



Q3 2018 Report
Vice chairman Ricardo García

Agenda



1. Q3 2018 Highlights
2. Key figures
3. Business review
4. Market and Outlook
5. Summary



Q3 2018 Highlights

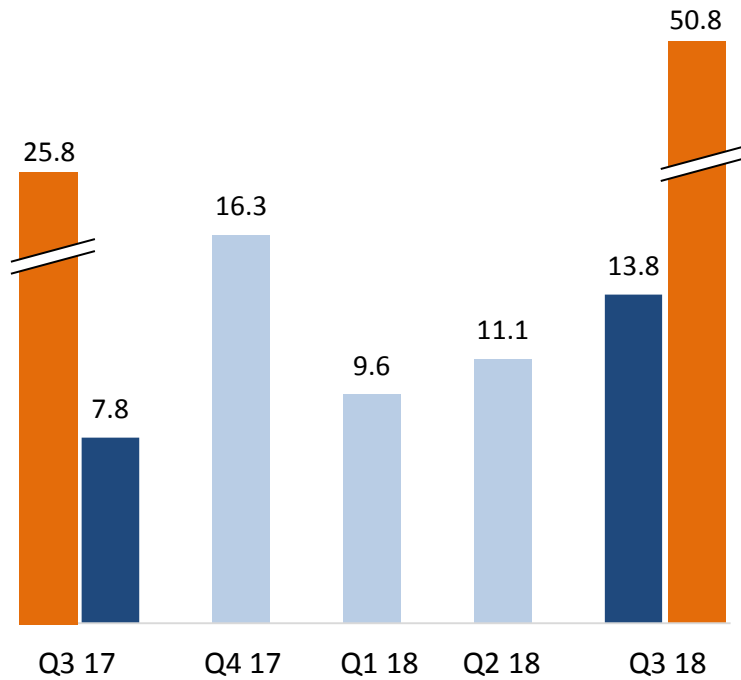


- Growth in line with expectations, harvest volumes up 78% compared to Q3 2017
- Strong earnings growth driven by higher volumes
- Prices slightly down in Q3 18 vs Q3 17 and Q2 18
- Live weight cost above long-term target due to predators and SRS mortalities in two farming sites
- Value added processing cost was down 24%, due to larger scale and productivity gains from new investments
- Q3 2018 EBIT/kg WFE of US\$ 1.43 up 26% from Q3 2017.
- 2018 Atlantic salmon harvest estimate at 48,500 tons WFE
- 2019 guidance of 55,000 tons WFE of Atlantic salmon harvest maintained. Additionally, 4,000 tons WFE of Pacific salmon

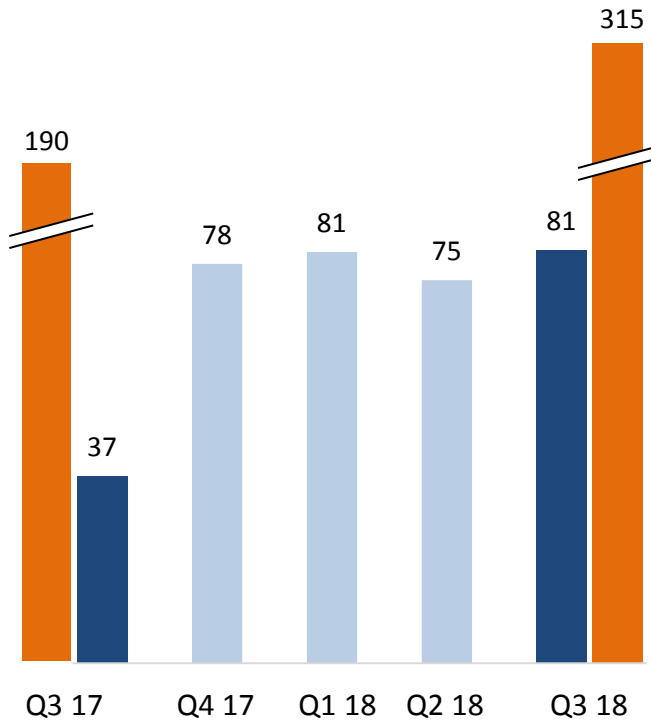
Key figures



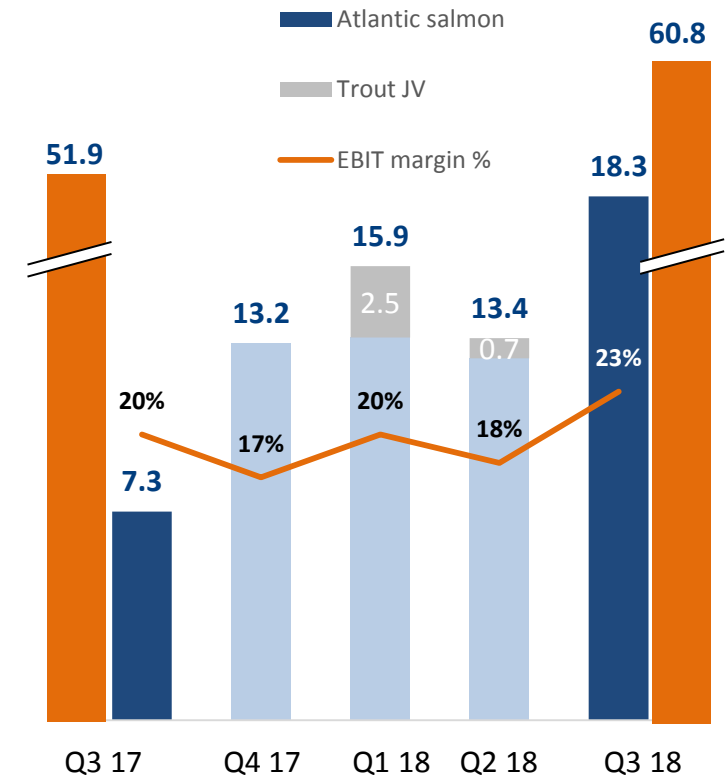
Harvests (Th ton WFE)



Revenues (MUS\$)



EBIT (MUS\$)



LTM

Key figures



ThUS\$	Q3 2018	Q3 2017	Δ%	As of 09/30/2018	As of 09/30/2017	Δ%
Operating Revenues	80,950	36,690	121%	236,603	124,820	90%
EBITDA before Fair Value	21,210	10,162	109%	55,874	36,679	52%
EBIT before Fair Value	18,339	7,314	151%	47,577	28,598	66%
EBIT margin %	22.7%	19.9%	14%	20.1%	22.9%	-12%
Net profit/loss after tax	14,780	21,013	-30%	33,619	26,867	25%
EPS (US\$)	0.2239	-	-	0.5094	-	-
Harvests (ton GWE)	12,448	7,005	78%	31,097	16,136	93%
Sales (ton GWE Company-farmed)	11,525	5,771	100%	30,872	14,922	107%
Ex-cage cost (US\$/Kg live weight)	3.21	3.15	2%	3.15	3.11	2%
Process cost (US\$/Kg GWE)	0.93	1.13	-18%	1.01	1.31	-23%
Price (US\$/Kg GWE)	6.82	6.93	-2%	6.91	7.53	-8%
Atlantic EBIT/Kg GWE (US\$)	1.59	1.27	26%	1.43	1.50	-4%
Financial debt				70,181	106,250	-34%
NIBD				51,826	104,834	-51%
Equity/Assets ratio				53%	39%	38%
Harvests (ton WFE)	13,831	7,783	78%	34,552	17,929	93%
Sales (ton WFE Company-farmed)	12,805	6,412	100%	34,302	16,580	107%
Process cost (US\$/Kg WFE)	0.84	1.02	-18%	0.91	1.18	-23%
Price (US\$/Kg WFE)	6.14	6.24	-2%	6.22	6.78	-8%
Atlantic EBIT/Kg WFE (US\$)	1.43	1.14	26%	1.29	1.35	-4%

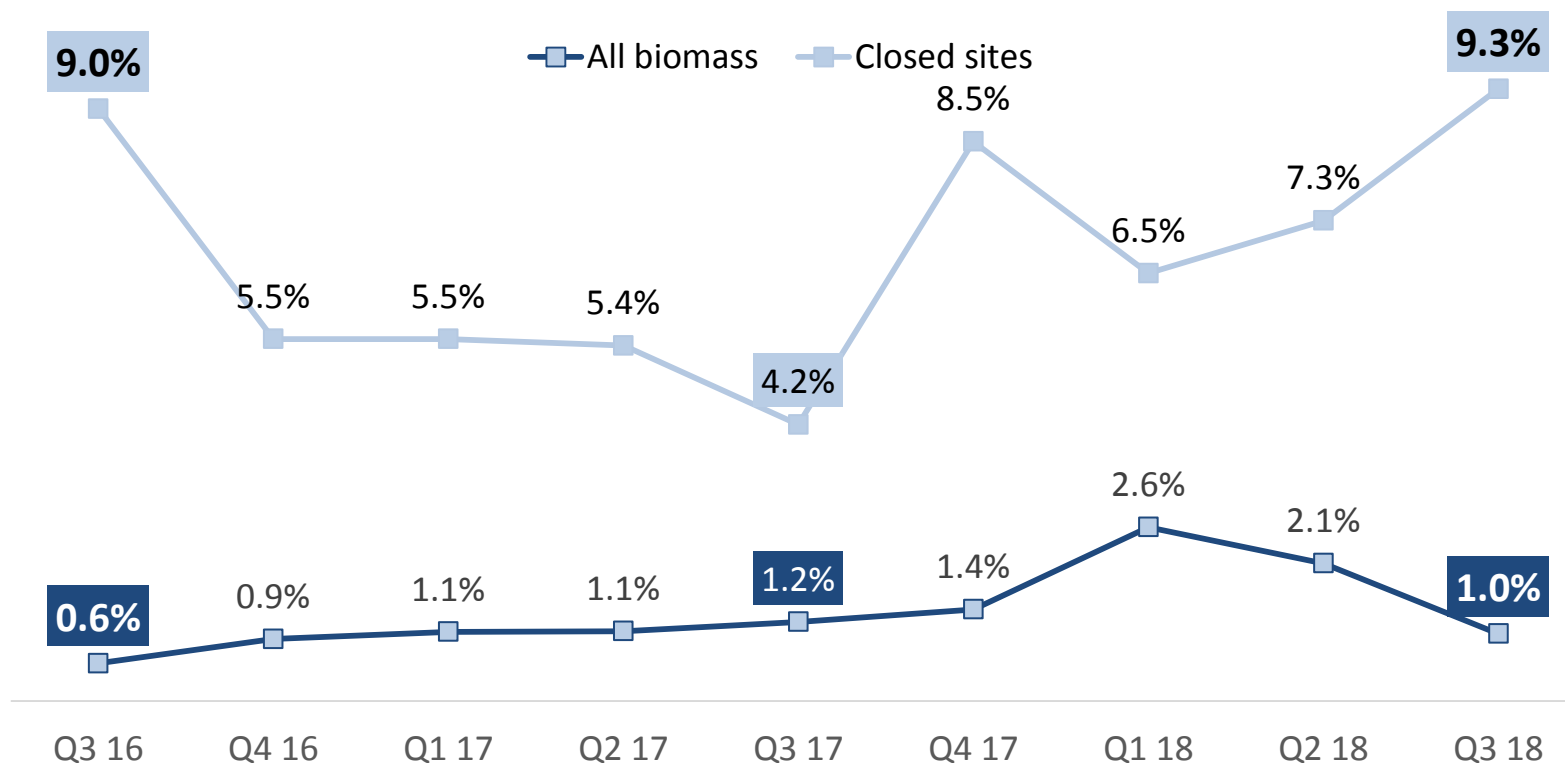
Business review

Atlantic Salmon Biology

Salmones Camanchaca mortality & sustainability indicators



Total quarterly mortality

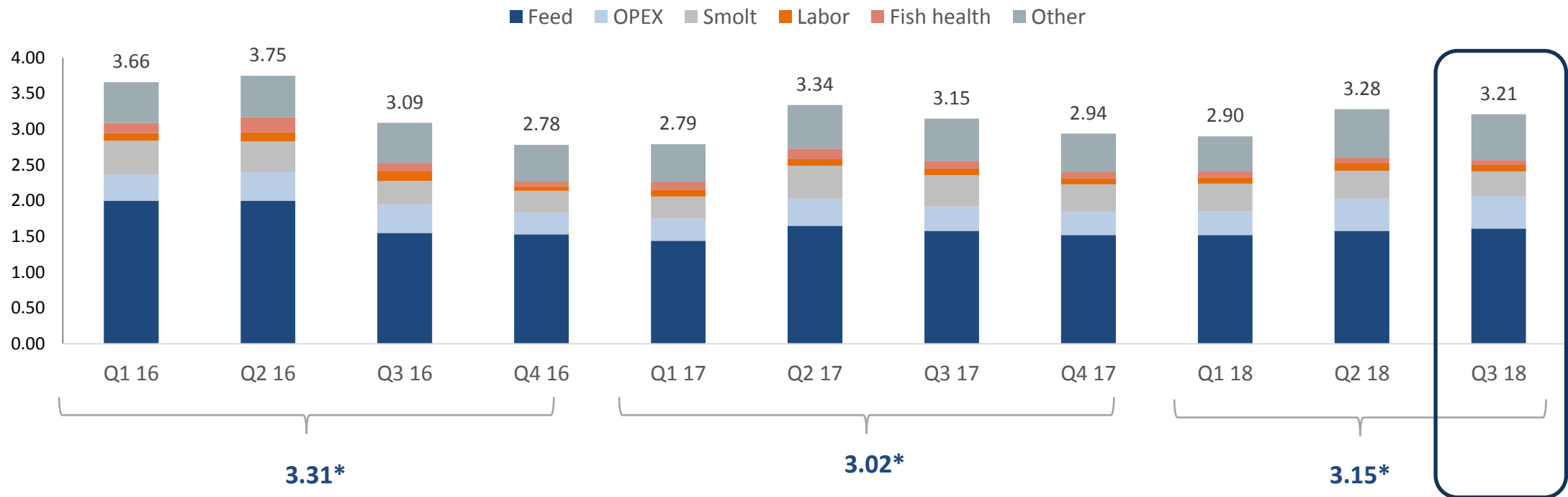


Salmones Camanchaca's Sustainability indicators:

- # of antibiotic treatments
 - 2017: 2.7
 - 9m 2018: 2.7
- Medicinal In-bath Treatments [g API per ton]
 - 2017: 7.8
 - 9m 2018: 5.4
- Feed Conversion Ratio
 - 2017: 1.25
 - 9m 2018: 1.24

Live Weight Atlantic Salmon Cost

(US\$/kg)

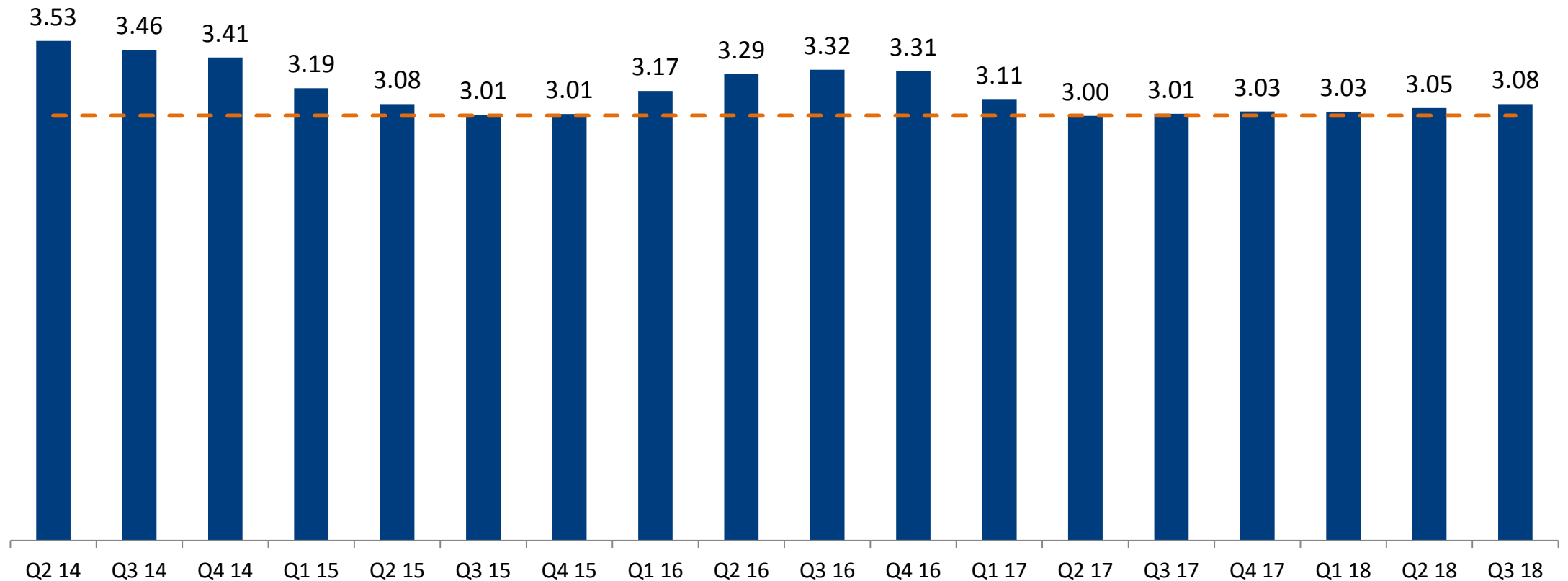


Differentials of actual cost vs our estimates for Q3 2018 and long term goal, explained by 2 farming sites:

Contao:	Sea lions and summer blooms	→	+12 cents added
Chonos:	SRS above normal	→	+4 cents of total higher cost

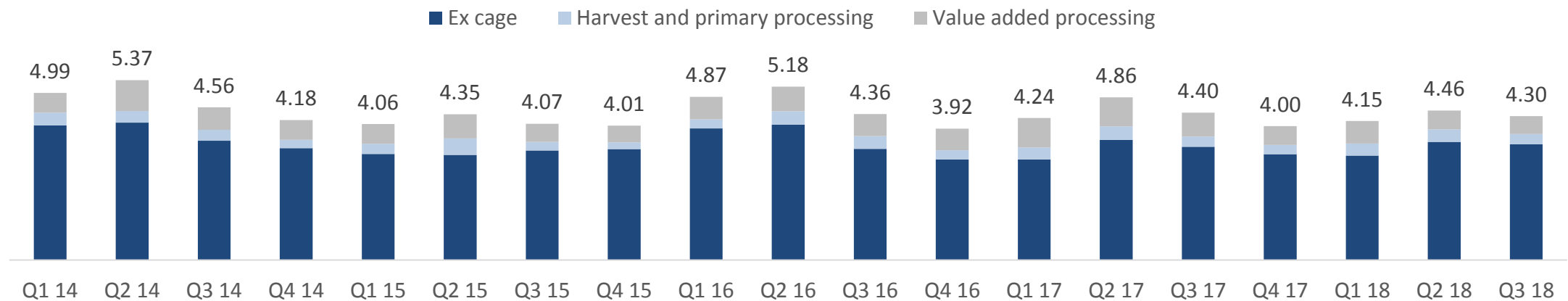
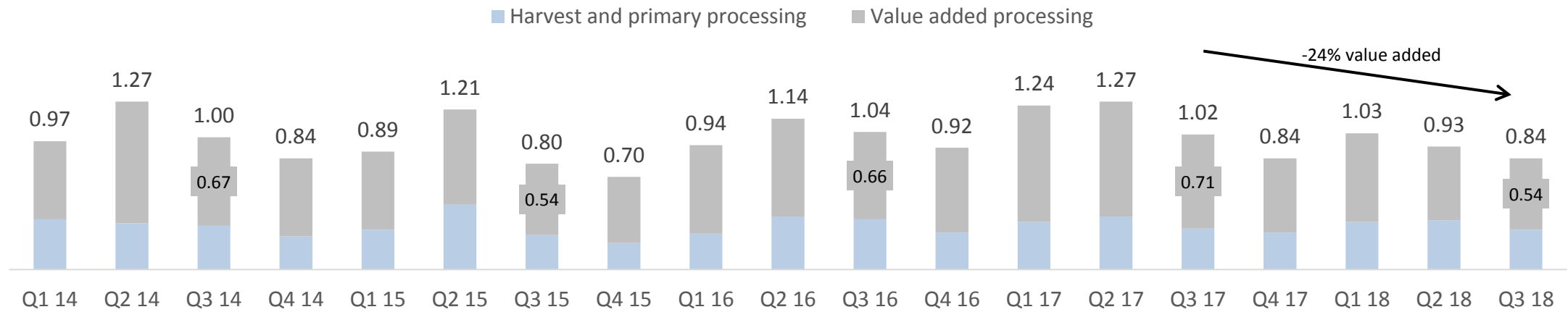
* Weighted Average

Live Weight Atlantic Salmon: Rolling LTM Cost (US\$/kg)



Atlantic Salmon Finished Prod. Cost

US\$/Kg WFE



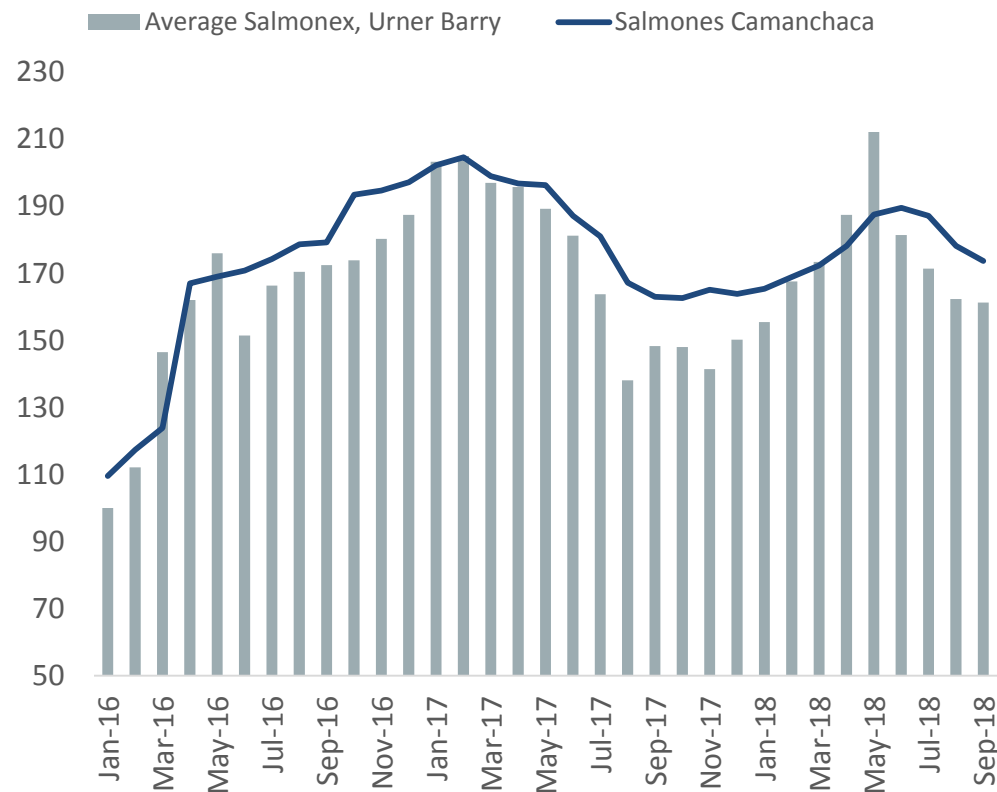
Price: Atlantic Salmon Return on Raw Material

Relative performance among Chilean Peers

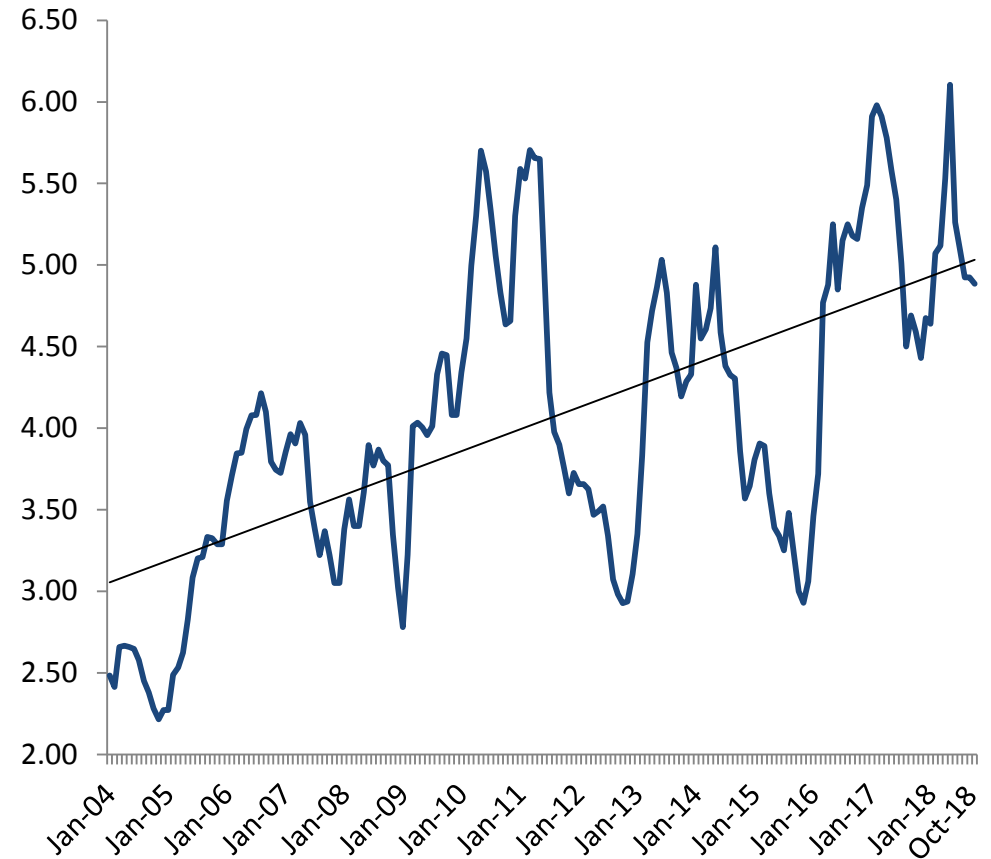


Salmones Camanchaca vs Market

(Average Salmonex, Urner Barry, Jan 2016 = Base 100)



Urner Barry (US\$/Lb)

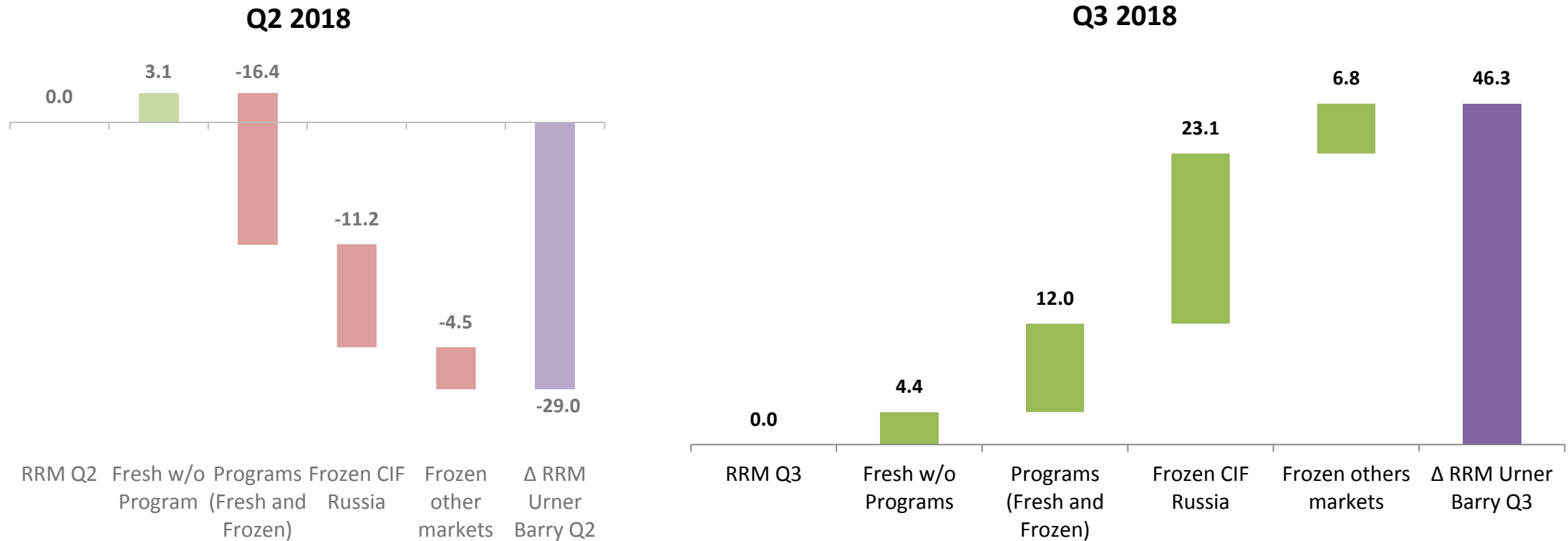


Salmones Camanchaca vs Urner Barry

RRM = Return or Price obtained for WFE fish with primary process (Raw Material)



Dollar cents / Kg wfe (Base 0 = RRM Salmones Camanchaca)



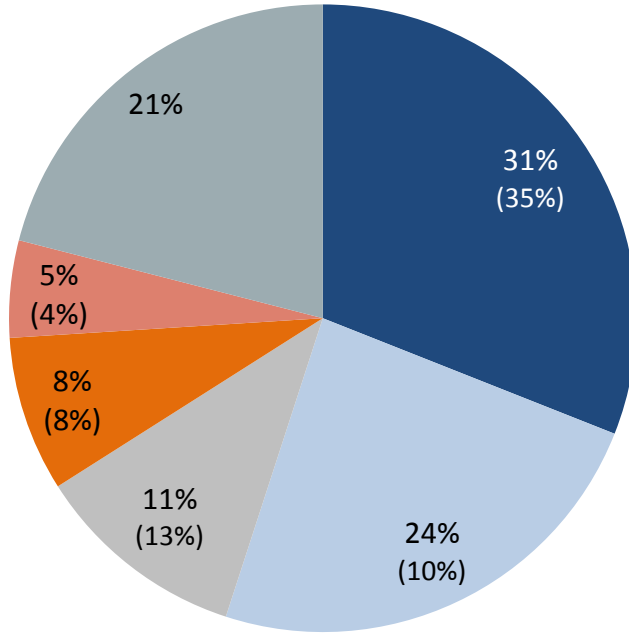
Market and Outlook

Sales Distribution of Atlantic Salmon

9m 2018 (% based on dollar sales)

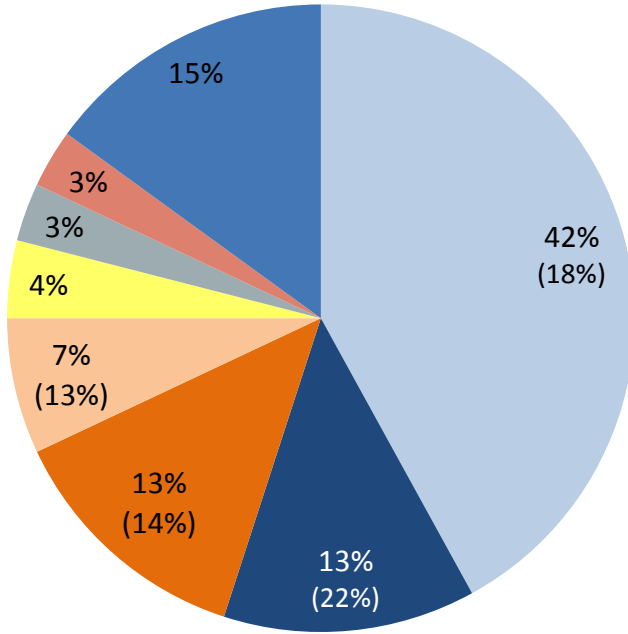


Total



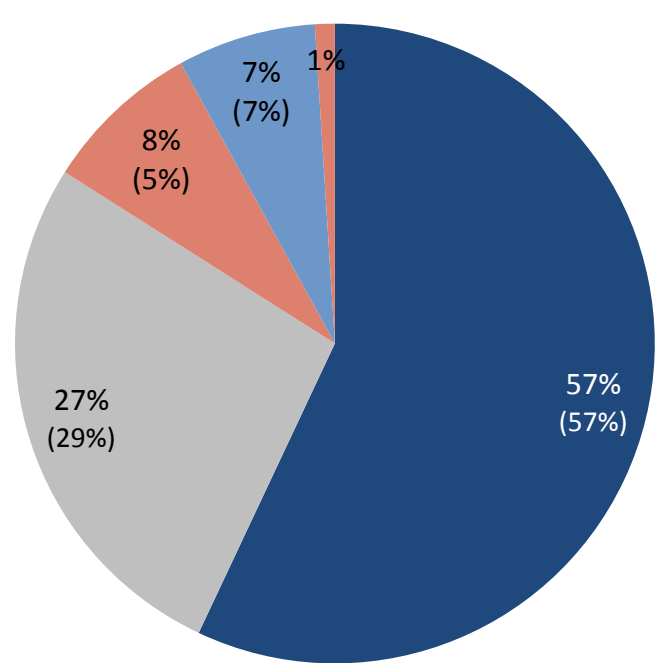
■ USA ■ Russia ■ Brazil
■ Mexico ■ China ■ Others

Frozen – 58% (57%)



■ Russia ■ USA ■ Mexico ■ Japan
■ Germany ■ Chile ■ China ■ Others

Fresh – 42% (43%)



■ USA ■ Brazil ■ China ■ Argentina ■ Others

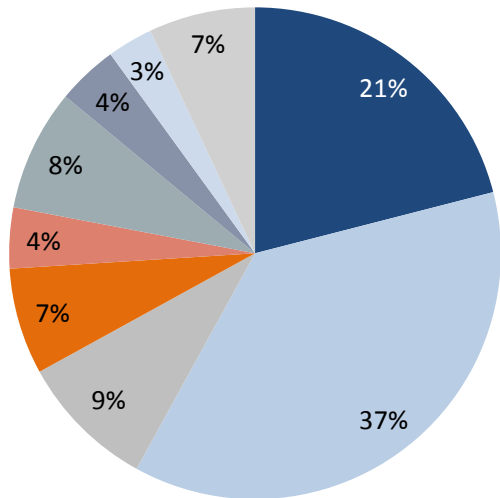
(•): FY 2017

Market and Product Flexibility in Sales

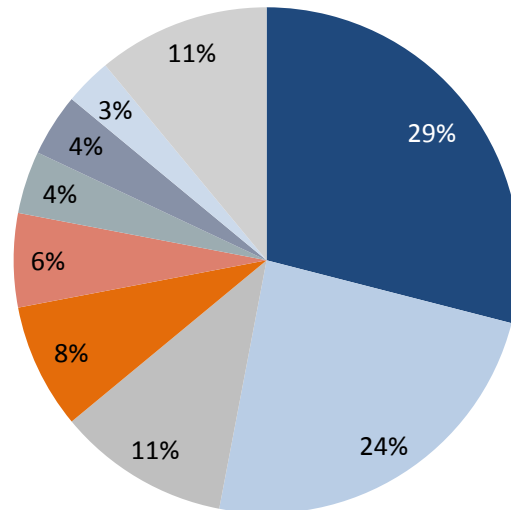
(% based on dollar sales)



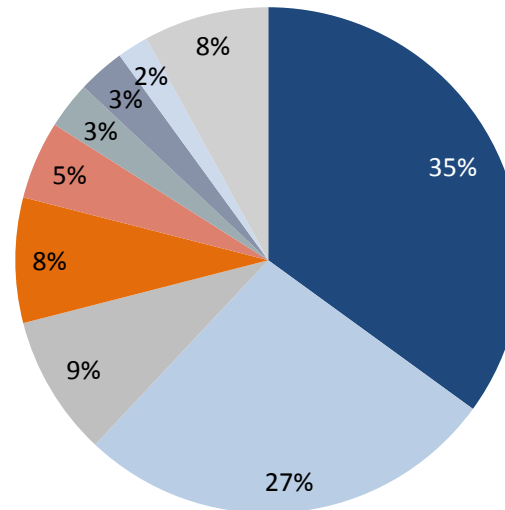
Jul 2018



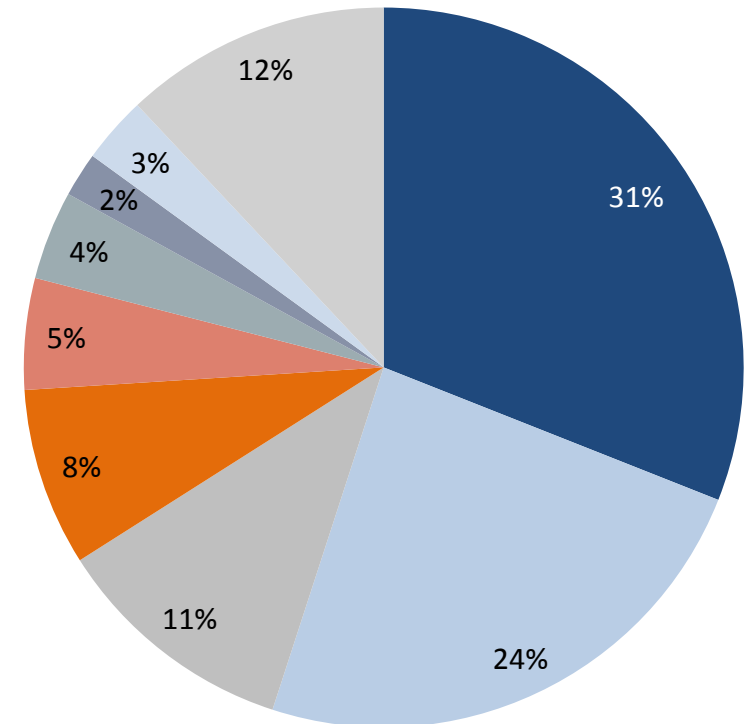
Aug 2018



Sep 2018



9m 2018

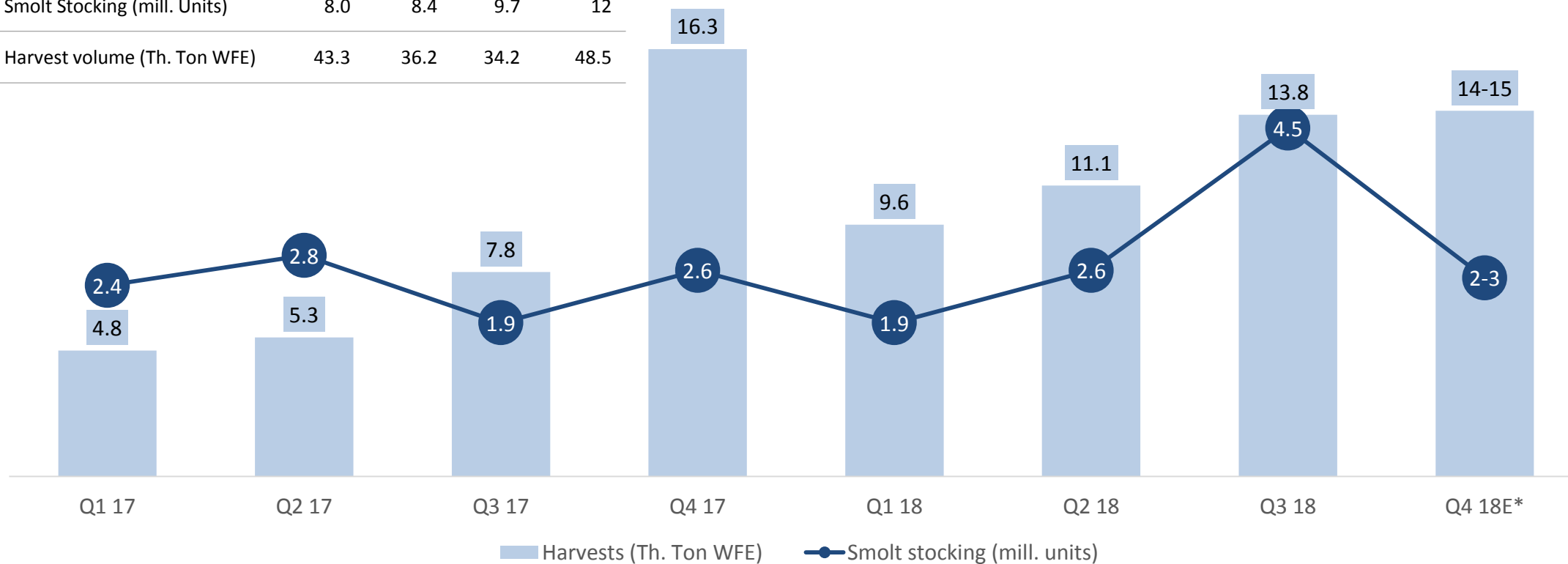


■ USA ■ Russia ■ Brazil
■ Mexico ■ China ■ Japan
■ Chile ■ Argentina ■ Others



Smolt Stocking and Harvest Volume

Atlantic Salmon	2015	2016	2017	2018E*
Smolt Stocking (mill. Units)	8.0	8.4	9.7	12
Harvest volume (Th. Ton WFE)	43.3	36.2	34.2	48.5



* Company estimates are based on current information, which could change due to deviations



Chile Industry: Harvests & Smolt Stocking

Harvests:

- H1 2018/2017: +22% (2016 HAB + Q2 2018 high prices anticipating harvests).
- H2 2018e/2017: +7%
- 2018e/2017: +15%
- 2019e/2018e: +2%

Stocking plan all species:

- Stocking macro-zone H1 2018: +16% (neighborhoods opening Jan – Jun 2018)
 - Atlantic salmon: +7%, +4% in 10th region
- Stocking macro-zone H2 2018e: +18% (neighborhoods opening Jul – Dec 2018)
 - Atlantic salmon: +7%, -6% in 10th region

Atlantic salmon: Actual stocking growth 2018 vs 2016 (affected by HAB):

- Jan – May: +40%
- Jan – Jun: +25%
- Jan – Jul: +21%
- Jan – Aug: +21%
- Jan – Sep: +14%

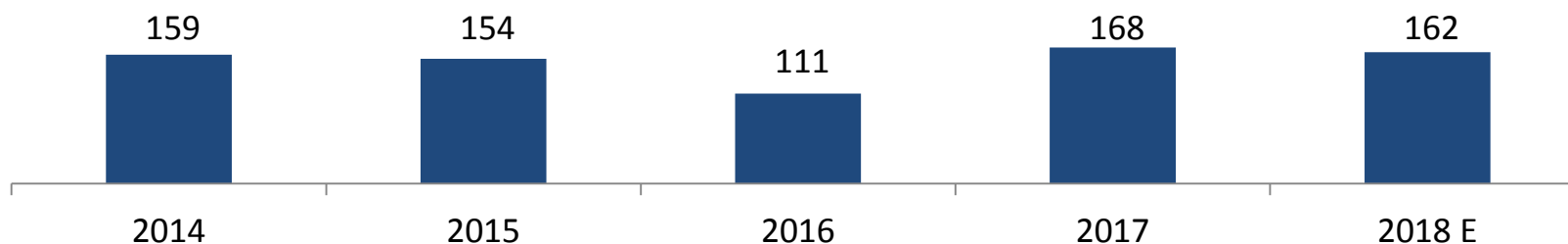
Jan – Sep 2018 vs 2017: +8%



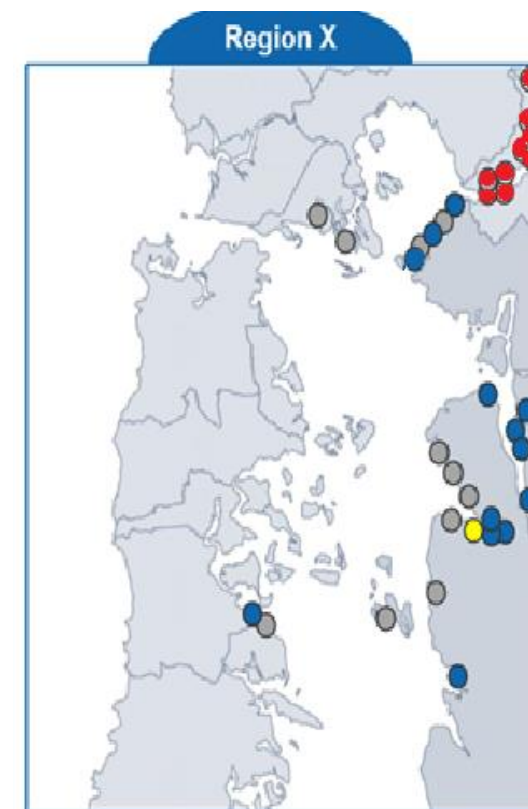


Stocking of Pacific salmon adds 4,000 tons WFE in 2019

- Salmones Camanchaca has 9 concessions in estuary waters, 6 of which are being used in the trout JV.
- There is a potential use of 3 additional concessions for Pacific salmon (Coho) farming; approx. 1.5 million fish will be stocked in Q1 2019 with an estimated harvest of 4,000 tons WFE in Q4 2019, or 2.5% of Chilean supply.
- Chile: Pacific salmon production evolution (Th tons WFE)



- Coho attributes:
 - Well adapted to Chilean sea water (immune to sea lice and ISA; low SRS prevalence)
 - Low mortality and use of AB
 - Fast growth rate (up to 3.2 Kg in 7 months)
 - 2 production shifts, within each 2 years cycle
 - Potential opportunities in value added products, leveraging Camanchaca's sales capabilities



 Estuary sites

Summary



- Strong revenue growth driven by higher harvest volume
- Q3 2018: US\$ 1.43 EBIT/Kg WFE up 26% from Q3 2017, despite a lower price, driven by scale and cost efficiencies.
- Prices stable at Q3 and LTM LW ex-cage cost at US\$ 3.08, 2.6% above goal.
- 2018 Atlantic salmon harvest guiding at 48,500 tons WFE and 55,000 tons WFE in 2019.
- Chile: Actual Atlantic salmon industry stocking as of September 2018.
 - +14% vs 2016
 - +8% vs 2017
- New Coho stocking in Q1 2019 adds 4,000 tons WFE in 2019, leveraging estuary concessions.

