EARNINGS REPORT

First Quarter 2018

Santiago, May 9th, 2018

- SAAM reported net income of US$8.1 million for the first quarter of 2018, up 14% from the same period in 2017 when it posted US$7.1 million. Excluding results of discontinued operations in 2017, quarterly earnings grew 134%.

- For the first quarter of 2018, sales (proforma) reached US$180 million and EBITDA (proforma) US$48.3 million, reflecting improvements of US$24 million and US$7.7 million, respectively, compared to the same period in 2017 (*).

- During the period, all three business divisions reported a rise in net income. Worth highlighting are a strong performance from Terminal Portuario Guayaquil (TPG) and recovered results in the Logistics Division as a result of changes in its structure and a new business strategy that has enabled it to close important contracts.

- After concluding a high investment cycle involving more than US$ 500 million in capital expenditures over four years, this year we expect to invest US$ 85 million to maintain equipment and infrastructure at ports and to reinforce our tug fleet.

Financial Statament (US$ Ths)	1Q2018	1Q2017	Δ%	Δ
Income Proforma (1)(2)	**180.378**	**156.310**	**15%**	**24.068**
Towage (2)	64.266	59.706	8%	4.560
Ports (2)	88.656	67.687	31%	20.969
Logistics (2)	27.457	28.918	-5%	(1.461)
Discontinued Operations (3)	0	23.608	---	(23.608)
Ebit Proforma (1)(*)	**23.654**	**17.355**	**36%**	**6.299**
Towage (2)	11.052	9.828	12%	1.224
Ports (2)	11.480	7.666	50%	3.815
Logistics (2)	1.122	(139)	-	1.260
Discontinued Operations (3)	0	6.097		(6.097)
EBITDA Proforma (1)(*)	**48.364**	**40.594**	**19%**	**7.770**
Towage (2)	21.720	20.954	4%	766
Ports (2)	23.667	17.511	35%	6.156
Logistics (2)	2.977	2.129	40%	848
Discontinued Operations (3)	0	8.775	---	(8.775)
Profit attributable to owners of the Parent (IFRS)	**8.132**	**7.143**	**14%**	**988**
Profit Proforma continued operations	**7.880**	**3.361**	134%	**4.519**
Discontinued Operations (3)	252	3.782	---	(3.530)

(1) Consolidated + affiliates at proportional value

(2) Does not include financial data from discontinued operations (Tramarsa S.A. and TPA S.A.)

(3) Tramarsa sold in April 2017 and TPA S.A. asset for disposal classified as held for sale since Sept 2017

Note:

Proforma Financial Results: These consist of consolidated financial data under IFRS and figures from associates weighted based on their respective interest (pro rated) in each company using the equity method.

Operating results do not include equity-method financial data from discontinued operations (Tramarsa S.A., minority interest sold in April 2017 and Terminal Portuaria Arica S.A., classified as held for sale in September 2017).

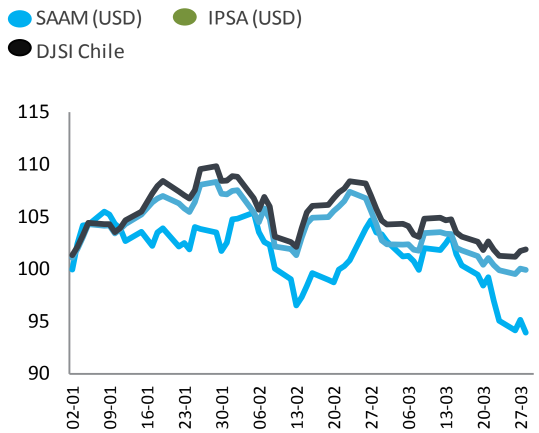
(*)Restated net income for 1Q2017 as explained in Note 41 in financial statements as of March 2018

MEMBER OF Dow Jones Sustainability Indices In Collaboration with RobecoSAM

Ticker: SMSAAM
Santiago Exchange

Price (12/29/2017)	CLP 66.05
Price (03/29/2018)	CLP 61.84
Market Cap (03/29/2018)	MCLP$ 602
Market Cap (03/29/2018)	MUS$ 998

YTD 2018 Total Return Gross Dividends



YTD 2018 Gross Dividends	CLP	US$(*)
SAAM	-7,6%	-6,1%
IPSA	-1,8%	-0,1%
DJSI Chile	0,2%	1,9%
US$(*)		-1,7%

(*) Interbank exchange rate

EBITDA Mg (2) (4)	1Q2018	1Q2017
Total SAAM	26,8%	26,0%
Towage	33,8%	35,1%
Ports	26,7%	25,9%
Logistics	10,8%	7,4%

Ratios	mar-18	dic-17
ROE (1)(3)	7,8%	7,9%
ROA (1)(3)	4,1%	4,1%
Leverage (1)	0,11	0,11
NFD / EBITDA (2)(3)(4)	1,26	1,14

(*) NFD does not include accounting records of liabilities due to port concessions

(1) Consolidated

(2) Consolidated + Affiliates at proportional value

(3)Last 12 months

(4)Does not include financial data from discontinued operations (Tramarsa S.A. and TPA S.A.)

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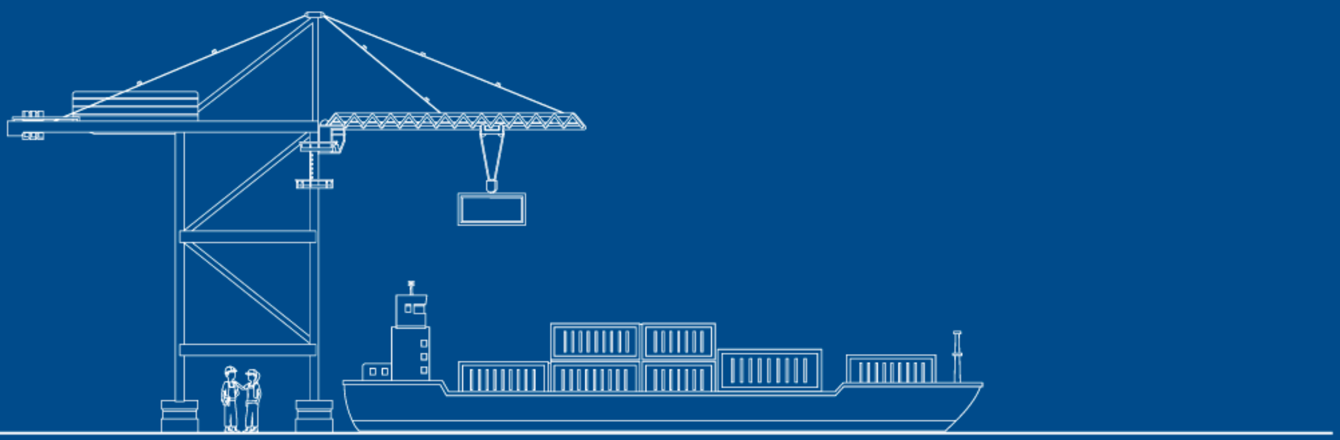
Analysis of Consolidated Subsidiaries and Associates [1]

Note (1):

Proforma Financial Results: These consist of consolidated financial data under IFRS and figures from associates weighted based on their respective interest (pro rated) in each company using the equity method.

Operating results do not include equity-method financial data from discontinued operations (Tramarsa S.A., minority interest sold in April 2017, and TPA S.A. classified as held for sale in September 2017.



CHAPTER

01

QUARTERLY FINANCIAL SUMMARY Consolidated + Equity-Method Associates

PROFORMA SALES

↑ **1Q2018 / 1Q2017**: Sales for the quarter totaled US$180,4 million, marking an increase of US$24 million over the same quarter in 2017. This improvement is due to sales growth in all three business divisions, including an increase of 29% in tons transferred by the Port Terminals Division and a rise in special maneuvers by the Towage Division.

PROFORMA EBITDA

↑ **1Q2018 / 1Q2017:** EBITDA for the period totaled US$48.4 million, up US$7.7 million from the same period last year. The increase can be explained by higher net income from all three business divisions, specifically 40% growth in logistics, 35% in port terminals and 4% in towage. The EBITDA margin was 27%.

PROFORMA NET INCOME

↑ **1Q2018 / 1Q2017:** SAAM reported net income of US$8.1 million, an increase of US$988 thousand over the first quarter of 2017 due mainly to improved results from the Logistics and Port Terminals divisions. Excluding discontinued operations from 2017 (Tramarsa and TPA, totaling US$3.8 million), growth for the quarter would have been US$4.5 million (134%).

Financial Statement (Ths US$)	1Q2018	1Q2017	1Q2018-1Q2017	
			Δ%	Δ
Income Proforma (1)	180.378	156.310	15%	24.068
EBIT Proforma (1)	23.654	17.355	36%	6.299
EBITDA Proforma (1)	48.364	40.594	19%	7.770

(1) Consolidated + affiliated at proportional value (excluded discontinued operations)

Financial Statement (Ths US$)	1Q2018	1Q2017	1Q2018-1Q2017	
			Δ%	Δ
Income(1)	180.378	179.919	0%	460
EBIT (1)	23.654	23.452	1%	202
EBITDA (1)	48.364	49.369	-2%	-1.005

(1) Consolidated + affiliated at proportional value (excluded discontinued operations)

Financial Statement (Ths US$)	1Q2018	1Q2017	1Q2018-1Q2017	
			Δ%	Δ
Profit Proforma continued operations	**7.880**	**3.361**	**134%**	**4.519**
Discontinued Operations (2)	252	3.782	-93%	-3.530
Profit attributable to owners of the Parent	**8.132**	**7.143**	**14%**	**988**

(2) Tramarsa sold in April 2017 and TPA S.A. asset for disposal classified as held for sale since Sept 2017

TOWAGE DIVISION RESULTS Consolidated + Equity Method

PROFORMA SALES

1Q2018 / 1Q2017: The Towage Division posted revenue of US$64.2 million, up US$4.5 million over the same period in 2017, due mainly to an increase in special maneuvers (Canada, Uruguay and Chile) and a 2% rise in port maneuvers as a result of repositioning its fleet and gaining market share in some markets.

PROFORMA EBITDA

1Q2018 / 1Q2017: The division reported EBITDA of US$ 21.7 million, marking an increase of US$766 thousand over the same period last year, due to improved results in almost all operations, especially figures from Canada and Uruguay as a result of a rise in special maneuvers. The EBITDA margin fell by 1 percentage point to 34% as a result of increased subcontracting and fuel expenses.

	1Q2018	1Q2017	Δ%	Δ
Income Proforma US$ (Ths) (1)	64.266	59.706	7,6%	4.560
EBIT Proforma US$ (Ths) (1)	11.052	9.828	12,5%	1.224
EBITDA Proforma US$ (Ths) (1)	21.720	20.954	3,7%	766
# Maneuvers (1)	23.293	22.816	2,1%	478
# Maneuvers (2)	27.065	26.110	3,7%	955
#Tugboats (1)(3)	130	136		-6
# Tugboats (2)(3)	153	161		-8

(1) Consolidated + affiliated at proportional value (excluded discontinued operations)

(2) Maneuvers at 100% (excluded discontinued operations)

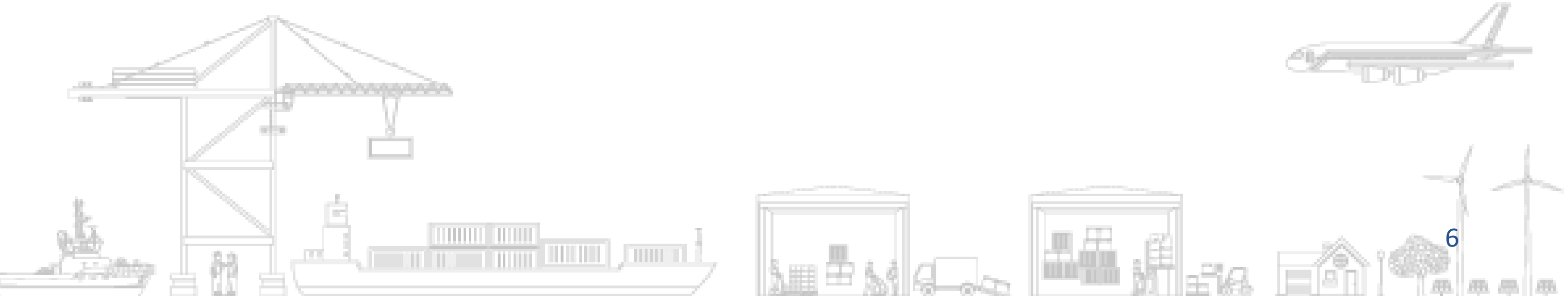
(3)Consider tugboats under construction (excluded discontinued operations)

	1Q2018	1Q2017	Δ%	Δ
Income US$ (Ths) (1)	64.266	64.520	-0,4%	-255
EBIT US$ (Ths) (1)	11.052	10.606	4,2%	446
EBITDA US$ (Ths) (1)	21.720	22.530	-3,6%	-810
# Maneuvers (1)	23.293	23.658	-1,5%	-365
# Maneuvers (2)	27.065	28.518	-5,1%	-1.453
#Tugboats (1)(3)	130	142		-12
# Tugboats (2)(3)	153	179		-26

(1)Consolidated + affiliated at proportional value

(2) Maneuvers at 100%

(3) Consider tugboats under construction



PORT TERMINALS DIVISION RESULTS Consolidated + Equity Method

PROFORMA SALES

↑ **1Q2018 / 1Q2016:** The Port Terminals Division reported revenue of U$88.7 million, marking an increase of US$21 million over the same quarter last year, as a result of a 29% increase in tons transferred mainly due to growth at Terminal Portuario Guayaquil (TPG), which saw a 178% rise in volume transferred versus the first quarter of 2017 thanks to several new contracts awarded last year. Another contributing factor was the incorporation of Puerto Caldera (SPC / SPGC) in February 2017.

PROFORMA EBITDA

↑ **1Q2018 / 1Q2017:** EBITDA for the Port Terminals Division was US$23.7 million, up US$6.1 million over the same period in 2017. This rise in net income is mainly the result of improved results at Terminal Portuario de Guayaquil (TPG) and the incorporation of Puerto Caldera, which offset reduced results at Chilean terminals affected by sluggish activity. The EBITDA margin improved by 1 percentage point to 27% due to the reduced activity at Chilean terminals mentioned above.

	1Q2018	1Q2017	Δ%	Δ
Income Proforma US$(Ths) (1)	88.656	67.687	31,0%	20.969
EBIT Proforma US$ (Ths)(1)	11.480	7.666	49,8%	3.815
EBITDA Proforma US$ (Ths) (1)	23.667	17.512	35,2%	6.156
Tons Transferred (1)	6.627.085	5.133.443	29,1%	1.493.642
Tons Transferred (2)	9.448.578	7.720.522	22,4%	1.728.056
TEUs(1)	602.672	486.428	23,9%	116.244
TEUs (2)	809.211	704.634	14,8%	104.577
Terminals (2)	10	10		0

(1) Consolidated + affiliated at proportional value (excluded discontinued operations)

(2)Volumes at 100% (excluded discontinued operations)

	1Q2018	1Q2017	Δ%	Δ
Income US$(Ths) (1)	88.656	79.279	11,8%	9.377
EBIT US$ (Ths) (1)	11.480	12.456	-7,8%	-976
EBITDA US$ (Ths) (1)	23.667	24.145	-2,0%	-478
Tons Transferred (1)	6.627.085	5.834.713	13,6%	792.372
Tons Transferred (2)	9.448.578	10.193.202	-7,3%	-744.624
TEUs (1)	602.672	496.307	21,4%	106.365
TEUs (2)	809.211	765.131	5,8%	44.080
Terminals (2)	10	12		-2

(1) Consolidated + affiliated at proportional value

(2) Volumes at 100%

LOGISTICS DIVISION RESULTS Consolidated + Equity Method

PROFORMA SALES

1Q2018 / 1Q2017: The Logistics Division posted revenue of US$ 27.4 million, down US$1.4 million from the first quarter of 2017, as a result of business closures and a change in the service mix of Logística Chile. Worth highlighting during the quarter are increased sales of airport services by Aerosan, due to a rise in export and import services in Chile and Colombia.

PROFORMA EBITDA

1Q2018 / 1Q2017: The Logistics Division posted EBIDTA of US$2.9 million, up US$848 thousand over the first quarter of 2017, explained mainly by growth in net income at Aerosan because of greater activity, and at Logística Chile due to the sale of several assets and reduced costs and expenses after implementing a new business strategy. The EBITDA margin grew 4 percentage points to 11%.

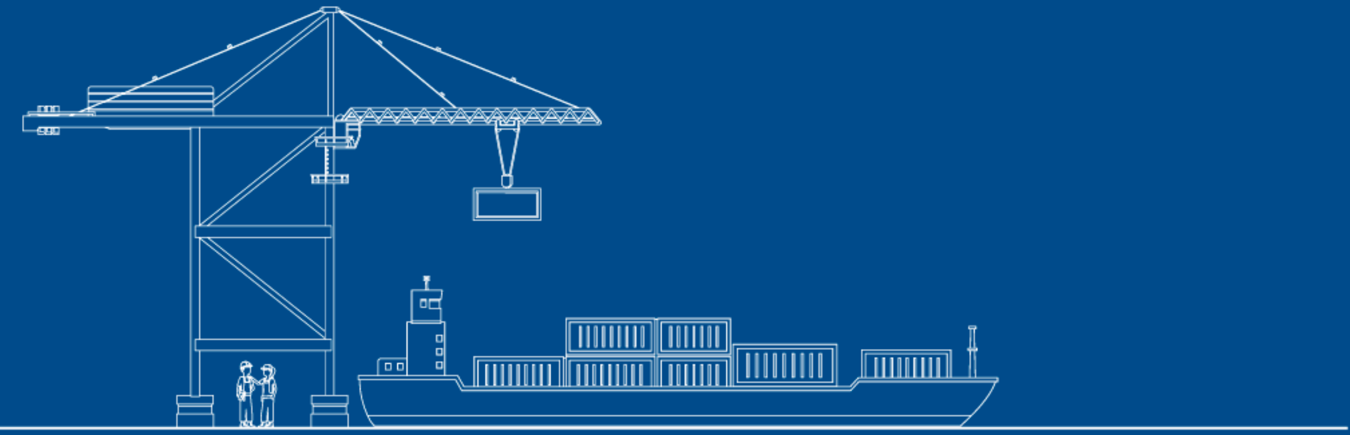
	1Q2018	1Q2017	Δ%	Δ
Income Proforma US$ (Ths)(1)	27.457	28.918	-5,1%	-1.461
EBIT Proforma US$ (Ths) (1)	1.122	-139		1.260
EBITDA Proforma US$ (Ths) (1)	2.977	2.129	39,8%	848

(1) Consolidated + affiliated at proportional value (excluded discontinued operations)

	1Q2018	1Q2017	Δ%	Δ
Income US$ (Ths)(1)	27.457	36.119	-24,0%	-8.662
EBIT US$(Ths) (1)	1.122	391	187,1%	731
EBITDA US$ (Ths)(1)	2.977	2.694	10,5%	283

(1) Consolidated + affiliated at proportional value

Consolidated Analysis



CHAPTER

02

QUARTERLY FINANCIAL SUMMARY (1) CONSOLIDATED

SALES

1Q2018 / 1Q2017: Sales rose US$ 19.9 million over the same quarter in the prior year, totaling US$126.8 million. This improvement is explained mainly by increased revenue from the Port Terminals Division as a result of the 29% rise in tons transferred over the first quarter of 2017 at Terminal Portuario Guayaquil (TPG) thanks to new contracts awarded in 2017, and the incorporation of Puerto Caldera in February 2017.

EBITDA

1Q2018 / 1Q2017: EBITDA for the period increased US$ 6.7 million to US$33.5 million. This increase is the result of growth in all three business divisions, especially the Port Terminals Division, where EBITDA rose 58% because of increased activity at Terminal Portuario de Guayaquil (TPG) and the incorporation of Puerto Caldera in February 2017.

OTHER OPERATING INCOME

1Q2018 / 1Q2017: The net effect of other operating income and expenses was an increase of US$400 thousand over the first quarter of 2017 to US$1.1 million, primarily from a gain on, and dividends from, assets held for sale.

EXCHANGE DIFFERENCES

1Q2018 / 1Q2017: Exchange differences totaled -US$ 1.7 million for the quarter, marking a decrease of US$211 thousand over the first quarter of 2017. This is explained by reduced depreciation of the Mexican peso.

FINANCE INCOME

1Q2018 / 1Q2017: Finance income rose US$ 1.1 million due to increased interest earned.

TAXES

1Q2018 / 1Q2017: Income taxes increased by US$ 2.7 million with respect to the same quarter last year mainly because of the addition of the new terminal Puerto Caldera (SPC / SPGC) and a larger tax burden at Terminal Portuario Guayaquil as a result of increased operating activity.

(1) Adjustment in Balance Sheet and Income Statement Note 41 Financial Statements as of March 2018

CONSOLIDATED (1) BALANCE SHEET

Current Assets March 2018 / December 2017: Current assets decreased by US$27.7 million due mainly to a drop in other current assets of US$ 27 million after redeeming a time deposit held by Inversiones Misti S.A. in order to pay income taxes generated on the sale of the investment in Tramarsa S.A. in May 2017.

Non-Current Assets March 2018 / December 2017: Non-current assets rose US$2.2 million mainly because of an increase in other non-current financial assets from a cross currency derivative taken out by SM SAAM with Banco Santander to hedge variations in the exchange rate related to the bond issuance in January 2017.

Current Liabilities March 2018 / December 2017: Current liabilities fell US$ -30.3 million as a result of a decrease in other current liabilities of US$ -32.9 million because of a payment made in May 2017 on income tax generated by the sale of the investment in Peru.

Non-Current Liabilities March 2018 / December 2017: Non-current liabilities fell US$ -3.3 million due to a US$ -4.1 million decrease in other non-current liabilities mainly because of a decrease in interest-bearing loans.

Balance (Ths US$)	1Q2018	4Q2017	Δ	Δ%
Cash and cash equivalents	221.433	222.062	-629	-0,3%
Other current assets	155.769	182.852	-27.083	-14,8%
Current assets	**377.202**	**404.914**	**(27.712)**	-6,8%
Property, plant & equipment (net)	487.170	490.125	(2.955)	-0,6%
Other non-current assets	596.463	591.247	5.216	0,9%
Non-current assets	**1.083.633**	**1.081.372**	**2.261**	0,2%
Total assets	**1.460.835**	**1.486.286**	**(25.451)**	-1,7%
Other current financial liabilities	50.571	48.184	2.387	5,0%
Current concession liabilities	5.634	5.429	205	3,8%
Other current liabilities	80.108	113.052	(32.944)	-29,1%
Current liabilities	**136.313**	**166.665**	**(30.352)**	-18,2%
Other non-current financial liabilities	274.174	279.786	-5.612	-2,0%
Non-current concession liabilities	37.545	36.034	1.511	4,2%
Other non-current liabilities	89.951	89.246	705	0,8%
Non-current liabilities	**401.670**	**405.066**	**(3.396)**	-0,8%
Total liabilities	**537.983**	**571.731**	**(33.748)**	-5,9%
Equity attributable to equity holders of parent	771.319	762.026	9.293	1,2%
Minority interest	151.533	152.529	(996)	-0,7%
Total Equity	**922.852**	**914.555**	**8.297**	0,9%
Total Equity and liabilities	**1.460.836**	**1.486.287**	**(25.451)**	-1,7%

(1) Adjustment in Balance Sheet and Income Statement Note 41 Financial Statements as of March 2018

CONSOLIDATED CASH FLOWS

US$ thousands	1Q2018	1Q2017	Δ%	Δ
Operating cash flow	16.833	11.910	4.923	41,3%
Investments cash flow	(6.127)	(38.655)	32.528	-84,1%
Financial cash flow	(10.887)	31.225	(42.112)	-134,9%
Others	(448)	534	(982)	-183,9%
Total	**(629)**	**5.014**	**(5.643)**	**-112,5%**

Detail of Financing Cash Flows March 2018:

As of March 31, 2018, dividends paid and/or profit distributions totaled US$ 2.9 million, which correspond to dividends from the indirect subsidiaries Florida International Terminal, Llc of US$ 200 thousand, Sociedad Portuaria Granelera de Caldera S.A, of US$ 1.1 million, Sociedad Portuaria de Caldera S.A. of US$ 4.7 million, SAAM Remolques S.A. de C.V. of US$ 3.5 million and Iquique Terminal Internacional S.A. of US$ 901 thousand.

In the statement of changes in equity, dividends totaled US$ 5.2 million. The difference of US$ 2.3 million is explained by dividends provisioned for and agreed during the current period for which payment was pending as of the reporting date (US$ 2.5 million) less dividends agreed on in 2017 that were paid in 2018 (US$ 200 thousand).

The Company has secured long-term financing for US$ 629 thousand from the subsidiary Florida International Terminal Llc. and US$ 1.5 million in short-term financing from its indirect subsidiaries Kios S.A. (US$ 650 thousand) and Sociedad Portuaria de Caldera S.A. (US$ 860 thousand). In addition, the indirect subsidiary Iquique Terminal Internacional S.A. has obtained US$ 2.8 million in short-term financing in the form of factoring.

Cash flows paid out for financial liabilities totaled US$ 10.4 million, made by the indirect subsidiary Inmobiliaria Marítima Portuaria Spa (US$ 41 thousand), Saam Remolques S.A. de C.V. (US$ 4 million), SAAM Smit Marine Canadá Inc. (US$ 351 thousand), Iquique Terminal Internacional S.A. (US$ 1.5 million), Inarpi S.A. (US$ 1.9 million), Sociedad Portuaria Granelera de Caldera S.A. (US$ 1.3 million), Sociedad Portuaria Caldera S.A. (US$ 673 thousand) and SAAM Operadora de Puertos Estiba y Desestiba Costa Rica S.A. (US$ 625 thousand).

Detail of Investing Cash Flows March 2018:

Disbursements for purchases of property, plant and equipment as of March 31, 2018, amounted to US$ 9.6 million, including value added tax of US$ 245 thousand. Note 18.3 details additions to PP&E during the period of ThUS$ 9,504. The difference is explained by US$ 141 thousand in purchases pending payment.

Disbursements for purchases of intangible assets as of December 31, 2017, amounted to US$ 1.2 million, including value added tax of US$ 7 thousand.

The sales value agreed upon for items of property, plant and equipment as of March 31, 2018, totaled US$ 904 thousand, which is mainly for the sale of the tug Olmeca and part of the Logistics Division's disposable assets. Costs to sell totaled US$ 376 thousand and the sale generated a gain of US$ 528 thousand.

Other cash inflows (outflows) of US$ 2.9 million come from the redemption of time deposits by the indirect subsidiaries Misti S.A. (US$ 34.1 million) and Concesionaria SAAM Costa Rica S.A. (US$ 500 thousand) less an income tax payment by the indirect subsidiary Inversiones Misti S.A., of US$ 31.7 million, for taxes generated on the sale of the investment in Tramarsa S.A. in 2017.

Cash flows from dividends received as of March 31, 2018, totaled US$ 252 thousand and correspond to dividends paid by Terminal Puerto Arica S.A., an investment classified as held for sale as of the reporting date. As a result, these dividends have been charged to profit or loss for the quarter.

MARKET ANALYSIS

COMMENTARY

SAAM and its subsidiaries make annual estimates of market share for the different segments where they do business. These estimates are based mainly on an analysis of available information, which includes internal operations and sales data, industry reports from regulators and other reports obtained from the market.

TOWAGE

Each towage market has its own particular characteristics due to variations in regulations between free markets, markets limited to concessions or private contracts. Operators may compete daily and/or through public or private bidding processes with the main global towage operators, such as Svitzer, Smit, Boluda, as well as regional players like Wilson Sons, Intertug, Ultratug, CPT Remolcadores, among others.

PORT TERMINALS

SAAM and its subsidiaries have a relevant market share in terms of total tons transferred in the markets of Chile, Ecuador (Guayaquil) and Costa Rica. In Mexico, United States and Colombia, SAAM participates on the operation of medium-size terminals in the locations of Mazatlán, Port Everglade and Cartagena de Indias respectively.

LOGISTICS

This division concentrates most of its operations in Chile, a market where its main competitors in Supply Chain services are: DHL; Sitrans; Kuehne+Nagel; Loginsa; APL Logistics; Agunsa and Logística S.A

RISK FACTORS

FINANCIAL RISK

It is the risk that changes in rates and market prices, for example fluctuations in exchange rates or interest rates, affect SAAM's or its subsidiaries' revenues or the value of financial instruments held by them. The objective of financial risk management is to manage and control exposure to this risk within reasonable parameters and at the same time, optimize profitability.

SAAM tries to maintain a balance in its net financial positions in SAAM and subsidiaries that will minimize the effects of the exchange rate risk that the Company is exposed to in Chile, Mexico and Brazil. Whenever it is not possible to achieve this equilibrium, financial derivatives (Forwards) are contracted so that they will allow an efficient management of these risks. In general, SAAM seeks to apply hedge accounting to diminish the volatility in results generated by the existence of exposed positions of net assets and liabilities in foreign currency.

CREDIT RISK

Credit risk is the risk of financial loss caused if a client or a counterpart of a financial instrument, fails to comply with its contractual obligations. This is especially sensitive in the accounts receivable from customers of SAAM and subsidiaries. When credits will be granted to customers, the latter are financially evaluated by a committee in order to reduce the risks of non-payment. Credits granted are periodically reviewed in order to implement the controls defined by established policies and to monitor the status of outstanding accounts receivable.

Services to customers are performed under market conditions, which are simple credits for no longer than 90 days on average. These transactions are not concentrated in relevant clients, on the contrary, the clients of SAAM and subsidiaries are quite fragmented, which allows distributing the risk.

In addition, SAAM have a credit insurance policy that covers current and future credit sales for services rendered in Chile.

SKILLED LABOR

The ability to compete successfully depends on the ability to attract and retain highly skilled labor. The loss of its services, or the inability to hire and retain key personnel may have an adverse effect on SAAM financial performance. Furthermore, the ability to operate tugboats, port terminals and offer logistics services depends on the capacity to attract and retain qualified and experienced personnel.

On the other hand, notwithstanding maintaining good relations with employees, the risks of strikes, work stoppages or other conflicts with trade unions or workers, may not be ruled out. In the event that a stoppage takes place, this could have an adverse effect in the Company's performance.

RENEWAL OF CONCESSIONS

The non-renewal of some port concessions is a long-term risk and will depend on future market conditions and on negotiations with port authorities. This could affect revenues, especially in the case of San Antonio Terminal Internacional, which matures in 2024. However, all remaining port concessions have been renewed. This was conditional to having reached and maintained a certain operational standard, which was fully complied with by SAAM in its places of operation. In addition, SAAM has concessions in the towage business in Mexico, and Costa Rica, being the first one completed renewed

INCREASE IN COMPETITION

The various structural and technological changes in the shipping and port sector, could constantly push up rates and operating costs. This implies permanent review of internal processes in order to continuously optimize them.

Competition in port terminals, towage and logistics in which SAAM operates, involves factors such as price, service, safety statistics and reputation, quality and availability of services for the customer. A reduction in the rates offered by competitors may cause SAAM to reduce its own and reduce the use of use of its services, which will negatively affect its results.

In addition, consolidation of the shipping industry and verticalization of clients' operations might cause the loss of some business. Companies with significant shipping operations could decide to carry out certain functions that are currently provided to them by SAAM, instead of continue to use its services. The decision of any of its key clients to verticalize its operations could have a negative influence in the use of its services, which would impact its results.

Also, the increasing competition and the imposition of regulatory standards in some countries, force to make strong investments both in tugboats and in land equipment, in order to avoid the risk of obsolescence and lack of productivity. It should be noted that the percentage of SAAM tugboats with azimuth technology has grown steadily from 30% in 2004 to 73% by March 2017.

ECONOMIC CYCLE

The demand for SAAM's services depends largely on the levels of international trade and, in particular, on the shipping industry in the export and import of goods, especially those handled in the port terminals under concession. Downturns in the economic cycle could adversely affect operational results, because during economic crises or periods of diminished activity, the shipping companies could experience a reduction in their cargo volumes. In spite of this, SAAM is well positioned to face these cycles through a relevant geographic and business diversification.

ACCIDENTS AND NATURAL DISASTERS

The fleet and equipment used in port terminals and in the logistics area are at risk of damages or loss due to such events as mechanical failure, installation flaws, fires, explosions and collisions, accidents at sea and human error. In addition, assets may also be affected as a result of earthquakes, tsunamis, or other natural disasters. However, SAAM, through its subsidiaries and Associates, have contracted insurance with ample coverage to mitigate damages.

ENVIRONMENTAL STANDARDS

Ports, tugboats and logistics operations are subject to extensive environmental laws. Failure to comply with these laws may result in the imposition of administrative sanctions. Said penalties may include, among others, the closure of facilities that do not comply, cancellation of operation licenses, and the imposition of sanctions and fines when the companies act with negligence or recklessness with regard to environmental issues. Approval of tougher environmental laws and regulations could require making additional investments to comply with these regulations and, therefore, alter investment plans. To mitigate this risk, SAAM and its subsidiaries have subscribed third-party liability insurance for damages and/or fines for pollution associated to its fleet of tugboats.

RISKS BY POLITICAL AND ECONOMIC CONDITIONS

A significant part of SAAM's assets are located in Chile. Also, around 51% of consolidated sales, considering affiliates at their proportional value, originate in Chilean operations. Consequently, business results depend significantly on economic conditions in Chile. Future evolution of Chilean economy could have adverse effects on SAAM's financial condition or results, and could limit the ability to develop its business plan. The Chilean State has had, and continues to have, a substantial influence on many aspects of the private sector and in the past has modified monetary, fiscal, and tax policies, as well as other regulations that have effects on the economy.

Besides Chile, SAAM has operations in Ecuador, Mexico, Brazil, Colombia, Uruguay, Guatemala, Costa Rica, Panama, Canada and the United States. Some of these countries have gone through periods of political and economic instability during recent decades, periods in which governments have intervened in business and financial aspects with effects on foreign investors and companies. It is not possible to state that these situations could never recur in the future, or that they could happen in a new country where SAAM enters, and therefore, adversely affect the operations of the Company in these countries.

CONSOLIDATED FINANCIAL INDICATORS

	Unit	March 2018	Dec 2017	dic-16
Ownership				
Shares outstanding	N°	9.736.791.983	9.736.791.983	9.736.791.983
Controlling Group- Luksic Group	%	52,2%	52,2%	52,2%
Stock price	$	61,84	66,05	51,61
Liquidity performance				
Liquidity ratio (1)	times	2,77	2,43	2,04
Acid test (2)	times	2,53	2,20	1,84
Leverage				
Razón de endeudamiento	times	0,58	0,63	0,48
Short term debt	%	25%	29%	35%
Long term debt	%	75%	71%	65%
Interest coverage	times	8,28	8,27	7,80
Return				
Earning per share	US$	0,00083508	0,00613446	0,00560195
ROE (6)	%	7,9%	7,9%	7,5%
ROA (7)	%	4,1%	4,3%	4,4%
Other ratios				
Revenues / Total Assets (3)	times	0,334	0,315	0,309
Revenues / Fixed Assets (4)	times	1,001	0,955	0,824
Working capital turnover	times	2,025	1,964	2,597

(1) Current Assets/ current liabilities

(2) Current assets minus non current assets held for sale , inventory and anticipated payments / current liabilities

(3) Revenues / Total Assets

(4) Revenues / Fixed Assets

(5) Ventas/(Activo corriente-Pasivo Corriente)

(6) LTM Profit / average equity

(7) LTM Profit / average total assets