



Pesquera Exalmar S.A.A.



Q1 2013 Results

May 6, 2013



Executive Summary

- Global Quote for Second Fishing Season 2012 was 0.810 million MT (2.5 million MT in the second season 2011). Bigger fishing effort with presence of “juveniles”.
- Pesquera Exalmar processed 82.2 thousand tons (-71% below Q1 2012) due to lower quote. Though we processed a share of 11.1% of total global quote.
- Revenues for Q1 2013 were US\$ 31 MM (US\$ 71 MM in Q1 2012). Main facts were:
 - i) lower volume sold of fishmeal (-73%) and of fish oil (-77%)
 - ii) price increase in fishmeal (+50%) and fish oil (+74%) compared with Q1 2012
 - iii) higher revenues of Direct Human Consumption (+ 23%)
- Gross margin in Q1 2013 was 8% (30% in Q1 2012). Major causes were:
 - i) lower revenues
 - ii) lower production volume impacted unit production costs per TM
 - iii) ban expenses for US\$ 7.7 MM (US\$ 8.1 in Q1 2012) were not diluted by small gross margin
- Due to lower gross margin in the quarter, Operative margin was negative in minus 3% vs. 24% in Q1 2012.



Executive Summary

- Q1 2013 Net income was negative (-US\$ 2 MM versus US\$ 10 MM in Q1 2012) due to negative operating income reduced by higher financial expenses (US\$ 4 MM versus US\$ 2 MM in Q1 2012) explained by higher company leverage after Bond issuance which proceedings are being used in investments whose EBITDA generation will reflect in the future.
- By March 31,2013 there are ending inventories of fishmeal & fish oil for a total of 7.1 thousand MT and several products of Direct Human Consumption on stock equivalent to 1.8 thousand MT.
- In Q1 2013 Pesquera Exalmar spent US\$ 6.0 MM out of a CAPEX of US\$ 36.5 MM. Construction of Tambo de Mora Plant was concluded. Currently licenses are being processed.
- On April 23rd 2013 First Fishing Season of 2013 was announced by PRODUCE in 2.05 million MT based on IMARPE report of average biomass stock in the north central area of 12.1 million MT. Season will start in May 17, 2013 until the end of July.



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	743	3,339	3,685	2,448	6,133
%	96.6%	91.7%	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	

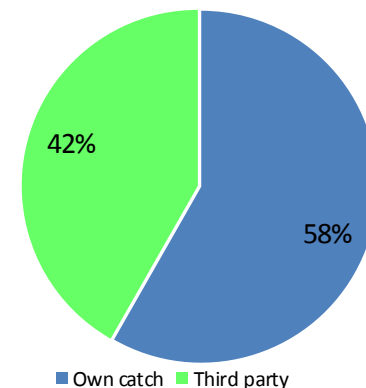
- 2012 Second season catch was 70% lower than catch of the same period in 2011.
- Effective catch was 743 thousand MT (91.7%).
- Global quote was divided in two parts: 410 thousand MT for December 2012 and 400 thousand MT for January 2013.
- Lower volume of the season reduced vessels efficiency of capture to 18%.
- Bigger fishing effort due lower volume quota and to the presence of “juveniles”.



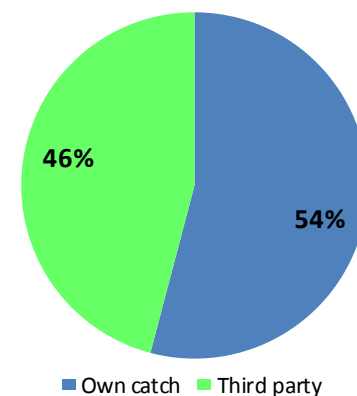
Exalmar's Own and Third party Catch

	Second season 2012	Second season 2011	%	Total 2012
Thousands of MT				
Own Catch	47.9	153.6	-69%	240.3
	58%	54%		61%
Third party	34.3	130.4	-74%	156.2
	42%	46%		39%
Total Processed	82.2	284.0	-71%	396.6
Fishmeal production	19.0	55.5	-66%	90.6
Fishoil production	2.0	14.9	-87%	21.4

Total MT processed in Second Season 2013 (In Thousands MT)



Total MT processed in Second season 2012 (In Thousands MT)



- Due to lower quote, during Q1 2013, Exalmar processed 82.2 thousand MT (-71% lower than Q1 2012).
- Own catch was 58% and third party was 42% (54% and 46% respectively in Q1 2012).
- Exalmar processed 11.1% of the total national catch of the second season 2012.

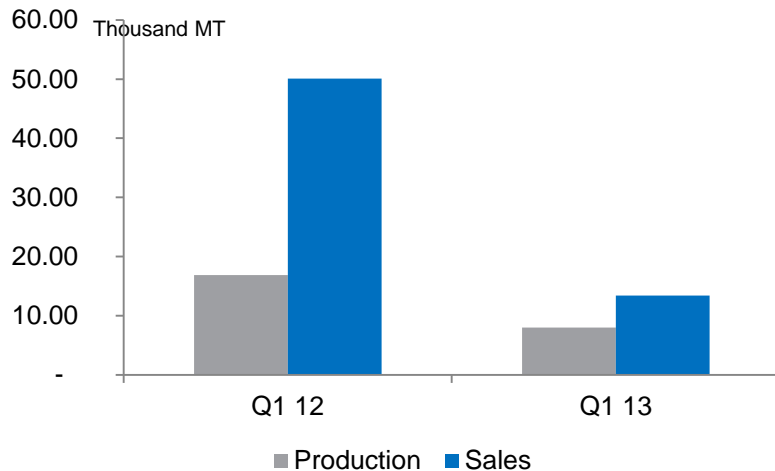


Stocks and sales of Fishmeal

**Stocks,
production and
sales of fishmeal**

Thousands MT	Q1-13	Q1-12	Var.%	2012
Beginning stock	11.1	40.6	-73%	40.6
Production	8.0	16.9	-53%	90.6
Sales	13.4	50.1	-73%	120.2
Reprocessing	0.9	0.4	111%	0.1
Ending Stock	6.6	7.8	-16%	11.1

Production and sales of Fishmeal



- Due to lower global quote, fishmeal production in Q1 2013 was 53% below Q1 2012.
- Beginning stock was smaller than Q1 2012 (-73%) due to lower production of December 2012.
- Lower volume sold (-73%).
- By the end of Q1 2013 there were 6.6 thousand MT in stock.

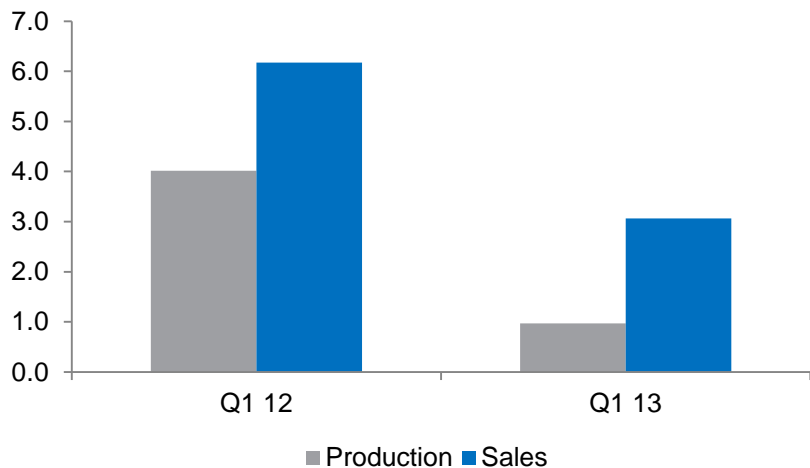


Stocks and sales of Fish oil

Stocks,
production and
sales of fish oil

Thousands MT	Q1-13	Q1-12	Var.%	2012
Beginning stock	1.0	8.2	-88%	8.2
Production	1.0	4.0	-76%	21.4
Sales	1.4	4.7	-70%	28.3
Reprocessing	-0.1	0.0		-0.3
Ending Stock	0.5	7.6	-93%	1.0

Production and sales of Fish oil



- In Q1 2013 fish oil production was -76% lower than Q1 2012.
- Beginning stock was 1 thousand MT (8.2 thousand MT in Q1 2012).
- Fish oil stock as of March 2013 was 0.5 Thousand MT.



Financial Results



Financial Results

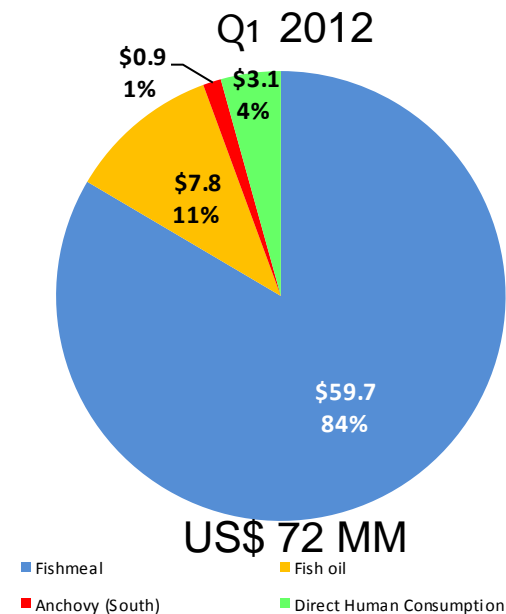
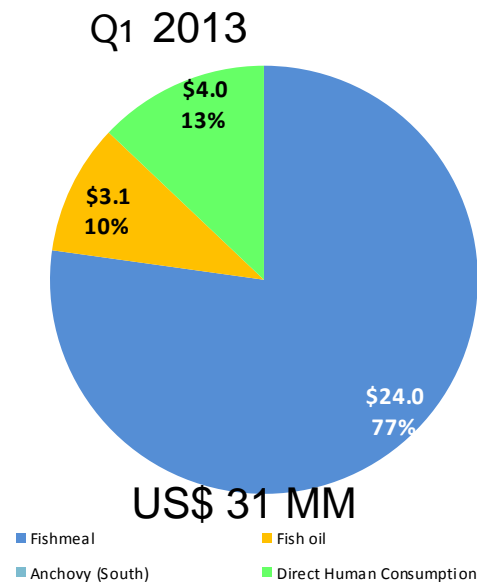
MM US\$	Q1-13	Q1-12	%	LTM	TOTAL 2012
Revenues	\$31.0	\$71.5	-57%	\$176.5	\$217.0
Gross Profit	\$2.6	\$21.5	-88%	\$39.7	\$58.6
Operating Income	(\$1.0)	\$16.9	-106%	\$18.9	\$34.8
Pre-Tax Income	(\$4.1)	\$14.7	-128%	\$10.5	\$27.3
Net Income	(\$2.4)	\$9.8	-125%	\$6.1	\$21.2
EBITDA*	\$3.7	\$22.6	-84%	\$41.6	\$60.6
<i>%of revenues</i>					
Gross Margin	8%	30%	▼ -22%	22%	27%
Operating Margin	-3%	24%	▼ -27%	11%	16%
Net Income Margin	-8%	14%	▼ -22%	3%	10%
EBITDA Margin	12%	32%	▼ -20%	24%	28%

1/ EBITDA does not include other income & other expenses and worker profit sharing as this is estimated at the end with the income before taxes.

- Revenues decrease 57% as compared with Q1 2012 due to:
 - i) lower fishmeal (-73%) and fish oil (-77%) volume sold as compared to Q1 2012
 - ii) higher prices of fishmeal (+50%) and fish oil (+74%) offset partially volume drop
 - iii) increase in revenue of Direct Human Consumption segment (+23%)
- Gross margin in Q1 2013 was 8% (30% in Q1 2012) explained by: i) lower revenues (-57%), ii) higher costs of production due to lower volume of global catch and iii) ban expenses of US\$ 7.7 MM (US\$ 8.1 MM in Q1 2012).
- Operating income in Q1 2013 was negative in US\$ 1 MM (US\$ 16.9 MM in Q1 2012) as gross income in absolute value was short and did not cover selling & administrative expenses.
- Net income in Q12013 was negative in US\$ 2.4 MM due to negative operating income and net financial expenses of (US\$3.8 MM) explained by higher company leverage due to Bond issuance whose proceedings will be used in investments that will generate higher EBITDA.
- LTM EBITDA is US\$ 42 MM (24% of Ebitda margin).



Revenues Composition



- Revenues in Q1 2013 were US\$ 31 MM (US\$ 72 MM in Q1 2012).
- Fishmeal revenues explained 77% (83% in Q1 2012).
- Fish oil revenues explained 10% (11% in Q12012).
- Direct human consumption revenues increased and explained 13% in Q1 2013 (5% in Q1 2012).

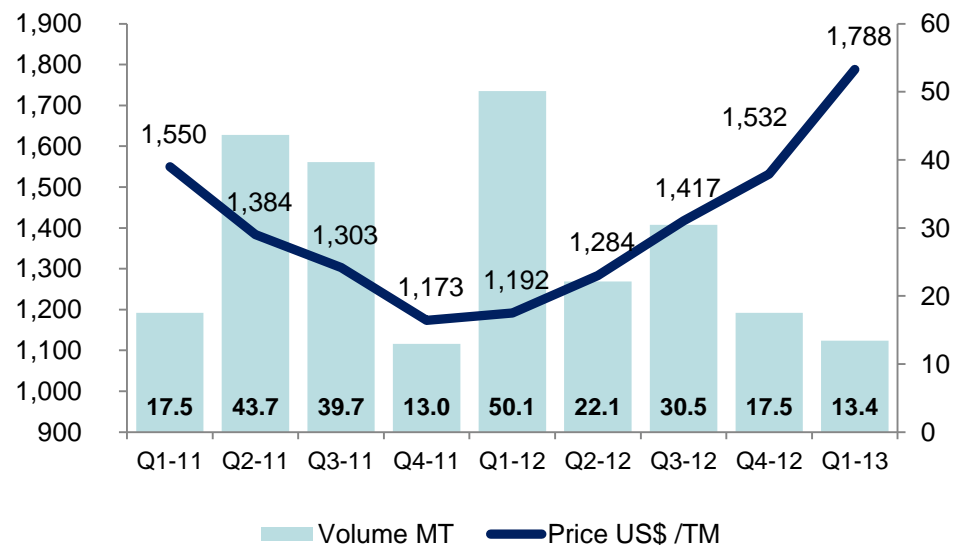


Fishmeal Revenues

FISHMEAL	Q1 2013	Q1 2012	Var. %	2012
MT (Thousand)	13.4	50.1	-73%	120.2
Price US\$ /MT	1,788	1,192	50%	1,315
MM US\$	24.0	60	-60%	158.2

- Volume was 73% below Q1 2012 due to lower global quote.
- Price increase offset partially volume drop.

Exalmar Fishmeal Average sales prices US\$/MT



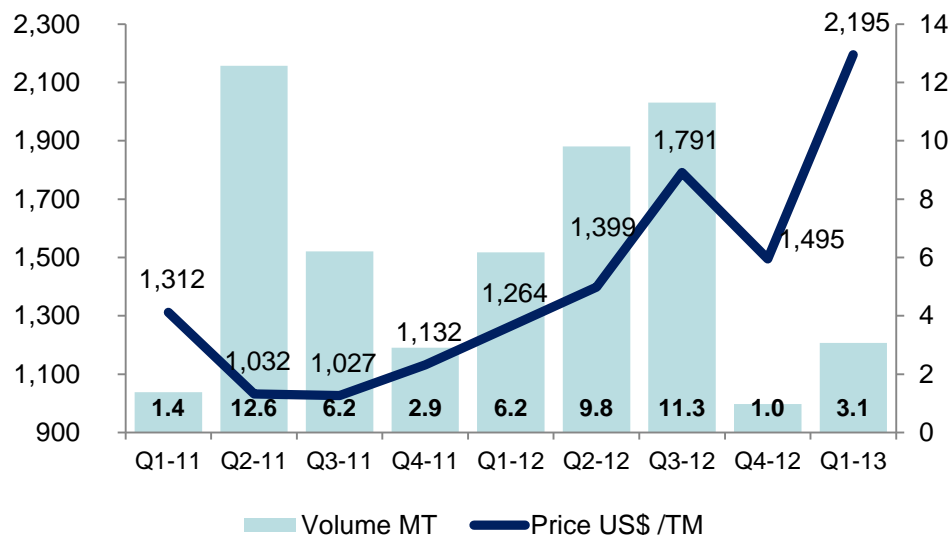


Fish oil Revenues

FISH OIL	Q1 2013	Q1 2012	Var. %	2012
MT (Thousand)	1.4	6.2	-77%	28.3
Price US\$ /MT	2,195	1,264	74%	1,530
MM US\$	3.1	7.8	-61%	43.2

- Revenues were -61% than Q1 2012.
- Lower volume due to lower global quote.
- Price increase of 74% due to lower world supply and higher demand of salmon industry.

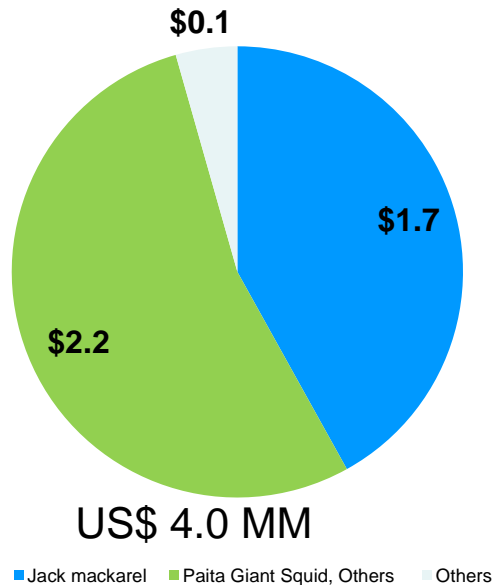
Exalmar Fish oil Average sales price US\$/MT



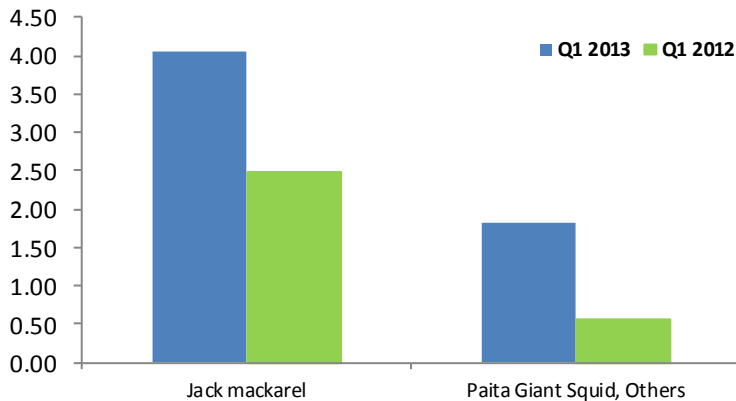
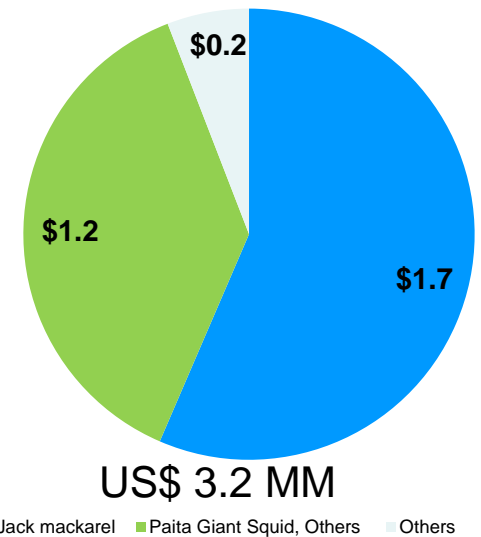


Direct Human Consumption Revenues

T1 2013



T1 2012



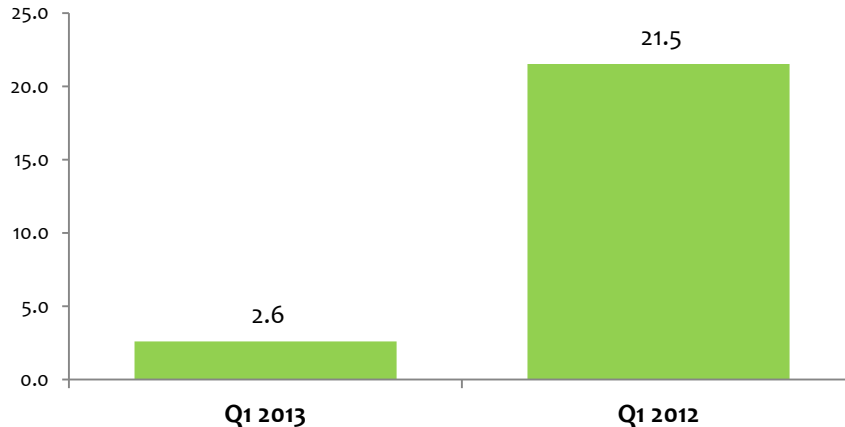
Revenues increase of 23% explained by:

- i) Business growth with operation of Paita plant.
- ii) Bigger exports of giant squid and “mahi mahi” in Q1 2013 (US\$ 2 MM vs. US\$ 1.2 MM in Q1 2012).
- iii) Jack mackerel revenues of US\$ 1.7MM. Fishing was only done with 3 vessels out of 6 as there are 3 additional vessels whose licenses have been delayed by Produce administrative process.

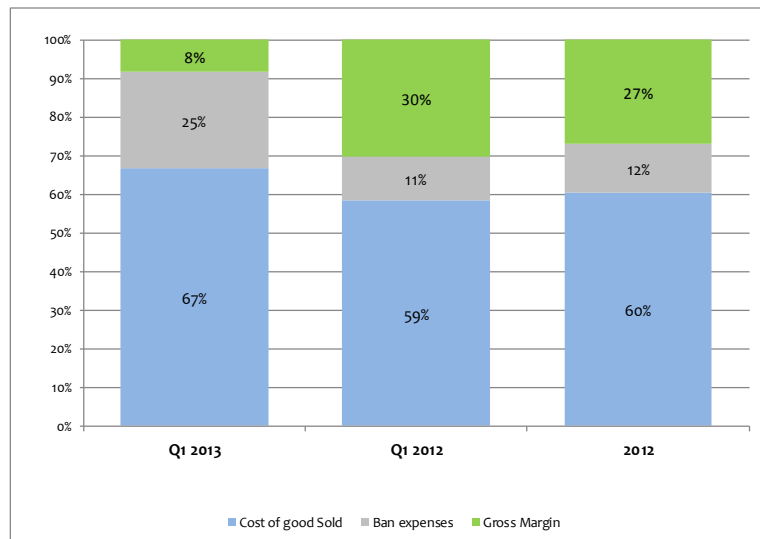


Gross Income & Gross Margin

Gross Income in US\$ MM



- Gross income was in absolute terms 12% of the amount of Q1 2012.
- Gross margin was 8% vs. 22% (Q1 2013 vs. Q1 2012).
 - i) Cost of production per MT increase due to lower volume processed.
 - ii) Ban expenses for Q1 2013 (US\$ 7.7M vs.. US\$ 8.1 MM in Q1 2012) were not diluted in small gross income.
 - iii) Ban expenses hit gross margin as they represented 25% of revenues (11% in Q1 2012).





Cost of Production

**Ban and
processed
volume**

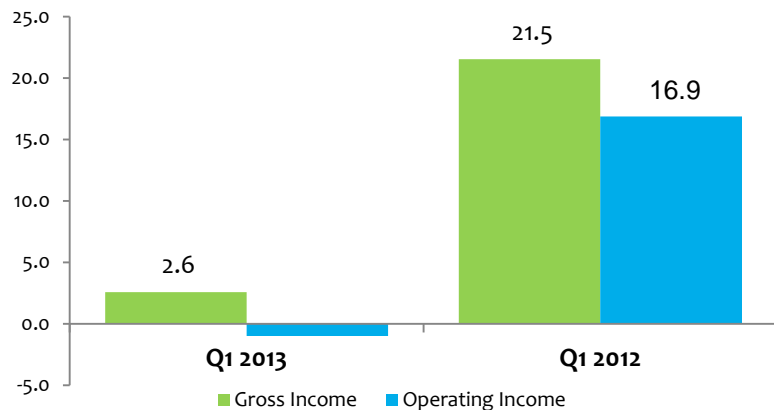
Costs

	Q1-13	Q1 -12	Var.	FY 2012
Ban days	59	60	-1	204
Total processed (Thousands MT)	35.5	72.9	-51%	396.6
Own catch (Thousands MT)	22.1	51.3	-57%	240.3
Third party (Thousands MT)	13.4	21.6	-38%	156.2
Third part buying price (US\$/ MT of anchovy)	422.4	228.9	85%	301.6
Cash CATCH cost (US\$/ MT of anchovy)	137.1	52.4	162%	78.0
Processing cost (US\$/MT Fishmeal&fishoil)	173.0	173.0	0%	216.0
Ban Expenses (US\$ MM)	-7.7	-8.1	-5%	-27.0

- Q1 2013 recorded 59 days of ban (60 days in Q1 2012).
- Lower global quote generate lower efficiency of vessels capacity. Presence of “juveniles” made catch more difficult. “Cash” catch cost was US\$ 137 per MT in Q1 2013 (US\$ 52 per MT in Q2 2012). Impact of depreciation was US\$ 21 per MT; fuel impacted US\$52 per MT; fleet personnel increase US\$ 10 per MT and other fix costs impact US\$ 17 per MT.
- Third party buying anchovy was US\$ 422 per TM (US\$ 228 per MT). Third party was 58% of volume processed in second season 2013.
- Total company ban expenses decreased slightly due to lower maintenance expenses.



Operating Income



- Q1 2013 Operating income recorded minus US\$0.9 MM (US\$ 16.9 MM in Q1 2012).
- Operating margin was -3% vs. 24% respectively.
- Gross income in Q1 2013 did not cover Q1 2013 operating expenses.
- Administrative expenses increase slightly in US\$ 0.1 due to higher personnel expenses as result of company growth.
- Selling expenses were US\$ 66 per MT (US\$ 65 per MT in Q1 2012).

MM US\$	Q1-13	Q1-12	%	LTM	2012
Total Operating expenses	\$3.2	\$5.1	-37%	\$18.3	\$20.3
Administrative Expenses	\$1.5	\$1.4	10%	\$8.7	\$8.6
Selling Expenses	\$1.7	\$3.7	-54%	\$9.6	\$11.7
<u>Net Other income& expenses</u>	(\$0.4)	\$0.4	-186%	(\$2.5)	\$3.6
Operating Income	(\$1.0)	\$16.9	-106%	\$18.9	\$34.7
% Operating Margin	-3%	24%		11%	16%
Selling expenses US\$/TM (1)	\$66.1	\$64.8	2%	\$66.8	\$66.5
Operating expenses/revenues	10%	7%	3%	10%	9%

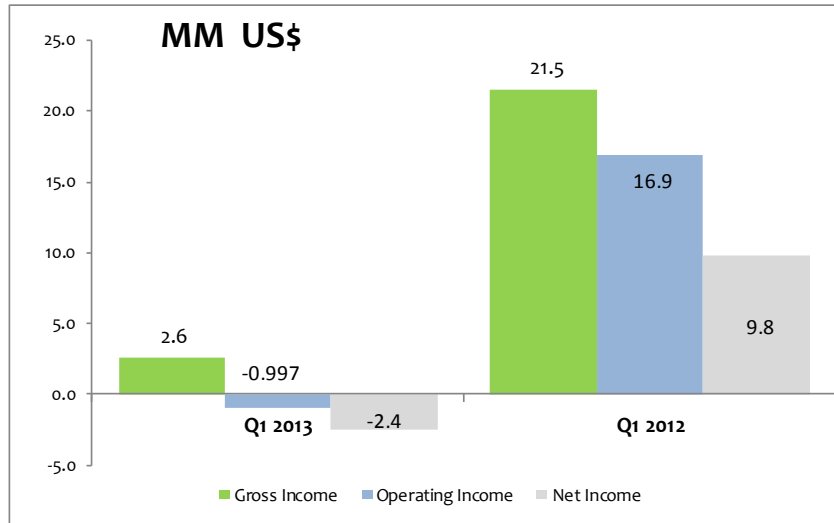
Financial expenses

MM US\$	Q1-13	Q1-12	Var. %	LTM	2012
Financial income	0.2	0.0	18%	1.0	0.8
Financial Expenses	-4.0	-2.1	91%	-12.0	-10.1
Net financial expense	-3.8	-2.1	83%	-11.1	-9.4
% Revenues	-12%	-3%		-6%	-4%

Pesquera Exalmar s.a.a Debt Position		
(Amounts in MM US\$)	2013	2012
	March	December
Total Short Term Debt	\$33.2 14%	\$42.8 23%
Structural Debt		
Current portion	\$1.9	\$9.3
Long term Debt	\$198.7	\$132.7
Total Structural Debt	\$200.6 86%	\$142.0 77%
Total Debt	\$233.8	\$184.8
Cash	\$31.0	\$15.0
Net Debt Pesquera Exalmar S.A.A	\$202.9	\$169.9

- Higher company leverage.
- Higher financial expenses (+US\$ 1.7 MM) in Q1 2013 vs. Q1 2012.
- Financial expenses represented 12% of revenues (3% in 2012) due to lower LTM EBITDA and higher interests expenses.
- By March 2013, Net Debt is US\$ 203 MM (US\$ 170 MM by December 2012).
- Long Term Debt (86%) includes US\$ 200 MM Bond issuance whose proceedings will be used in investments that will return higher EBITDA in the future.

Net Income

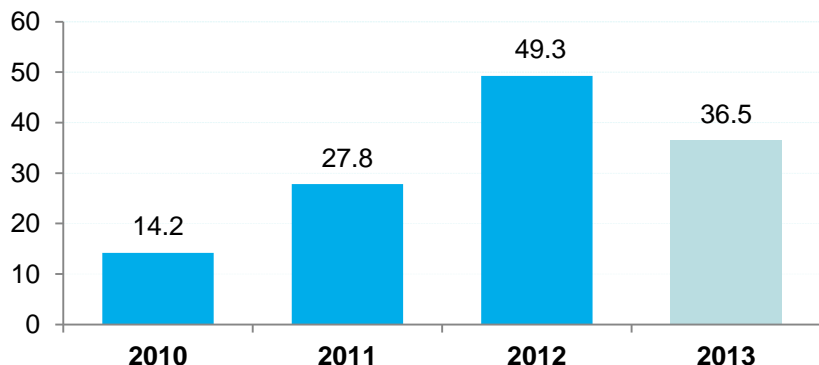


- Q1 2013 Net income was negative in US\$ 2.4 MM (US\$ 9.5 MM in Q1 2012).
- Negative operating income was further reduced by higher financial expenses.
- Net margin in Q1 2013 is -8%, (14% in Q1 2012).



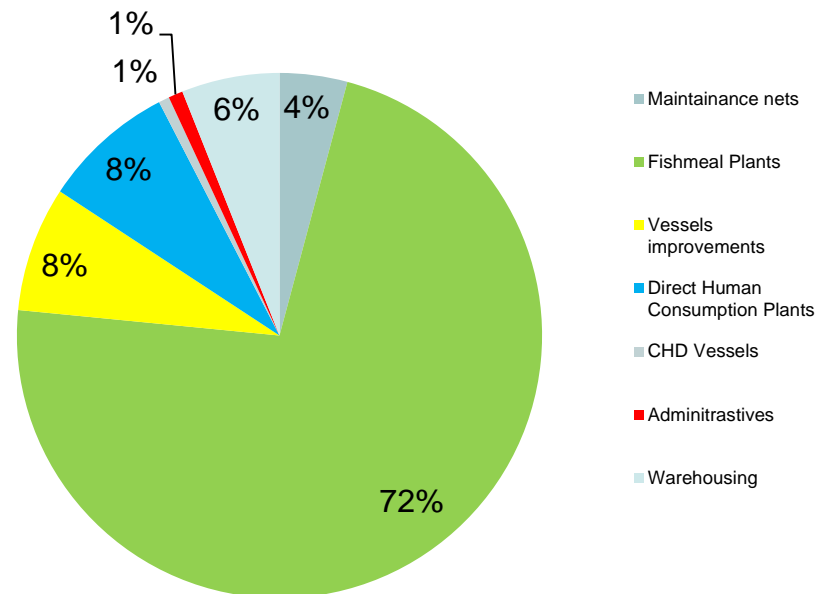
CAPEX

Evolution 2010 – 2013 (Million US\$)



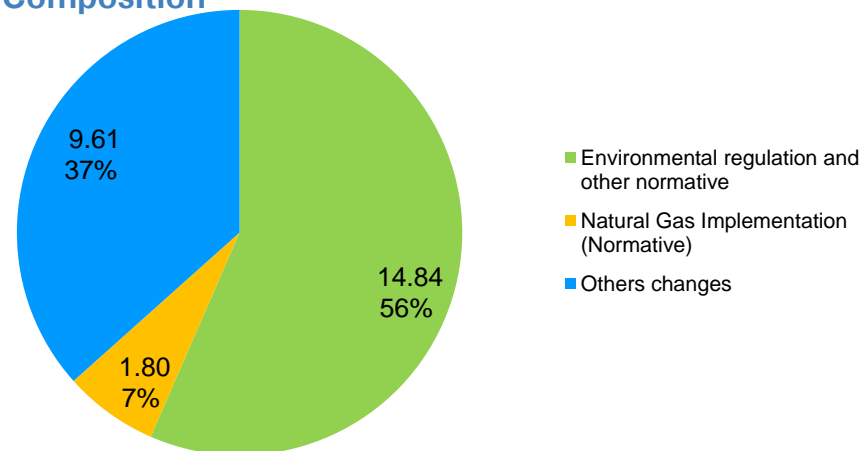
1/ Capex do not include quota acquisition.

2013 CAPEX Budget Composition



- Capex spent in Q1 2013 was US\$ 6 MM out of US\$ 36.5 MM annual Budget.
- Tambo de Mora Plant was finished. Licenses are being requested.

2013 CAPEX for Fishmeal & Fish oil Plants Composition



Subsequent Events

- a) **Public Bidding for tuna quota** was announced by the government in April 16, 2013. The quote equivalent to 5000 cubic meters carrying capacity was assigned to Peru by the Inter American Tropical Tuna Commission (IATTC), which in turn will be assigned to Peruvian flag craft after public competition. Three lots will be auctioned: the 500 thousand M3 of storage capacity with the right to access the resource of 12 years, the second 2,500 m3 with the right to six years and the third and last batch will be 1,000 m3 with the right of access in four years. Access to tuna resource extraction could occur in three ways: building seine fishing vessels for tuna resource, structural modification of fishing vessels or fishing vessels acquisition.
- b) **IMARPE** issued its report on the current state of north central biomass stock and the operating prospects for the period May July 2013. The average biomass stock of the North Central was estimated in 12.1 million MT (41% of biomass is youth, 47% are adult and 12% are elderly).
- c) **PRODUCE** announced the **First fishing quote of the 2013** in the north central area based on the recommendation of IMARPE. It was set in 2.05 million MT, starting from May, 17 until the end of July.