










MANAGERIAL ANALYSIS AND DISCUSSION OF THE THIRD TRIMESTER OF 2016 PESQUERA EXALMAR S.A.A. (“The Company”)

1. Indirect Human Consumption (CHI):

1.1. First Season of 2016 in the North Central Region.

- The first season of 2016 in the north central zone began on June 26th and ended the 27th of July 2016. The sector caught approximately 51% of the assigned quota with 1,800 thousand metric tons, compared to the first season of 2015 when 98% was caught. This low level of fish catch is the result of the short duration of the season itself, as well as a late start and its ending in late July, due to the normal start of the anchovy, spawning period.
- According to the Multi-Sectoral Committee for the Study of the Niño Phenomenon (ENFEN)¹, the surface ocean temperature (TSM) remains in the neutral range along the Peruvian coast. Also, national and international forecasts and observations all indicate a high probability of neutral conditions for next summer as well.
- The Company has a quota of 6.67% for the north central region, attaining a participation of 11.1% of total processing. This put Exalmar in fourth place in the fishing sector for the first season in terms of fishmeal and fish oil processing.

Company	1st Season of 2016
 TASA	27.2%
 	20.0%
	12.1%
	11.1%
	10.6%
	8.8%
Others	10.3%








Source: PRODUCE.

¹ Comunicado Oficial N° 14-2016, ENFEN, octubre del 2016.



1.2. Second Season of 2015 in the North Central Region:

- The second season of 2015 in the north central region began on November 17th 2015 and ended the 31st of January 2016. The sector caught approximately 98% of the assigned quota with 1,110 thousand metric tons, better than the second season of 2014 when there was no fishing quota at all.
- The Company caught 6.61% of its quota for the north central region, attaining a total participation of 12.7% of total processing. This put Exalmar in third place in the fishing sector for the second season, in terms of fishmeal and fish oil processing.

Company	Second Season of 2015
 TASA	23.0%
 	21.6%
	12.7%
	11.9%
	11.0%
	10.2%
Otros	9.6%

Source: PRODUCE.

1.3. Southern Region:

- By means of Resolution N° 017-2016-PRODUCE, published the 20th of January, the start of the first fishing season in the southern region for 2016 was authorized, with a LMTCP of 382 thousand metric tons. Said season began the 2nd of February and ended the 30th of June 2016, with an effective catch of 40%, on behalf of the companies in the sector.
- By means of Resolution N° 242-2016-PRODUCE, published the first of July, the start of the second fishing season in the southern region for 2016 was authorized, with a LMTCP of 382 thousand metric tons. Said season began the 7th of July and will end once the LMTCP is reached or, by default, the 31st of December 2016. To date, there has been progress that constitutes 8% of the assigned quota.

1.4. Catch and Processing:

- Taking into consideration that yearly financial statements generally include sales which correspond to production of the second quota from the previous year and the first quota of the current year, in the 2015 financial statements, the companies in the fishing sector had an effective quota of approximately 2,508 thousand metric tons. For 2016, there will be an effective quota of approximately 1,998 thousand metric tons.



Thousands of Metric Tons	Up to the 31st of December 2015		
	2nd Season 2014	1st Season 2015	Total
Quota C-N		2,580	2,580
Effective Catch of Sector		2,508	2,508
Advance of Quota in the Sector		97.2%	
Exalmar Processing		324	324
Exalmar Assigned Quota		6.54%	
Participation of Exalmar		12.9%	
Season		09/04 - 31/07	

Thousand of Metric Tons	Up to the 31st of December 2016		
	2nd Season 2015	1st Season 2016	Total
Quota C-N	1,110	1,800	2,910
Effective Catch of Sector	1,084	914	1,998
Advance of Quota in the Sector	97.6%	50.8%	
Exalmar Processing	141	101	242
Exalmar Assigned Quota	6.61%	6.67%	
Participation of Exalmar	12.7%	11.1%	
Season	17/11-31/01	26/06- 27/07	

- As at the 30th of September 2016, the volumes of catches and processing shown correspond to the catch in the second season of 2015 (January) and the first season of 2016 (June and July).

Thousands of Metric Tons	As at 3Q15	As at 3Q16	Variation
Own catch	166.9	78.8	-53%
	52%	54%	
Third Party Purchase	157.1	66.5	-58%
	48%	46%	
Total Processed	324.1	145.4	-55%
Fishmeal Produced	73.0	33.8	-54%
Oil Produced	9.8	4.5	-54%
Fishmeal Factor	4.4	4.3	-3%
Fish Oil Factor	3.0%	3.1%	3%

1.5. Inventory:

- In 2016, there has been a high level of initial stock in fishmeal (32.1 thousand metric tons), the result of the catch and processing which corresponds to the second season of 2015.
- As at 30th of September 2016, said initial stock plus production meant an available volume for sale of 65.9 thousand metric tons (80.1 thousand metric tons the previous year), of which 62.8 thousand metric tons was sold. In the end, stock was at 3.5 thousand metric tons.



- It is worth noting that 95% of the fishmeal volume available for sale has been sold. This fishmeal corresponds to production of the first 2016 season and the balance leftover from the second season of 2015.
- Fish oil sales til the 30th of September 2016 were 4.8 thousand metric tons, leaving a final inventory of 2.0 thousand metric tons (1.0 thousand metric tons the previous year).

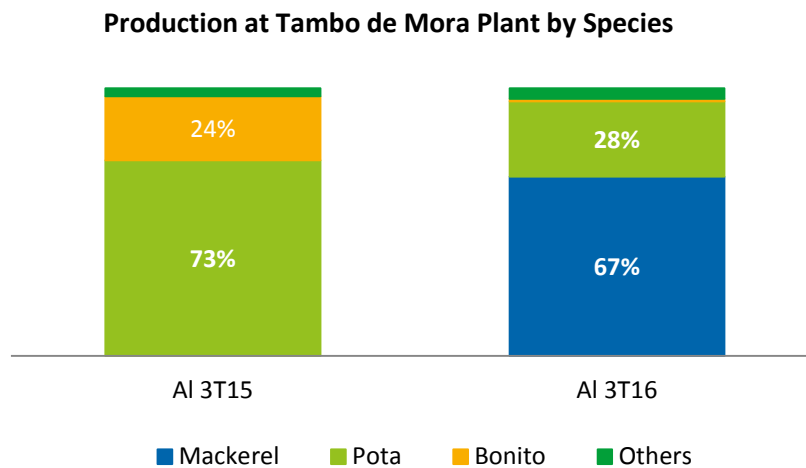
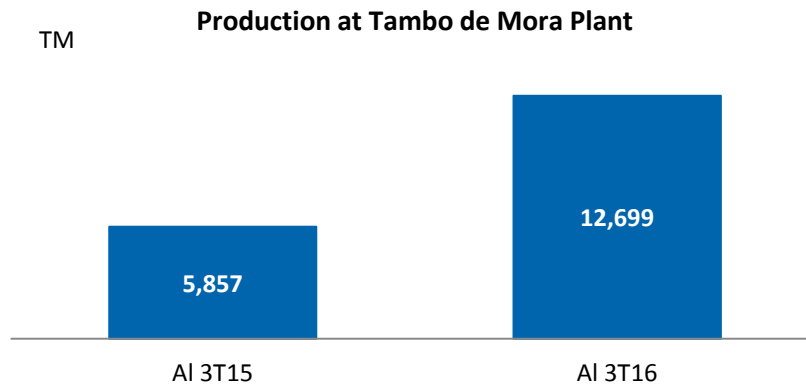
Fishmeal (thousands of metric tons)	As at 3Q15	As at 3Q16	Variation
Initial Inventory	7.1	32.1	352%
Production	73.0	33.8	
Sales	56.7	62.8	11%
Reprocessing	0.2	0.4	
Final Inventory	23.6	3.5	-85%

Fish Oil (thousands of metric tons)	As at 3Q15	As at 3Q16	Variation
Initial Inventory	0.7	2.2	214%
Production	9.8	4.5	
Sales	9.5	4.8	-49%
Reprocessing	0.0	0.1	
Final Inventory	1.0	2.0	96%

2. Direct Human Consumption (DHC):

- On January 4th, 2016, a catch limit of 93,000 metric tons was established for jack mackerel and 44,000 metric tons for mackerel. This applies to all extraction activities for Direct Human Consumption during the period of January 1st to December 31st of 2016. Since then, on August 25th 2016, the catch limit for mackerel was extended to 114,000 metric tons, meaning 207,000 metric tons of jack mackerel and mackerel.
- Production at the Tambo de Mora plant reached 12,669 MT through September 30th 2016, increasing by 117% with respect to the previous year. This was due to the availability of mackerel in the third trimester of this year (9,111 MT of mackerel catch by Exalmar).
- The production of giant squid at the Tambo de Mora plant has been enhanced due to increased work of catching this species. This has been ongoing since the second semester of 2014 from the southern ports of Ilo and Matarani.

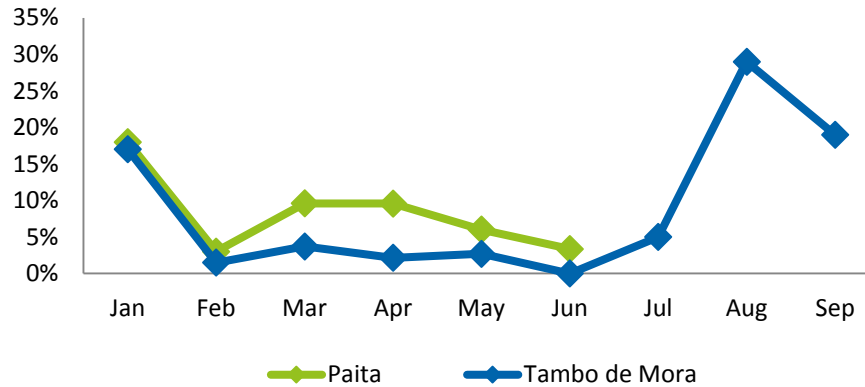
Jack Mackerel and Mackerel				
MT	2013	2014	2015	2016
Quota	106,000	152,000	140,000	207,000
Effective Catch of Sector	60,329	89,700	1,080	74,300
Advance of Quota in the Sector	56.9%	59.0%	0.8%	35.9%
Exalmar Catch	3,941	7,792	133	9,111
Participation of Exalmar	6.5%	8.7%	12.3%	12.3%



- As of September 30th 2016, there is a final inventory in Direct Human Consumption of 9,234 MT of different species, compared to 1,966 MT of species gathered through September 30th 2015.
- Direct Human Consumption in 2016 has been affected significantly by the following:
 - Scarcity of Jack Mackerel and Mackerel through the month of July.
 - Low availability of pota and other species, in turn generating a fall in the usage of the full capacity of the Paíta plant. The Paíta plant has been closed until a consistent stream of raw material is obtained and the plant's installed capacity can be properly put to use.



Usage of Installed Capacity of DHC Plants



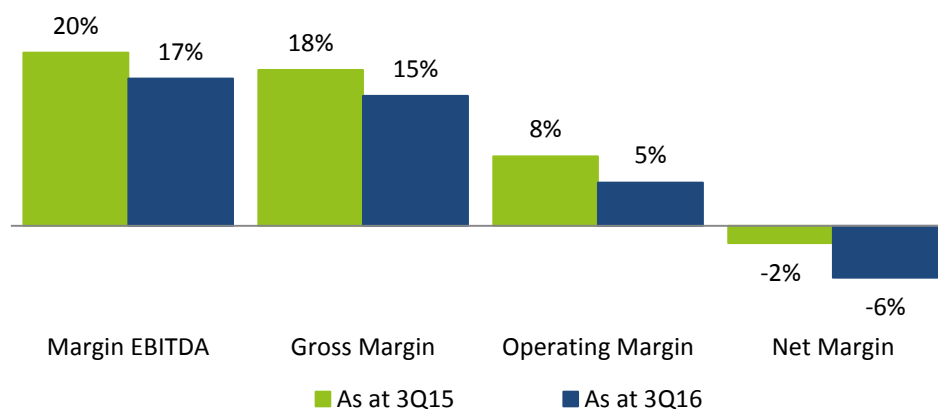
3. Financial Information:

- The financial statements through September 30th 2016, show the effect of: (i) fewer sales as a consequence of a smaller effective catch in the first season of 2016 and the late start of the season itself (ii) low quantity of resources available for DHC processing as well as the temporary close of the Paita Plant.

US\$ MM	3Q15	3Q16	As at 3Q15	As at 3Q16	Variation
Sales	63.6	41.3	131.4	121.3	-8%
Gross Profit	11.0	1.3	23.7	18.6	-22%
Operating Profit	6.3	-3.0	10.9	6.3	-42%
Profit before Tax	-2.6	-6.8	-6.1	-6.7	-190%
Net Profit	7.5	-3.7	-2.1	-7.4	-129%
EBITDA (*)	11.2	1.9	25.9	21.0	-19%

(*) Operating profit does not consider other income/ expenses.

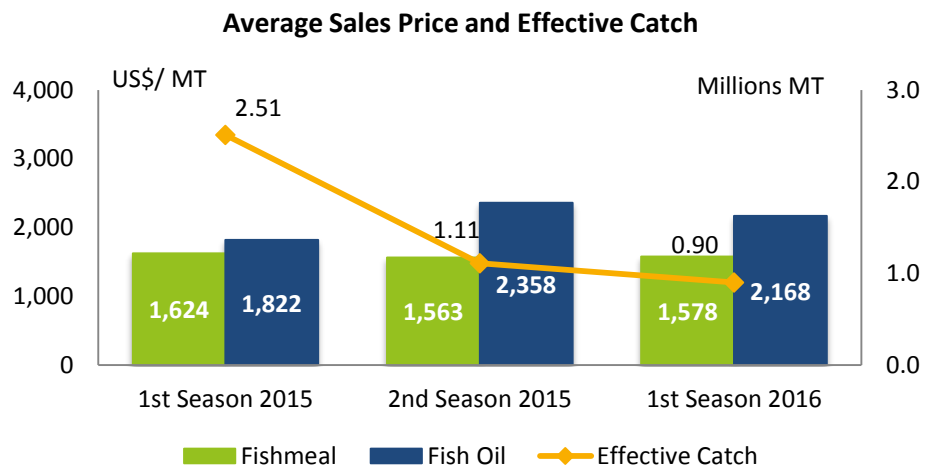
(**) Estimated EBITDA does not consider other income/ expenses as being non-recurring items nor the participation of workers.





3.1 Sales:

- Up until September 30th 2016, total sales decreased by 8% when compared to the same period of the previous year. IHC sales decreased by 4%, due to a smaller effective catch in the first season of 2016 and a late start of the season.
- The average sales price of fishmeal and fish oil that correspond to production in the first 2016 season was similar to the previous season.



- By September 30th 2016, 95% of the fishmeal volume available for sale had been sold, being comprised of the leftover balance from the second 2015 season and production of the first 2016 season.
- The average sales prices of fishmeal by September 30th 2016 reduced by 6% with respect to the same period of the previous year. This was due to a better second season of 2015 when compared to the second season of 2014.



Net Sales – Indirect Human Consumption					
	3Q15	3Q16	As at 3Q15	As at 3Q16	Variation
Fishmeal					
MT	31,660	21,030	56,736	62,767	11%
US\$/MT	1,515	1,636	1,676	1,578	-6%
Fishmeal Total (thousands of US\$)	47,951	34,396	95,102	99,020	4%
% of Total Sales	75%	83%	72%	82%	
Fish Oil					
MT	5,026	1,455	9,464	4,808	-49%
US\$/MT	1,874	1,926	1,671	2,169	30%
Oil Total (thousands of US\$)	9,419	2,802	15,810	10,429	-34%
% of Total Sales	15%	7%	12%	9%	
Anchovy					
MT	2,735	397	8,202	397	-95%
US\$/MT	270	257	281	257	-9%
Anchovy Total (thousands of US\$)	739	102	2,304	102	-96%
% of Total Sales	1%	0%	2%	0%	
Quota Rental(thousands of US\$)	428		695		
% of Total Sales	0%		1%		
TOTAL INDIRECT HUMAN CONSUMPTION (thousands of US\$)	58,537	37,300	113,911	109,551	-4%
% of Total Sales	92%	90%	86%	90%	

Net Sales – Direct Human Consumption					
	3Q15	3Q16	As at 3Q15	As at 3Q16	Variation
Fresh Fish					
MT					
US\$/MT					
Total Fresh Fish (thousands of US\$)		156		175	
% of Total Sales		0%		0%	
Frozen Products (*)					
MT	5,082	2,019	15,003	5,304	
US\$/MT	952	1,819	1,090	2,031	
Total Frozen (thousands of US\$)	4,838	3,672	16,347	10,774	-34%
% of Total Sales	8%	9%	12%	9%	
Other (thousands of US\$)	240	124	1,478	752	-49%
% of Total Sales	0%	0%	1%		
TOTAL DIRECT HUMAN CONSUMPTION (thousands of US\$)	5,078	3,952	17,825	11,701	-34%
% of Total Sales	8%	10%	14%	10%	

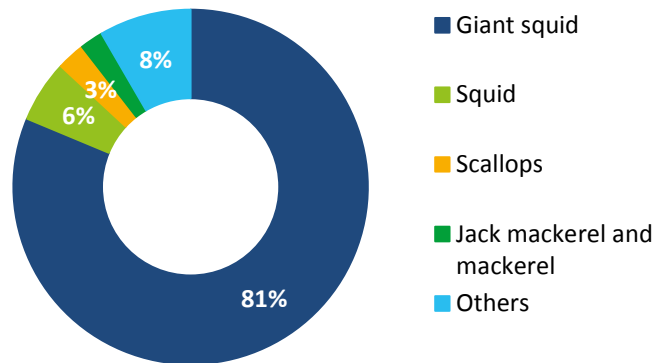
TOTAL (thousands of US\$)	63,615	41,252	131,736	121,252	-8%
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(*) Jack mackerel, mackerel, Abanico shells, Perico, squid, and pota are included- among others. (**) Residual fishmeal and diverse services are included.



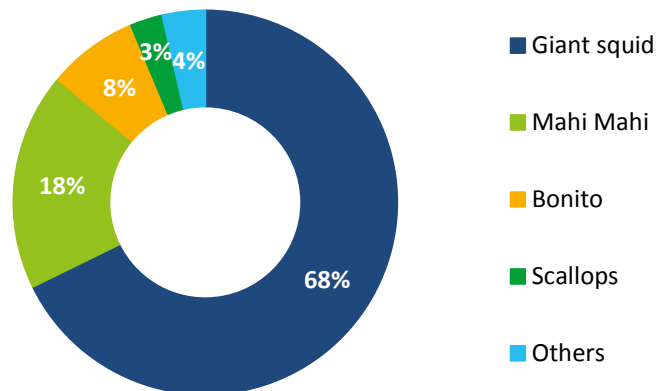
- DHC business sales reduced 34% with respect to the same period of the previous year, due to the scarcity of jack mackerel and mackerel as well as the low availability of giant squid and mahi mahi. The DHC sales represented 10% of total sales, down 14% from the previous year.

DHC: Sale of Frozen Products 2015 (*)



(*) Information in US\$ and as at September 30th 2015.

DHC: Sale of Frozen Products 2016 (*)



(*) Information in US\$ and as at September 30th 2016.

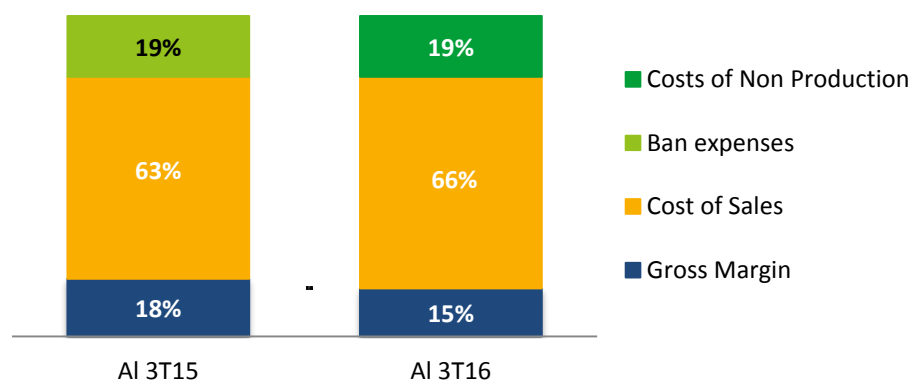


3.2 Gross Profit:

US\$ MM	3Q15	3Q16	As at 3Q15	As at 3Q16	Variation
Sales	63.6	41.3	131.4	121.3	-8%
Cost of Sales	41.6	25.1	83.1	80.0	-4%
Costs of Non Production (*)	11.0	14.9	24.6	22.6	-8%
Gross Profit	11.0	1.3	23.7	18.6	-22%
% in Sales					
Cost of Sales	65%	61%	63%	66%	4%
Costs of Non Production (*)	17%	36%	19%	19%	0%

(*) Through the 30th of September 2016, ban expenses are registered as deferred assets (US\$ 5.5 MM) that will be charged to the value of inventories in the second season 2016. From the presentation of annual, audited financial statements of 2015 and onward, ban expenses will not be considered- only costs of non production. The variation of costs incurred in periods of non production is explained in section 3.4.

- As at September 30th 2016, the gross profit diminished by 22% when compared to the same period of the previous year. This was due to the delay in the start of the first season of 2016.





US\$ MM	3Q15	3Q16	As at 3Q15	As at 3Q16	Variation
Sales	63.6	41.3	131.4	121.3	-8%
IHC	58.5	37.3	113.8	109.6	-4%
DHC	5.1	4.0	17.6	11.7	-34%
Cost of Sales	41.6	25.1	83.1	80.0	-4%
IHC	34.4	21.6	63.0	69.6	11%
DHC	7.2	3.5	20.1	10.4	-48%
Costs of Non Production	11.0	14.9	24.6	22.6	-8%
IHC	9.0	13.1	20.4	16.5	-19%
DHC	2.1	1.9	4.2	6.2	46%
Gross Profit	11.0	1.3	23.7	18.6	-22%
IHC	15.2	2.6	30.4	23.5	-23%
DHC	-4.1	-1.4	-6.7	-4.9	-27%

% in Sales	3T15	3T16	AI 3T15	AI 3T16	Variation
Cost of Sales	65%	61%	63%	66%	4%
IHC	59%	58%	55%	64%	15%
DHC	141%	87%	114%	89%	-22%
Costs of Non Production	17%	36%	19%	19%	0%
IHC	15%	35%	18%	15%	-16%
DHC	41%	47%	24%	53%	119%
Gross Margin	17%	3%	18%	15%	-15%
IHC	26%	7%	27%	21%	-20%
DHC	-82%	-34%	-38%	-42%	10%

(*) Through the 30th of September 2016, ban expenses are registered as deferred assets (US\$ 5.5 MM) that will be charged to the value of inventories in the second season 2016. From the presentation of annual, audited financial statements of 2015 and onward, ban expenses will not be considered- only costs of non production. The variation of costs incurred in periods of non production is explained in section 3.4.

3.3 Cost of Sales:

- As at September 30th 2016, the cost of IHC sales represented 64% of IHC sales, better than the 54% registered for the same period of 2015. This was due to the incorporation of ban expenses to the value of the inventory. Also, the unit cost of sales for IHC increased lightly with respect to the previous year (US\$ 1,030 for MT, and US\$ 951 for MT in the same period of the previous year)².
- As of September 30th 2016, the cost of catch for anchovy in MT increased by 26%, due to a smaller volume of catch. This, in turn, was the consequence of the short duration of the first fishing season of 2016. The lesser volume also generated higher fuel costs due to less efficiency and higher maintenance costs.

² Considers MT of sold fishmeal and oil



	Costs of Extraction		
	As at 3Q15	As at 3Q16 (*)	Variation
Own catch (MT)	166,391	78,845	-53%
Cost of Catch (thousands of US\$)	16,078	10,531	-35%
US\$/MT	96.3	133.6	39%
Depreciation	1,433	1,833	28%
Dep/ MT	8.6	23.2	171%
US\$/MT (without depreciation)	87.7	110.3	26%
Others:			
Personnel	8,310	3,631	-56%
Personnel /MT	49.8	46.1	-7%
Maintenance	1,204	1,219	1%
Maintenance/MT	7.2	15.5	114%
Combustible	3,625	2,634	-27%
Combustible/MT	21.7	33.4	54%
Others	1,506	1,214	-19%
Others /MT	9.0	15.4	71%

(*) As of September 30th 2016, the processing costs which correspond to the first fishing season of 2016, incorporate part of the differed assets considered through June 30th 2016 (previously considered ban expenses).

- As at September 30th 2016, purchases from third parties made up 46% of total processing volume. The cost per MT of third party purchases increased by 15 % with respect to the same period of the previous year, due to a lesser volume of purchases (-58%) which, in turn, is due to fewer production days. All of this is the result of the delay in the start of the season.

	Costs of Purchases to Third Parties		
	As at 3Q15	As at 3Q16	Variation
Purchase from Third Parties (MT)	157,133	66,507	-58%
Cost of Third Party Purchases (thousands of US\$)	39,034	19,072	-51%
US\$/TM	248.4	286.8	15%

- The cost of processing per MT as at September 30th 2016 (not including raw materials) increased by 15% with respect to the previous year. This was due to a lower volume of processing (-53%) coupled with a shorter fishing season. Also, this lower volume generated higher costs of personnel and maintenance.



	Costs of Processing		
	As at 3Q15	As at 3Q16 (*)	Variation
Processing of Fishmeal and Fish Oil - MT	82,811	38,323	-54%
Cost of Processing (thousands of US\$)	15,036	9,101	-39%
US\$/TM	181.6	237.5	31%
Depreciation	1,962	2,135	9%
Dep/ MT	23.7	55.7	135%
US\$/TM (without depreciation)	157.9	181.8	15%
Others:			
Personnel	1,678	1,387	-17%
Personnel /MT	20.3	36.2	79%
Maintenance	490	649	32%
Maintenance/MT	5.9	16.9	186%
Combustible	5,583	2,369	-58%
Combustible/MT	67.4	61.8	-8%
Inspections and Analysis	1,401	365	-74%
Inspections and Analysis/MT	16.9	9.5	-44%
Others	3,922	2,196	-44%
Others/MT	47.4	57.3	21%

(*) As of September 30th 2016, the processing costs which correspond to the first fishing season of 2016, incorporate part of the deferred assets considered through June 30th 2016 (previously considered ban expenses).

- With respect to DHC, the previously mentioned fall in usage of full plant capacity- due to the absence of jack mackerel and mackerel and low availability of giant squid and other species- affected the results of this business unit.

DHC (MM US\$)	As at 3Q16		
Sales	11.7		11.7
Variable Cost of Sales	-9.3		-9.3
Margin of Contribution	2.4		2.4
Costs of Sales	-2.1		-2.1

	Cost	Deprec.	Total
Costs of Non Production	-3.8	-2.4	-6.2
Fixed Cost of Sales	-0.9	-0.2	-1.1
Administrative Expenses	-0.8	-0.3	-1.1
Fixed Costs	-5.5	-2.9	-8.4

EBITDA	-5.2	
Operating Profit		-8.1



3.4 Costs of Non Production:

- With the aim of making the accounting criteria more uniform with the current tax norms, expenses incurred during ban period are being considered as necessary expenses for the production of the next season- as of the presentation of the annual, audited financial information of 2015; now, they are used as the value of inventories. Therefore, expenses related to ban period have been re-classified to the costs of production (extraction and processing), inventories and later impact in the cost of sales. "Costs incurred in periods of non production" correspond to expenses incurred on days when there is no production in the plants and to expenses of non-operating vessels during the fishing seasons.
- As at September 30th 2016, there were 202 days in the period of prohibited fishing, compared with 159 days in the previous year. This was due to the delay in the start of the first fishing season of 2016.
- Ban expenses increased by 14% in absolute terms as compared to the previous year. This is due to: (i) higher fixed costs for plants and vessels during the longer period of prohibited fishing (ii) higher, non production DHC costs associated with low usage of the installed capacity of the Tambo de Mora and Paita plants.

US\$ MM	As at 3Q15	As at 3Q16 (*)	As at 3Q16	Variation
Fleet Ban Expenses (**)	9.0	2.0	0.0	-77%
Plant Ban Expenses (**)	9.3	3.4	0.0	-63%
IHC Non Production Costs (***)	2.1	16.4	16.4	
DHC Non Production Costs(***)	4.2	6.2	6.2	47%
Ban expenses	24.6	28.0	22.6	14%

(*) For the purpose of comparative analysis, the information is also presented without considering the re-classification of the expenses of the prohibited fishing period (including deferred costs).

(**)Through the 30th of September 2016, ban expenses are registered as deferred assets (US\$ 5.5 MM) that will be charged to the value of inventories in the second season 2016. From the presentation of annual, audited financial statements of 2015 and onward, ban expenses will not be considered- only costs of non production.

(***) The costs of non production correspond to days of non production in the plants during the fishing season.

3.5 Operating Expenses:

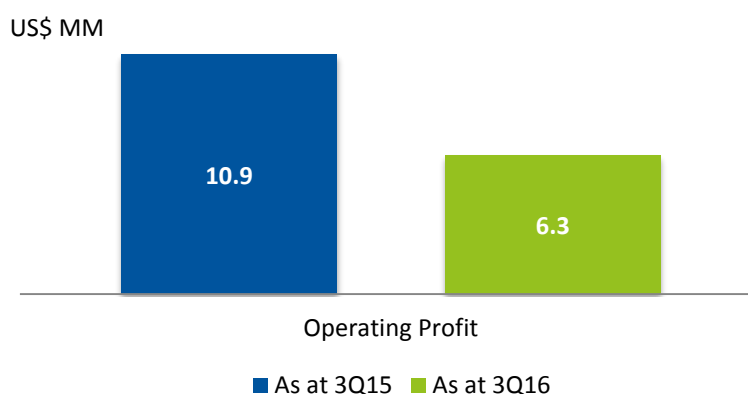
- As at September 30th 2016, administrative expenses increased by 9% with respect to the previous year while costs of sales went from 6% to 5% of sales.

US\$ MM	3Q15	3Q16	As at 3Q15	As at 3Q16	Variation
Costs of Sales	2.8	2.5	7.6	6.6	-13%
% in Sales	4%	6%	6%	5%	-6%
Administrative Costs	1.8	1.8	5.2	5.7	9%



3.6 Operating Profit (*):

- As at September 30th 2016, operating profit reduced by 42% with respect to the previous year and the operating margin is at 5% (8% as of September 30th 2015). This as a result of the lesser volume processed and the delay in starting the first fishing season of 2016.



(*) The operating profit does not consider other income/ expenses.

3.7 Financial Costs:

- The net financial costs increased by 29% and represented 14% of sales (10% in the same period of the previous year). This is due to costs incurred in the repurchase of corporate bonds (approximately US\$ 3 MM).

US\$ MM	3Q15	3Q16	As at 3Q15	As at 3Q16	Variation
Financial Income	0.0	0.0	0.0	0.0	-46%
Financial Expenses	4.7	8.8	13.2	16.9	28%
Net Financial Costs	-4.7	-8.8	-13.1	-16.9	29%
% in Sales	7%	21%	10%	14%	39%

3.8 Other Income and Expenses:

- As at September 30th 2016, the net of other income and expenses was US\$ 4.5 MM, higher than the same period of the previous year (US\$ -2.9 MM). This was due to the profit generated by the repurchase of corporate bonds.

3.9 Net Profit:

- As at 30th September 2016, net profit was US\$ -7.4 MM, a lesser amount than the same period of the previous year (US\$ -2.1 MM). This was the result of a lesser effective catch during the second season of 2016, as well as the absence of jack mackerel and mackerel and other species related to Direct Human Consumption.



3.10 Debt:

- The total of net debt as at September 30th 2016 increased to US\$ 234.2 MM. The long term debt (current and non current) was US\$ 201 MM, of which US\$ 6.1 MM corresponds to leasing operations. There was a short term debt of US\$ 40.2 MM related to working capital.
- Cash was US\$ 7.0 MM, a lesser level than 2015 (US\$ 8.8 MM), due to the first season of 2015 starting in April which, in turn, generated the need for cash to cover operations. In 2016, there was a delay in the start of the first season.
- As at September 30th 2016, the company has a committed line of capital with Scotiabank for US\$ 20.0 MM which can cover any eventuality that may require financial settlement. Since said date, only US\$ 5MM of this line of capital has been used.
- It is worth nothing that the repurchase of corporate bonds generated a long term, bond debt reduction of US\$ 200MM to US\$ 170 MM. The long term bank debt increased by US\$ 25 MM (syndicated credit to 6 years with 1 year of grace and a balloon installment of 20%).

Position of Debt			
US\$ MM	As at 3Q15	As at 3Q16	%
Short Term Debt (*)	57.0	40.2	-29%
	22%	17%	
Long Term Debt	205.3	201.0	-2%
Current	2.5	2.5	1%
Non Current	202.8	198.5	-2%
	78%	83%	
Total Debt	265.3	241.2	-8%
Capital	8.8	7.0	-20%
Net Debt	253.5	234.2	-8%

- The short term debt diminished by 29%, due to the delay in the start of the first season of 2016, compared with 2015.
- As at September 30th 2016, short term bank debt is 97% covered by inventories, spare capital, and accounts receivable. This is backed up by letters of credit.



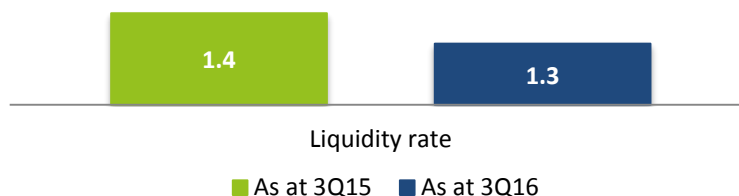
US\$ MM	As at 3Q15	As at 3Q16	%
Short Term Debt (Working Capital)	57.0	40.2	-29%
Net receivables	29.8	16.2	-46%
Valued Inventory (US\$)	45.1	15.9	-65%
Fishmeal Stock (thousands of MT)	23.6	3.5	-85%
Fish Oil Stock (thousands of MT)	1.0	1.8	-79%
DHC Stock (thousands of MT)	2.8	14.4	411%
Fishmeal Valued Inventory (*)	39.5	5.6	-86%
Fish Oil Valued Inventory (*)	1.7	3.9	132%
DHC Inventory (**)	3.9	6.5	63%
C x C + Valued Inventory + Spare Capital	83.7	39.1	-53%
Short Term Debt Coverage	147%	97%	

(*) Valued at average sales Price. (**) Valued at inventory cost. The DHC Inventory Costs include 7,589 MT of mackerel with an approximate cost of US\$ 2.2 MM.

3.11 Financial Indicators:

- Liquidity:**

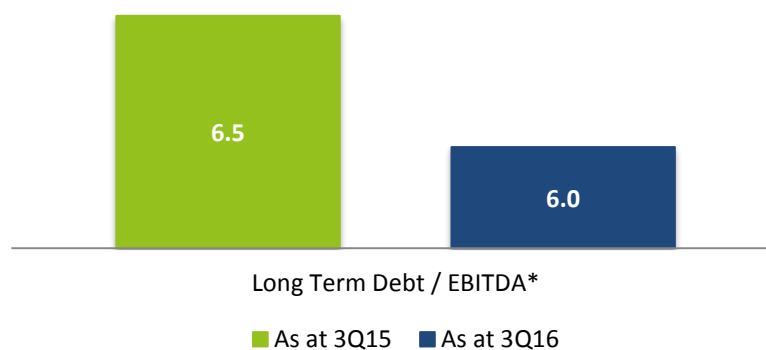
The liquidity rate (current assets/ current liabilities) diminished slightly due to higher need of working capital which, in turn, was the product of the delay in the first fishing season of 2016.





- **Solvency:**

The solvency ratio diminished as a consequence of lower levels of EBITDA in the last 12 months.



(*) The EBITDA of the last 12 months is considered. .

- **Profitability:**

The profitability ratios reduced as a consequence of the delay in the start of the first season of 2016, when compared to the previous year.

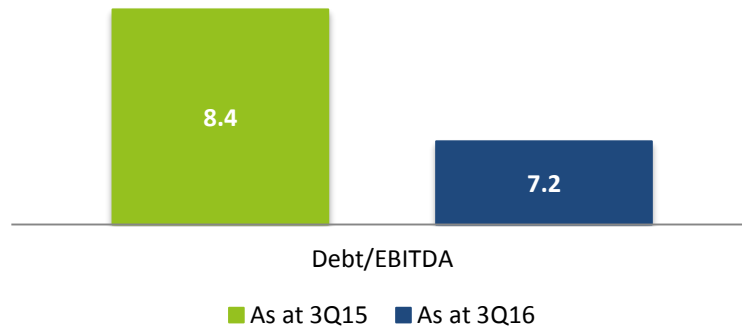
Position of Profitability		
	As at 3Q15	As at 3Q16
ROE	-1%	-3%
ROA	0%	-1%
Net Margin	-2%	-6%

- **Covenants:**

In the international emission of bonds for US\$ 200 MM, incurrence covenants were agreed to within the emission contract.

- **Total Debt/EBITDA LTM:**

Shows the existing relationship between funds obtained by third parties and the operating results. It is indicated that in the case this relationship is greater than 3.5, we can not incur greater debt, unless authorized by the funds made for that purpose and which are indicated in the corresponding prospectus.

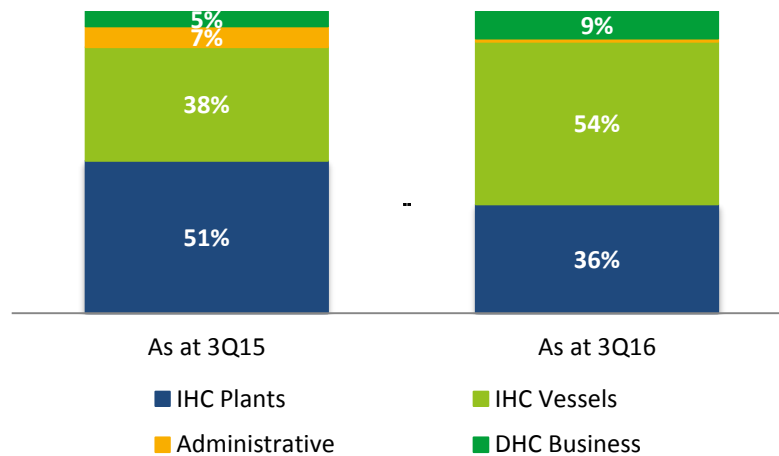


(*)The EBITDA is of the last 12 months.

As at September 30th 2016, the indicator diminished from 8.4x to 7.2x compared to a similar period of 2015, as a consequence of a larger initial stock when compared to the previous year.

3.12 CAPEX:

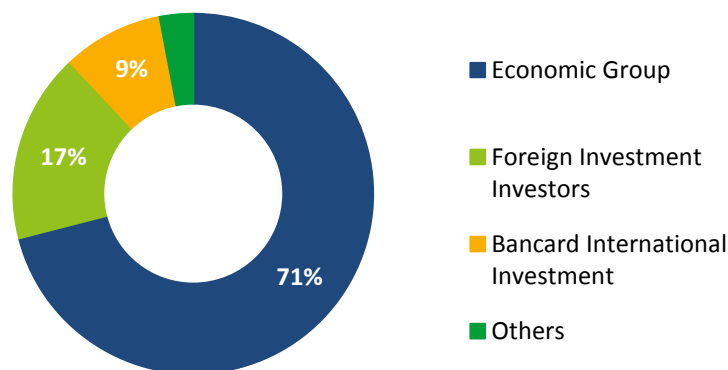
- As at September 30th 2016 and regarding CAPEX, investments have been made in the amount of US\$ 14.9 MM (US\$ 5.8 MM – 30th of September 2015) and are primarily destined for IHC vessels, which is for normal maintenance work.





4. Capital, Shareholder Structure and Share Evolution:

- As at September 30th 2016, capital, fully subscribed and paid by the Company, ascended to a quantity of S/. 295'536,144, divided into 295'536,144 common shares and with a voting right of the nominal value of S/. 1.00 each. All shares confer the same rights and obligations to its shareholder.
- The stock Exchange of Lima quotes the shares of the company. As at September 30th 2016, the market value of the 295'536,144 shares was at S/. 1.20 per share. It was at S/1.01 in September of 2015.



5. Other Relevant Details:

- On the 8th of July, we announced the launch of a new website for the company (www.exalmar.com.pe). This site has a more accesible, dynamic, and attractive structure that offers more information, makes navigation easier and is in line with the newest technologies.
- As of the 11th of July, the Company announced as an Important Fact the commencement of a private offer for the buyback of bonds and for a maximum amount of nominal value of US\$101'000,000.00.
- On July 26th an Important Fact was announced: the close of the first fishing season of 2016 in the north central zone. This was mentioned in the IMARPE report; it also mentioned the start of the spawning season.
- On August 22nd and Important Fact was announced: the extension of the announced private offering and of the waiver until August 30, 2016.
- On August 26th, the credit rating agency Standard and Poor informed of a rating reduction to B-. This was due to the delay in the assigning of a fishing quota for the first fishing season and, therefore, a reduction in the volumes of production.
- On August 31st, there was an investor conference call that informed on the financial results of the second trimester of 2016.
- On August 31st, the final results of the private offer for the repurchase of corporate bonds were announced and informed of consent to undertake the financing of USD 25 MM and the acceptance of the repurchase offer for USD 30 MM.



- On September 6th, the corresponding financial settlement of the repurchase was announced. There was an increased pay of USD 31, 305,000.
- On September 15th Exalmar participated in the event “Corporate Governance: Impacts on Strategic Management and the Creation of Sustainable Value”, which was organized by the Catholic University of Peru, PUCP, in Lima. In said event, Exalmar held a conference with the title “Corporate Governance: From Family Business to Corporation.”
- On the 28th and 29th of September, Exalmar participated in the event “XIV Andean Investor Conference”, organized by Credicorp in Lima.
- On October 18th, Exalmar was nominated as a finalist at the annual IFFO Awards. Exalmar was recognized for leadership and commitment in the area of Corporate Governance.