



# COMPANY PRESENTATION

November 2017



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## AGENDA

- 1. SAAM at a glance.*
- 2. Attractive investment fundamentals.*
- 3. Our Business Divisions.*
- 4. Highlights and outlook 3Q2017.*
- 5. Appendices.*

# 1. SAAM AT A GLANCE (1)

## Highlights

- SAAM provides port and offshore towage services, port terminal and logistics services
- Present in more than 70 ports and in 13 countries in the Americas
- Quoted on the Santiago Stock Exchange, with a trajectory of 55 years and a Market Cap of USD1.043 million<sup>(2)</sup>
- Controlled by Quiñenco with 52,2% ownership

## Business Units



- Major tugboat operator in the Americas
- Present in 11 countries

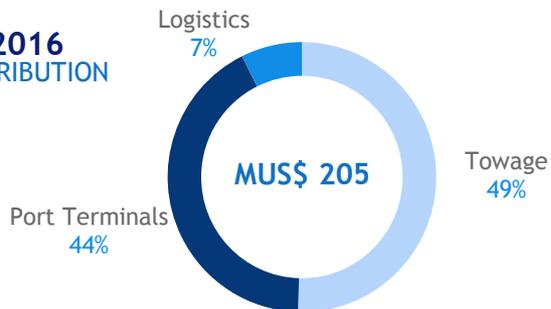


- Operates in 6 countries through 11 port terminals

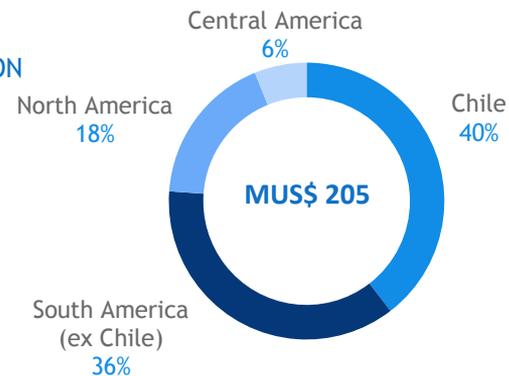


- Warehousing, Transport and *Airlines & Shipping Services*

**EBITDA 2016**  
BUSINESS DISTRIBUTION



**EBITDA 2016**  
GEOGRAPHIC DIVERSIFICATION



(1) Subsidiaries at 100% and affiliates at their proportional value with Tramarsa sold in May 2017

(2) September 2017

# 1. SAAM AT A GLANCE <sup>(1)</sup>



(1) Subsidiaries at 100% and affiliates at their proportional value with Tramarsa sold in May 2017

(2) Volumes at 100% of subsidiaries and affiliates with Tramarsa

# 1. SUPPORTED BY ONE OF THE MAJOR ECONOMIC GROUPS IN THE COUNTRY

## Ownership Structure



## Board of Directors

Name	Post	Profession
Oscar Hasbún	Chairman	Commercial Engineer
Jean-Paul Luksic	Vice- Chairman	Economist
Francisco Pérez-Mackenna	Director	Commercial Engineer
Francisco Gutiérrez	Director	Civil Engineer
Diego Bacigalupo	Director	Industrial Engineer
Mario Da-Bove	Director	Commercial Engineer
Jorge Gutiérrez	Director	Business Administration

(1)MC: Market Capitalization at september, 2017

## Quiñenco's main companies

<b>MC:</b> MUS\$ 4,900  <b>Ownership:</b> 60%	<b>MC<sup>(2)</sup>:</b> MUS\$ 2,400  <b>Ownership:</b> 29%	<b>MC:</b> MUS\$ 1,043  <b>Ownership:</b> 52%	<b>MC<sup>(2)</sup>:</b> MUS\$ 12,500  <b>Ownership:</b> 51%	<b>MC<sup>(3)</sup>:</b> MUS\$ 1,200  <b>Ownership:</b> 56%	<b>Equity<sup>(4)</sup>:</b> MUS\$ 860  <b>Ownership:</b> 100%
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(1) Market Capitalization as of May 31, 2017.

(2) Corresponds to Inveians' and to Techpack's stake in Nexans as of March 31, 2017. Quiñenco's stake in Inveians and Techpack was 98.7% and 100% respectively, as of March 31, 2017. Inveians' market cap as of May 31, 2017, was US\$280 million.

(3) CSAV had a 31.35% stake in Hapag-Lloyd as of March 31, 2017.

(4) Book value as of March 31, 2017.

## Management

<b>CEO</b> Macario Valdés Commercial Engineer	<b>CFO</b> Hernán Gómez Civil Engineer
<b>Towage Division Manager</b> Felipe Rioja Commercial Engineer	<b>Port Terminals Manager</b> Yurik Díaz Commercial Engineer
	<b>Logistics Manager</b> Alfredo Núñez Business Administration



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5. *Appendices.*

## 2. ATTRACTIVE INVESTMENT FUNDAMENTALS

Diversified Company both in geographic terms and business units

- Towage, Ports and Logistics services
- Operations in 13 countries in América
- 60% EBITDA ex Chile (1)

Leader in tugboats and port terminals

- Towage: Major operator in the Americas and fourth at world level
- 11 Port Terminals: 4th major port operator in South America

World class assets and sound strategic alliances

- Strategic alliances with Boskalis, SSA Marine and American Airlines
- Modern fleet of 161 tugboats, 73% azimuthal
- State of the art infrastructure and equipment
- Long-term concessions, 15 years average duration

Sound financial position and stable returns

- 27,5% EBITDA Mg (1) YTD 2017
  - Net Debt EBITDA 1x
  - Net Financial Debt/Equity 0,13x
- AA- Local Rating

Supported by one of the major economic groups in the country

- Supported by Quiñenco, one of Chile's largest business conglomerates with US\$71 billion in assets under management



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# 3. TOWAGE DIVISION: LEADERSHIP WITH THE MOST COMPREHENSIVE COVERAGE ACROSS THE AMERICAS



1

SST Canada



2

SST Mexico



3

Guatemala



4

Honduras



5

Costa Rica



6

Panamá



7

Ecuador



8

Brazil



9

Uruguay



10

Chile



11

Austral Broom



Towage

# 3. LEADER IN TUGBOATS AND TOWAGE WITH WORLD CLASS ASSETS AND SOUND STRATEGIC ALLIANCE

## Highlights

- Major operator in the Americas and fourth at world level
- Present in 11 countries in over 70 ports in the Americas
- Modern fleet of 161 tugboats, 73% azimuthal<sup>(1)</sup>
- Potential to transfer assets to new markets
- Alliances with:



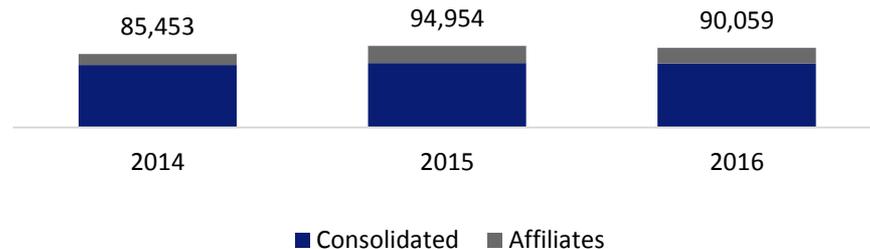
• Global leader in dredging and maritime expertise, through SMIT it operates tugboats in more than 35 countries

## Tugboats by country

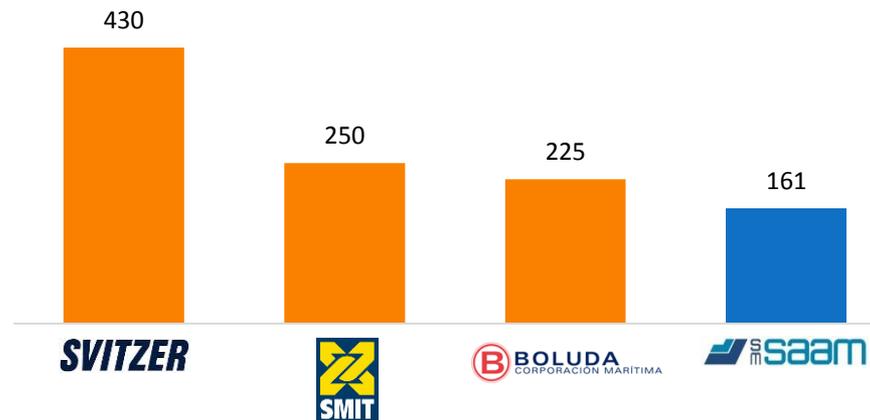
	Canada	22		Ecuador	7
	Mexico	22		Brazil	48+4
	Guatemala	2		Uruguay	13
	Honduras	2		Chile	24
	Costa Rica	3			
	Panama	14			

1. Azimuthal: State-of-the-art tugboats with screw propellers that can spin round up to 360°  
 2. Considers maneuvers at 100% of consolidated companies and affiliates at proportional value. without Tramarsa As of July, 2014, started joint venture with SMIT  
 3. In number of tugboats

## Number of maneuvers carried out<sup>(2)</sup>



## Fourth major tugboat operator at world level<sup>(3)</sup>



# 3. PORT TERMINALS: 11 PORT TERMINALS

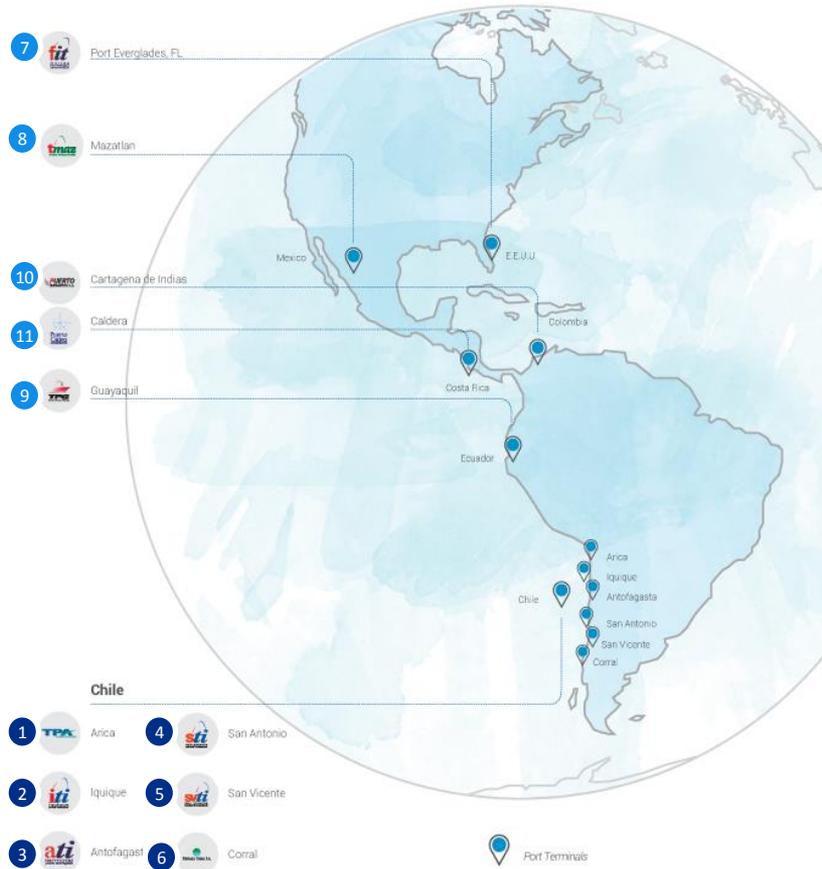
## INCLUDING SAN ANTONIO TERMINAL INTERNACIONAL - THE LEADING PORT OF CHILE

### Chilean Terminals SAAM's ownership

 1	 2	 3	 4	 5	 6
<b>Terminal Puerto Arica S.A.</b> (15%)	<b>Iquique Terminal Internacional S.A.</b> (100%)	<b>Antofagasta Terminal Internacional S.A.</b> (35%)	<b>San Antonio Terminal Internacional S.A.</b> (50%)	<b>San Vicente Terminal Internacional S.A.</b> (50%)	<b>Portuaria Corral S.A.</b> (50%)

### Foreign Terminals SAAM's ownership

 7	 8	 9	 10	 11
<b>Florida International Terminal, USA</b> (70%)	<b>Terminal Marítimo Mazatlán, México</b> (100%)	<b>Terminal Portuario de Guayaquil, Ecuador</b> (100%)	<b>Puerto Buenavista S.A. Colombia</b> (33%)	<b>Puerto Caldera SPC / SPGC Costa Rica</b> (51%)



# 3. ONE OF THE MAJOR PORT OPERATORS IN SOUTH AMERICA, WITH WORLD CLASS ASSETS AND SOUND STRATEGIC ALLIANCE

## Highlights

- Operates in 11 port terminals in 6 countries
- 4th major port operator in South America
- State of the art infrastructure and equipment
- Long-term concessions, 15 years average duration.
- Alliance with :



SSAMarine  
A Gamma Enterprise

\* One of the major port operators in the U.S.A.

## Port terminals by country

	USA	1		Chile	6
	Mexico	1		Ecuador	1
	Costa Rica	1			
	Colombia	1			

TEUs transferred (thousands)<sup>(1)</sup>



## Extensive portfolio of concessions

Concessions	Port	Expires on:	Extension option
Chile	STI (San Antonio)	2024	+5 years
	SVTI (Talcahuano)	2029	
	TPA (Arica)	2034	
	ATI (Antofagasta)	2033	
	ITI (Iquique)	2030	
	Corral (Valdivia)(3)	Private	
Costa Rica	Puerto Caldera	2026	+5/30 years
Ecuador	TPG (Guayaquil)	2056	
U.S.A.	FIT (Florida)	2025	+5+5 years
Mexico	TMAZ (Mazatlán)	2032	+12 years
Colombia	Buenavista (Cartagena)(3)	Private	

Source: SM SAAM

1. Figures consider SM SAAM's consolidated companies and affiliates at their proportional value without Tramarsa

2. Compound annual growth Rate

3. Corral and Buenavista ports are owned by the Company

### 3. LOGISTICS; MOVING TO A NEW BUSINESS STRATEGY

#### Highlights

- Strategy focused on providing supply chain services (warehousing, and transport)
- Services for airlines at main airports in Chile, Colombia and Ecuador
- Potential release of expendable property assets
- Alliance with :



• One of the major Airlines in U.S.A.

#### Supply chain



#### Presence of SM SAAM logistics services in America



Chile



Colombia



Uruguay



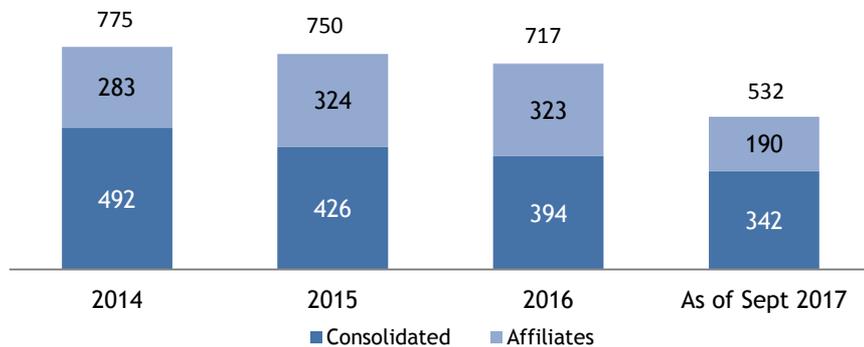
Ecuador

#### Provision of services to a large portfolio of industries

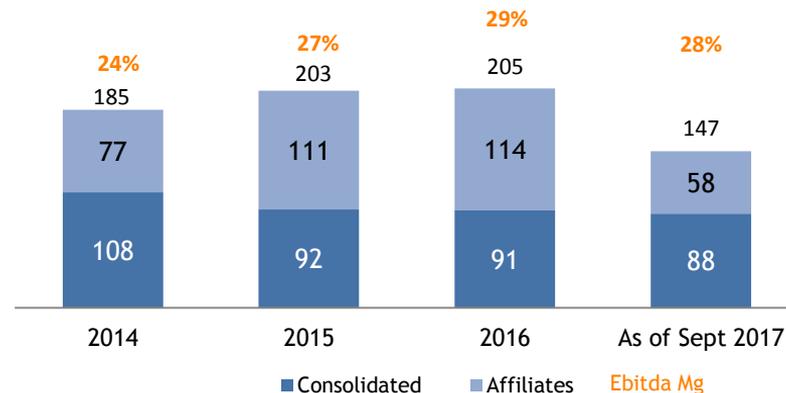


### 3. FINANCIAL HIGHLIGHTS (1)(2)

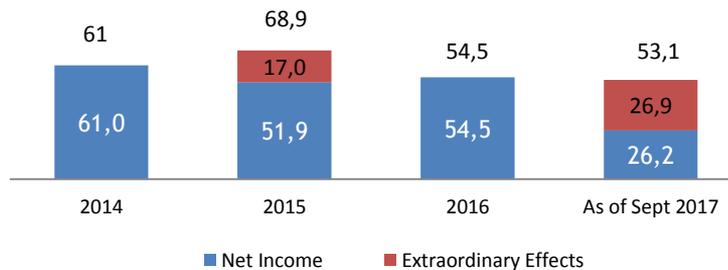
Evolution of revenues (MUS\$)



EBITDA evolution (MUS\$)



Net Income (MUS\$)



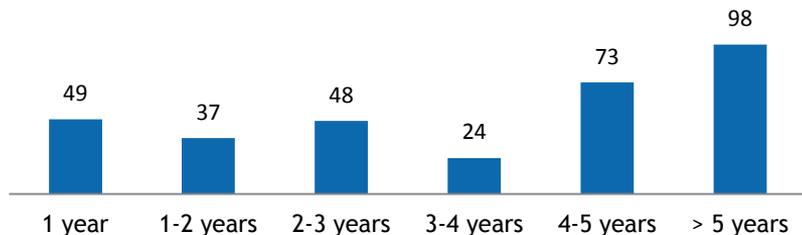
1. Figures consider SM SAAM's consolidated companies and affiliates at their proportional value

2. Operations in Peru until April 30, 2017

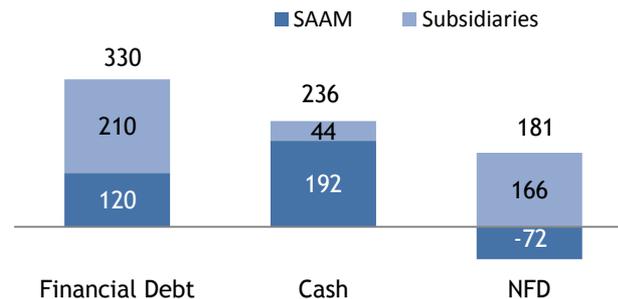
### 3. INDEBTEDNESS: SOUND FINANCIAL POSITION

Financial Debt Maturity Profile<sup>(1,2)</sup> (Sept.2017, MUS\$)

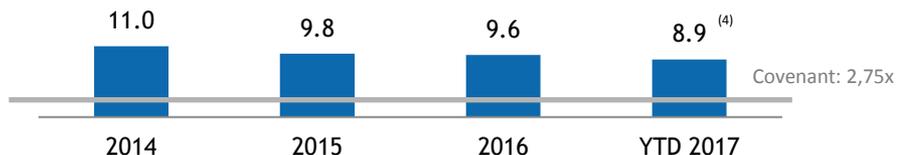
AA- estable AA- estable



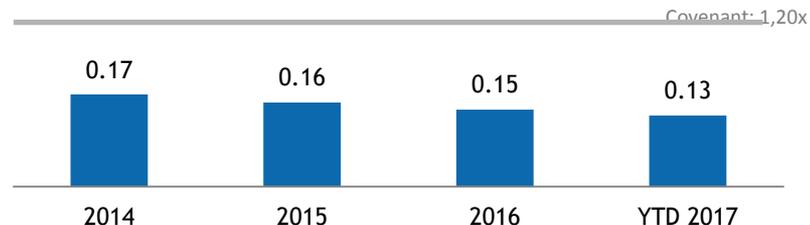
Net Financial Debt <sup>(1)(2)</sup>(Sept.2017, MUS\$)



Net Financial Expense Coverage<sup>(1,3)</sup>



Net Financial Debt / Equity<sup>(1)</sup>



1. Considers figures from SM SAAM consolidated
2. Includes bank loans and capital leases. Does not include payments for concessions or derivatives
3. EBITDA / net financial expenses. Annual calculations do not include finance income that was no longer received starting in 2016
4. LTM: last twelve months



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### 3. HIGHLIGHTS 2017

#### Corporate:

- Changes in corporate governance (Board changes (new chairman and new director)
- Sale 35% of Tramarsa (represented recurring annual profits US\$12 million for SAAM in 2016)
- Corporate reorganization into three business areas; more efficient management (annex 1)
- First Sustainability Report released (2nd year on DJSI Chile)

#### Towage:

- Reduced contracts with Pemex in Mexico (6 in 2017 vs 9 in 2016)
- Initiated operations at two new ports in Brazil (Pecem and Vila do Conde)
- Construction orders for two new tugboats in Brazil
- Awarding of operations at private terminals in Chile and Panama
- Fleet renovation plan completed

#### Port Terminals:

- Inauguration of expanded and modernized Terminal Portuario Guayaquil
- Acquisition of 51% of Puerto Caldera in Costa Rica (annex 2)
- Purchase of 15% of Iquique Terminal Internacional, giving SAAM 100% ownership
- Commercial challenges at Chilean port terminals

#### Logistics:

- New warehousing and transportation contracts awarded for retail and food and beverage industries
- Aerosan: Increased activity in airlines services (Chile and Colombia)
- Closure of operations with losses



## 3. OUTLOOK 2017

### Corporate:

- Stable earnings, benefiting from portfolio diversification
- Greater financial discipline and management of cash flows from subsidiaries and associates (US\$53 million in dividends received in 2017 YTD)

### Towage:

- Special attention to reconfiguration of oil industry in Mexico
- Tighter competition in Brazil
- Increase activity in private terminal operations in Chile due to new contracts

### Port Terminals:

- Special attention to alliances and reorganizations of shipping lines
- Terminal Portuario Guayaquil new contracts awarded full operating since September
- Completion of investments at San Antonio Terminal Internacional

### Logistics:

- New warehousing and transport contracts awarded at Logistica Chile
- Earnings trending upwards for airport services (Aerosan)
- Sale or leasing out asset no longer use



### 3. CAPEX AND CASH

End of cycle of major organic investments (estimated investments for 2017 <sup>(1)</sup>)

Capex 2017 thUS\$	
Ongoing investments	69.022
Expansion TPG	32.000
Acq. 51% Puerto Caldera	48.500
Acq. 15% ITI	11.040
<b>Total</b>	<b>160.562</b>

Sound financial position (NFD/EBITDA 1.4) <sup>(1)</sup>

	ThUS\$		ThUS\$
Cash under management	157.766	SAAM Financial Debt	120.146
Taxes payable Peru	34.634	Debt of Subsidiaries	209.877
Cash subsidiaries	44.059		
<b>Consolidated Cash</b>	<b>236.459</b>	<b>Consolidated Debt</b>	<b>330.023</b>
Cash of Affiliates <sup>(1)</sup>	33.132	Debt of Affiliates <sup>(1)</sup>	213.179

(1) Consolidated information at 100% and affiliates at their proportional value, EBITDA last 12 months as of September 2017



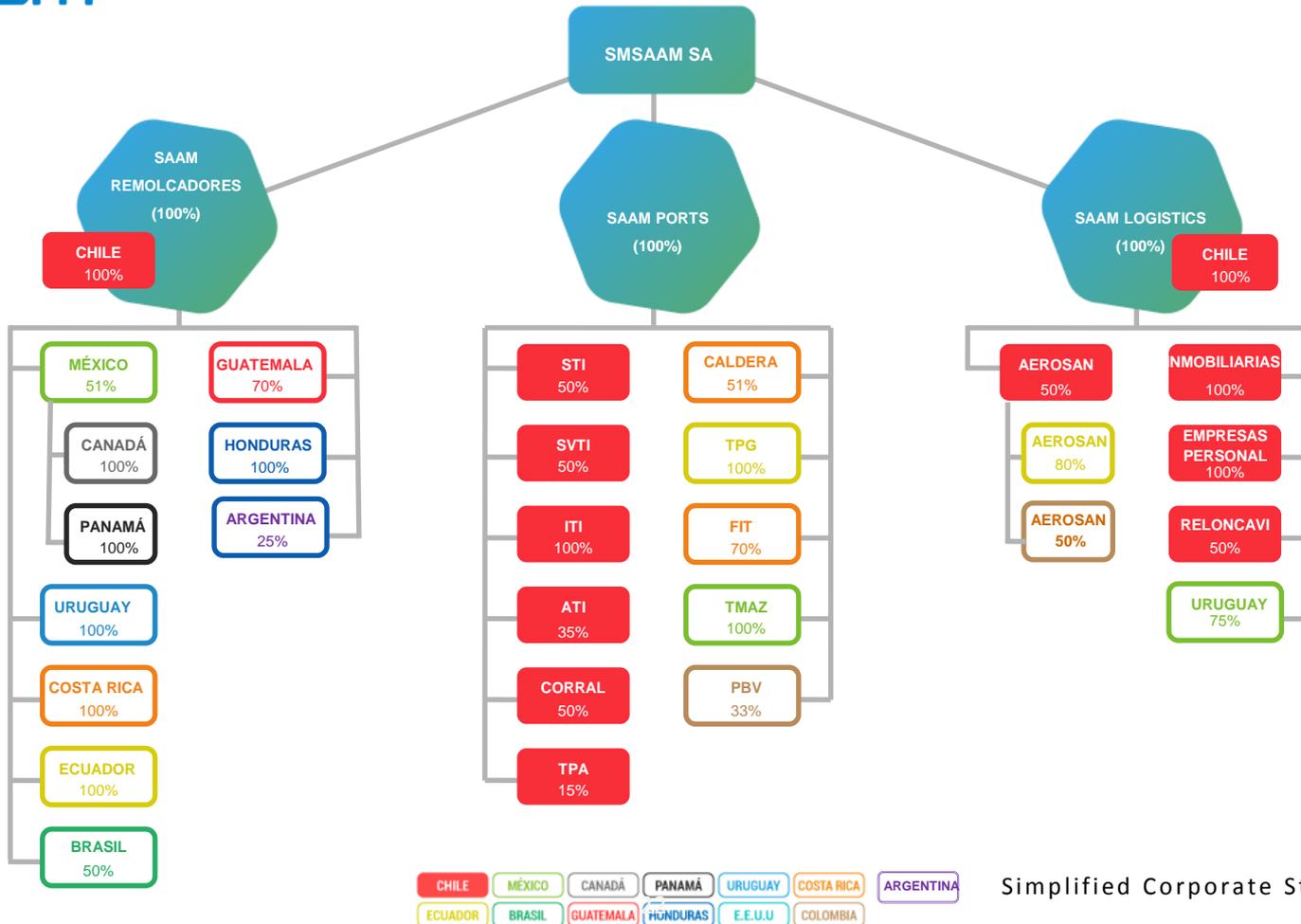
# The End



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Home





# ANNEX 2: NEW PORT: PUERTO CALDERA

## SAAM ACQUIRED 51% STAKE OF THE SECOND MAJOR PORT IN COSTA RICA



Caldera is located in a strategic location in Costa Rica, given its proximity and good connectivity with the city of San Jose.

### CALDERA PORT HIGHLIGHTS

- Second major port in Costa Rica
- Strategic location (79,5 km from San José)
- Local partners
- Multipurpose Terminal (48% container; 43% bulk; 9% Break Bulk)
- Concession until 2026 (+5/30 years extension option)
- 24 hectares of support area
- 2016 Revenues: US\$55.0 million
- 2016 Tons transferred: 5.5 million

**Puerto Caldera (SPC / SPGC) ownership**

