	100%
Thous. MT	1.4	12.6	6.2	2.91	23.1
%	6%	54%	27%	13%	100%



Exalmar Fish oil Average sales price US\$/MT

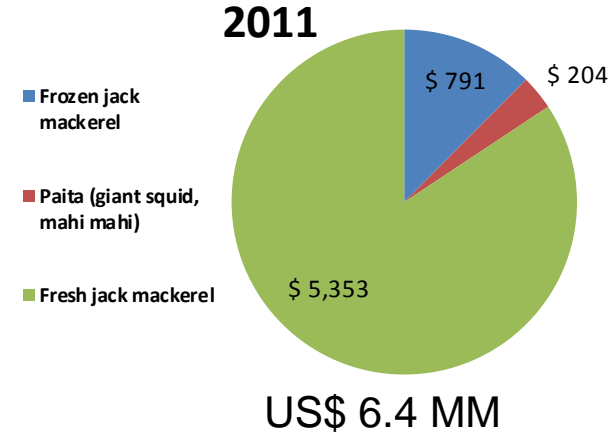
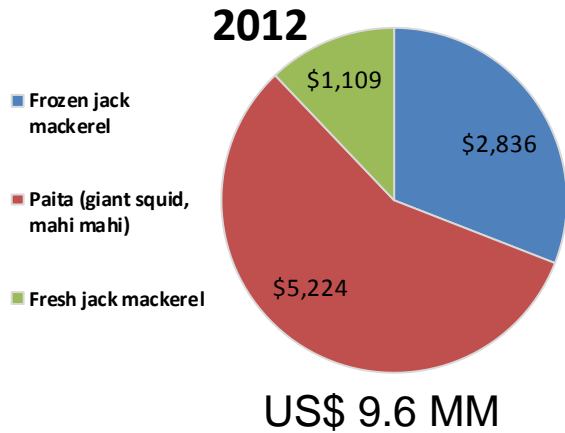


■ +77% higher revenues in 2012 versus 2011 explained by: i) more volume sold (+22%), and ii) price increase (+45%).

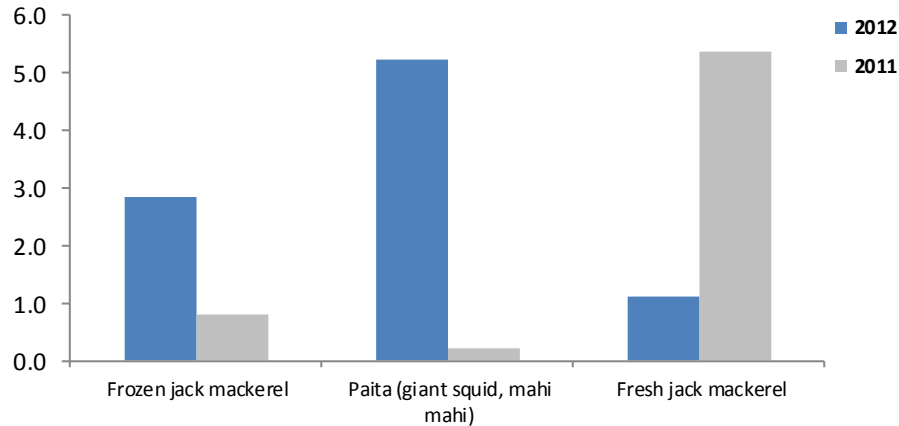
■ Price increase was explained by i) recovery of salmon industry in Chile, ii) increase demand of producers of balanced food for salmon industry in Norway and iii) higher demand for Omega fish oil.



Direct Human Consumption Revenues

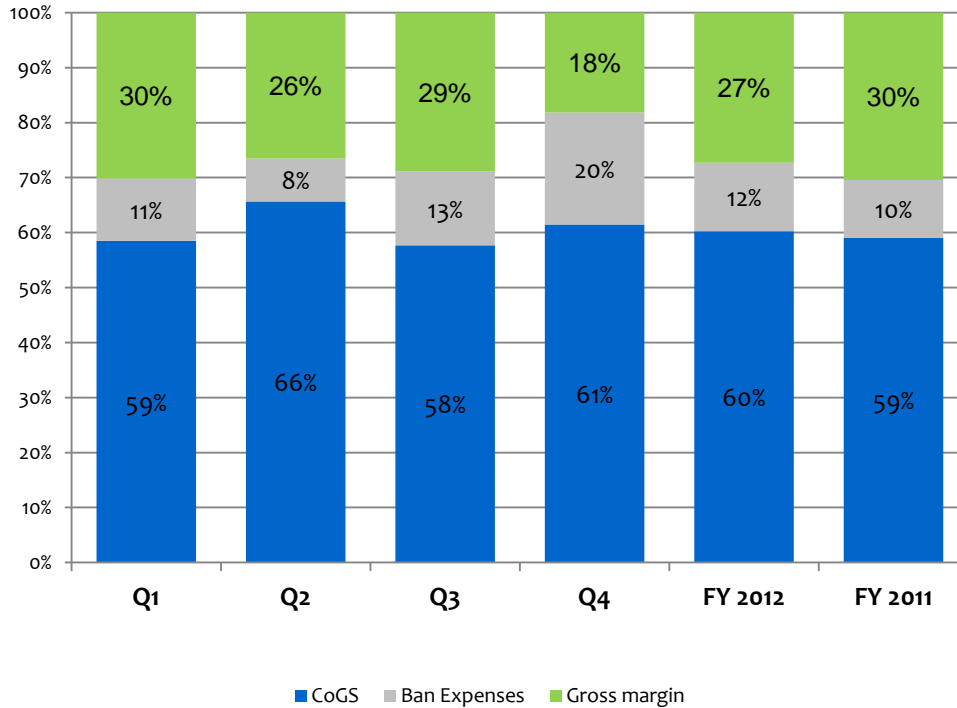


- Direct human consumption revenues increased 51% explained by:
 - Business growth with operation of Paita Plant. Exports of giant squid and mahi mahi reached US\$ 5.2 MM.
 - Exports of frozen jack mackerel increase (+259% versus 2011).





COGS and Gross Margin



■ Gross margin was 27% in 2012 (30% in 2011) due to:

i) Ban expenses increased US\$ 7.0M (2 points) explained by: i) one less month of fishing as compared with 2011 (204 days of ban in 2012 versus 173 in 2011)

ii) COGS increase because there were higher costs of production per MT due to lower volume.



Cost of Production

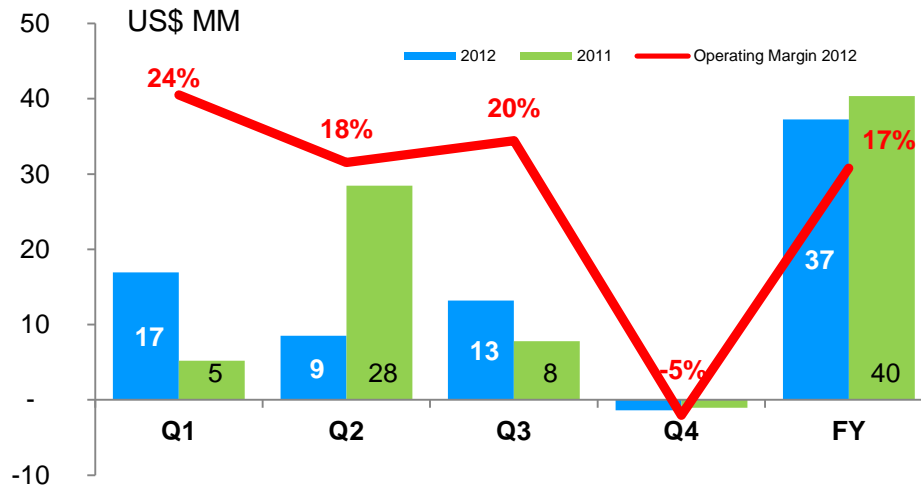
**Ban and
processed
volume**

Costs

	Q4-12	Q4-11	Var.	FY 2012	FY 2011	Var
Ban days	52	53	-1	204	173	31
Total processed (Thousands MT)	46.8	210.0	-163.2	396.6	622.0	-225.4
Own catch (Thousands MT)	25.8	101.5	-75.7	240.3	339.4	-99.1
Third party (Thousands MT)	20.9	108.5	-87.6	156.2	282.6	-126.4
Third part buying price (US\$/ MT of anchovy)	410.5	235.3	109.0	301.6	261.4	301.6
Catch cost (US\$/ MT of anchovy)	115.0	89.0	26.0	78.0	71.0	7.0
Processing cost (US\$ /MT Fishmeal)	365.9	234.7	131.2	242.0	221.0	34.0
Ban Expenses (US\$ MM)	-5.6	-5.7	0.1	-27.0	-20.0	-7.1

- 2012 recorded 31 additional days of ban.
- Lower quote and difficulties in catch reflected a catch cash cost of US\$ 78 per MT in 2012 (+US\$ 7.0)
- Processing of plants cash cost increased US\$ 21 per MT due to volume drop: i) personnel expenses (+US\$ 12 per MT); ii) renting (US\$ 5 per MT); and iii) increase in maintenance.
- Total company ban expenses increased in US\$ 7.0 MM due to 31 days of additional ban.

Operating Income



MM US\$	Q4-12	Q4-12	2012	2011
Total Operating expenses	6.8	4.9	22.0	17.9
Administrative Expenses	3.4	1.9	8.6	6.7
Selling Expenses	2.2	1.2	11.7	7.0
Selling Indirect HC	1.7	1.2	9.9	6.9
Selling Direct HC	0.45	0.06	1.8	0.1
<u>Net other income & expenses</u>	<u>1.25</u>	<u>1.68</u>	<u>1.7</u>	<u>4.2</u>
Operating Income	-1.4	-1.0	37.3	40.4
% Operating Margin	-5%	-5%	17%	21%

- FY 2012 operating income recorded US\$ 37 MM (US\$ 40.4 MM in 2011) due to higher Selling & administrative expenses.

- Operating margin was 17% in 2012 (21% in 2011).

- Selling expenses were higher because of: i) increase in local fleet costs as shipments were done from Callao port (90%), ii) higher shipping & logistics costs as shipments were done in containers and ii) since 2012 finished product warehousing expenses were added to selling expenses (previously were added to production costs).

- Increase in administrative expenses due to higher personnel expenses and temporary works with third party suppliers due to company technological improvements.

Financial expenses

MM US\$	Q4-12	Q4-11	2012	2011
Financial income	0.5	0.5	0.8	0.7
Financial Expenses	<u>-2.4</u>	<u>-1.8</u>	<u>-10.1</u>	<u>-6.4</u>
Net financial expense	-1.9	-1.3	-9.4	-5.7
%Revenues	-7%	-6%	-4%	-3%

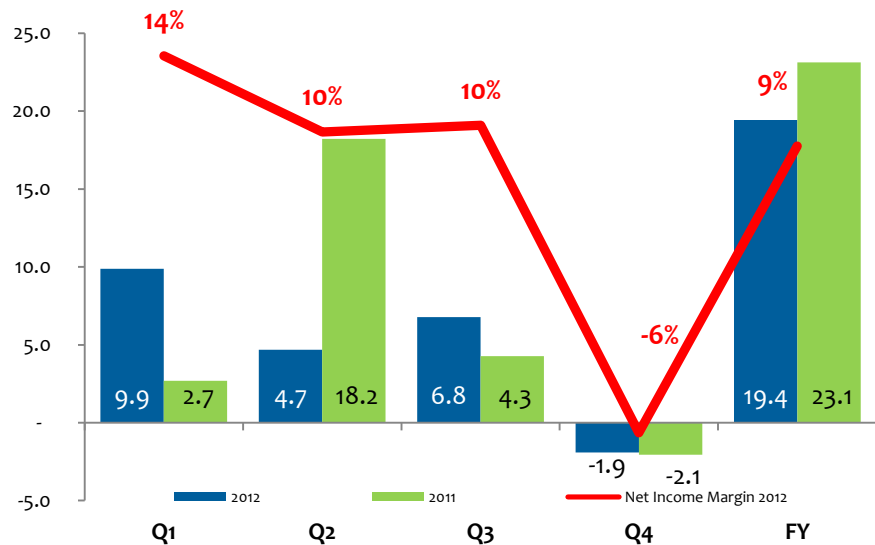
- Financial expenses in 2012 have increased 58% versus 2011 because of higher company leverage (4% of revenues in 2012 versus 3% in 2011).
- By December 2012, net debt is US\$169.9 MM.
- Long Term Debt (77%) includes US\$ 140 MM of syndicated loan taken in November 2010. Second disbursement for US\$ 80 MM took place in April 2012.

Pesquera Exalmar s.a.a Debt Position		
(Amounts in MM US\$)	2012	2011
	December	December
Total Short Term Debt	42.8	50.0
	23%	37%
Current portion of Long Term Debt	9.3	2.9
Long term Debt	<u>132.7</u>	<u>80.4</u>
Total Long Term Debt	142.0	83.3
	77%	63%
Total Debt Pesquera Exalmar S.A.A	184.8	133.3
Cash	15.0	3.7
Net Debt Pesquera Exalmar S.A.A	169.9	129.6
Long Term Debt / EBITDA	2.32	1.27
Debt / Equity	0.80	0.60



Net Income

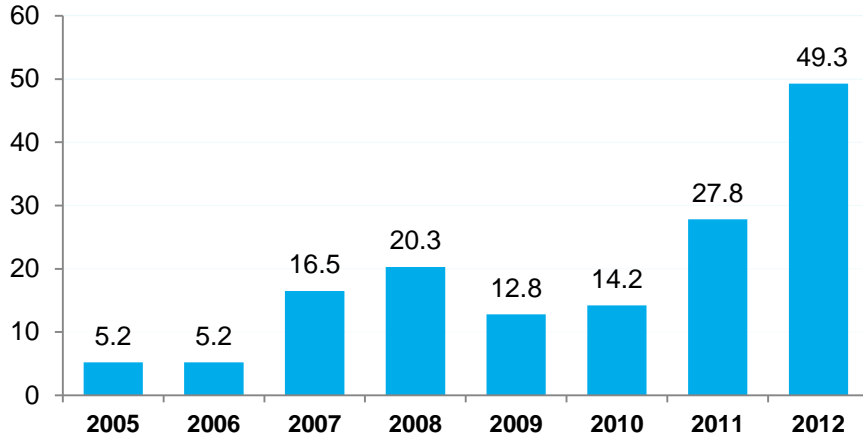
MM US\$



- 2012 Net income was US\$ 19.4 MM (US\$ 23.1 MM in 2011).
- Net margin in FY 2012 was 9% (12% in 2011)

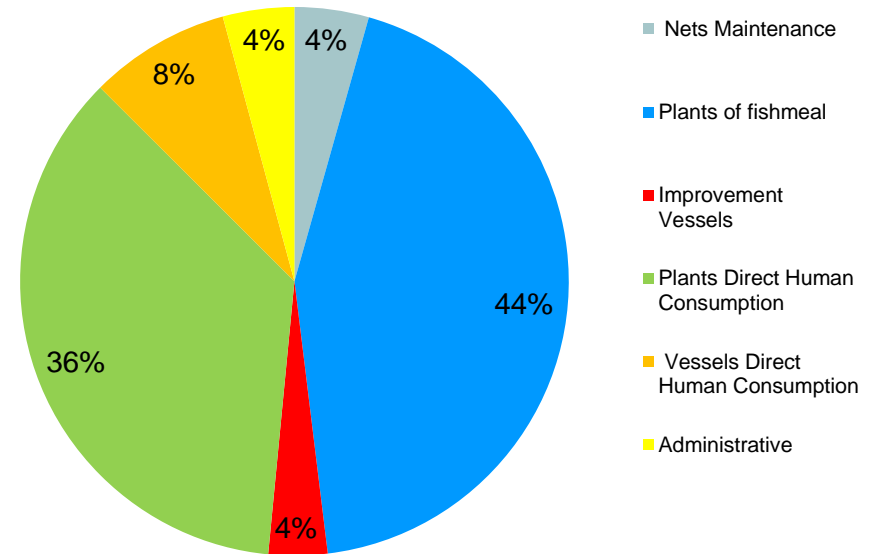
CAPEX

Evolution 2005 – 2012 (Million US\$)



1/ Capex do not include quota acquisition.

CAPEX Composition 2012



- Investments in Indirect Human Consumption were oriented to improve quality of fishmeal and to comply with Environmental Government requirements.
- Direct Human Consumption investments included expansion of capacity of Paita Plant, implementation of Residual Plant and building of Tambo de Mora Plant.

Detail of Investment in Fishmeal Plants

	US\$ MM	%
Technological change in Planta Huacho	6.9	32%
Technological change in Planta Chimbote	2.0	9%
Technological change in Planta Callao	1.2	5%
Unloading system	4.6	21%
Environmental regulation (PAMA)	3.0	14%
Natural Gas Implementation	0.8	3%
Others	3.2	15%
Total US\$	21.5	100%



Appendix

Pesquera Exalmar s.a.a

Appendix 1: Profit and Loss Statement

En US\$ MM	Q4-12	Q4-11	FY 2012	FY 2011
Revenues	\$29.9	\$20.4	\$217.0	\$191.2
Cost of Goods Sold	(\$18.4)	(\$10.9)	(\$130.7)	(\$113.0)
Ban Period Expenses	(\$6.1)	(\$5.7)	(\$27.0)	(\$20.0)
Gross Profit	\$5.4	\$3.8	\$59.2	\$58.3
<i>Gross Margin</i>	18%	19%	27%	30%
Selling Expenses	(\$2.2)	(\$1.2)	(\$11.7)	(\$7.0)
Administrative Expenses	(\$3.4)	(\$1.9)	(\$8.6)	(\$6.7)
Other Income	\$0.6	\$0.7	\$4.3	\$1.7
Profit sharing previous years	\$0.0	(\$2.3)	\$0.0	(\$2.3)
Severance (Law 1,084)	(\$0.5)	(\$0.6)	(\$0.7)	(\$1.0)
Other Expenses	(\$1.4)	\$0.6	(\$5.3)	(\$2.5)
Operating Income	(\$1.4)	(\$1.0)	\$37.3	\$40.4
<i>Operating Margin</i>	-5%	-5%	17%	21%
Financial Income	\$0.5	\$0.5	\$0.8	\$0.7
Financial expenses	(\$2.4)	(\$1.8)	(\$10.1)	(\$6.4)
FX Differences	\$1.2	\$0.6	\$2.0	\$0.1
Pre-Tax Income	(\$2.1)	(\$1.8)	\$29.8	\$34.7
Income Taxes	\$0.1	(\$0.3)	(\$10.5)	(\$11.6)
Net Income	(\$2.0)	(\$2.1)	\$19.4	\$23.1
<i>Net Income Margin</i>	-7%	-10%	9%	12%

Appendix 2 : Balance Sheet



(Amounts in US\$ MM)	2012	2011
ASSETS		
<u>Current Assets</u>		
Cash and cash equivalents	\$15.0	\$3.7
Accounts Receivable, net	\$4.6	\$14.5
Accounts Receivable from related parties	\$5.7	\$4.5
Other Accounts Receivable, net	\$42.8	\$32.5
Prepaid expenses	\$1.1	\$1.7
Inventories net	\$25.8	\$48.4
Total Current Assets	\$94.9	\$105.3
Financial Investments	\$0.8	\$66.9
Property, vessels, machinery and equipment	\$189.7	\$161.1
Goodwill	\$88.7	\$51.7
Other Assets	\$82.1	\$56.3
Intangibles	\$15.7	\$15.7
Total Non Current Assets	\$377.0	\$351.7
TOTAL ASSETS	\$471.9	\$457.0
<u>Current Liabilities</u>		
Financial obligations	\$42.8	\$50.0
Trade Accounts Payable	\$21.3	\$31.3
Other Accounts Payable	\$9.1	\$27.7
Accounts Payable to related parties	\$0.0	\$6.6
Taxes, remuneration and other AP	\$0.0	\$8.0
Provisions for employee benefits	\$6.9	\$6.8
Current portion of Long Term Debt	\$9.3	\$2.9
Total Current Liabilities	\$89.5	\$133.4
<u>Non Current Liabilities</u>		
Long term Debt	\$132.7	\$80.4
Deferred tax liabilities	\$16.4	\$20.5
Provisions	\$0.9	\$0.9
TOTAL LIABILITIES	\$239.5	\$235.2
SHAREHOLDERS` EQUITY		
Issued capital	\$88.6	\$90.3
Share premium	\$69.7	\$69.7
Other capital reserve	\$3.6	\$3.6
Retained Earnings	\$51.1	\$58.1
Profit for the Year	\$19.4	
EQUITY	\$232.4	\$221.7
TOTAL LIABILITIES AND EQUITY	\$471.9	\$457.0