



SMSAAM ANNOUNCES RESULTS FOR THE FIRST QUARTER 2015

Santiago, May 8, 2015. Sociedad Matriz SAAM S.A. (SM SAAM) announced today its Consolidated Financial Results for the first quarter of 2015, including results of affiliate companies at their proportional value.

Sociedad Matriz SAAM (SM SAAM), major port operator in South America and fourth global actor in the tugboats business, had a good start of the year. During the first quarter of 2015, the Company increased its net income by 25% reaching US\$13.9 million, while its EBITDA rose to US\$54.2 million, 35% more than in the same period of the previous year, as was reported by the Company in its Consolidated Financial Statements, which include the results of its business affiliates at their proportional value.

“The continuity of operations in our ports and the synergies that we are already capturing from our joint venture in Tugboats with Boskalis in Brazil, explain to a great extent this positive result. In addition, the growth of the economy in Ecuador and the United States also contributed to this,” commented Javier Bitar, SMSAAM’s CEO.

The Senior Executive added that the good performance of the Company allowed keeping under control the drop in the price of commodities and the fluctuations in the exchange rate in the majority of the countries where the company is present.

The Port Terminals Division recorded a growth of 18% in sales (reaching US\$62.3 million) and EBITDA rose by 88% (US\$19.8 million), thus ousting the effect caused by the port workers’ strike affecting Chile for over 20 days in 2014, and the bonus payment that put end to the conflict. In fact, San Antonio Terminal Internacional (STI), Chile’s major port, improved the volume transferred (tons) with an increase of 22% for the period, in addition including a new service in its operations. Furthermore, the good performance of the terminal in Iquique (ITI) is worthy of notice, as the number of tons transferred rose by 18%, and the number of ships reaching port experienced an increment with respect to 2014. In the meantime, Guayaquil Port Terminal (TPG) managed to increase by 36% the number of tons transferred, subsequent to the incorporation of a new service in mid 2014.

The Tugboat Division is already showing the results of the partnership with Boskalis: sales totaled US\$71 million (an increase of 16% with respect to 2014) and EBITDA was US\$24.9 million (33% improvement). Another highlight of this period was the renewal of an important contract in one of the major ports in Mexico.

The Logistics Division, on the other hand, had a 13% drop in sales (US\$58,9 million) and an EBITDA reduction of 12% (US\$ 9.4 million). These results were influenced by non-recurrent effects occurred in Peru and Brazil to the amount of US\$1.5 million corresponding to higher non-operating expenses, as well as fluctuations in the exchange rate and the fall of container depot contracts in Brazil, within a context of loss of competitiveness due to the presence of two new operators, which affected both prices and volumes. The division continues in a transition period of adapting to the lower dynamism and increasing competitiveness currently characterizing the shipping industry, and advancing the business of Contract Logistics: the provision of comprehensive services throughout the entire logistics chain. Furthermore, real estate assets are being reconverted, an item where it has over 3.5 million square meters available.



Consolidated Results as of March 2015

-- SM SAAM --

Quarterly Income Statements	mar-15	mar-14	Δ %
	MUS\$	MUS\$	
Operating revenues	116,585	122,064	-4%
Cost of sales	(85,347)	(92,702)	-8%
Gross margin	31,238	28,008	12%
Administrative expenses	(15,392)	(15,279)	1%
Operating result	15,846	14,083	13%
Other income (expenses) by function	320	(1,036)	-131%
Financial income	316	1,650	-81%
Financial expenses	(2,426)	(2,772)	-12%
Profit (loss) from equity method associated	7,535	2,869	163%
Exchange differences	(581)	705	-182%
Gain (loss) from index adjusted units	2	2	0%
Gain (loss) before income tax	21,012	15,501	36%
Income tax	(3,703)	(3,863)	-4%
Gain (loss) proceeding from continued operations	17,309	11,638	49%
Gain (loss) attributable to equity holders of parent	13,909	11,083	25%
Gain (loss) attributable to minority interest	3,400	555	513%
Other Quarterly Indicators	mar-15	mar-14	Δ %
	MUS\$	MUS\$	
Depreciation and amortization	12,392	12,433	0%
EBITDA	28,238	26,516	6%
<i>EBITDA margin</i>	<i>24.2%</i>	<i>21.7%</i>	



1. Operating Income

Consolidated sales during the first quarter totaled US\$116.6 million, 4% lower than the first quarter of 2014, mainly due to lower sales in Logistics caused by lower sales of services to shipping companies in Chile and Brazil, as well as in the Tugboats segment due to the de-consolidation of Brazil at the start of the joint venture with SMIT Boskalis in July 2014, which was not entirely offset by the incorporation of Canada and Panama. It is important to highlight the 22% growth in sales by Port Terminals, which resulted mostly due to its terminals in Iquique and Ecuador.

Operating income for the quarter was US\$15.8 million, 13% higher than in 2014 due to Port Terminals –the effects suffered in 2014 from the port strike in Iquique--, and to the growth of the port of Guayaquil in Ecuador.

On the other hand, gross profits increased to US\$31.2 million, 12% higher than the same quarter in 2014, explained mostly by higher income (+22%) and lower costs (-8%) in Port Terminals.

Selling and administrative expenses amounted to US\$15.4 million, 1% higher with respect to the first quarter of 2014, explained by higher expenditures in Port Terminals, due to expenses for consultancies and the higher tax payments for the concept of workers' participation in profits in Ecuador (TPG).

Operating result for the period came to US\$15.8 million, which implied a 13% increase in comparison to the same quarter in 2014, due for the most part to Port Terminals.

Consolidated EBITDA results for the first quarter amounted to US\$28.2 million, 6% higher than in the first quarter of 2014, due mainly to the improvement in Port Terminals in Ecuador and Iquique.

2. Non-Operating Results

Non-operating results for the first quarter of 2014 amounted to US\$5.1 million, 264% higher than the same period of the previous year. These higher non-operating results are explained by the increase in the results of associated companies owing to the transfer of the tugboat business in Brazil, as from July 1, 2014, as a consequence of the joint venture with SMIT Boskalis.

As a result, during the first quarter of 2015, net income attributable to owners of the parent company amounted to US\$13.9 million, 25% higher than in the same period of the previous year, mostly due to operating continuity in Chilean Port Terminals subsequent to their being affected in the first quarter of 2014 by the port strike that lasted over 20 days, and the beginning of capturing synergies in SAAM SMIT Towage Brasil as a consequence of the joint venture with SMIT Boskalis.



3. Results by Business Segments

Segment Information

SM-SAAM	Tugboats			Ports			Logistic and Others			Total		
Quarterly Income Statements	mar-15	mar-14	Δ %	mar-15	mar-14	Δ %	mar-15	mar-14	Δ %	mar-15	mar-14	Δ %
	MUS\$	MUS\$		MUS\$	MUS\$		MUS\$	MUS\$		MUS\$	MUS\$	
Operating revenues	48.713	53.542	-9%	33.527	27.507	22%	34.345	41.015	-16%	116.585	122.064	-4%
Cost of sales	(34.487)	(37.825)	-9%	(21.721)	(20.204)	8%	(29.139)	(34.673)	-16%	(85.347)	(92.702)	-8%
Gross margin	14.226	15.717	-9%	11.806	7.303	62%	5.206	6.342	-18%	31.238	29.362	6%
Administrative expenses	(6.017)	(6.760)	-11%	(5.419)	(4.391)	23%	(3.956)	(4.128)	-4%	(15.392)	(15.279)	1%
Operating result	8.209	8.957	-8%	6.387	2.912	119%	1.250	2.214	-44%	15.846	14.083	13%
Depreciation and amortization	7.658	7.791	-2%	2.661	2.427	10%	2.073	2.215	-6%	12.392	12.433	0%
Consolidated EBITDA	15.867	16.748	-5%	9.048	5.339	69%	3.323	4.429	-25%	28.238	26.516	6%
<i>EBITDA margin</i>	32,6%	31,3%		27,0%	19,4%		9,7%	10,8%		24,2%	21,7%	
Affiliated Companies at Proportional Value												
Operating revenues	22.378	7.693	191%	28.780	25.442	13%	24.558	26.330	-7%	75.716	59.466	27%
<i>EBITDA</i>	9.083	2.060	341%	10.774	5.211	107%	6.089	6.248	-3%	25.946	13.519	92%
<i>EBITDA margin</i>	40,6%	26,8%		37,4%	20,5%		24,8%	23,7%		34,3%	22,7%	
Total Segments												
Operating revenues	71.091	61.235	16%	62.307	52.949	18%	58.903	67.345	-13%	192.301	181.530	6%
<i>Total EBITDA</i>	24.950	18.808	33%	19.822	10.550	88%	9.412	10.677	-12%	54.184	40.035	35%
<i>EBITDA margin</i>	35,1%	30,7%		31,8%	19,9%		16,0%	15,9%		28,2%	22,1%	

Port Terminals Division:

The Port Terminals Division recorded a growth in sales of 18% (reaching US\$62.3 million) and its EBITDA rose by 88% (to US\$19.8 million), thus being able to revert the effect of the port strike that affected Chile for over 20 days during the first quarter of 2014, and the bonus payment that helped to put an end to the conflict. This recovery was driven by new contracts concluded by Iquique and San Vicente Terminals, as well as the excellent performance of the port of Guayaquil, in Ecuador.

Consolidated sales reached US\$33.5 million and EBITDA was US\$9 million, 22% and 69% higher, respectively, than in the first quarter of 2014. The above was the result of improved operations in Guayaquil (Ecuador) and Iquique (Chile). In Guayaquil, a new service was incorporated in mid-2014, and in Iquique, the port showed higher volumes as a consequence of the closure of the EPI (Empresa Portuaria Iquique) dock and the port strike of the year 2014. EPI dock was completely destroyed and was unusable after the earthquake of April, 2014.

Administration and selling expenses amounted to US\$5.4 million, an increase of 23% over the first quarter of 2014, due to spending in consultancies and higher tax payments for the concept of workers' participation in profits in Ecuador (TPG).

Therefore, consolidated operating results reached US\$6.4, 119% higher than in the first quarter of 2014.

Affiliates' sales reached US\$28.7 million, and EBITDA was US\$10.7 million, 13% and 107% higher, respectively, than in the first quarter of 2014. This is explained by the operational continuity achieved subsequent to the effects of the port strike, which affected all of the Chilean ports in the first quarter of 2014, and as a result of an improved operating performance during the first quarter of 2015. In addition, worthy of notice is the incorporation of a new service in the port of San Vicente Terminal Internacional (STVI), in mid-2014.



Other Indicators	1Q2015	1Q2014	Δ %
Transferred tons by consolidated ports (thousand)	1,643	1,399	17%
Transferred tons by non consolidated ports (PV,thousand)	2,747	2,418	14%
TEUs Transferred by consolidated ports	203,115	166,427	22%
TEUs Transferred by non consolidated ports (PV)	229,314	189,911	21%

Tugboats Division

The start of joint operations with Boskalis as from the third quarter of 2014 (July 1, 2014), implied changes in SAAM's ownership of the companies operating in Mexico and Brazil, plus the incorporation of new markets in Canada and Panama. This created a different basis of comparison when analyzing the results of the first quarter of 2015 in relation to the first quarter of 2014 (in the first quarter of 2014, Mexico and Brazil were consolidated, and starting from July 1, 2014, Mexico, Panama and Canada are consolidated and Brazil became an affiliate.

The Tugboats Division recorded a quarterly growth in sales of 16% (reaching US\$71 million) and EBITDA rose by 33% (reaching US\$24.9 million). The good results obtained by the Tugboats Division are explained by the start of joint operations with Boskalis, which allowed SAAM to incorporate two new markets (Panama and Canada), and also to having started to capture synergies in Brazil, becoming the second largest operator in that market.

Consolidated sales amounted to US\$48.7 million and EBITDA was US\$15.8 million, 9% and 5% lower, respectively, than the first quarter of 2014. Brazil changed from being a subsidiary (100% ownership by SAAM in 2014) to an affiliate (50% ownership by SAAM) considered at proportional value, explaining the drop in sales and consolidated EBITDA. This fall was not offset by the incorporation of the Canada and Panama markets.

Selling and administration expenses showed a decrease of 11% with respect to the first quarter of 2014, due to the de-consolidation of Brazil at the start of the joint venture with SMIT Boskalis in July 2014

Therefore, consolidated operating results amounted to US\$8.2 million, 8% lower than in the first quarter of 2014 as a consequence of the described effects.

Affiliated companies' sales reached US\$22.4 million and EBITDA was US\$9 million, 191% and 341% higher, respectively, than in the first quarter of 2014, explained by the incorporation of Brazil as affiliate company as from July 1, 2014.

Other Indicators	1Q2015	1Q2014	Δ %
Consolidated Tugboats maneuvers (*)	18,961	16,335	16%
Non Consolidated Tugboats maneuvers	4,588	892	414%

(*) Change in the maneuvers for the 1Q2014



Logistics Segment and other Related Business:

The division continues in its transition process of adapting to the lower dynamism and increasing competitiveness that characterizes the shipping business, and to advancing in the business of Contract Logistics: providing comprehensive services throughout the whole logistics chain.

During the first quarter of 2015, Logistics totaled sales for US\$58.9 million and its EBITDA was US\$9.4 million, 13% and 12% lower, respectively, than in the first quarter of 2014, mainly due to the loss of maritime agency contracts in Chile and the reduction in the results of container depots and workshops in Chile and Brazil.

In the first quarter of 2015, Logistics had consolidated revenues of US\$34.3 million, 16% lower than in the same period of the previous year, explained mostly by lower sales in Logística Chile, caused by reduced operations in container depots and workshops, and by the end of the document agency service contract with CSAV (which took place in April 2014), as well as the drop in container depots contracts in Brazil, within a context of loss of competitiveness due to the presence of two new operators, which has affected both prices and volumes due to a lower volume.

Cost of sales came to US\$29.1 million, which represents 16% less than in the first quarter of 2014, as a result of the lower volume of sales by Logística Chile and Brazil.

Administration expenses were US\$3.9 million, 4% less than in the first quarter of 2014, explained mainly by lower expenditures of the Division in Chile.

Therefore, consolidated operating results were minus US\$1.25 million, and EBITDA was US\$3.3 thousand, 44% and 25% lower, respectively, than in the first quarter of 2014.

Revenues from affiliates at their proportional value came to US\$24.6 million, 7% less than in the first quarter of 2014, and EBITDA was US\$6.1 million, which represents 3% lower than in the same period of 2014, explained mostly by reduced sales in Peru in container terminal, depots and workshops.

Other Indicators	1Q2015	1Q2014	Δ %
Containers repaired by consolidated companies	22,302	22,225	0%
Containers repaired by non consolidated companies (PV)	1,331	1,348	-1%
Containers receipt and dispatched by non consolidated companies	120,392	157,921	-24%
Containers consolidated and desconsolidated by consolidated companies	7,043	7,097	-1%
Cold storage by consolidated companies (tons)(*)	997,144	523,782	90%
Storage by consolidated companies (Square meters)	198,184	174,06	14%
Route trips (freight) by consolidated companies	15,004	10,992	36%



Balance Sheet
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Balance Sheet	March 2015	Dec 2014	Δ%
	MUS\$	MUS\$	
Cash and cash equivalents	47.077	44.915	5%
Other current assets	163.475	158.509	3%
Current assets	210.552	203.424	4%
Property, plant & equipment (net)	481.243	488.746	-2%
Other non-current assets	535.304	536.108	0%
Non-current assets	1.016.547	1.024.854	-1%
Total assets	1.227.099	1.228.278	0%
Other current financial liabilities	41.608	44.154	-6%
Other current liabilities	111.912	95.900	17%
Current liabilities	153.520	140.054	10%
Other non-current financial liabilities	144.526	146.006	-1%
Other non-current liabilities	107.333	109.917	-2%
Non-current liabilities	251.859	255.923	-2%
Total liabilities	405.379	395.977	2%
Equity attributable to equity holders of parent	704.237	713.952	-1%
Minority interest	117.483	118.349	-1%
Total equity	821.720	832.301	-1%
Total equity and liabilities	1.227.099	1.228.278	0%