



## SMSAAM ANNOUNCES RESULTS FOR THE FOURTH QUARTER OF 2014

Santiago, March 6, 2015.- SM SAAM showed a positive balance at the end of 2014, period in which it obtained profits amounting to US\$61 million. According to what the Company reported in its consolidated financial statements, which includes the results of its business affiliates at their proportional value, total sales reached US\$775 million and Ebitda was US\$185 million, an increase of 7% and 12.6% respectively, than the previous year.

Earnings experienced a reduction of 17% in relation to the previous period, which is explained by profits derived from non-recurring effects in both periods, primarily, in 2013, due to the sale of Cargo Park (profit of US\$11.3 million) and in 2014 due to the sale of SAAM's stake in Terminal Portuario Buenaventura in Colombia (profit of US\$6,6 million).

The year was marked by the onset of two joint ventures with the Dutch Company Boskalis, operation that allowed SAAM to enter two new markets (Canada and Panama) and begin capturing the synergies offered by the Brazilian market, where the Company was already present. Added to this were the good performances of Terminal Portuario de Guayaquil (TPG), in Ecuador, the operations in Chile of Iquique Terminal International (ITI), and San Vicente Terminal International (SVTI), as well as the milestone accomplished with Antofagasta Terminal Internacional's (ATI) concession extension granted for a further ten years.

"It was a challenging year which we concluded on a sound footing. SAAM continues to be the leading port operator in South America and the fourth tugboat operator worldwide. We were able to reverse the effects of a significant port strike in Chile and improve our results. We are moving forward with better infrastructure for our terminals, new tugboats, as well as in our transition towards the market of Contract Logistics", said Javier Bitar, SAAM's CEO.

During the fourth quarter of 2014, revenues totaled US\$201 million (an increase of 9.5% over 2013), EBITDA was US\$51 million (35% higher) and obtained a profit of US\$24.4 million (55% higher than in the last quarter of 2013).



## Consolidated Results at December 2014

Quarterly Income Statements	2014	2013	Δ%
	MUS\$	MUS\$	
Operating revenues	120.941	120.656	0%
Cost of sales	(90.878)	(93.839)	-3%
Gross margin	30.063	26.817	12%
Administrative expenses	(16.927)	(20.053)	-16%
Operating result	13.136	6.764	94%
Other income (expenses) by function	(2.908)	2.333	-225%
Financial income	3.423	1.929	77%
Financial expenses	(1.392)	(2.544)	-45%
Profit (loss) from equity method associated	14.365	6.553	119%
Exchange differences	(328)	139	-336%
Gain (loss) from index adjusted units	9	18	-50%
Gain (loss) before income tax	26.305	15.192	73%
Income tax	1.605	1.174	37%
Gain (loss) proceeding from continued operations	27.910	16.366	71%
Gain (loss) attributable to equity holders of parent	24.448	15.705	56%
Gain (loss) attributable to minority interest	3.462	661	424%

Other Quarterly Indicators	2014	2013	Δ%
	MUS\$	MUS\$	
Depreciation and amortization	13.333	12.078	10%
<b>EBITDA</b>	<b>26.469</b>	<b>18.842</b>	<b>40%</b>
<i>EBITDA margin</i>	<i>21,9%</i>	<i>15,6%</i>	

Year To Date Income Statement	2014	2013	Δ%
	MUS\$	MUS\$	
Operating revenues	492.305	478.942	3%
Cost of sales	(368.622)	(363.536)	1%
Gross margin	123.683	115.406	7%
Administrative expenses	(65.883)	(65.823)	0%
Operating result	57.800	49.583	17%
Other income (expenses) by function	(4.451)	16.616	-127%
Financial income	7.446	6.178	21%
Financial expenses	(11.000)	(11.899)	-8%
Profit (loss) from equity method associated	28.938	27.206	6%
Exchange differences	679	333	104%
Gain (loss) from index adjusted units	67	22	205%
Gain (loss) before income tax	79.479	88.039	-10%
Income tax	(9.276)	(11.647)	-20%
Gain (loss) proceeding from continued operations	70.203	76.392	-8%
Gain (loss) attributable to equity holders of parent	61.038	73.531	-17%
Gain (loss) attributable to minority interest	9.165	2.861	220%

Other Year to day Indicators	2014	2013	Δ%
	MUS\$	MUS\$	
Depreciation and amortization	50.163	44.708	12%
<b>EBITDA</b>	<b>107.963</b>	<b>94.291</b>	<b>14%</b>
<i>EBITDA margin</i>	<i>21,9%</i>	<i>19,7%</i>	



## **1. Operating income**

Consolidated sales for the year amounted to US\$492.3 million, 2.8% higher than in 2013, mostly due to increased sales at Port Terminals in Ecuador and Iquique, and by Tugboats, because the entry to Panama and Canada provided new markets for SAAM, which were incorporated with the onset of joint operations with Boskalis on July 1, 2014. Operating income for the year was US\$57.8 million, 16.6% higher than in 2013 due to Tugboats and Port Terminals.

During the fourth quarter of 2014, SM SAAM obtained consolidated revenues amounting to US\$120.9 million, representing an increase of 0.2% over the same period of the previous year, due to the improved performance of Port Terminals in Ecuador and Iquique in Chile, and Tugboats in Chile, Guatemala, Canada, and Panama. The two latter are new markets for SAAM, included with the onset of joint operations with Boskalis on July 1, 2014.

On the other hand, gross profits increased to US\$30 million, 12% higher with respect to the fourth quarter of 2013, explained primarily by higher revenues and lower costs in Port Terminals.

Administration and selling expenses decreased to US\$16.9 million, 16% less with respect to the fourth quarter of 2013, explained by reduced spending in Logistics and Tugboats.

Operating income for the period amounted to US\$13.1 million, which meant an increase of 94% compared to the same quarter of 2013, primarily due to Port Terminals in Ecuador and Iquique, Tugboats in Chile, and the incorporation of Canada and Panama markets.

As a result, consolidated EBIDTA for the fourth quarter amounted to US\$26.5 million, 41% higher than for the fourth quarter of 2013, mostly due to Tugboats in Mexico and the entry to Panama and Canada markets, as well as to the improvement of Port Terminals in Ecuador and Iquique.

## **2. Non-Operating Results**

Non-operating results for the fourth quarter of 2014 were US\$13.1 million, 293% higher than that for the same period of the previous year. This increased non-operating result is explained by the higher results of associated companies due to the sale of SAAM's stake in Buenaventura Port Terminal (TECSA), Colombia, which generated earnings for US\$6.6 million, as well as the transfer of Brazil Tugboats, which became an affiliated company.

As a consequence, during the fourth quarter of 2014, earnings attributable to equity holders of the Parent Company amounted to US\$24.4 million, 56% higher than in the same period of the previous year, due mainly to the sale of the shares in Colombia, as well as to the improved performance by Tugboats Chile, Guatemala, and Port Terminals in Ecuador, Iquique and San Vicente.



### 3. Results by Business Segment

Quarterly Income Statements	Tugboats			Ports			Logistics & Others			Total		
	2014	2013	%	2014	2013	%	2014	2013	%	2014	2013	%
Operating revenues	MUS\$ 53,633	MUS\$ 53,598	0%	MUS\$ 34,444	MUS\$ 27,290	26%	MUS\$ 32,864	MUS\$ 39,768	-17%	MUS\$ 120,941	MUS\$ 120,656	0%
Cost of sales	(37,904)	(39,136)	-3%	(21,883)	(18,742)	17%	(31,091)	(35,961)	-14%	(90,878)	(93,839)	-3%
Gross margin	15,729	14,462	9%	12,561	8,548	47%	1,773	3,807	-53%	30,063	26,817	12%
Administrative expenses	(7,565)	(8,476)	-11%	(5,979)	(4,979)	20%	(3,383)	(6,598)	-49%	(16,927)	(20,053)	-16%
Operating result	8,164	5,986	36%	6,582	3,569	84%	(1,610)	(2,791)	-42%	13,136	6,764	94%
Depreciation and amortization	8,235	7,459	10%	2,802	2,381	18%	2,296	2,238	3%	13,333	12,078	10%
Consolidated EBITDA	16,399	13,445	22%	9,384	5,950	58%	686	(553)	-224%	26,469	18,842	40%
EBITDA margin	30.6%	25.1%		27.2%	21.8%		2.1%	-1.4%		21.9%	15.6%	
<b>Affiliated Companies at Proportional Value</b>												
Operating revenues	26,089	7,591	244%	26,649	28,230	-6%	27,578	27,242	1%	80,316	63,063	27%
EBITDA	9,316	2,264	311%	7,746	9,547	-19%	7,288	6,910	5%	24,350	18,721	30%
EBITDA margin	35.7%	29.8%		29.1%	33.8%		26.4%	25.4%		30.3%	29.7%	
<b>Total Segments</b>												
Operating revenues	79,722	61,189	30%	61,093	55,520	10%	60,442	67,010	-10%	201,257	183,719	10%
Total EBITDA	25,715	15,709	64%	17,130	15,497	11%	7,974	6,357	25%	50,819	37,563	35%
EBITDA margin	32.3%	25.7%		28.0%	27.9%		13.2%	9.5%		25.3%	20.4%	

#### Segment Information

Year To Date Income Statement	Tugboats			Ports			Logistics & Others			Total		
	2014	2013	%	2014	2013	%	2014	2013	%	2014	2013	%
Operating revenues	MUS\$ 217,220	MUS\$ 203,795	7%	MUS\$ 126,903	MUS\$ 107,861	18%	MUS\$ 148,182	MUS\$ 167,286	-11%	MUS\$ 492,305	MUS\$ 478,942	3%
Cost of sales	(151,680)	(145,357)	4%	(86,203)	(76,343)	13%	(130,739)	(141,836)	-8%	(368,622)	(363,536)	1%
Gross margin	65,540	58,438	12%	40,700	31,518	29%	17,443	25,450	-31%	123,683	115,406	7%
Administrative expenses	(28,932)	(28,889)	0%	(19,900)	(17,690)	12%	(17,051)	(19,244)	-11%	(65,883)	(65,823)	0%
Operating result	36,608	29,549	24%	20,800	13,828	50%	392	6,206	-94%	57,800	49,583	17%
Depreciation and amortization	30,775	26,913	14%	10,396	9,264	12%	8,992	8,531	5%	50,163	44,708	12%
Consolidated EBITDA	67,383	56,462	19%	31,196	23,092	35%	9,384	14,737	-36%	107,963	94,291	14%
EBITDA margin	31.0%	27.7%		24.6%	21.4%		6.3%	8.8%		21.9%	19.7%	
<b>Affiliated Companies at Proportional Value</b>												
Operating revenues	66,344	31,934	108%	107,272	114,221	-6%	109,227	100,607	9%	282,843	246,762	15%
EBITDA	19,950	9,761	104%	31,505	37,171	-15%	25,419	23,672	7%	76,874	70,604	9%
EBITDA margin	30.1%	30.6%		29.4%	32.5%		23.3%	23.5%		27.2%	28.6%	
<b>Total Segments</b>												
Operating revenues	283,564	235,729	20%	234,175	222,082	5%	257,409	267,893	-4%	775,148	725,704	7%
Total EBITDA	87,333	66,223	32%	62,701	60,263	4%	34,803	38,409	-9%	184,837	164,895	12%
EBITDA margin	30.8%	28.1%		26.8%	27.1%		13.5%	14.3%		23.8%	22.7%	



## Port Terminals Segment:

The Port Terminals segment recorded a 5.5% (US\$ 234 million) annual growth in sales, and Ebitda rose by 4% (to US\$63 million), thus reversing the effect of the port strike that hit the country for more than 20 days and the payment of the bonus that helped put an end to the conflict. This recovery was driven by new contracts signed by Iquique and San Vicente terminals, as well as by the excellent performance of the port of Guayaquil, in Ecuador; also worthy of notice in San Antonio is the 31-meter extension of the pier, the addition of 4 RTG cranes, and having provided services to the largest container vessel to arrive in Chile: the “Gustav Maersk”, with a length of 367 meters and a capacity of 9700 TEUs.

This business segment had consolidated revenues of US\$34.4 million, 26% higher than in the fourth quarter of 2013, due to increased operations in Guayaquil (Ecuador), and Iquique (Chile). In the case of TPG in Guayaquil, this was due to the provision of a new service to shipping companies that was not offered in 2013. In the case of ITI in Iquique, the increase in volume continued (mainly cars) because of the EPI pier closure, which was left unusable after the earthquake of April 2014.

For this segment, cost of sales was US\$21.8 million, 17% higher than for the fourth quarter of 2013, mainly due to the effects of increased sales.

Administrative and Selling expenses, on the other hand, amounted to US\$5.9 million, 20% higher than in the same period of 2013, due to expenditures in advisory services by the business segment, and in TGP in Guayaquil, due to workers’ profit participation.

Therefore, consolidated operating results came to US\$6.5 million, and EBIDTA was US\$9.3 million, 84% and 58% higher, respectively, than in the fourth quarter of 2013.

As regards sales by affiliated companies, they experienced a drop of 5.6% with respect to the fourth quarter of 2013, amounting to US\$26.6 million, with an EBIDTA of US\$7.7 million, representing 18% less than the fourth quarter of 2013, mainly due to diminished operations in STI and ATI.

As to the Port Terminals business segment in its entirety, during the fourth quarter of 2014 it totaled revenues for US\$61 million, 10% higher than during the fourth quarter of 2013, and EBITDA came to \$17.1 million, representing 10.5% higher than the same period of the previous year.

During 2014, consolidated revenues for this segment amounted to US\$126.9 million, an increase of 17.6% with respect to the same period of 2013, and its EBITDA was US\$31.1 million, an increase of 35% with respect to the previous year.

Revenues of affiliated companies at their proportional value amounted to US\$107.2 million, 6% less than in the same period of the previous year, and EBITDA was US\$31.5 million, a decrease of 15% with respect to the previous year, primarily due to decreased volumes in STI (San Antonio) and ATI (Antofagasta).

Other Indicators	4T'14	4T'13	Δ%	YTD 2014	YTD 2013	Δ%
Transferred tons by consolidated ports (thousand)	1.735	1.492	16,3%	6.508	5.875	10,8%
Transferred tons by non-consolidated ports (PV, thousand)	2.645	2.832	-6,6%	10.566	11.114	-4,9%
TEUs transferred by consolidated ports	208.866	170.746	22,3%	758.209	701.241	8,1%
TEUs transferred by non-consolidated ports (PV)	218.737	227.039	-3,7%	843.383	893.512	-5,6%



## **Tugboats Business Segment**

The Tugboats segment evidenced the greatest dynamism, with sales for US\$284 million (20% higher than in 2013) and an EBIDTA of US\$87 million (32% higher). This high growth is explained by the synergies achieved with the joint venture in Brazil and the position attained in that market (30% participation), the accounting effect brought by the consolidation of operations in Panama and Mexico, and the renewal of contracts in Brazil and Honduras (Puerto Cortes)

During the fourth quarter of 2014, the Tugboats segment obtained consolidated revenues of US\$53.6 million, representing an increase of 0.1% over the same period of the previous year, explained mostly by Brazil's transfer to affiliated company, due to the onset of joint operations with Boskalis started on July 1, 2014, and the entry to Canada, and Panama, which constitute new markets for SAAM that were incorporated with the beginning of the above mentioned joint operations with Boskalis.

Cost of sales amounted to US\$37.9 million, 3% less than for the fourth quarter of 2013, primarily due to Brazil's de-consolidation, as the company had high costs in 2013.

Administrative and selling expenses showed a decrease of 10.7% with respect to the fourth quarter of 2013, due to the segment's reduced expenditures.

Therefore, consolidated operating results came to US\$8.2 million, 36.4% higher than the same quarter in 2013, due to the improved performances in Chile and Guatemala, and to entry to the markets in Panama and Canada. EBITDA reached US\$16.4 million, an increase of 22% with respect to the fourth quarter of 2013.

Regarding consolidated revenues, these amounted to US\$26.1 million, 244% more than in the fourth quarter of 2013, and EBITDA was US\$9.3 million, 311% higher than in the same period in 2013, due to the joint venture with Boskalis in Brazil where SAAM went from having 100% participation to a 50% stake.

Considering the Tugboats segment, during the fourth quarter of 2014, revenues totaled US\$79.7 million, which represents 30.3% higher than in the same period of the previous year, and EBITDA was US\$25.7 million, 64% higher than in the same period of the previous year.

Other Indicators	4T'14	4T'13	Δ%	YTD 2014	YTD 2013	Δ%
Consolidated tugboat maneuvers	17.784	16.750	6,2%	69.931	66.293	5,5%
Non-consolidated tugboat maneuvers (PV)	10.475	1.893	453,4%	25.327	7.413	241,7%

## **Logistics Segment and Other Related Business:**

The Logistics Division experienced a transition process adapting to the lower dynamism and increasing competition that characterizes the shipping industry, and to advance in the provision of services throughout the whole logistics chain required by importers and exporters, segment known as 'Contract Logistics', which experienced a growth in Chile between 2013 and 2014 equal to 15% of EBITDA.

Under this approach, there has been a change in the configuration of sales. In Logística Chile, for example, there was a change from 43% in services to ships, to 35% in 2014, while Contract Logistics grew from 57% in 2013 to 65% in 2014. This allowed to significantly offset the depressed shipping services market, and to moderate the setback in sales and the EBITDA of this division to rates of -3.9% and -9.3%, respectively, compared to 2013.



During 2014, the Business Segment 's sales totaled US\$257.4 million and its EBITDA was US\$34.8 million, 3.9% and 9.3% lower, respectively, than in the year 2013, due mainly to the loss of maritime agency contracts in Chile and reduced results in containers' depot and dock workshop in Chile.

During the fourth quarter of 2014, Logistics' consolidated revenues were US\$32.8 million, 17% less than in the same period of the previous year, explained primarily by lower sales in Logística Chile due to the drop in operations of container depots and dock workshops and to the termination of the documentation agency services with CSAV and to Brazil because of diminished volumes.

Cost of sales were US\$31 million, representing 13.5% less than in the fourth quarter of 2013 due to a lower sales volume by Logística Chile.

Administration expenses amounted to US\$3.3 million, 49% lower than for the fourth quarter of 2013, mainly explained by lower expenditures by the division in Chile.

Therefore, consolidated operating results came to minus US\$1.6 million, and EBITDA came to US\$686 thousand, a decrease of 42% and 224%, respectively, with respect to the fourth quarter of 2013.

Revenues of affiliated companies at their proportional value totaled US\$27.6 million, an increase of 1.2% with respect to the fourth quarter of 2013, and EBITDA was US\$7.3 million, representing 5.4% higher than for the same period of 2013, explained mostly by increased sales in Reloncaví.

Considering the overall Logistics Business Segment, during the fourth quarter of 2014, revenues totaled US\$60.4 million, a decrease of 9.8% regarding the fourth quarter of 2013, and EBITDA was US\$7.9 million, 25% higher than in the same period of the previous year.

Other Indicators	4Q'14	4Q'13	Δ%	YTD 2014	YTD 2013	Δ%
Consolidated tugboat maneuvers	17.784	16.750	6,2%	69.931	66.293	5,5%
Non-consolidated tugboat maneuvers (PV)	10.475	1.893	453,4%	25.327	7.413	241,7%
Containers repaired by consolidated companies	13.769	24.066	-42,8%	81.871	106.325	-23,0%
Containers repaired by non-consolidated companies (PV)	1.227	949	29,4%	4.731	3.459	36,8%
Containers receipt and dispatched by consolidated companies	115.880	170.601	-32,1%	572.035	690.978	-17,2%
Containers receipt and dispatched by non-consolidated co. (PV)	11.188	14.256	-21,5%	40.438	48.641	-16,9%
Containers consolidated and deconsolidated	8.668	7.933	9,3%	31.832	31.807	0,1%
Cold storage in consolidated companies (tons)	786.539	138.366	468,4%	2.767.473	1.246.329	122,0%
Storage in consolidated companies (square meters)	175.918	174.216	1,0%	685.258	697.098	-1,7%
Route trips (freight) from consolidated companies	10.967	7.459	47,0%	44.715	37.065	20,6%



## Balance Sheet & Other Indicators

Balance Sheet	2014	2013	Δ%
	MUS\$	MUS\$	
Cash and cash equivalents	44.915	49.005	-8,3%
Other current assets	158.509	152.576	3,9%
<b>Current assets</b>	<b>203.424</b>	<b>201.581</b>	0,9%
Property, plant & equipment (net)	488.746	514.677	-5,0%
Other non-current assets	536.108	354.454	51,2%
<b>Non-current assets</b>	<b>1.024.854</b>	<b>869.131</b>	17,9%
<b>Total assets</b>	<b>1.228.278</b>	<b>1.070.712</b>	<b>14,7%</b>
Other current financial liabilities	44.154	35.727	23,6%
Other current liabilities	95.900	93.457	2,6%
<b>Current liabilities</b>	<b>140.054</b>	<b>129.184</b>	8,4%
Other non-current financial liabilities	146.006	155.430	-6,1%
Other non-current liabilities	109.917	91.725	19,8%
<b>Non-current liabilities</b>	<b>255.923</b>	<b>247.155</b>	3,5%
<b>Total liabilities</b>	<b>395.977</b>	<b>376.339</b>	<b>5,2%</b>
Equity attributable to equity holders of parent	713.952	684.092	4,4%
Minority interest	118.349	10.281	1051,1%
<b>Total equity</b>	<b>832.301</b>	<b>694.373</b>	19,9%
<b>Total equity and liabilities</b>	<b>1.228.278</b>	<b>1.070.712</b>	<b>14,7%</b>
Otros Indicadores Financieros	2014	2013	Δ%
Financial debt	190.160	191.157	-0,52%
Net financial debt	145.245	142.152	2,18%
Financial debt affiliated companies (PV)	162.708	109.673	48,36%
Net financial debt affiliated companies (PV)	73.881	83.948	-11,99%
Debt ratio	0,48x	0,54x	
Financial debt ratio	0,23x	0,28x	
Leverage	0,17x	0,20x	
Liquidity ratio	4,6x	5,6x	
Return on equity	8,5%	10,7%	