



## Presentation of Results for 1Q2014 SMAAM

May 27, 2014

# Agenda

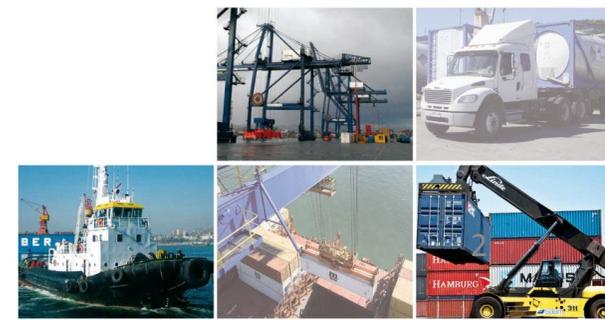
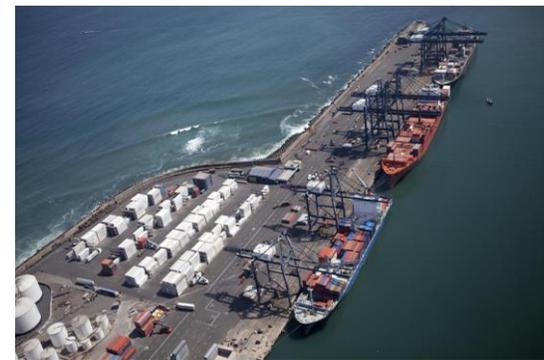
## Executive Summary



## Results 1Q 2014

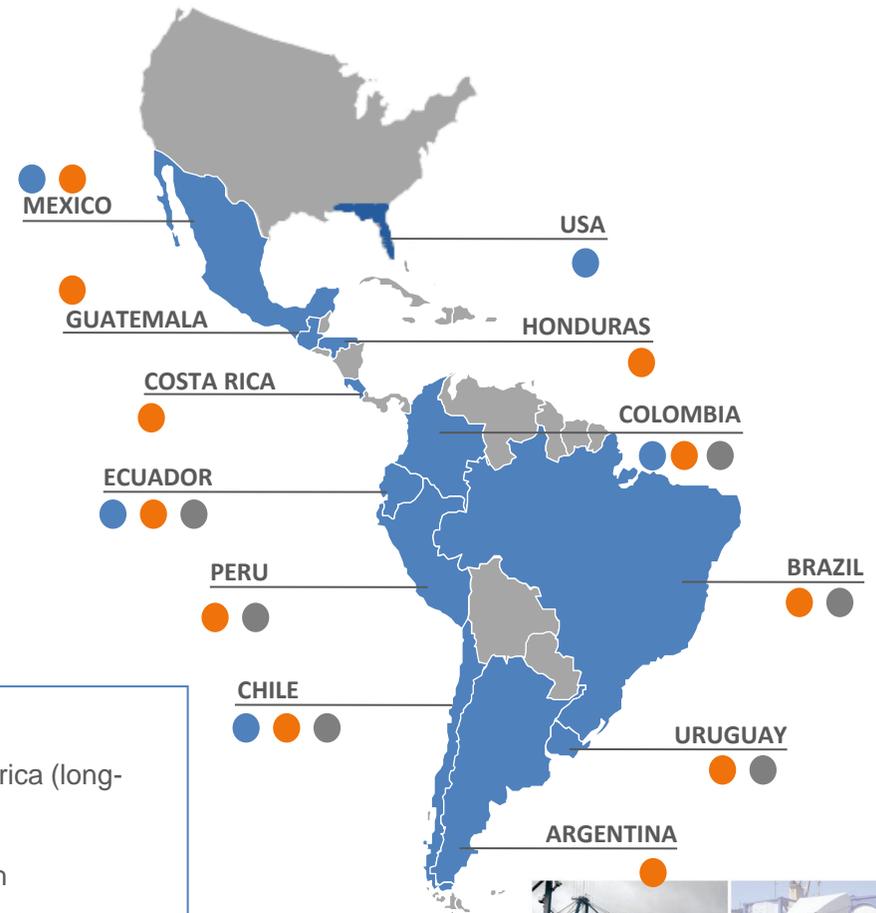


## Projections

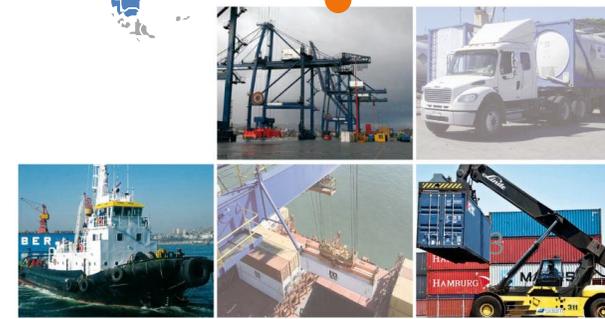


# Leader in Latin America

The Company provides integral cargo transfer services for clients in the export and import business, and to the shipping and airline companies present in all Latin American markets.

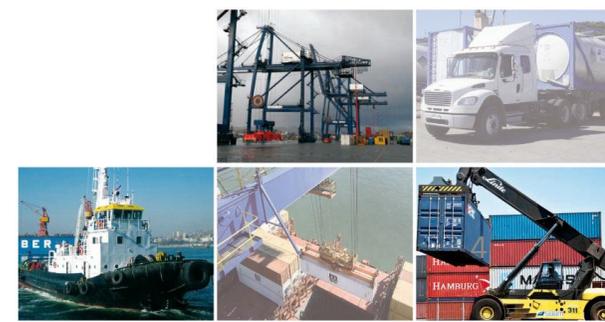


- ✓ Founded in 1961.
- ✓ Positive results every year, during more than five decades.
- ✓ Profitable investments and substantial synergies among its business segments.
- ✓ Low indebtedness and available cash.
- ✓ Greatest service coverage in America: services in 64 ports in 12 countries.
- ✓ Fourth global tugboat operator.
- ✓ Major port operator in Latin America (long-term concessions)
- ✓ Accelerated and selective growth
- ✓ Explores new markets jointly with local partners.



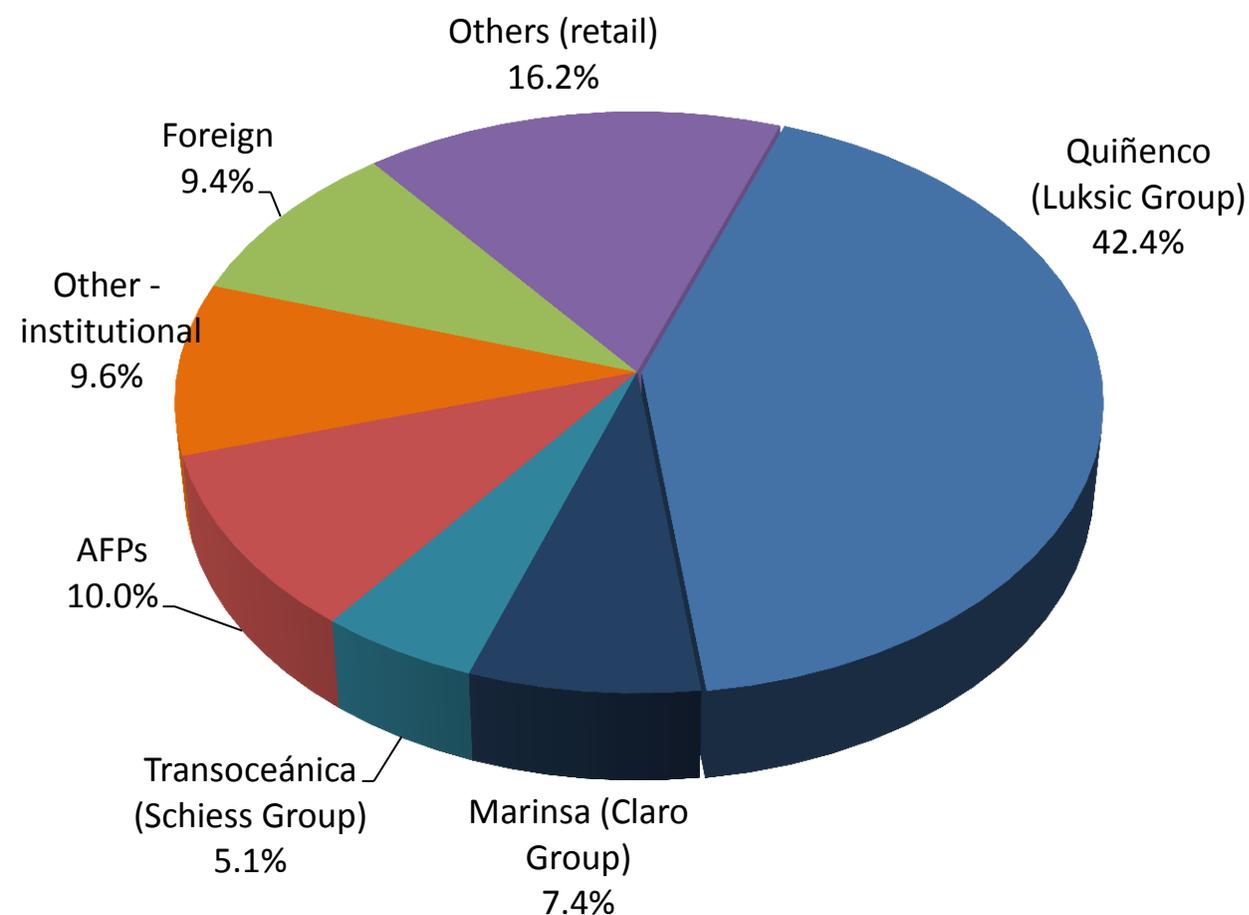
## Recent Events

- Reorganization into three business segments: Port Terminals, Tugboats and Logistics
- Agreement with SMIT for joint operation in Brazil, Mexico, Canada and Panama.
- Incorporation to IPSA, in its first year of transactions
- Extension of concessions in Iquique Terminal Internacional and San Antonio Terminal Internacional
- Strategic revision of the Logistics business: value proposal in contract logistics.
- Focus in core business and sale of dispensable assets: Puerto Panul, Cargo Park and TIBSA.
- Association with Carioca Engenharia and GP Investimentos to explore investment opportunities in port terminals in Brazil.



# SM SAAM Shareholders as of March 31, 2014

Total: 3.528 shareholders



Market Cap*	MUS\$836
Free Float	45.1%
Dividend yield 2013	2.8%
Dividend yield 2014	4.4%
11 Directors	
Auditing Committee	
Shares with equal rights	

\*Considers share price as \$47.5 as of 23/04/2014



# Agenda

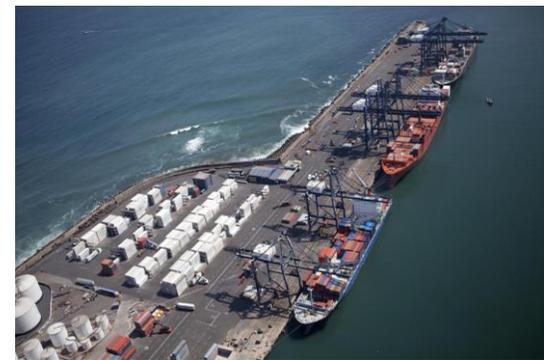
## Executive Summary



## Results 1Q2014

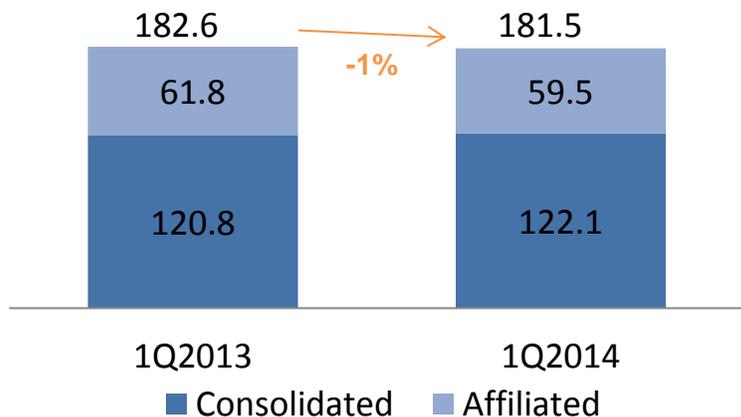


## Projections



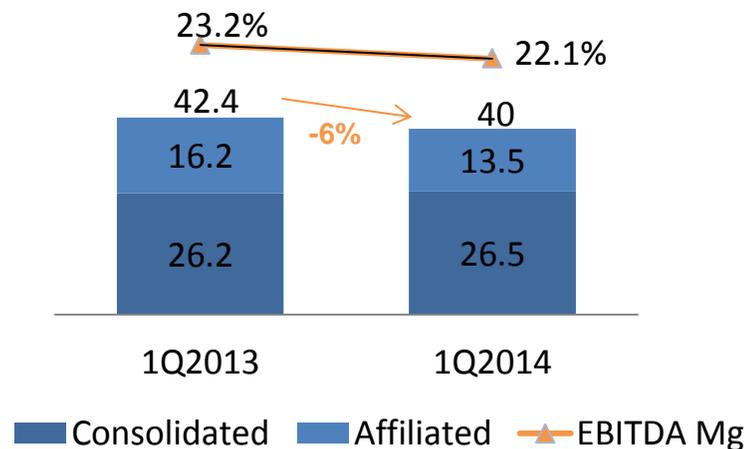
# SMSAAM – Results 1Q2014

## Revenues (US\$ millions)



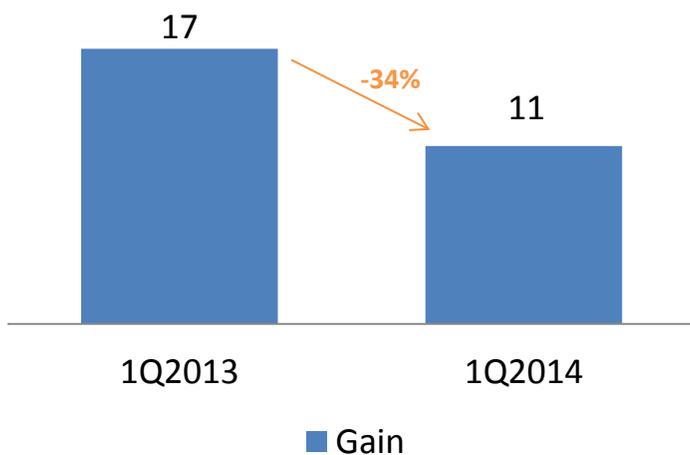
Note: values for affiliates are proportional (weighted by ownership).

## EBITDA (US\$ millions)

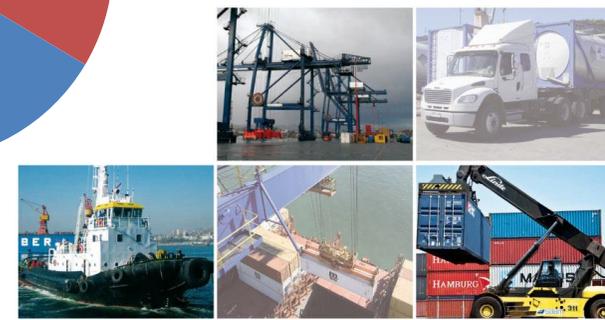
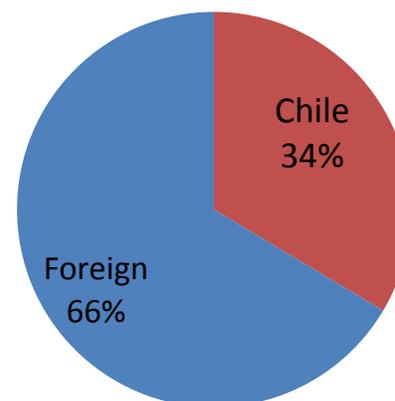


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## Gain (US\$ millions)

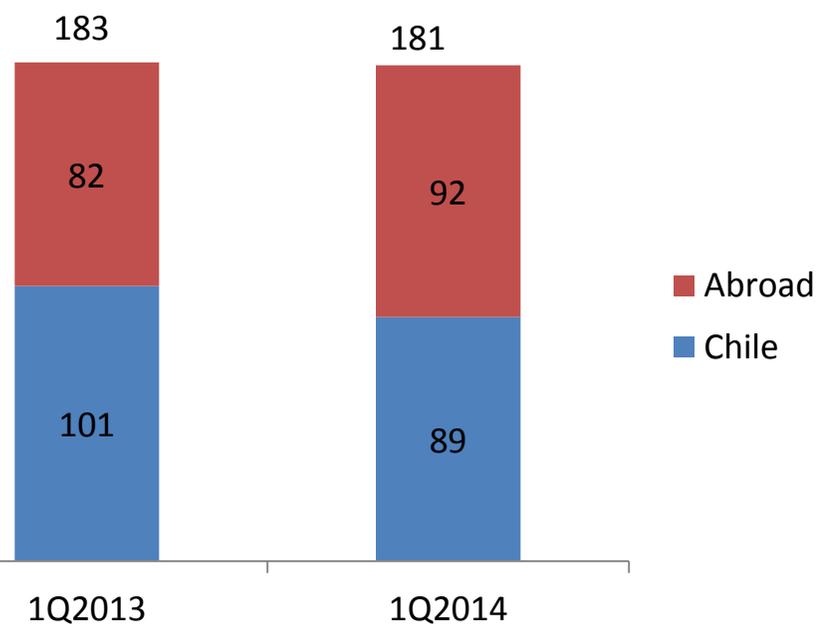


## Geographic Diversification (EBITDA 1Q2014)

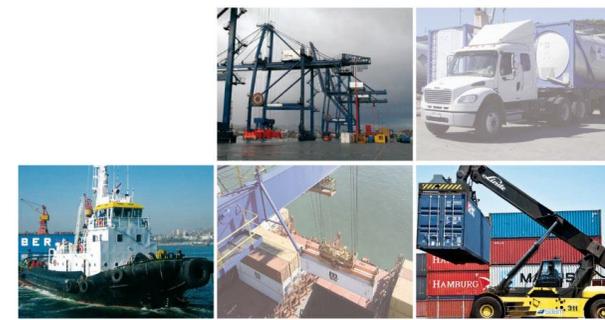
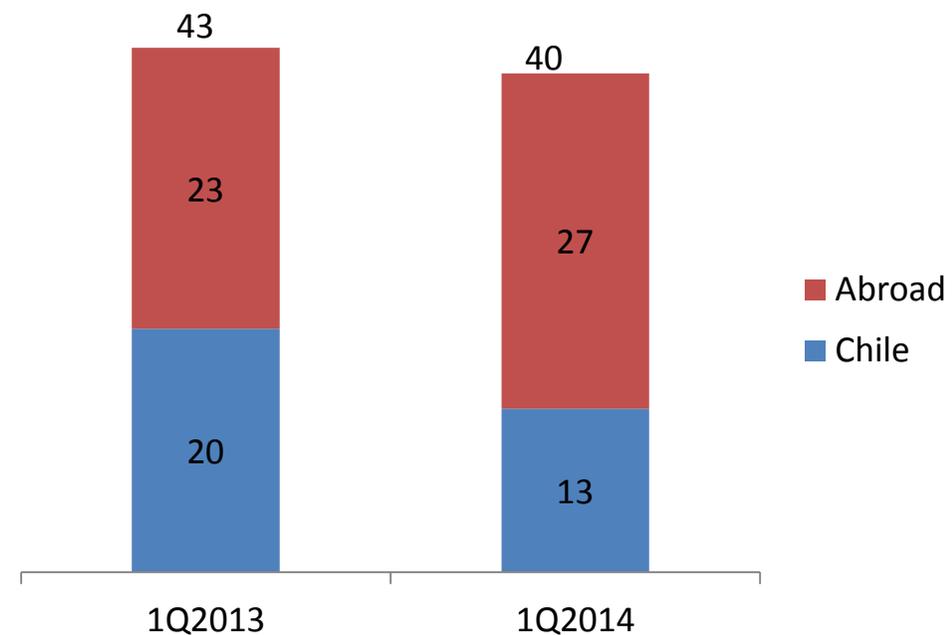


# SMSAAM Results 1Q2014

## Revenues (US\$ millions)

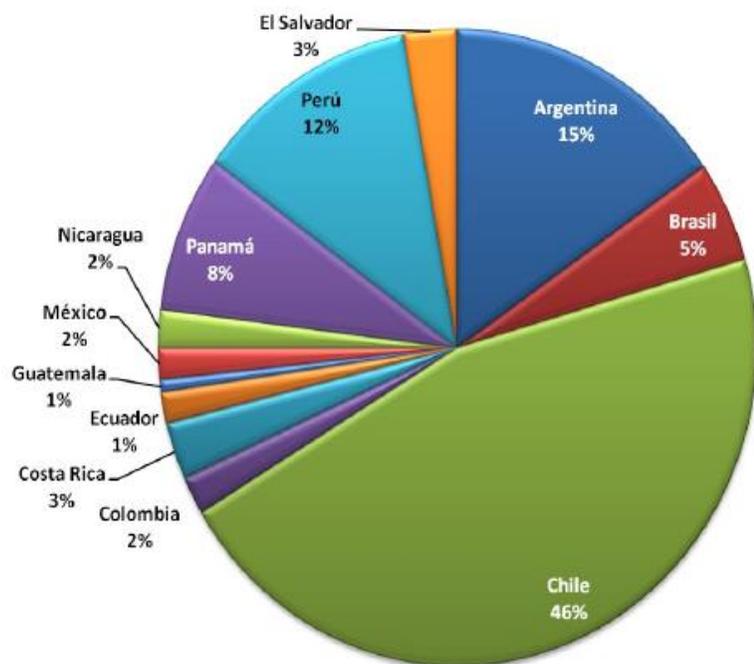


## EBITDA (US\$ millions)



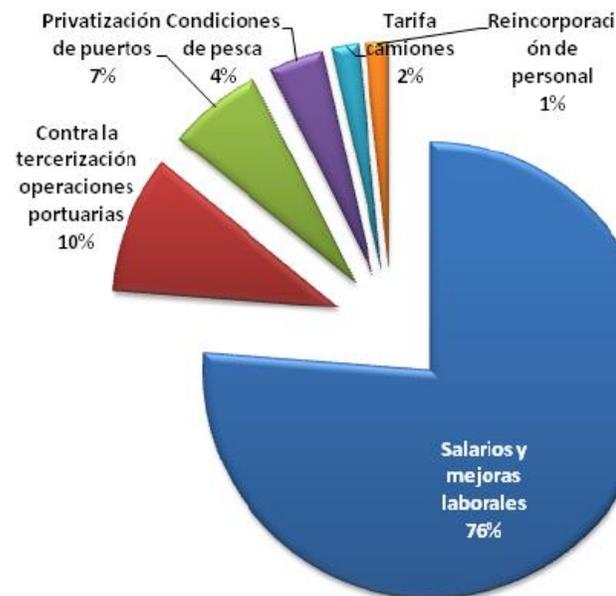
# Port Workers' Strikes in Latin America and the Caribbean 2010-2014

## Distribution of strike-days by country 2010-2014



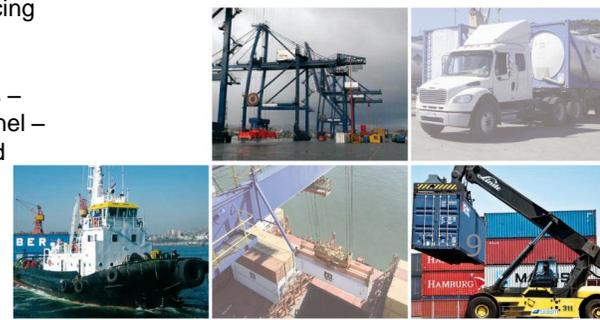
Source: USI ECLAC, based on journalists' publications analyzed.

## Distribution strike-days by motive



Source: USI, ECLAC, based on journalists' publications analyzed

**Left to Right:** Against Outsourcing of port operations – 10% ; Port Privatizations – 7% ; Fishing conditions - 4% ; Fee for Trucks – 2% ; Re-employment of personnel – 1% ; Improvement in wages and working conditions - 76%



# Effects of Port Stoppage in Chile during January 2014

○ Affected all of SMSAAM port terminals in Chile, during 22 days in January, generating two significant impacts:

1. Deterioration of activities in Chile during January, affecting the results of the three business segments:

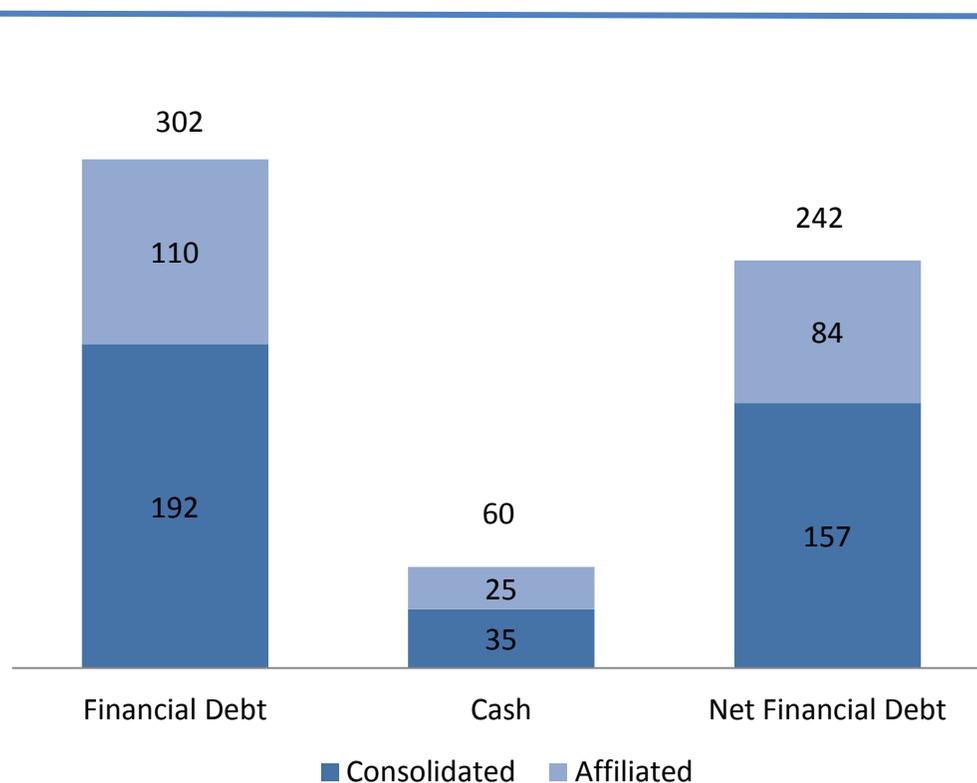
- San Antonio (STI): 29% fewer ships reaching port and 19% fewer tons transferred
- Tugboats Chile: 6% fewer operations
- Logistics Chile: 9% fewer containers gate in/out

2. For SMSAAM, the bonus payment to workers meant:

	Total SMSAAM	Port Terminals	Logistics
Total Cost	<b>US\$10 million</b>	US\$9.1 million	US\$0.8 million
PV Cost	<b>US\$5 million</b>	US\$4.5 million	US\$0.5 million

# Leverage Capacity

NET FINANCIAL DEBT (March 2014)



	2014	2013
Net Debt / EBITDA	1.66	1.51
Net Debt / Equity	0.24	0.21



# Port Terminals

## Abroad



*Florida International Terminal, USA*



*Terminal Marítimo Mazatlán, Mexico*



*Puerto Buenavista S.A., Colombia*



*Terminal Portuario de Guayaquil, Ecuador*



## Chile



*Terminal Puerto Arica S.A.*



*Iquique Terminal Internacional S.A.*



*Antofagasta Terminal Internacional S.A.*



*San Antonio Terminal Internacional S.A.*



*San Vicente Terminal Internacional S.A.*



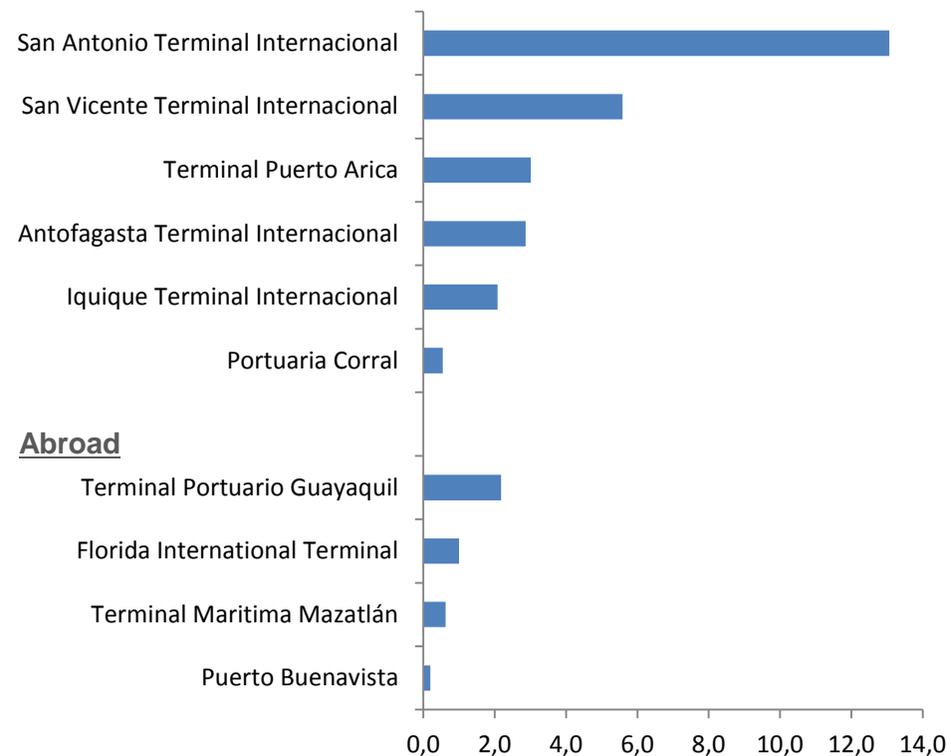
**PORTUARIA CORRAL S.A.**

*Portuaria Corral S.A.*

# Port Terminals

**Volume Transferred 2013**  
(millions of tons)

## Chile



Ownership %

Concession

Extension option

## Abroad

Terminal Portuario Guayaquil	2.2	100%	2046	-
Florida International Terminal	1.0	70%	2015	5+5 years
Terminal Maritima Mazatlán	0.8	100%	2032	12 years
Puerto Buenavista	0.3	33%	Private	n.a.

31.1 million tons transferred in 2013



# Port Terminals: Major operator in South America

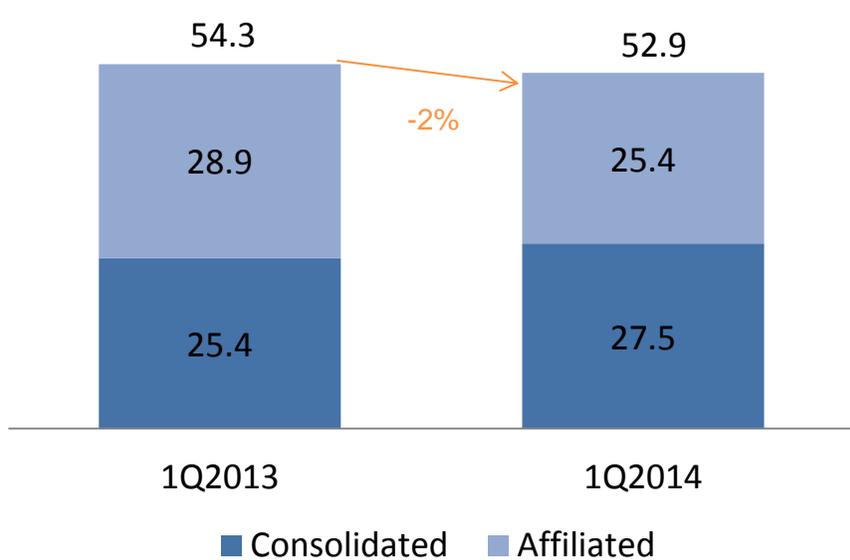
Ranking	Owner	Total Traffic 2012 ('000 TEUs)	Main Port Terminal
1	SAAM	2,480	San Antonio
2	DP World	1,900	Callao
3	SSA Marine	1,804	San Antonio
4	Grupo Ultramar	1,791	Valparaíso
5	Santos Brasil	1,775	Santos
6	Soc. Portuaria de Cartagena	1,470	Cartagena
7	ICTSI	1,391	Guayaquil
8	APM Terminals	1,227	Buenos Aires
9	Libra Terminais	1,109	Santos
10	Terminal de Contêineres de Paranaguá	730	Paranaguá

Source: Drewry

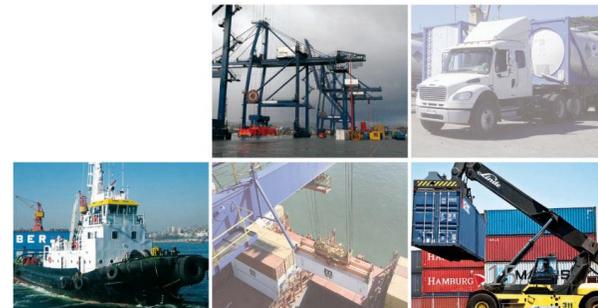
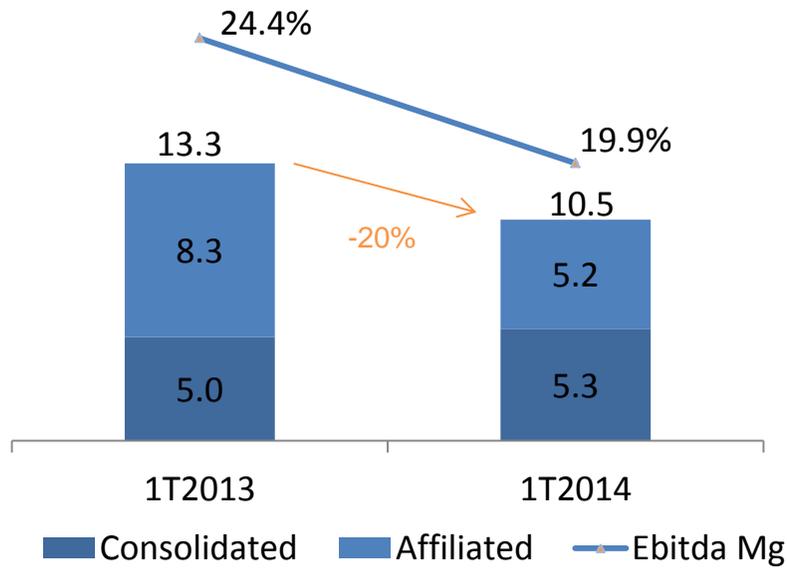


# Port Terminals - Results 1Q2014

Revenues (US\$ million)



EBITDA (US\$ million)

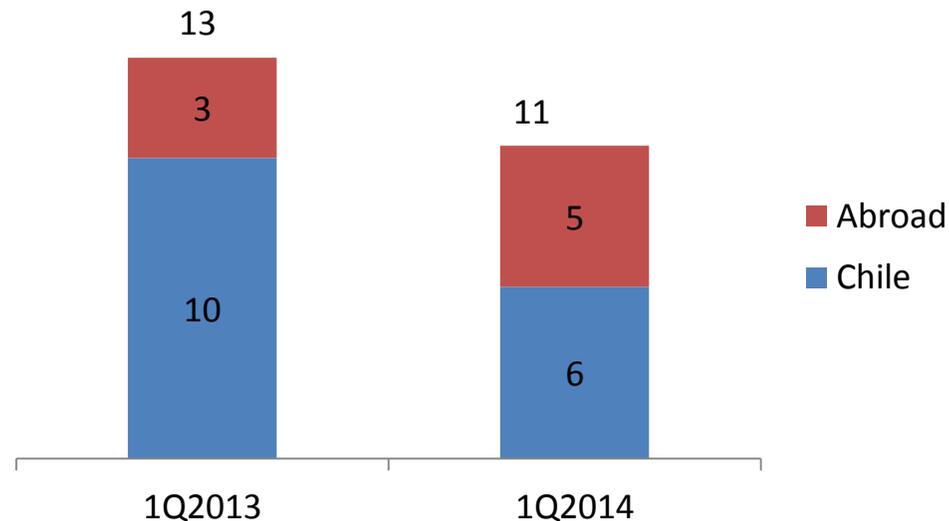
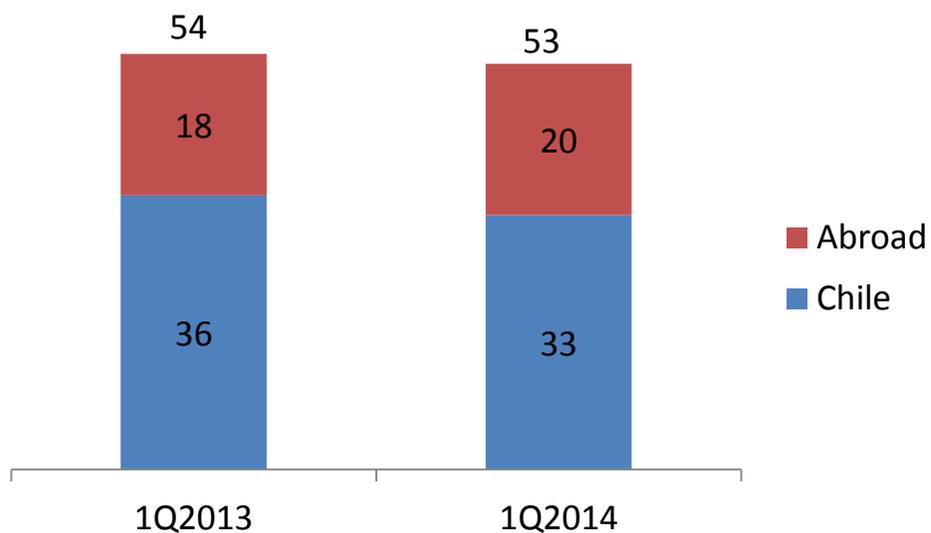


Note: Affiliates' values are proportional (weighted by share in ownership)

# Port Terminals - Results 1Q2014

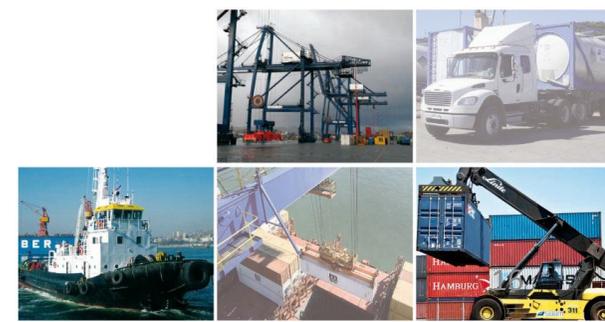
Revenues (US\$ million)

EBITDA (US\$ million)



- PV Bonus Cost US\$4.56 million
- EBITDA without effect bonus payment: US\$15.1 million +9% with respect to 1Q2013

Note: Affiliates' values are proportional (weighted by share in ownership)



# Tugboats



Country	Total RAMs	Conventional	ASD
Brazil	31	9	22
Mexico	27	4	23
Chile	24	9	15
Peru	23	13	10
Costa Rica	3	3	0
Ecuador	7	7	0
Uruguay	12	7	5
Colombia	2	2	0
Honduras	2	2	0
Guatemala	1	1	0
<b>Total</b>	<b>132</b>	<b>57</b>	<b>75</b>



- Fleet of 132 tugboats
- Operations in 11 countries
- Leaders in operations in Latin America
- Fourth operator at world level



# Tugboats: Agreement with SMIT

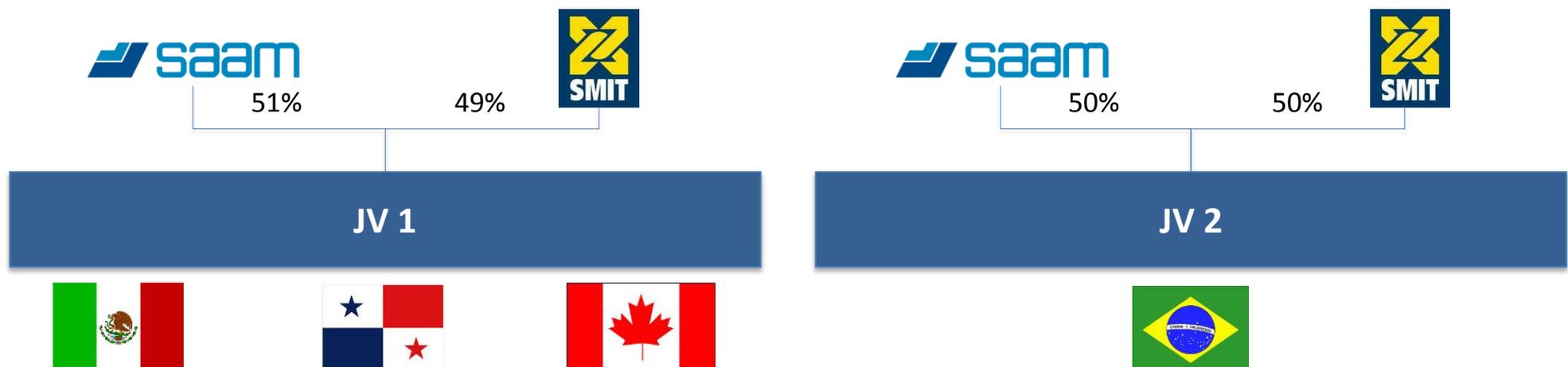
## Transaction progress

Initial authorizations agreed to in Framework Agreement (FA).

The binding Framework *Agreement* signed on September 2013 establishes that certain financial institutions, antitrust entities and other contracts entered into with third parties must provide written authorization of their approval regarding the transaction.

As of this document's date, all, with the exception of one in Mexico and one in Canada, have approved the transaction without conditions. As to the pending authorizations, we expect to have all approvals and authorizations stipulated in the FA by mid-June 2014.

Given the above, SAAM and Boskalis have projected that commencement of joint operations will be on July 1, 2014.



# Tugboats: Agreement with SMIT

## Executive Summary

Figures as of December 2013

SMIT – Canada	
Tugboats	21

SAAM – Mexico	
Tugboats	27

SMIT – Panama	
Tugboats	10

### TOTALS AS OF DECEMBER 2013

	SAAM	SMIT	TOTAL
<b>REVENUES (US\$ B)</b>	130.8	121.6	252.4
<b>TUGBOATS</b>	51	54	105

SAAM – Brazil	
Tugboats	24

Market Share 12%

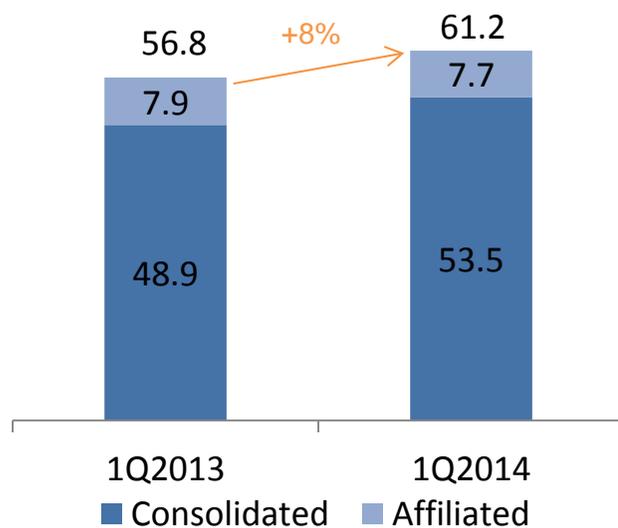
SMIT – Brazil	
Tugboats	23

Market Share 11%

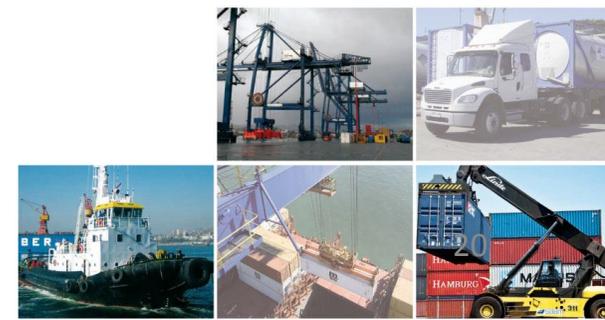
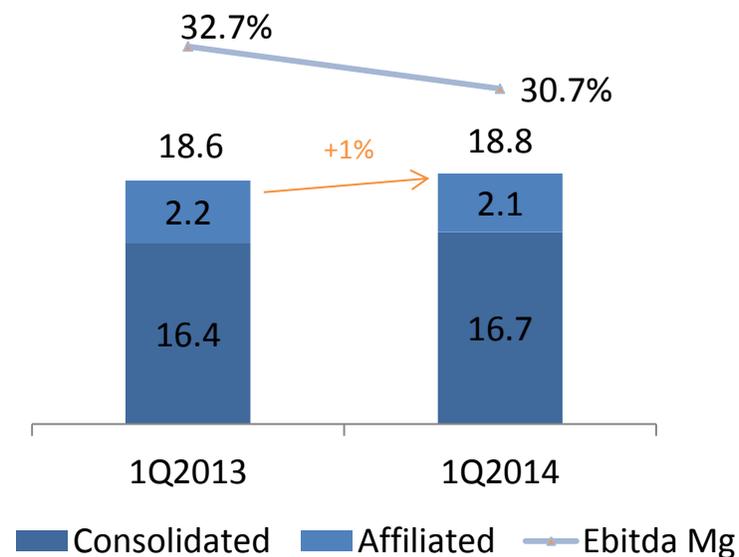
Market share Brazil: calculated on the basis of the N° of operations carried out in port operations for clients of each company (not private terminals under concession)

# Tugboats - Results 1Q2014

Revenues (US\$ million)

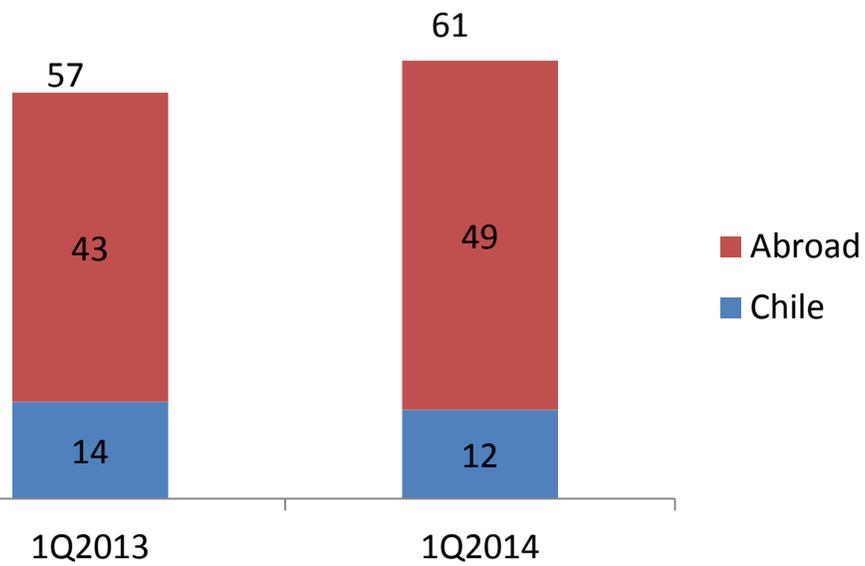


EBITDA (US\$ million)

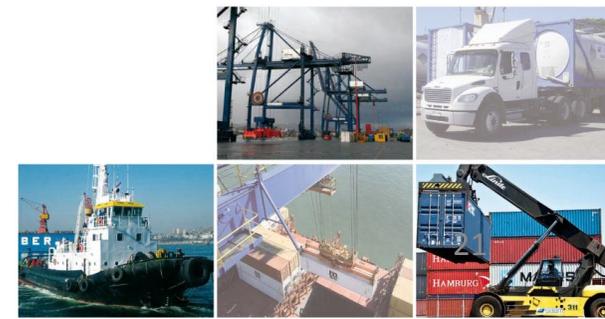
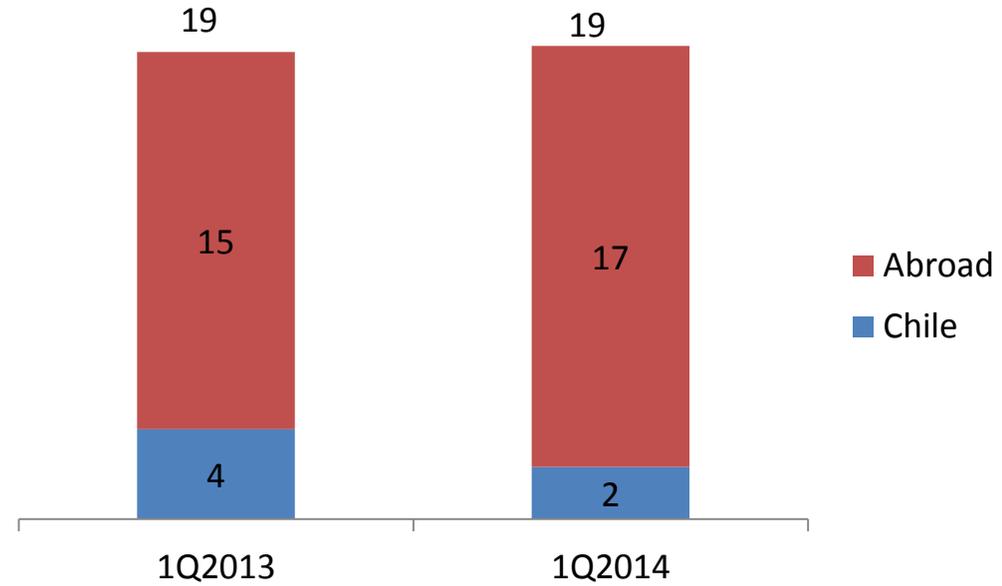


# Tugboats - Results 1Q2014

Revenues (US\$ million)



EBITDA (US\$ million)



# Logistics

- Serves to Shipping Companies / Airlines



- Services to Importers / Exporters



- Special Services

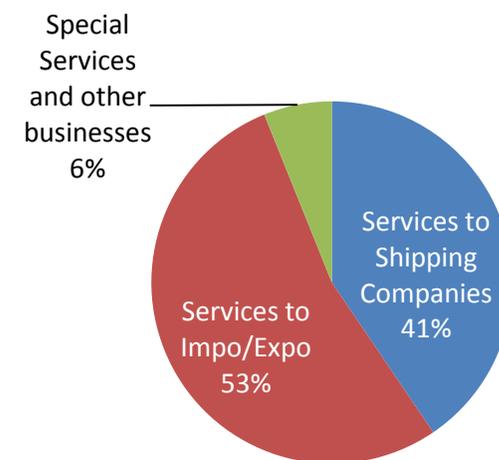


# Logistics Services

<b>Services to Vessels / Aircrafts</b>						
Agency Services						
Services to Aircrafts & Passengers						
Ports Stevedoring <sup>(1)</sup>						
Container Depots						
<b>Services to Exporters / Importers</b>						
Warehousing, Storage & Refrigeration						
Containers (De)consolidation						
Bulk & Break Bulk						
Ground Transportation & Distribution						
<b>Special Services</b>						
Containers / Modules Sale / Lease						
Oil Discharge & Tubes (Dis)connection						
Liquid Storage						
Timber Industry						

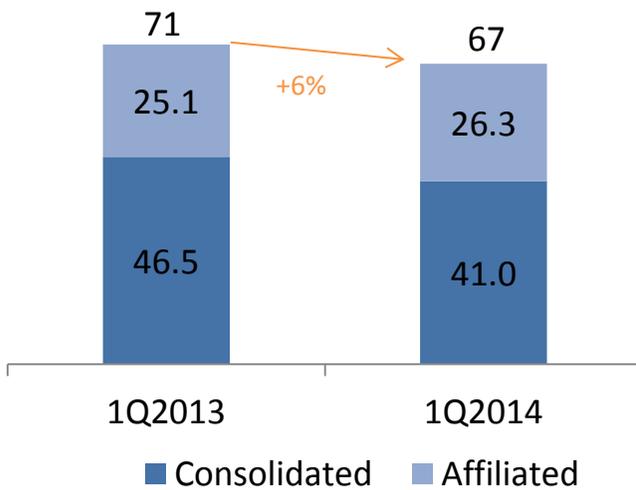
(1) Stevedoring in multi-operator ports, different from Ports Terminals

## Distribution of Revenues 1Q2014

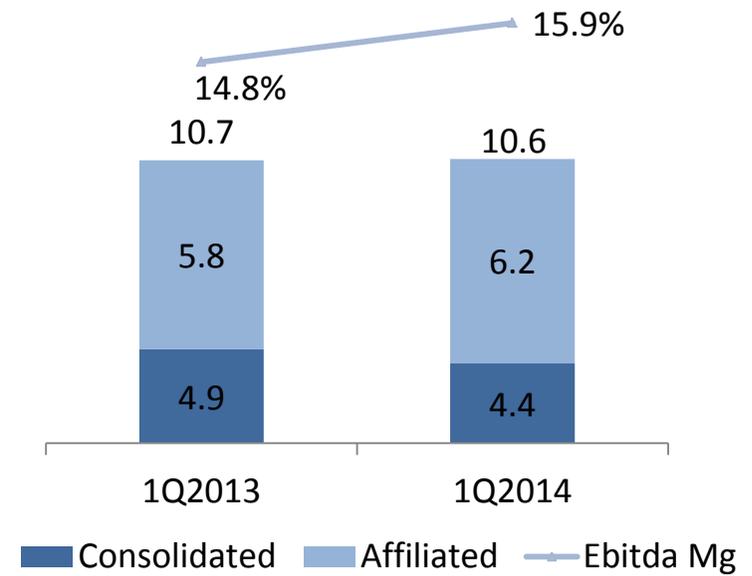


# Logistics - Results 1Q2014

Sales (US\$ million)

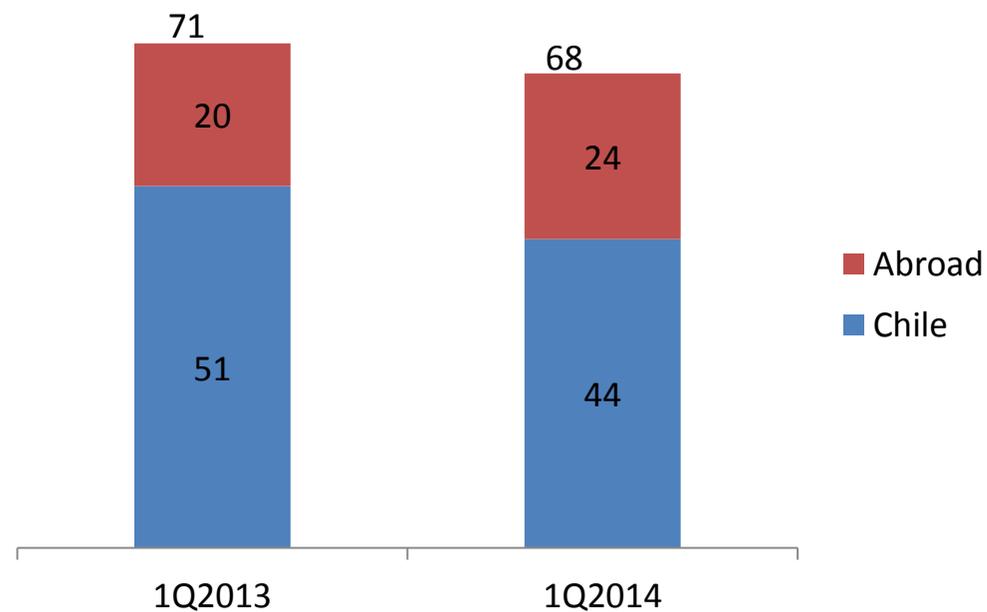


EBITDA (US\$ million)

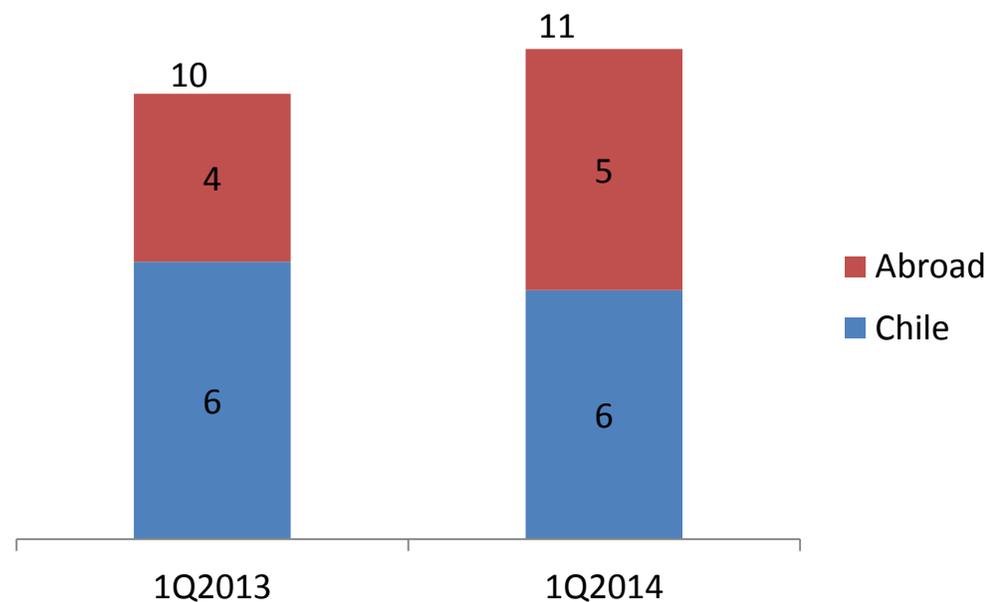


# Logistics - Results 1Q2014

## Revenues (US\$ million)



## EBITDA (US\$ million)



- PV Bonus Cost: US\$0.5 million
- Recovery EBITDA margin with respect to 4Q2013 6.6% to 15.9% in 1Q2014



# Agenda

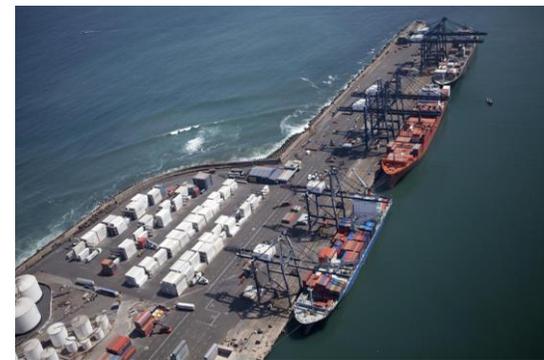
## Executive Summary



## Results 1Q2014



## Projections



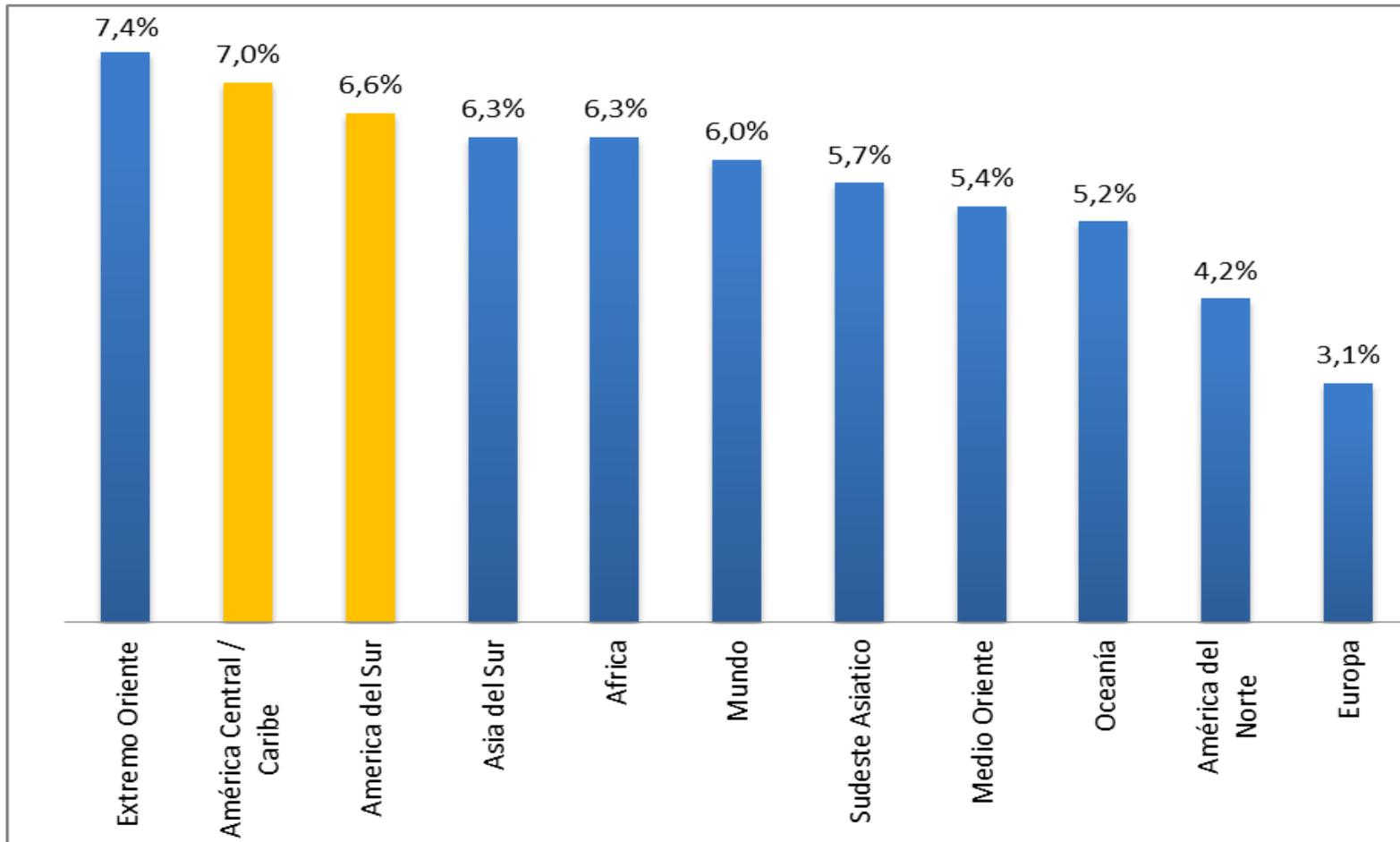
# Outlook of the port conflict in Chile

- Clarification of working conditions: wages and safety.
- Governmental task force to solve conflict of port workers.
- Strengthening of the Maritime Chamber.
- The soon to be enacted “Ley Corta” (Short Law) that solves the ‘half hour lunch’ issue.
- Round table on the “Ley Larga” (Long Law) and the possibility of having a new port authority.



# SMSAAM present in regions with greatest projected growth

- Compound Annual Growth of Cargo Movement in Ports (2011-2017)
- Central America/Caribbean and South America are projected to be two of the three regions with the greatest growth in cargo movement in the world.



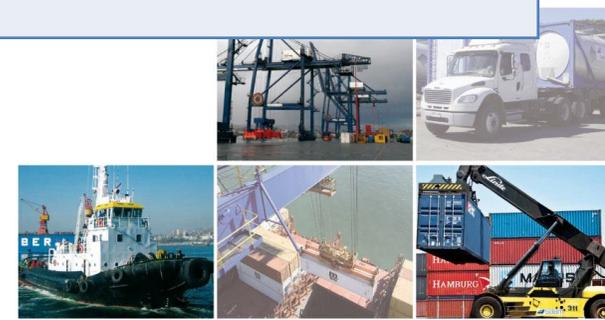
Far East    Central Am/Caribbean    South Amer.    Southern Asia    Africa    World    South-East Asia    Middle-East    Oceania    North Am.    Europe

Fuente: Drewry Maritime Research



# CAPEX 2014

Division of Business into Segments	2014 Projected Investments (consolidated + PV) (Proportional Value)	Major Investments
Port Terminals	ThUS 46,440	<ul style="list-style-type: none"> <li>• Extension and reconstruction - San Vicente Terminal Internacional (27F)</li> <li>• Dock extension and purchase of equipment - San Antonio Terminal Internacional</li> <li>• Improvements and reorganization in yard areas and dock protection in Iquique Terminal Internacional</li> <li>• Dock extension in Terminal Portuario Guayaquil</li> <li>• Dock dredging and improvements of yards in Puerto Buenavista</li> </ul>
Tugboats	ThUS\$ 54,200	<ul style="list-style-type: none"> <li>• Renewal of tugboat concession contracts in Mexican ports. Implementation of tugboat renovation plans</li> </ul>
Logistics	ThUS\$ 16,564	<ul style="list-style-type: none"> <li>• Renovation and purchase of equipment and cranes</li> <li>• Fitting out of warehouses and cargo terminals</li> </ul>
<b>Total Investment 2014</b>	<b>ThUS\$ 117,204</b>	



# Growth Plan for 2014

## Port Terminals :

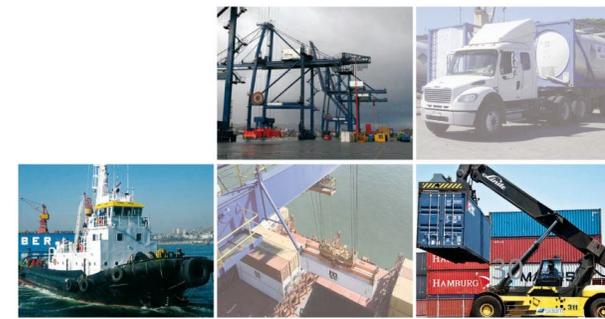
- Participation in port terminals privatization and/or tender processes in Latin America
- SMSAAM- Carioca Engenharia-GP Investimentos Consortium to explore the Brazilian port business. A work team was made up including the CEO + one representative of every company with offices in Sao Paulo, reporting to a committee formed by SMSAAM Manager of Business Development, GP Infrastructure Manager and Carioca's Investment Manager.

## Tugboats:

- Entry to new markets in Canada and Panama (joint venture with Smit/Boskalis)
- Keeping up the plan to modernize the fleet and to acquire new tugboats
- Achieving synergies from the joint venture with Smit/Boskalis

## Logistics:

- Focusing on the business of contract logistics (provide the Port to Door service)
- Entering new markets in the Region



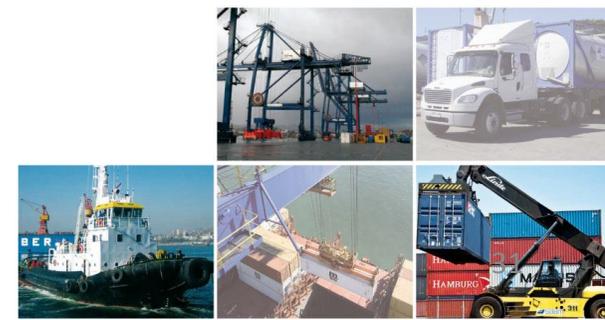
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