

12M11-4Q11

Earnings Release



Sonda S.A.



EARNINGS RELEASE

January 01, 2011 – December 31, 2011

SONDA S.A. (Santiago Stock Exchange: SONDA), the leading Latin American owned private-sector IT Services provider, announces its consolidated financial results as of December 31, 2011. All figures are expressed in Chilean Pesos and have been prepared under International Financial Reporting Standards (IFRS). Conversions to US dollars stated in this report are based on the month-end exchange rate as of December 31, 2011 (1 US\$=519.20 Chilean Pesos).

SUMMARY: 2011

- Consolidated Revenues: US\$ 1,142m
- Operating Income: US\$ 133m
- EBITDA: US\$ 177m
- Net Income: US\$ 78m

1. EXECUTIVE SUMMARY

SONDA totaled consolidated revenues of \$592,819 million (US\$1,141.8 million) for full year 2011, showing an increase of 33.1% YoY. Operating income¹ increased to \$68,968 million (US\$132.8 million) and EBITDA² reached \$91,663 million (US\$176.5 million), reflecting a rise of 18.7% and 19.1%, respectively, compared to FY10. Net income reached \$46,624 million (US\$78.2 million), showing a 21.1% increase year-on-year. These results are driven by good performance in all regional operations:

\$m	Revenues		EBITDA	
Chile	\$ 252,979	+26.9%	\$56,488	+17.0%
Brasil	\$208,383	+26.8%	\$20,744	+4.7%
México	\$68,729	+81.1%	\$8,666	+76.7%
OPLA	\$62,728	+42.9%	\$5,764	+44.4%
Total	\$592,819	+33.1%	\$91,663	+19.1%

For 4Q11, consolidated revenues reached \$195,908 million (US\$377.3 million), showing an increase of 46.8% YoY, while operating income totalized \$22,144 million (US\$42.7 million / +11.9% YoY) and EBITDA \$29,362 million (US\$56.6 million / +19.2% YoY). Net income for the period increased by 152.1% and reached \$14,647 million (US\$28.2 million).

As of December 2011, annualized ROE ended at 13.6%, while ROA was 7.5%. Liquidity and debt ratios continued reflecting a solid financial position. Thus, the current ratio reached 1.61x, while financial leverage and financial expenses coverage ratios were 0.88x and 7.55x, respectively.

Highlights:

- During 2011, operations outside Chile generated revenues for \$339,840 million (US\$654.5 million) contributing with 57.3% of the consolidated revenues and growing 38.0% YoY. Operating income and EBITDA for these countries increased by 15.8% and 22.5%, respectively.
- Revenues in Brazil for the period January-December 2011 grew by a 26.8% YoY totalizing \$208,383 million (US\$401.4 million).
- In Mexico, revenues grew by 81.1%, to \$68,729 million (US\$132.4 million), generating in turn a 61.7% and 76.7% increase in operating income and EBITDA, compared to FY10, respectively.
- Consolidated operating margin moved from 13.0% as of FY10 to 11.6%, while EBITDA margin moved from 17.3% to 15.5% in 2011.
- Quintec acquisition and subsequent results consolidation had an effect on EBITDA margin in Chile, which totaled 22.3%.
- New deals closed reached US\$1,339.5 million during 2011 (+29.0% YoY) driven by the increase in the volume of new IT services contracts' (+41.7% YoY).

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¹ Operating Income: Gross Profit – Administration Expenses

² EBITDA: Operating Income + Depreciation and Amortization

Figure 1 –
Consolidated
Financial
Statements

CONSOLIDATED FINANCIAL STATEMENTS				
SONDA S. A.				
In millions of Ch\$				
Income Statement	Dec-10	Dec-11	Desv.	Var.%
Revenues	445.481	592.819	147.338	33,1%
Cost of Sales	-341.646	-468.688	-127.042	37,2%
Gross Profit	103.834	124.131	20.297	19,5%
Administration Expenses	-45.717	-55.163	-9.446	20,7%
Operating Income	58.118	68.968	10.850	18,7%
Depreciation and Amortization	18.859	22.694	3.836	20,3%
EBITDA	76.976	91.663	14.686	19,1%
Other Income	1.865	1.608	-257	-13,8%
Financial Income	2.930	5.623	2.692	91,9%
Financial Expenses	-6.363	-9.134	-2.771	43,5%
Foreign Exchange Differences	2.382	346	-2.036	-85,5%
Income (Loss) for Indexed Assets and Liabilities	-1.133	-1.729	-596	52,6%
Other Gains (Losses)	-13.990	-10.159	3.831	-27,4%
Net Income before Taxes	43.808	55.522	11.714	26,7%
Income Tax Expense	-8.270	-12.599	-4.330	52,4%
Net Income from Continuing Operations	35.539	42.923	7.384	20,8%
Net Income Attributable to Minority Interest	1.993	2.299	306	15,4%
Net Income Attributable to Owners of the Company	33.546	40.624	7.078	21,1%
Balance Sheet	Dec-10	Dec-11	Desv.	Var.%
Assets	506.989	580.101	73.112	14,4%
Current Assets	261.196	274.657	13.461	5,2%
Cash and Cash Equivalents	24.981	32.936	7.955	31,8%
Financial Investments	61.675	2.189	-59.486	-96,5%
Trade Accounts Receivable and Other Receivables, Net	108.267	166.333	58.066	53,6%
Accounts Receivable from Related Companies	14.611	13.346	-1.265	-8,7%
Inventories	28.093	26.986	-1.107	-3,9%
Other Assets	23.570	32.867	9.298	39,4%
Property, Plant and Equipment, Net	59.137	79.463	20.326	34,4%
Investment Properties	3.410	3.537	128	3,7%
Intangibles Assets and Goodwill	153.077	169.084	16.007	10,5%
Other Assets	30.169	53.360	23.190	76,9%
Liabilities	212.094	268.516	56.422	26,6%
Current Liabilities	123.483	170.393	46.910	38,0%
Other Current Financial Liabilities	12.610	36.696	24.086	191,0%
Other Liabilities	110.873	133.697	22.824	20,6%
Other Non-Current Financial Liabilities	74.360	87.196	12.836	17,3%
Other Liabilities, Non-Current	14.251	10.927	-3.323	-23,3%
Minority Interest	3.569	4.975	1.406	39,4%
Total Shareholders' Equity Attributable to Owners of the Company	291.326	306.611	15.284	5,2%
Total Liabilities and Shareholders' Equity	506.989	580.101	73.112	14,4%

2. MANAGEMENT DISCUSSION AND ANALYSIS ON FY11 AND 4Q11 CONSOLIDATED RESULTS

I. CONSOLIDATED RESULTS FOR FULL YEAR 2011 (FY11)

REVENUES

Consolidated revenues amounted \$592,819 million (US\$1,141.8 million) for FY11, representing a 33.1% increase (+\$147,338 million / US\$283.8 million) when compared to the same period last year, mostly explained by:

- 35.9% rise (+\$87,843 million / US\$169.2 million) in revenues from IT services business, totalizing \$332,587 million (US\$640.6 million), as a result of:
 - 57.9% greater revenues from IT support services (+\$35,943 million / +US\$69.2 million), to \$98,022 million (US\$188.8 million), mostly due to a higher level of activity in Brazil and Mexico
 - 27.4% increase in outsourcing's revenues (+\$31,209 million / +US\$60.1 million), totaling \$145,179 million (US\$279.6 million), primarily coming from new deals in Chile
- growth of 40.0% (+\$58,486 million / +US\$112.6 million) in platforms business, with total revenues of \$204,863 million (US\$394.6 million), mainly as a consequence of:
 - larger value platforms sales (+\$41,430 million / +US\$79.8 million / +32.2% YoY), totalizing \$169,726 million (US\$326.9 million)
- application business reached revenues of \$55,369 million (US\$106.6 million) in 2011, representing a 1.9% increase (+\$1,010 million / +US\$1.9 million) regarding 2010, mostly explained by:
 - higher revenues from support and implementation, which reached \$24,565 million (US\$47.3 million / +3.4% YoY), and development and maintenance, totaling \$22,224 million (US\$42.8 million / +4.8% YoY)
 - lower licenses sales, totalizing \$8,100 million (US\$15.6 million / -9.6% YoY) over FY10 figures

Regarding revenue breakdown by business line, IT services business contributed with a 56.1% of consolidated revenues during 2011, applications service line provided a 9.3% and platforms business generated the remaining 34.6%.

Figure 2 – Consolidated Revenues by Business Line

CONSOLIDATED REVENUES

In millions of Ch\$

Business Line	Dec-10	Dec-11	Var.	%
Platforms	146,378	204,863	58,486	40.0%
IT Services	244,744	332,587	87,843	35.9%
Applications	54,359	55,369	1,010	1.9%
Total	445,481	592,819	147,338	33.1%

Share by Business Line

Platforms	32.9%	34.6%
IT Services	54.9%	56.1%
Applications	12.2%	9.3%
Total	100.0%	100.0%

COST OF SALES AND SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Cost of sales reached \$468,688 million (US\$902.7 million) for 2011, showing an increase of 37.2% YoY, primarily as a result of higher cost of sales in Chile, Mexico and Brazil, due to greater volume of value platforms sales and Quintec's consolidation.

Administration expenses totaled \$55,163 million (US\$106.2 million), increasing by 20.7% when compared to 2010, mostly explained by the consolidation of the companies acquired in 2010 and 2011: Telsinc, Softeam, Kaizen, NextiraOne, Ceitech and Quintec.

OPERATING INCOME AND EBITDA

Operating income reached \$68,968 million (US\$132.8 million) for 2011, representing an increase of 18.7% regarding the previous year. This is mainly a result of better operating results from operations in Chile, Mexico and Argentina. Gross margin as a percentage of revenues reached 20.9%, while operating margin totaled 11.6%.

EBITDA reached \$91,663 million (US\$176.5 million) for 2011, with an increase of 19.1% over the same previous period, essentially as a product of better results obtained in Chile, Mexico and Argentina, while EBITDA margin reached 15.5%.

Figure 3 – Income Statement

	In millions of Ch\$			
CONSOLIDATED INCOME STATEMENT	Dec-10	Dec-11	Var.	%
Revenues	445.481	592.819	147.338	33,1%
Cost of Sales	-341.646	-468.688	-127.042	37,2%
Gross Profit	103.834	124.131	20.297	19,5%
Administration Expenses	-45.717	-55.163	-9.446	20,7%
Operating Income	58.118	68.968	10.850	18,7%
EBITDA	76.976	91.663	14.686	19,1%
Net Income Attributable to Owners	33.546	40.624	7.078	21,1%
FINANCIAL RATIOS				
Gross Margin	23,3%	20,9%		
Operating Margin	13,0%	11,6%		
EBITDA Margin	17,3%	15,5%		
Net Margin	7,5%	6,9%		

OTHER COMPREHENSIVE INCOME (Excluding Administration Expenses)

Total other comprehensive income, excluding administration expenses, moved from a loss of -\$14,309 million (-US\$27.6 million) to a loss of -\$13,446 million (-US\$25.9 million), mainly due to:

- lower charges in other expenses by function, which decreased \$3,028 million (US\$5.8 million), to -\$10,576 million (-US\$20.4 million)
- an inferior gain associated to foreign exchange differences (-\$3,921 million / US\$ 7.6 million), explained by lower volatility of Latin American currencies during 2011

NET INCOME

Net income attributable to the owners of the company, accumulated \$40,624 million (US\$78.2 million) for 2011, reflecting a 21.1% increase when compared to last year, driven by higher results in Chile.

II. CONSOLIDATED RESULTS FOR THE FOURTH QUARTER OF 2011 (4Q11)

REVENUES

Consolidated revenues reached \$195,908 million (US\$377.3 million) in 4Q11, up 46.8% YoY, mainly due to:

- larger revenues from IT services business (+69.7% YoY), reaching \$110,062 million (US\$212.0 million), driven by:
 - 84.5% rise in revenues from IT support services (+\$14,524 million / +US\$27.9 million), mainly from Mexico and Brazil
 - higher revenues (+70.7% YoY) related to outsourcing (+\$21.305 million / US\$41.0 million), to \$51,430 million (US\$99.1 million), mostly due to additional revenues in Chile and OPLA
- platforms business revenues increasing by 35.2% YoY (+\$18,514 million / US\$35.7 million) reaching \$71,061 million (US\$136.9 million), principally as a result of:
 - 19.6% larger value platforms revenues (+\$9,293 million / US\$17.9 million), primarily from new businesses in Chile
- applications business with total revenues decreasing by 8.0% (-\$1.281 million / -US\$2.5 million), to \$14,785 million (US\$28.5 million), primarily due to a -14.2% drop in development and maintenance (-\$995 million / -US\$1.9 million)

In terms of revenue breakdown by business line, IT services contributed with 56.2% of consolidated revenues during the fourth quarter of 2011, while applications and platforms business lines provided 7.5% and 36.3%, respectively.

Figure 4 – Consolidated Revenues by Business Line

CONSOLIDATED REVENUES		In millions of Ch\$			
Business Line	4Q10	4Q11	Var.	Var. %	
Platforms	52,547	71,061	18,514	35.2%	
IT Services	64,839	110,062	45,224	69.7%	
Applications	16,066	14,785	-1,281	-8.0%	
Total	133,452	195,908	62,456	46.8%	

Share by Business Line		
Platforms	39.4%	36.3%
IT Services	48.7%	56.2%
Applications	12.0%	7.5%
Total	100.0%	100.0%

COST OF SALES AND SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Cost of sales amounted \$156,484 million (US\$301.4 million) for 4Q11, showing a 55.5% increase, primarily as a result of greater cost of sales in: (i) Chile, due to the increase in value platforms sales volume, and (ii) Brazil, related to additional labor and external services expenses.

Administration expenses totaled \$17,279 million (US\$33.3 million) with an increase of 32.7% over the same previous period, mostly explained by the consolidation of Quintec, acquired in the third quarter of 2011.

OPERATING INCOME AND EBITDA

Operating income reached \$22,144 million (US\$42.7 million / +11.9% YoY), driven by improved operating results in Chile and OPLA. Gross margin as a percentage of revenues reached a 20.1%, while operating margin an 11.3%.

EBITDA increased to \$29,362 million (US\$56.6 million / +19.2% YoY) for 4Q11, mainly due to better results in Chile and OPLA. EBITDA margin totaled 15.0% for the period.

Figure 5 – Income Statement

CONSOLIDATED INCOME STATEMENT	In millions of Ch\$			
	4Q10	4Q11	VAR.	%
Revenues	133,452	195,908	62,456	46.8%
Cost of Sales	-100,643	-156,484	-55,841	55.5%
Gross Profit	32,809	39,424	6,615	20.2%
Administration Expenses	-13,026	-17,279	-4,254	32.7%
Operating Income	19,783	22,144	2,361	11.9%
EBITDA	24,638	29,362	4,724	19.2%
Net Income Attributable to Owners	5,812	14,647	8,835	152.0%
FINANCIAL RATIOS				
Gross Margin	24.6%	20.1%		
Operating Margin	14.8%	11.3%		
EBITDA Margin	18.5%	15.0%		
Net Margin	4.4%	7.5%		

OTHER COMPREHENSIVE INCOME (Excluding Administration Expenses)

Total other comprehensive income losses, excluding administration expenses, were reduced by 75.2% YoY, and moved from -\$11,458 million (-US\$22.1 million) to -\$2,840 million (-US\$5.5 million), mainly due to the extraordinary one-time net charge of \$5,286 million (US\$11.3 million) incurred in 4Q10, related to an agreement reached by SONDA and Brazilian authorities to settle a long-standing dispute for territorial taxes.

NET INCOME

Net income attributable to the owners of the Company, amounted \$14,647 million (US\$28.2 million) for 4Q11, showing a 152.0% increase. Accordingly, net margin grew from 4.4% in 4Q10 to 7.5% in 4Q11.

3. REGIONAL RESULTS FOR FULL YEAR 2011 (FY11) AND THE FOURTH QUARTER OF 2011 (4Q11)

CHILE

Main changes in Chile between FY10 and FY11 are described below:

- revenues of \$252,979 million (US\$487.2 million), increasing 26.9% YoY, primarily related to higher revenues coming from all business lines, standing out IT services (+28.0% YoY) and platforms (+27.6% YoY)
- operating income reaching \$41,672 million (US\$80.3 million / +20.7% YoY) and EBITDA totaling \$56,488 million (US\$108.8 million / +17.0% YoY)
- operating margin decreased from 17.3% to 16.5%, and EBITDA margin to 22.3%, both being affected after Quintec's consolidation

In millions of Ch\$

CHILE	Dec-10	Dec-11	Desv.	Var.%	4Q10	4Q11	Desv.	Var.%
Revenues	199,309	252,979	53,671	26.9%	56,303	95,088	38,785	68.9%
Platforms	88,351	112,765	24,414	27.6%	26,192	40,839	14,647	55.9%
IT Services	100,407	128,563	28,156	28.0%	26,836	50,484	23,649	88.1%
Applications	10,550	11,651	1,100	10.4%	3,275	3,765	490	14.9%
Cost of Sales	- 148,737	- 190,835	- 42,098	28.3%	- 40,352	- 73,569	- 33,217	82.3%
Gross Profit	50,572	62,144	11,572	22.9%	15,951	21,519	5,568	34.9%
Administration Expenses	- 16,034	- 20,473	- 4,438	27.7%	- 4,100	- 7,521	- 3,421	83.4%
Operating Income	34,537	41,672	7,134	20.7%	11,850	13,998	2,148	18.1%
EBITDA	48,261	56,488	8,228	17.0%	15,194	18,927	3,732	24.6%
Operating Margin	17.3%	16.5%	-0.9%		21.0%	14.7%	-6.3%	
EBITDA Margin	24.2%	22.3%	-1.9%		27.0%	19.9%	-7.1%	

Figure 6 – Business in Chile

Main changes in Chile between 4Q10 and 4Q11 are described below:

- \$95,088 million (US\$183.1 million / +68.9% YoY) in revenues for 4Q11, in line with higher revenues coming from both platforms (+55.9% YoY) and IT services (+88.1%) business lines
- operating income of \$13,998 million (US\$27.0 million / +18.1%) in the fourth quarter of 2011, due to higher gross profit
- 24.6% rise in EBITDA, totaling \$18,927 million (US\$36.5 million), moving EBITDA margin down to 19.9% in 4Q11, mainly as a consequence of Quintec's consolidation

BRAZIL

Main changes in Brazil between FY10 and FY11 are described below:

- revenues for \$208,383 million (US\$401.4 million), increasing 26.8% YoY, primarily due to the growth from IT services revenues (+29.8% YoY) and platforms (+57.0% YoY)
- operating income fell to \$16,860 million (US\$32.5 million / -0.7% YoY), while EBITDA grew by 4.7%, reaching \$20,744 million (US\$40.0 million)
- operating margin and EBITDA margin were 8.1% and 10.0%, respectively

In millions of Ch\$

BRAZIL	Dec-10	Dec-11	Desv.	Var.%	4Q10	4Q11	Desv.	Var.%
Revenues	164,322	208,383	44,061	26.8%	45,508	57,948	12,440	27.3%
Platforms	20,045	31,465	11,420	57.0%	7,493	9,892	2,399	32.0%
IT Services	107,493	139,494	32,001	29.8%	27,490	38,678	11,188	40.7%
Applications	36,784	37,424	640	1.7%	10,525	9,378	- 1,147	-10.9%
Cost of Sales	- 126,412	- 169,825	- 43,413	34.3%	- 34,790	- 48,327	- 13,537	38.9%
Gross Profit	37,910	38,558	648	1.7%	10,718	9,621	- 1,097	-10.2%
Administration Expenses	- 20,924	- 21,698	- 774	3.7%	- 5,812	- 5,132	680	-11.7%
Operating Income	16,986	16,860	- 126	-0.7%	4,906	4,489	- 417	-8.5%
EBITDA	19,821	20,744	923	4.7%	5,691	5,580	- 111	-2.0%
Operating Margin	10.3%	8.1%	-2.2%		10.8%	7.7%	-3.0%	
EBITDA Margin	12.1%	10.0%	-2.1%		12.5%	9.6%	-2.9%	

Figure 7 – Business in Brazil

Main changes in Brazil between 4Q10 and 4Q11 are described below:

- revenues of \$57,948 million (US\$111.6 million) for 4Q11, growing 27.3% YoY, explained by larger revenues coming from IT services (+40.7% YoY) and platforms (+32.0% YoY) business, offsetting the decrease showed by platforms (-10.9% YoY)
- operating income and EBITDA reaching \$4,489 million (US\$8.6 million) and \$5,580 million (US\$10.7 million), respectively, decreasing 8.5% and 2.0% YoY, respectively
- operating margin and EBITDA margin, at 7.7% and 9.6% for 4Q11, respectively

MEXICO

Main changes in Mexico between FY10 and FY11 are described below:

- 81.1% increase in revenues, totaling \$68,729 million (US\$132.4 million), as a result of higher activity in the value platforms business, reaching \$33,997 million (US\$65.5 million / +71.2% YoY) and IT service line (+29.8% YoY)
- operating income of \$7,004 million (US\$13.5 million) and \$8,666 million (US\$16.7 million) in EBITDA, reflecting expansions of 61.7% and 76.7% YoY, respectively
- operating margin of 10.2% and EBITDA margin of 12.6%

In millions of Ch\$

MEXICO	Dec-10	Dec-11	Desv.	Var.%	4Q10	4Q11	Desv.	Var.%
Revenues	37,960	68,729	30,769	81.1%	18,416	19,452	1,035	5.6%
Platforms	19,864	33,997	14,134	71.2%	13,467	8,746	- 4,721	-35.1%
IT Services	17,802	34,401	16,599	93.2%	4,949	10,697	5,748	116.1%
Applications	294	330	36	12.1%	-	8	8	
Cost of Sales	- 29,526	- 54,899	- 25,373	85.9%	- 14,293	- 14,623	- 330	2.3%
Gross Profit	8,434	13,830	5,395	64.0%	4,123	4,829	706	17.1%
Administration Expenses	- 4,104	- 6,826	- 2,722	66.3%	- 1,690	- 2,408	- 719	42.5%
Operating Income	4,330	7,004	2,673	61.7%	2,433	2,420	- 13	-0.5%
EBITDA	4,904	8,666	3,763	76.7%	2,739	2,925	186	6.8%
Operating Margin	11.4%	10.2%	-1.2%		13.2%	12.4%	-0.8%	
EBITDA Margin	12.9%	12.6%	-0.3%		14.9%	15.0%	0.2%	

Figure 8 – Business in Mexico

Main changes in Mexico between 4Q10 and 4Q11 are described below:

- revenues increased by 5.6%, totaling \$19,452 million (US\$37.5 million) for 4Q11, in line with an improvement in IT services (+116.1% YoY) which offsets the decrease in platforms business (-35.1% YoY)
- 0.5% decline in operating income, reaching \$2,433 million (US\$4.7 million). EBITDA growing 6.8% in 4Q11, to \$2,925 million (US\$5.6 million)
- operating margin at 12.4%, while EBITDA margin totaled 15.0%

OPLA (Other countries in Latin America)

Main changes in OPLA (which includes Argentina, Colombia, Costa Rica, Ecuador, Peru and Uruguay) between FY10 and FY11 are described below:

- 42.9% increase in revenues for 2011, to \$62,728 million (US\$120.8 million), due to higher results in IT services business (+58.2% YoY) and platforms (+47.0% YoY), offsetting the 11.4% decrease in applications
- growth in both operating income and EBITDA, to \$3,433 million (US\$6.6 million) and \$5,764 million (US\$11.1 million), improving 51.6% YoY and 44.4% YoY, respectively
- operating margin and margin EBITDA increased by 30 bp and 10 bp for FY11, respectively, to 5.5% and 9.2%

In millions of Ch\$

OPLA	Dec-10	Dec-11	Desv.	Var.%	4Q10	4Q11	Desv.	Var.%
Revenues	43,891	62,728	18,837	42.9%	13,224	23,420	10,196	77.1%
Platforms	18,118	26,635	8,518	47.0%	5,395	11,584	6,189	114.7%
IT Services	19,042	30,128	11,086	58.2%	5,564	10,202	4,639	83.4%
Applications	6,730	5,964	- 766	-11.4%	2,265	1,634	- 631	-27.9%
Cost of Sales	- 36,972	- 53,129	- 16,157	43.7%	- 11,207	- 19,965	- 8,758	78.1%
Gross Profit	6,918	9,599	2,681	38.7%	2,017	3,455	1,438	71.3%
Administration Expenses	- 4,655	- 6,167	- 1,512	32.5%	- 1,423	- 2,218	- 794	55.8%
Operating Income	2,264	3,433	1,169	51.6%	594	1,237	643	108.4%
EBITDA	3,991	5,764	1,773	44.4%	1,013	1,930	917	90.5%
Operating Margin	5.2%	5.5%	0.3%		4.5%	5.3%	0.8%	
EBITDA Margin	9.1%	9.2%	0.1%		7.7%	8.2%	0.6%	

Figure 9 –Business in OPLA

Main changes in OPLA between 4Q10 and 4Q11 are described below:

- \$23,420 million (US\$45.1 million / +77.1% YoY) in revenues, driven by: (i) 83.4% growth in IT services and (ii) higher platforms revenues (+114.7% YoY), offsetting a 27.9% YoY decrease in revenues from the applications business
- operating income of \$1,237 million (US\$2.4 million) and EBITDA of \$1,930 million (US\$3.7 million) for 4Q11, reflecting variations of 108.4% and 90.5% YoY, respectively, leaving operating margin at 5.3% and EBITDA margin at 8.2%

In millions of Ch\$

Figure 10 –
Regional
Summary

REGIONAL SUMMARY	Dec-10	Dec-11	Desv.	Var.%	4Q10	4Q11	Desv.	Var.%
CHILE								
Revenues	199,309	252,979	53,671	26.9%	56,303	95,088	38,785	68.9%
Platforms	88,351	112,765	24,414	27.6%	26,192	40,839	14,647	55.9%
IT Services	100,407	128,563	28,156	28.0%	26,836	50,484	23,649	88.1%
Applications	10,550	11,651	1,100	10.4%	3,275	3,765	490	14.9%
Cost of Sales	- 148,737	- 190,835	- 42,098	28.3%	- 40,352	- 73,569	- 33,217	82.3%
Gross Profit	50,572	62,144	11,572	22.9%	15,951	21,519	5,568	34.9%
Administration Expenses	- 16,034	- 20,473	- 4,438	27.7%	- 4,100	- 7,521	- 3,421	83.4%
Operating Income	34,537	41,672	7,134	20.7%	11,850	13,998	2,148	18.1%
EBITDA	48,261	56,488	8,228	17.0%	15,194	18,927	3,732	24.6%
Operating Margin	17.3%	16.5%	-0.9%		21.0%	14.7%	-6.3%	
EBITDA Margin	24.2%	22.3%	-1.9%		27.0%	19.9%	-7.1%	
BRAZIL								
Revenues	164,322	208,383	44,061	26.8%	45,508	57,948	12,440	27.3%
Platforms	20,045	31,465	11,420	57.0%	7,493	9,892	2,399	32.0%
IT Services	107,493	139,494	32,001	29.8%	27,490	38,678	11,188	40.7%
Applications	36,784	37,424	640	1.7%	10,525	9,378	- 1,147	-10.9%
Cost of Sales	- 126,412	- 169,825	- 43,413	34.3%	- 34,790	- 48,327	- 13,537	38.9%
Gross Profit	37,910	38,558	648	1.7%	10,718	9,621	- 1,097	-10.2%
Administration Expenses	- 20,924	- 21,698	- 774	3.7%	- 5,812	- 5,132	680	-11.7%
Operating Income	16,986	16,860	- 126	-0.7%	4,906	4,489	- 417	-8.5%
EBITDA	19,821	20,744	923	4.7%	5,691	5,580	- 111	-2.0%
Operating Margin	10.3%	8.1%	-2.2%		10.8%	7.7%	-3.0%	
EBITDA Margin	12.1%	10.0%	-2.1%		12.5%	9.6%	-2.9%	
MEXICO								
Revenues	37,960	68,729	30,769	81.1%	18,416	19,452	1,035	5.6%
Platforms	19,864	33,997	14,134	71.2%	13,467	8,746	- 4,721	-35.1%
IT Services	17,802	34,401	16,599	93.2%	4,949	10,697	5,748	116.1%
Applications	294	330	36	12.1%	-	8	8	
Cost of Sales	- 29,526	- 54,899	- 25,373	85.9%	- 14,293	- 14,623	- 330	2.3%
Gross Profit	8,434	13,830	5,395	64.0%	4,123	4,829	706	17.1%
Administration Expenses	- 4,104	- 6,826	- 2,722	66.3%	- 1,690	- 2,408	- 719	42.5%
Operating Income	4,330	7,004	2,673	61.7%	2,433	2,420	- 13	-0.5%
EBITDA	4,904	8,666	3,763	76.7%	2,739	2,925	186	6.8%
Operating Margin	11.4%	10.2%	-1.2%		13.2%	12.4%	-0.8%	
EBITDA Margin	12.9%	12.6%	-0.3%		14.9%	15.0%	0.2%	
OPLA								
Revenues	43,891	62,728	18,837	42.9%	13,224	23,420	10,196	77.1%
Platforms	18,118	26,635	8,518	47.0%	5,395	11,584	6,189	114.7%
IT Services	19,042	30,128	11,086	58.2%	5,564	10,202	4,639	83.4%
Applications	6,730	5,964	- 766	-11.4%	2,265	1,634	- 631	-27.9%
Cost of Sales	- 36,972	- 53,129	- 16,157	43.7%	- 11,207	- 19,965	- 8,758	78.1%
Gross Profit	6,918	9,599	2,681	38.7%	2,017	3,455	1,438	71.3%
Administration Expenses	- 4,655	- 6,167	- 1,512	32.5%	- 1,423	- 2,218	- 794	55.8%
Operating Income	2,264	3,433	1,169	51.6%	594	1,237	643	108.4%
EBITDA	3,991	5,764	1,773	44.4%	1,013	1,930	917	90.5%
Operating Margin	5.2%	5.5%	0.3%		4.5%	5.3%	0.8%	
EBITDA Margin	9.1%	9.2%	0.1%		7.7%	8.2%	0.6%	

4. ANALYSIS OF CONSOLIDATED BALANCE SHEET

ASSETS

Total assets amounted \$580,101 million (US\$1,117.3 million) as of December 31, 2011, with a rise of 14.4% when compared to December 31, 2010. This is mainly explained by:

- trade accounts receivable and other receivables for \$58,066 million (US\$111.8 million), totaling \$166,333 million (US\$320.3 million), as a result of Quintec's consolidation
- higher other non-current assets (+\$23,190 million / +US\$44.7 million), reaching \$53,360 million (US\$102.8 million), mainly due to the Quintec's non-current accounts receivable and other financial assets variation
- \$16,007 million (US\$30.8 million) increase in intangible assets and goodwill, as a consequence of Quintec's consolidation, totaling \$169,084 million (US\$325.7 million)
- increase of \$20,326 million (US\$39.2 million) in property, plant and equipment, to \$79,463 million (US\$153.1 million), mainly derived from the construction of new headquarters in Brazil

The company continued showing a strong liquidity position as of December 31, 2011, with a current ratio of 1.61x and a quick ratio of 1.25x. Working capital reached \$104,264 million (US\$200.8 million) as of December 2011.

LIABILITIES

Total liabilities reached \$268,516 million (US\$517.2 million) as of FY2011, reflecting a rise of 26.6% regarding December 31, 2010, in line with:

- 38.0% growth in current liabilities, when compared to December 31, 2010, with a final balance of \$170,393 million (US\$328.2 million), primarily due to financial liabilities from Quintec
- higher non-current liabilities (+10.7% YoY), reaching \$98,123 million (US\$189.0 million), in line with a increase in other non-current financial liabilities, totaling \$87,196 million (US\$167.9 million)

Debt level remained stable at the end of 2011, with a 0.88x financial leverage (D/E) ratio and 7.55x financial expenses coverage ratio.

SHAREHOLDER'S EQUITY

Shareholders' equity attributable to the owners of the company, reached \$306,611 million (US\$590.5 million) as of December 31, 2011, showing a 5.2% growth regarding December 31, 2010. This was mostly due to an increase in retained earnings (+\$20,312 million / +US\$39.1 million / +28.5% YoY), totalizing \$91,501 million (US\$176.2 million).

In terms of annualized profitability, both ROE and ROA increased to 13.6% and 7.5%, respectively, when compared to December 31, 2010.

Figure 11 –
Financial
Ratios
Summary

CONSOLIDATED FINANCIAL RATIOS		Dec-11	Dec-10	% of Var Dec-10 Dec-11
Liquidity				
Current Ratio (Current Assets / Current Liabilities)	(times)	1.61	2.12	-23.8%
Quick Ratio (Current Assets - Invent. - Others (*)) / Current Liabilities)	(times)	1.25	1.66	-24.5%
Working Capital (Current Assets - Current Liabilities)	Million Ch\$	104,264	137,712	-24.3%
Indebtedness				
Leverage (Current Liabilities + Non-Current Liabilities) / Equity	(times)	0.88	0.73	20.3%
Short-Term Debt (Current Liabilities / Total Liabilities)	(times)	0.63	0.58	9.0%
Long-Term Debt (Non-Current Liabilities / Total Liabilities)	(times)	0.37	0.42	-12.5%
Financial-Expenses-Coverage Ratio (EBITDA / Financial Expenses)	(times)	7.55	9.14	-17.3%
Profitability				
ROE (**) (Net Income attrib.to Owners / Equity attrib.to Owners, average)	%	13.6%	11.7%	16.4%
ROA (**) (Net Income attrib.to Owners of Comp. / Assets , average)	%	7.5%	7.0%	7.0%
Earnings per Share (**) (***) (Net Income attrib.to Owners of Comp. / Total Shares)	Ch\$	52.7	43.5	21.1%
Dividend Yield (***) (Dividends Paid / Closing Market Stock Price)	%	213.7%	215.1%	-0.7%

(*) Others = Accounts Receivable from Related Companies; Prepayments; Current Tax Receivable; Other Current Assets

(**) Corresponds to annualized profitabilities

(***) Figures consider a total of 771,057.175 shares for Dec-10 and Dec-11.

(****) For determining the ratios, the values for Equity, Total Assets, Inventories and Operational Assets have been calculated as the averages between Dec-11 and Dec-10, and between Dec-10 and Dec-09.