



EARNINGS PRESENTATION 4Q2018 & 12M2018

January 30, 2019



Highlights in 4Q2018 & 12M2018

- In 4Q18, results improved in all lines comparing to 3Q18, 2Q18 and 1Q18.
 - Results in 2018 were negatively affected by exchange rates effects and its translation to reporting currency. Effect on revenues, EBITDA and net income were -US\$82 million, -US\$4 million and -US\$23.3 million, respectively, during 12M18.
 - Revenues increased by 5.5% in constant currency (YoY) in 4Q18, highlighting the growth collected in Brazil (+8.0%) and OPLA (+16.9%).
 - In Chile, revenues from the core business increased 7.3% in constant currency and 6.7% in reporting currency. The later doesn't consider the distribution business (retail and wholesale) and the effect due to the divestiture in I-Med (Dec-17).
 - In Brazil, results improved in all lines regarding 4Q17 as well as 3Q18. The latter reinforced the sequential improvements (QoQ) obtained during 2018. During 12M18, EBITDA increased 23.9% in constant currency compared to 2017.
 - Mexico registered important improvements in revenues and EBITDA during 4Q18 compared to 1Q18 and 2Q18. EBITDA in constant currency increased by 143.3% compared to 4Q17.
 - In OPLA, revenues and EBITDA increased 17.8% and 7.3% in constant currency during 12M18.
 - Net Income excluding exchange rate effects in taxes (-US\$23.3 million) and gain from the sale of the interest of Transacciones Electrónicas S.A. (US\$36.5 million) in Dec-17, would have decreased 8.6%.
 - In 2018, deals closed totaled US\$1,249 million and the pipeline of new opportunities reached US\$3,227 million.
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Results for 12 Months of 2018











US\$ Million	12M 2018	Chg. 18/17	12M 2018A	Chg. 18A/17
Revenues	1,151.7	↓ (-4.9%)	1,233.6	↑ 1.8%
EBITDA	131.4	↓ (-10.4%)	135.8	↓ (-7.4%)
EBITDA Margin	11.4%	↓ (-70pb)	11.0%	↓ (-110pb)
Net Income	15.4	↓ (-83.5%)	38.7	↓ (-51.0%)
Net Margin	1.3%	↓ (-638pb)	3.1%	↓ (-337pb)

Note: 12M 2018A corresponds to figures in constant currency for the period 2018 .

Highlights

- **Revenues in constant currency increased (+1.8%)**, as a result of growth in OPLA (+17.8%) and Chile (+0.6%), partially offset by Brazil (-2.7%) and Mexico (-4.1%).
- **EBITDA in constant currency decreased 7.4%**, mainly explained by Chile (I-Med effect) and Mexico.
- **Exchange rate effects negatively affected Net Income (-US\$23.3 million)**. In 2017 the effect was positive (+ US\$14.6 million).

Results for the 4Q 2018






















US\$ Million	4Q 2018	Chg. 18/17	4Q 2018A	Chg. 18A/17
Revenues	330.7	 0.5%	347.3	 5.5%
EBITDA	41.6	 (-10.1%)	42.3	 (-8.6%)
EBITDA Margin	12.6%	 (-147pb)	12.2%	 (-189pb)
Net Income	5.4	 (-90.8%)	15.3	 (-70.9%)
Net Margin	1.6%	 (-1,625pb)	4.4%	 (-1,159pb)

Note: 4Q 2018A corresponds to figures in constant currency for the period 2018.

Highlights

- **Revenues in constant currency increased (+5.5%)**, as a result of growth in most regions: Chile (+1.2%), **Brazil (+8.0%)** and OPLA (+16.9%),
- **EBITDA in constant currency decreased 8.6%**, mainly explained by Chile (**I-Med effect**) and OPLA.
- **Exchange rate effects negatively affected Net Income (-US\$9.9 million)**. In 2017 the effect was positive (+US\$6.2 million).

Quarterly Results 2018

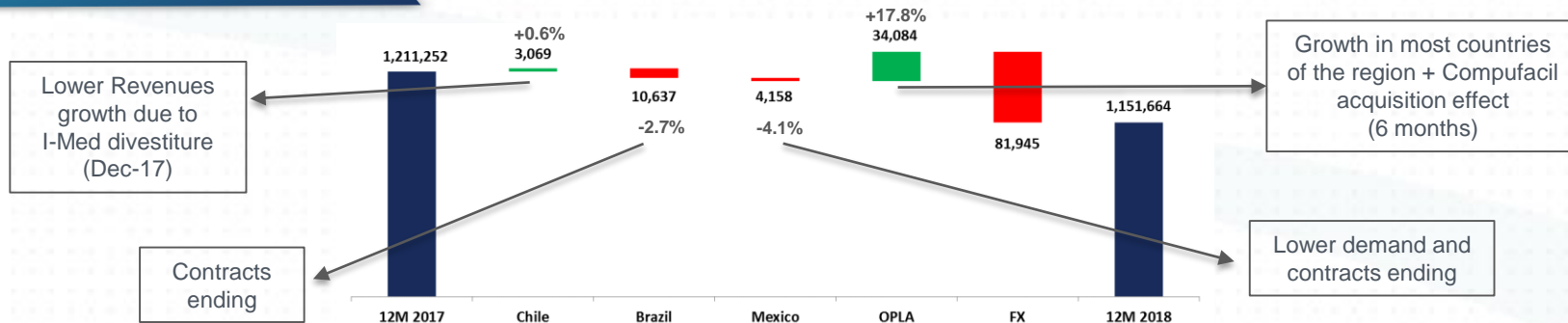
US\$ Million	1Q 2018	2Q 2018	3Q 2018	4Q 2018
Revenues	266.4	 263.1	 291.5	 330.7
Chg. % (Q o Q)		(1.3%)	10.8%	13.4%
EBITDA	25.3	 29.2	 35.3	 41.6
Chg. % (Q o Q)		15.5%	20.8%	17.9%
EBITDA Margin	9.5%	 11.1%	 12.1%	 12.6%
Chg. % (Q o Q)		161bp	100bp	48bp
Net Income	7.0	 (5.1)	 8.1	 5.4
Chg. % (Q o Q)		(172.5%)	259.4%	33.1%
Net Margin	2.6%	 (-1.9%)	 2.8%	 1.6%
Chg. % (Q o Q)		(-454bp)	469bp	(-114bp)
Net Income excluding FX over taxes	3.7	 8.9	 10.7	 15.3
Chg. % (Q o Q)		140.2%	20.7%	42.4%
Net Margin excluding FX over taxes	1.4%	 3.4%	 3.7%	 4.6%
Chg. % (Q o Q)		199bp	30bp	94bp

Highlights

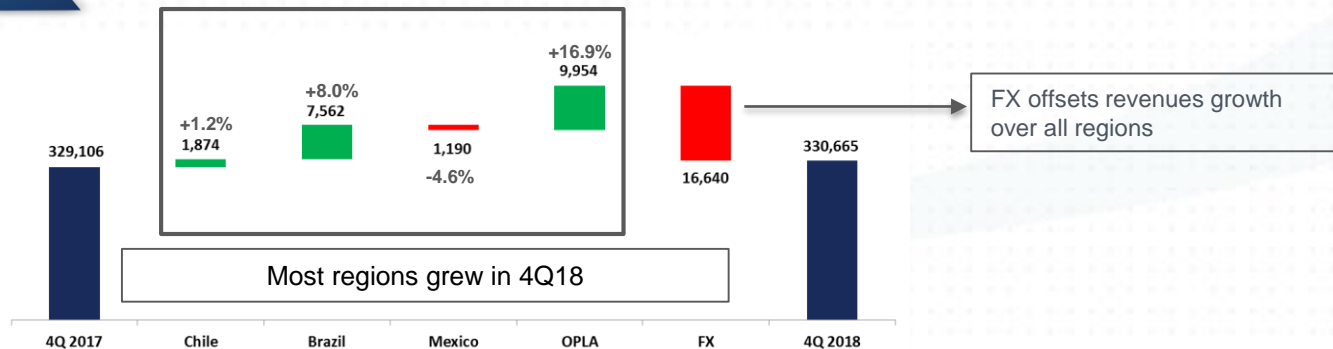
- **Higher dynamism** in revenues in **3Q18** and **4Q18**.
- **Sequential expansion** in **EBITDA Margin** during 2018.
- **Improvements in profitability** and **higher dynamism in revenues** boosts sequential growth in EBITDA generation.
- **Without exchange rate effects** in the taxes calculation, **Net Income would have registered sequential growth during 2018**, in addition to sequential expansion of margins.

Revenues Contribution by Region

Revenues in 12M18 (US\$ million)

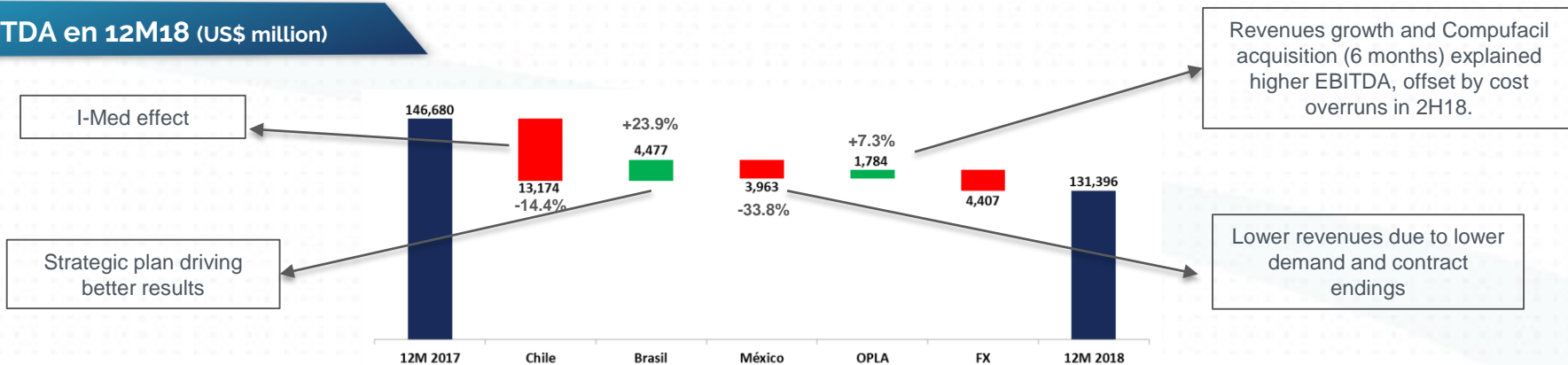


Revenues in 4Q18 (US\$ million)

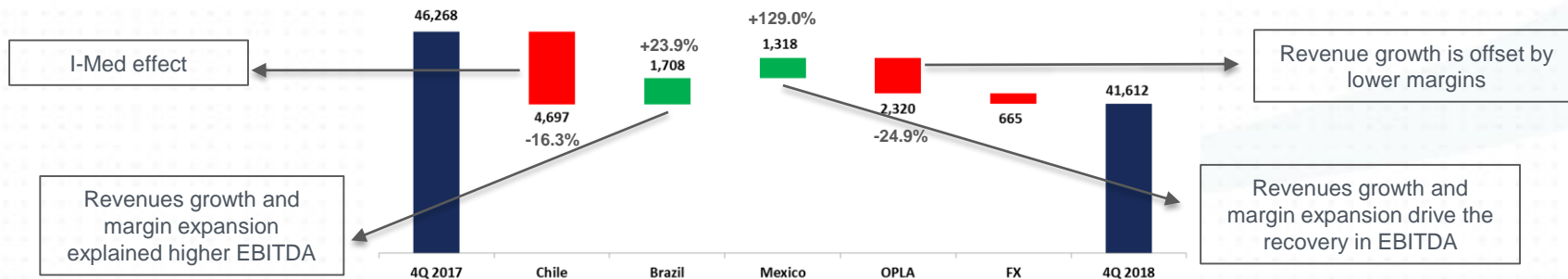


EBITDA Contribution by Region

EBITDA en 12M18 (US\$ million)



EBITDA en 4Q18 (US\$ million)

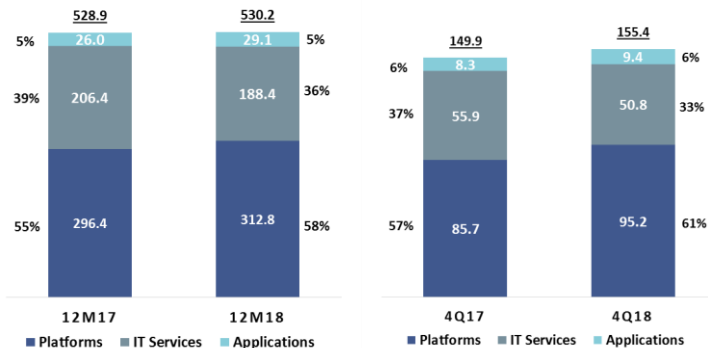


Markets – Results and Trends

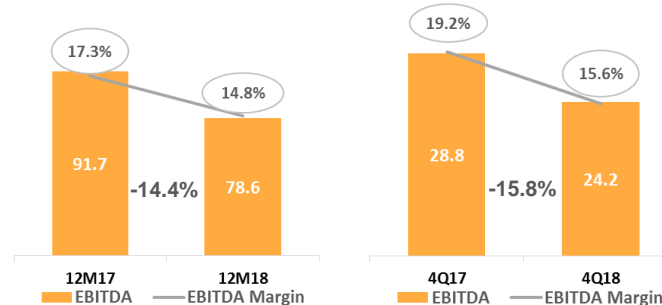
- ❑ **Chile: a stable market, the largest EBITDA contributor**
- ❑ **Brazil: the strategic plan is driving the recovery**
- ❑ **Mexico: important opportunities to come**
- ❑ **OPLA: more dynamism and profitability improvements**

Chile – Results for the 4Q18 & 12M18

Revenues (US\$ million)



EBITDA (US\$ million)



	Chg. 12M 18/17	Chg. 4Q 18/17	Chg. 4Q18/3Q18
Platforms	↑ 5.5%	↑ 11.1%	↑ 27.6%
IT Services	↓ -8.7%	↓ -9.2%	↑ 0.8%
Applications	↑ 11.6%	↑ 12.9%	↑ 35.5%
Total Revenues	↑ 0.3%	↑ 3.6%	↑ 17.8%
EBITDA	↓ -14.4%	↓ -15.8%	↑ 17.2%

	1H2018	2H2018	Chg. 2H/1H
Revenues	249.5	280.7	↑ 12.5%
EBITDA	34.7	43.9	↑ 26.7%
EBITDA Margin	13.9%	15.6%	↑ 175pb

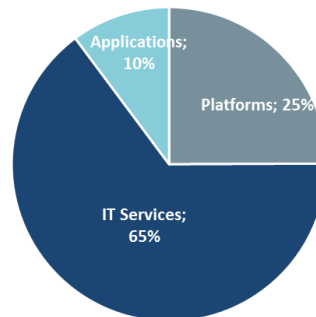
- **Revenues increased 3.6%** comparing to 4Q17 (tough comparative base)
- EBITDA margin reaches 15.6% in 4Q18.
- **Without I-Med effect, revenues would have increased by +4.4%/+7.4%** and EBITDA would have decreased by -1.3%/ -5.4% in 12M18 / 4Q18.
- **Revenues and EBITDA increased 27.6% and 17.2%**, respectively, compared to 3Q18.

Chile: A stable market, the largest EBITDA contributor

- Market with the **largest contribution** to revenues and EBITDA.
- Divestiture of I-Med (Dec-17) → **A tough comparison base for 2018.**
- Excluding I-Med effect, **revenues grew and margins slightly decrease** during 2018.

SONDA Chile	Chg. 12M 18/17	Chg. 4Q 18/17
Revenues	↑ 4.4%	↑ 7.4%
EBITDA	↓ -1.3%	↓ -5.4%
EBITDA Margin	↓ -90pb	↓ -210pb

- Chile core business (excluding retail and wholesale platform business) presented **higher margins and a high added value revenue mix.**

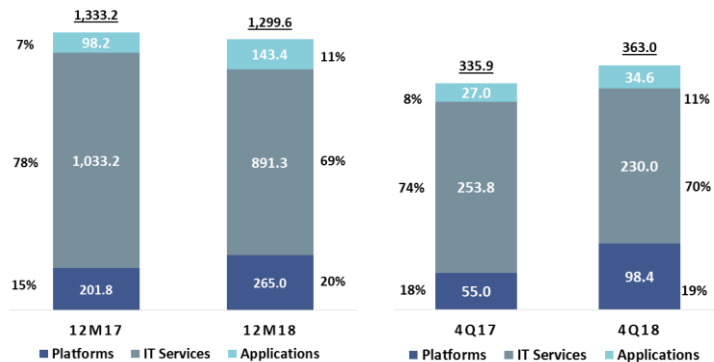


- Excluding retail business (Apple), wholesale business y I-Med effect, **revenues grew 7.3% in constant currency and 6.7% in reporting currency.**

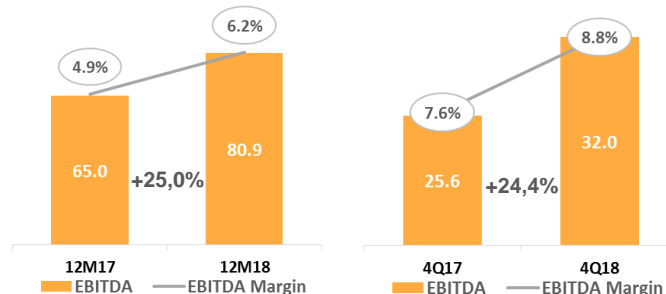
**Core business
EBITDA Margin
(12M18) = 23.7%**

Brazil – Results for the 4Q18 & 12M18

Revenues (BRL million)



EBITDA (BRL million)



	Chg. 12M 18/17	Chg. 4Q 18/17	Chg. 4Q18/3Q18
Platforms	↑ 31.3%	↑ 78.8%	↑ 57.6%
IT Services	↓ -13.7%	↓ -9.4%	↑ 0.0%
Applications	↑ 45.9%	↑ 27.9%	↓ -7.2%
Total Revenues	↓ -2.5%	↑ 8.1%	↑ 10.1%
EBITDA	↑ 24.4%	↑ 25.0%	↑ 27.4%

- **IN BRL, revenues increased 8.1%** compared to 4Q17 and 10.1% regarding 3Q18
- EBITDA and EBITDA Margin registered **expansions (QoQ) and (YoY) for another quarter.**
- **IT Services** show an increase in the 2H18, growing **+6,7% compared to 1H18**

	1H2018	2H2018	Chg. 2H/1H
Revenues	607	693	↑ 14.1%
EBITDA	24	57	↑ 139.2%
EBITDA Margin	3.9%	8.2%	↑ 431pb

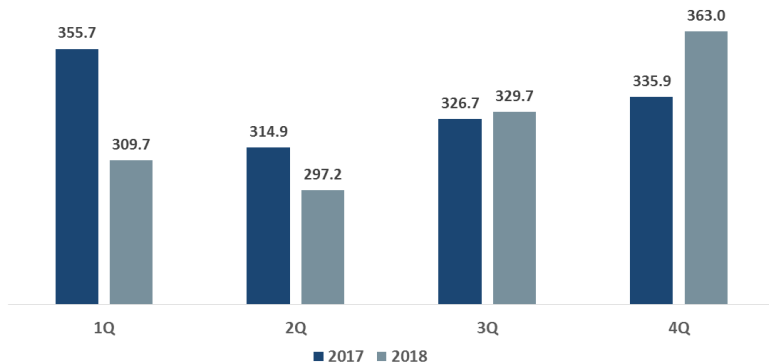
Brazil: The strategic plan is guiding the recovery

- The largest IT market in Latin America
- New leadership executing the strategic plan focusing on growth and profitability improvements
- In 2018 we have started to see gradual and consecutive improvements in results
- Revenues growth also started to recover in 2H18

Revenues (BRL million)

+10.1% (4Q18/3Q18)

+8.0% (4Q18/4Q17)

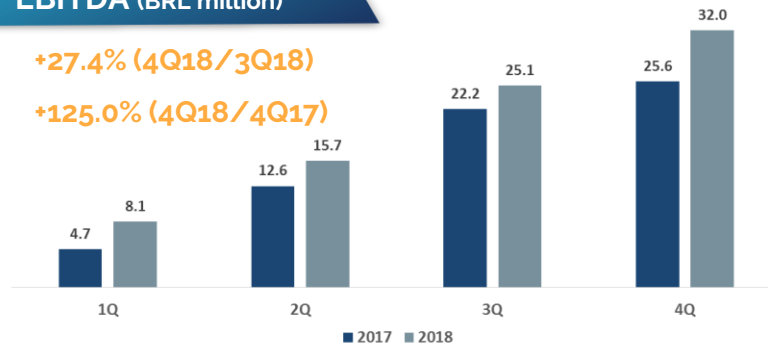


- EBITDA increasing (Y o Y) and (Q o Q)

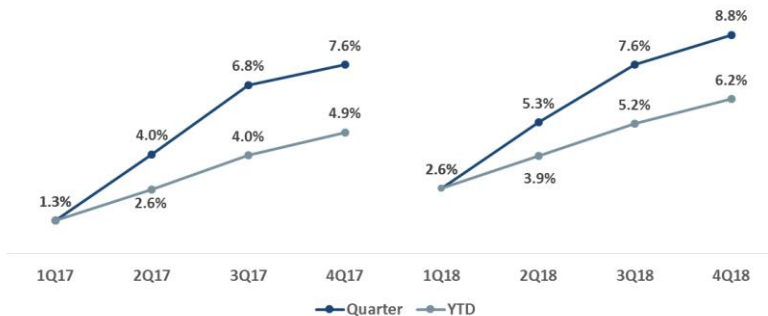
EBITDA (BRL million)

+27.4% (4Q18/3Q18)

+125.0% (4Q18/4Q17)



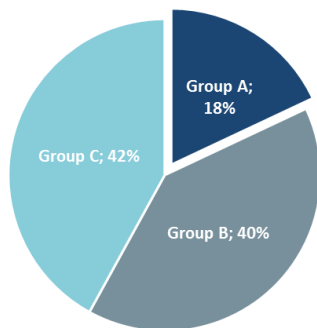
- Sequential margin improvement in 2017 and 2018



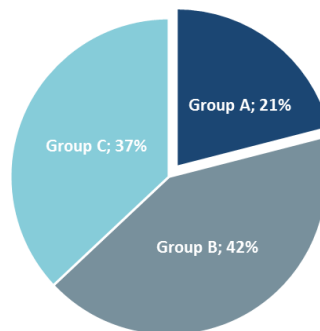
Brazil: The strategic plan is guiding the recovery

- New business closed contributing to a change in the revenue mix...
 - ✓ Change in the revenue mix
 - ❑ Group A: business units whose Gross Margin $\geq 20\%$
 - ❑ Group B: business units whose Gross Margin is in the range 15% - 20%
 - ❑ Group C: business units whose Gross Margin $\leq 15\%$

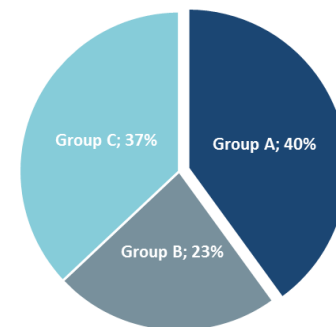
Revenue Mix in 2017
(by group A, B and C)



Business Closed Targets for 2018
(by group A, B and C)



Business Closed in 2018
(by group A, B y C)

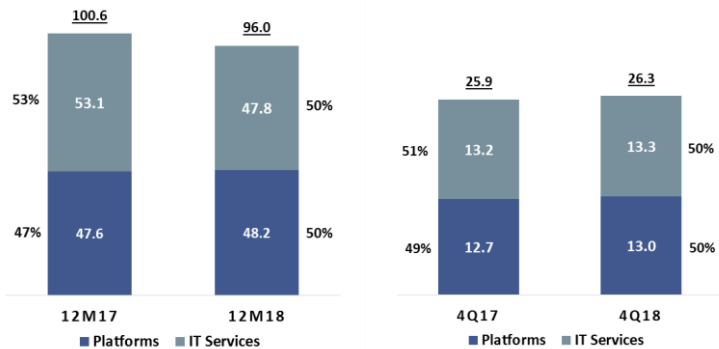


Brazil: Acquisition of M2M

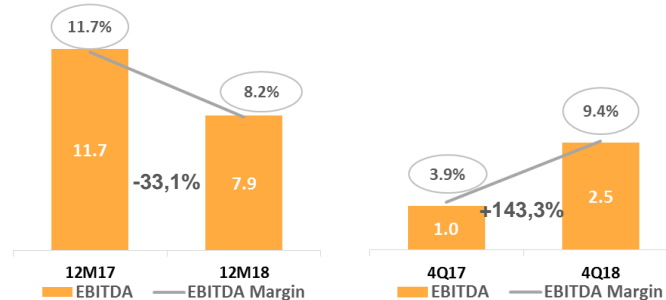
- ❑ SONDA acquired M2M Solutions, one of the main providers of technological solutions in transport and urban mobility in Brazil.
 - ❑ M2M developed important Smart Transport projects in Brazil and abroad (Mexico, Portugal and Guatemala). Currently, the company has more than 150 clients and monitors more than 25 thousand buses.
 - ❑ The company has fleet management solutions in the cloud (software as a service), travel planning and management, passenger access control, telemetry, analytics & BI and several applications.
 - ❑ Main projects: implementation of fleet management solutions for the BRT (Bus Rapid Transit) of Rio de Janeiro, Belem and Fortaleza.
 - ❑ With this acquisition, SONDA accelerates its participation in the Smart Transport market in Brazil. The offerings of M2M and SONDA are complementary and can be leveraged at the regional level.
 - ❑ This acquisition is part of SONDA's strategic plan for 2019-2021, in which Transport was established as one of the four focus industries.
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Mexico – Results for the 4Q18 & 12M18

Revenues (US\$ million)



EBITDA (US\$ million)



	Chg. 12M 18/17	Chg. 4Q 18/17	Chg. 4Q18/3Q18
Platforms	↑ 1.2%	↑ 2.7%	↓ -47.2%
IT Services	↓ -9.9%	↑ 0.9%	↑ 6.2%
Applications	-	-	-
Total Revenues	↓ -4.6%	↑ 1.8%	↓ -29.3%
EBITDA	↓ -33.1%	↑ 143.3%	↓ -41.2%

- **Revenues increased** 1.8% compared to 4Q17 and 41.0%/69.2%, regarding 1Q18/2Q18.
- **EBITDA Margin improved 550bp** compared to 4Q17 and reached 9.4% during 4Q18.

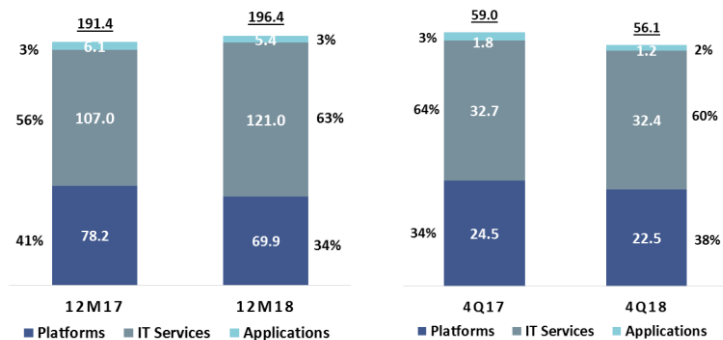
	1H2018	2H2018	Chg. 2H/1H
Revenues	34.2	61.7	↑ 80.2%
EBITDA	1.4	6.5	↑ 380.7%
EBITDA Margin	3.9%	10.5%	↑ 658pb

Mexico: Important opportunities to come

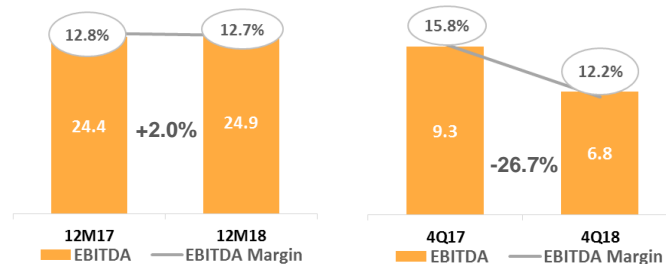
- ❑ **Second IT market** in Latin America
 - ❑ 2018 came with **new leadership intended to stabilize the operation and boost new sales.**
 - ❑ **New CEO** and **new Commercial Director** since 2H2018
 - ❑ New **strategic plan headed towards margin recovery and revenues growth** in 2019
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OPLA – Results for the 4Q18 & 12M18

Revenues (US\$ million)



EBITDA (US\$ million)



	Chg. 12M 18/17	Chg. 4Q 18/17	Chg. 4Q18/3Q18
Platforms	↓ -10.6%	↓ -8.3%	↑ 11.2%
IT Services	↑ 13.0%	↓ -1.1%	↑ 0.7%
Applications	↓ -11.5%	↓ -31.8%	↓ -7.8%
Total Revenues	↑ 2.6%	↓ -5.0%	↑ 4.5%
EBITDA	↑ 2.0%	↓ -26.7%	↑ 15.9%

- **Revenues in constant currency grew** 17.8% in 12M18 and 16.9% in 4Q18. In reporting currency revenues grew 2.6% (YoY).
- **EBITDA in constant currency increased +7,3%** compared to 12M17.
- EBITDA Margin reached 12.2% in 4Q18, **improving 100bp compared to 3Q18**. EBITDA Margin remained flat compared to 12M17.

	1S2018	2S2018	Var 2S/1S
Ingresos	89,3	107,1	↑ 20,0%
EBITDA	12,5	12,4	↓ -0,5%
Margen EBITDA	14,0%	11,6%	↓ (239pb)

OPLA: More dynamism and profitability improvements

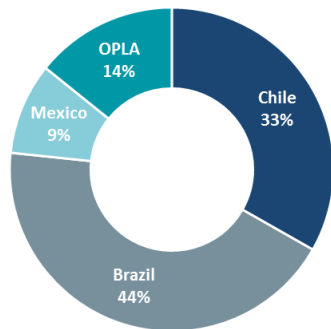
- ❑ **High revenue growth in constant currency:** +22.5% in 2017 y 8.9% in 2018, excluding the acquisition of Compufacil, maintaining margins.
 - ❑ Colombia, Panama y Peru driving **more dynamism**
 - ❑ **Successful integration process of** Compufacil, acquired in Jul-17
 - ❑ **New CEO in Colombia** since May-18
 - ❑ **Pipeline of new opportunities continues increasing** (+14.0% in 2018) and reached US\$1.0 billion
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Business Closed

Business closed by region

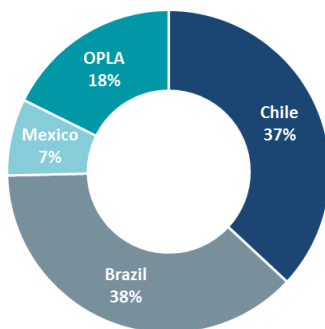
(US\$ millions)

12M2017: \$1,328



-5.9%

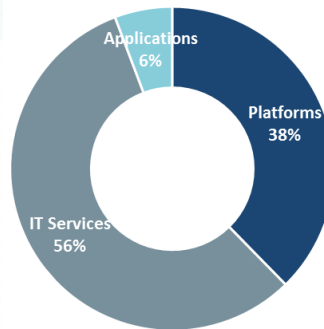
12M2018: \$1,249



Business closed by business line

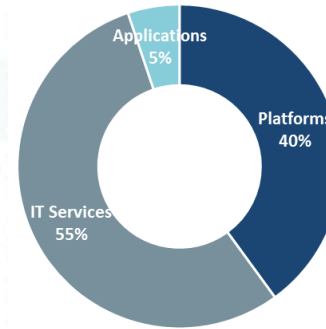
(US\$ millions)

12M2017: \$1,328

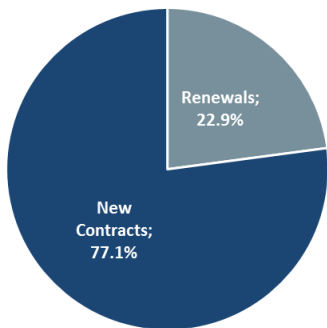


-5.9%

12M2018: \$1,249



Business closed by type



US\$ million	12M 2018	12M 2017	Chg. %	Chg. Adj.
Chile	461.4	441.2	4.6%	4.5%
Brazil	471.0	576.6	-18.3%	-9.5%
Mexico	96.0	121.3	-20.9%	-19.8%
OPLA	221.1	188.7	17.2%	17.2%
Total	1,249.5	1,327.9	-5.9%	-1.6%

US\$ million	12M 2018	12M 2017	Var %	Chg. Adj.
Platforms	499.5	500.3	-0.2%	-0.2%
IT Services	685.5	751.2	-8.8%	-2.0%
Applications	64.5	76.3	-15.5%	-8.7%
Total	1,249.5	1,327.9	-5.9%	-1.6%

Note: Var. Adj. corresponds to figures in constant currency for the period 2018

□ Pipeline of new opportunities US\$3,227 million (-0.4%)

Financial Position

Balance Sheet (US\$ million)	Dec-17	Dec-18	Δ \$	Δ %
Cash and Cash Equivalents	58.8	71.1	12.3	20.9%
Other Current Financial Assets	65.6	23.1	(42.5)	(64.7%)
Trade Accounts Receivable and Other Receivables, Net	324.1	337.2	13.1	4.1%
Accounts Receivable from Related Companies	8.2	9.3	1.1	13.5%
Inventories	54.3	78.7	24.4	45.0%
Other Current Assets	69.1	75.1	5.9	8.6%
CURRENT ASSETS	580.1	594.5	14.4	2.5%
Intangibles Assets and Goodwill	367.0	358.5	(8.5)	(2.3%)
Property, Plant and Equipment, Net	178.7	176.7	(1.9)	(1.1%)
Other Non-currents Assets	139.7	162.4	22.8	16.3%
NON-CURRENT ASSETS	685.3	697.6	12.3	1.8%
ASSETS	1,265.4	1,292.2	26.8	2.1%
Other Current Financial Liabilities	100.9	163.1	62.2	61.7%
Other Liabilities	263.1	253.2	(9.9)	(3.8%)
CURRENT LIABILITIES	364.0	416.3	52.3	14.4%
Other Non-current Financial Liabilities	147.0	100.9	(46.1)	(31.4%)
Other Liabilities, Non-Current	49.5	57.1	7.5	15.2%
NON-CURRENT LIABILITIES	196.5	158.0	(38.5)	(19.6%)
LIABILITIES	560.5	574.2	13.7	2.4%
Minority Interest	7.7	5.8	(1.9)	(24.2%)
TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	697.2	712.2	14.9	2.1%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1,265.4	1,292.2	26.8	2.1%

	Dec-17	Dec-18
Current Liquidity	1.6x	1.4x
(Current Assets / Current Liabilities)		
Leverage	0.8x	0.8x
((Current Liabilities + Non-Current Liabilities) / Equity)		
Financial Expenses Coverage	5.7x	6.4x
(EBITDA / Financial Expenses)		
Net Financial Debt / EBITDA	0.8x	1.3x
(Other Current Financial Liabilities + Other Non-Current Financial liabilities - Cash and Cash Equivalents - Other Financial Current Assets) / EBITDA)		
Financial Debt (US\$ million)	247.8	263.9
(Other Current Financial Liabilities + Other Non-Current Financial liabilities)		
Net Financial Debt (US\$ million)	123.4	169.7
(Other Current Financial Liabilities + Other Non-Current Financial liabilities - Cash and Cash Equivalents - Other Financial Current Assets)		
Operating Income = Gross Profit – Administration Expenses		
EBITDA = Operating Income + Depreciation and Amortization		
Note:		
Operation Income = Gross Profit – Administration Expenses		
EBITDA = Operating Income + Depreciation and Amortization		



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