



EARNINGS RELEASE

1Q20

January 01, 2020 – March 31, 2020

SONDA S.A. and subsidiaries report their consolidated financial results for the period from January 01 to March 31, 2020. All figures are expressed in Chilean pesos and have been prepared under International Financial Reporting Standards (IFRS). Translations to US dollars stated in this report are based on the month-end exchange rate as of March 31, 2020 (1 US\$ = 852.03 Chilean Pesos).

EXECUTIVE SUMMARY

SUMMARY: 1Q20

- **CONSOLIDATED REVENUES**
US\$253 million

- **OPERATING INCOME**
US\$5.5 million

- **EBITDA**
US\$17.1 million

- **NET INCOME**
US\$9.4 million

- **EBITDA MARGIN**
6.8%

- **NET MARGIN**
3.7%

SONDA totaled consolidated revenues of \$215,570 million (US\$253 million) in the first quarter of 2019. Operating Income reached \$4,647 million (US\$5.5 million) and EBITDA registered \$14,564 million (US\$17.1 million). Net Income attributable to owners totaled \$8,004 million (US\$9.4 million).

In constant currency, revenues increased by 3.6% and EBITDA decreased by 31.1%.

Results by region:

Region	Revenues		EBITDA	
	Ch\$M	ΔY/Y	Ch\$M	ΔY/Y
Chile	98,392	8.9%	10,243	-10.3%
Brazil	65,913	17.5%	-126	-103.5%
Mexico	10,259	-27.8%	-327	-117.0%
OPLA	41,007	19.0%	4,775	42.3%
Total	215,570	10.5%	14,564	-28.1%

Current ratio was 1.9x, Financial Leverage ratio was 0.6x and Financial Expenses Coverage ratio was 4.7x, reflecting a solid financial position.

Highlights:

- The beginning of 2020 has been marked by the Covid-19 pandemic and the uncertainty associated to the duration and magnitude of its effects in people, companies, Governments and the global economy. In this context, we have adopted a series of measures aimed to protect the health of our employees and clients as well as to keep providing the services in times where technology plays a fundamental role. Today more than 75% of our staff in Latin America is working remotely while the remaining, due to the nature of their activities, must be in our facilities or in our clients' following rigorously the recommendations of the authorities and the procedures established. The emergency has forced us to adjust our activities in the short term, while pursuing the objectives defined in our strategic plan 2019 – 2021.
- Operations outside Chile totaled revenues of \$117,178 million (US\$137.5 million), which represents 54.4% of the consolidated revenues, and EBITDA of \$4,321 million (US\$5.1 million). In constant currency (YoY), revenues grew 6.8% and EBITDA decreased by 56.3%.
- In Brazil, in constant currency, revenues increased 15.2% (YoY) and EBITDA decreased 101.3% (YoY). Revenues in reporting currency reached \$65,913 million (US\$77.4 million), increasing 17.5% (YoY) and EBITDA registered -\$126 million (-US\$0.1 million).
- In Mexico, in constant currency, revenues decreased by 37.6% (YoY) and EBITDA by 114% (YoY). Revenues in reporting currency reached \$10,259 million (US\$12 million), decreasing by 27.8% (YoY) and EBITDA totaled -\$327 million (-US\$0.4 million).
- In OPLA, in constant currency, revenues increased by 5.2% (YoY) and EBITDA increased by 24.4% (YoY). Revenues in reporting currency was \$41,007 million (US\$48.1 million), growing by 19.0% (YoY), and EBITDA \$4,775 million (US\$5.6 million), higher by 42.3% (YoY).
- In Chile, in constant currency, revenues increased 2.2% (YoY) and EBITDA decreased 11.6% (YoY). In reporting currency, revenues increased by 8.9% (YoY), totaling \$98,392 million (US\$115.5 million) and EBITDA was lower, decreasing 10.3% (YoY), reaching \$10,243 million (US\$12 million).
- Net income attributable to the owners was higher by 68.4% (\$3,250 million / US\$3.8 million) compared to 1Q19.
- In 1Q20, deals closed totaled US\$255.4 million, lower by 18.0% YoY. At regional level, Brazil contributed with 31.4% of business closed. We highlight the growth in Mexico and OPLA, which grew 29.2% and 17.9%, respectively (YoY).
- Pipeline of new opportunities amounted US\$4,101.9 million as of March 31, 2020. Of these, Brazil contributed with US\$2,171.4 million.

Figure 1 – Consolidated Financial Statement

Millions of Ch\$ (Ch\$M)				
Income Statement	mar-19	mar-20	Δ \$	Δ %
Revenues	195,098	215,570	20,472	10.5%
Cost of Sales	-162,923	-185,573	-22,650	13.9%
GROSS PROFIT	32,175	29,996	-2,179	-6.8%
Administration Expenses	-20,644	-25,350	-4,706	22.8%
OPERATING INCOME ⁽¹⁾	11,531	4,647	-6,885	-59.7%
Depreciation and Amortization	8,725	9,917	1,193	13.7%
EBITDA ⁽²⁾	20,256	14,564	-5,692	-28.1%
Other Income	533	665	133	24.9%
Other Expenses	-1,755	-3,966	-2,211	126.0%
PROFIT (LOSS) FROM OPERATING ACTIVITIES	10,310	1,346	-8,964	-86.9%
Financial Income	1,890	2,251	361	19.1%
Financial Expenses	-3,996	-4,995	-999	25.0%
Share of Profit (Loss) of Associates	-91	1,809	1,900	-
Foreign Exchange Differences	-643	6,833	7,476	-1162.3%
Income (Loss) for Indexed Assets and Liabilities	-790	-1,518	-727	92.1%
NET INCOME BEFORE TAXES	6,679	5,726	-953	-14.3%
Income Tax Expense	-1,632	2,528	4,159	-254.9%
NET INCOME FROM CONTINUING OPERATIONS	5,047	8,253	3,206	63.5%
Net Income Attributable to Minority Interest	294	250	-44	-15.0%
NET INCOME ATTRIBUTABLE TO OWNERS OF THE COMPANY	4,753	8,004	3,250	68.4%
Balance Sheet	dec-19	mar-20	Δ \$	Δ %
Cash and Cash Equivalents	138,739	141,314	2,575	1.9%
Other Current Financial Assets	19,345	13,773	-5,572	-28.8%
Trade Accounts Receivable and Other Receivables, Net	279,005	254,271	-24,734	-8.9%
Accounts Receivable from Related Companies	1,710	1,525	-185	-10.8%
Inventories	40,619	48,578	7,959	19.6%
Other Current Assets	46,320	58,467	12,147	26.2%
CURRENT ASSETS	525,738	517,928	-7,810	-1.5%
Intangibles Assets and Goodwill	266,325	239,043	-27,282	-10.2%
Property, Plant and Equipment, Net	165,947	167,872	1,925	1.2%
Other Non-currents Assets	136,563	133,223	-3,340	-2.4%
NON-CURRENT ASSETS	568,835	540,139	-28,697	-5.0%
ASSETS	1,094,573	1,058,067	-36,506	-3.3%
Other Current Financial Liabilities	89,273	86,766	-2,507	-2.8%
Other Liabilities	185,243	186,751	1,508	0.8%
CURRENT LIABILITIES	274,516	273,517	-999	-0.4%
Other Non-current Financial Liabilities	228,367	223,503	-4,864	-2.1%
Other Liabilities, Non-Current	56,762	51,012	-5,750	-10.1%
NON-CURRENT LIABILITIES	285,129	274,515	-10,615	-3.7%
LIABILITIES	559,645	548,031	-11,614	-2.1%
Minority Interest	2,772	2,949	177	6.4%
TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	532,156	507,086	-25,070	-4.7%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1,094,573	1,058,067	-36,506	-3.3%

⁽¹⁾ Operating Income = Gross Profit – Administration Expenses

⁽²⁾ EBITDA = Operating Income + Depreciation and Amortization

MANAGEMENT DISCUSSION AND ANALYSIS ON 1Q20 CONSOLIDATED RESULTS

I. Consolidated Results for 1Q20

Revenues

Consolidated Revenues reached \$215,570 million (US\$253 million) in the period, higher by 10.5% (\$20,472 million / US\$24 million) compared to the first quarter of 2019. In constant currency, revenues grew 3.6% YoY.

The main differences are the following:

- Revenues from Platforms increased 20.2% (+\$16,207 million / +US\$19 million) YoY, reaching \$96,542 million (US\$113.3 million) in the quarter, mainly due to Chile and Brazil. In constant currency, the increase was 9.8% (\$7,899 million / US\$9.3 million) YoY.
- Revenues from IT Services increased 6.2% (\$5,877 million / US\$6.9 million) YoY, reaching \$100,067 million (US\$117.4 million) in the quarter. In constant currency, the increase was 1.3% (\$1,231 million / US\$1.4 million) YoY.
- Revenues from Applications decreased 7.8% (-\$1,612 million/ -US\$1.9 million) YoY, reaching \$18,962 million (US\$22.3 million) in the quarter. In constant currency, the decrease was 10.5% (-\$2,151 million / -US\$2.5 million) YoY.

In 1Q20, the revenues breakdown by business was 44.8% Platforms, 46.4% IT Services, and 8.8% Applications.

Figure 2 – Consolidated Revenues by Business Line

	mar-19 Ch\$M	mar-20 Ch\$M	Δ \$	Δ %	mar-20A Ch\$M	Δ \$ (a/a)	Δ % (a/a)
CONSOLIDATED REVENUES BY BUSINESS LINE							
Platforms	80,335	96,542	16,207	20.2%	88,234	7,899	9.8%
IT Services	94,190	100,067	5,877	6.2%	95,421	1,231	1.3%
Applications	20,573	18,962	-1,612	-7.8%	18,422	-2,151	-10.5%
Total	195,098	215,570	20,472	10.5%	202,077	6,979	3.6%
Breakdown							
Platforms	41.1%	44.8%			43.7%		
IT Services	48.3%	46.4%			47.2%		
Applications	10.6%	8.8%			9.1%		
Total	100%	100%			100%		

Note: Mar-20A corresponds to revenues for the quarter in constant currency.

Cost of Sales and Selling, General and Administrative Expenses

Cost of sales amounted \$185,573 million (US\$217.8 million) in 1Q20, registering an increase of 13.9% (YoY), in line with revenues growth.

Administration expenses totaled \$25,350 million (US\$29.8 million) in the quarter, 22.8% higher (YoY) due to extraordinary effects. Without those effects, the growth would have been 6.5%.

Figure 3 – Income Statement

	mar-19 Ch\$M	mar-20 Ch\$M	Δ \$	Δ %	mar-20A Ch\$M	Δ \$ (a/a)	Δ % (a/a)
SUMMARY OF CONSOLIDATED INCOME STATEMENT							
Revenues	195,098	215,570	20,472	10.5%	202,077	6,979	3.6%
Cost of Sales	-162,923	-185,573	-22,650	13.9%	-173,558	-10,635	6.5%
GROSS PROFIT	32,175	29,996	-2,179	-6.8%	28,519	-3,656	-11.4%
Administration Expenses	-20,644	-25,350	-4,706	22.8%	-24,058	-3,415	16.5%
OPERATING INCOME ⁽¹⁾	11,531	4,647	-6,885	-59.7%	4,460	-7,071	-61.3%
EBITDA ⁽²⁾	20,256	14,564	-5,692	-28.1%	13,953	-6,303	-31.1%
NET INCOME ATTRIBUTABLE TO OWNERS	4,753	8,004	3,250	68.4%	8,201	3,448	72.5%
Financial Ratios							
Gross Margin	16.5%	13.9%			14.1%		
Operating Margin	5.9%	2.2%			2.2%		
EBITDA Margin	10.4%	6.8%			6.9%		
Net Margin	2.4%	3.7%			4.1%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

Note: Mar-20A corresponds to revenues for the quarter in constant currency.

Operating Income and EBITDA

Operating Income reached \$4,647 million (US\$5.5 million), lower by 59.7% (YoY). Gross Margin reached 13.9%, 260bp lower (YoY) and Operating Margin reached 2.2%, lower by 370bp compared to 1Q19. In constant currency the Operating Income was lower by 61.3% (YoY).

EBITDA totaled \$14,564 million (US\$17.1 million) in 1Q20, decreasing by 28.1% (YoY). In constant currency, EBITDA decreased by 31.1% (YoY).

The EBITDA Margin reached 6.8%, lower by 360bp (YoY).

Other Comprehensive Income / Losses (Excluding Administration Expenses)

Total Other Comprehensive Income / Losses, excluding Administration Expenses, registered a profit of \$1,079 million (US\$1.3 million), compared to the loss of \$4,853 million (US\$5.7 million) registered in 1Q19. The main variations were a positive exchange rate difference (\$7,476 million / US\$8.8 million) and an increase in Other Expenses by Function (\$2,211 million / US\$2.6 million).

Net Income

The Net Income attributable to the Parent Company was \$8,004 million (US\$9.4 million) in the first quarter, increasing by 68.4% (\$3,250 million / US\$3.8 million) (YoY), mainly due to positive effects in non-operational results and income tax expenses.

Regional Results for 1Q20

Chile

Main changes between 1Q20 and 1Q19 are described below:

- Revenues totaled \$98,392 million (US\$115.5 million), showing an increase of 8.9% (YoY). In constant currency, revenues increased 2.2% (YoY). The increase is explained by the Platforms business (+17.7%, in constant currency +6.4%).
- Operating Income totaled \$6,643 million (US\$7.8 million / -21.7% YoY) and EBITDA totaled \$10,243 million (US\$12 million / -10.3% YoY). In constant currency, Operating Income and EBITDA were 22.9% and 11.6% respectively lower than the first quarter of 2019, mainly due to the renegotiation of contract services and the sale of the subsidiary Transacciones Electrónicas Dos S.A. (sep-19).
- Operating Margin reached 6.8% and EBITDA Margin reached 10.4%, lower by 260bp and 220bp, respectively, compared to 1Q19.

Figure 4 – Business in Chile 3M19 – 3M20	mar-19 Ch\$M	mar-20 Ch\$M	Δ \$	Δ %	mar-20A Ch\$M	Δ \$ (a/a)	Δ % (a/a)
SUMMARY OF RESULTS CHILE							
REVENUES	90,329	98,392	8,063	8.9%	92,361	2,032	2.2%
Platforms	52,781	62,117	9,336	17.7%	56,144	3,364	6.4%
IT Services	28,215	26,732	-1,483	-5.3%	26,673	-1,542	-5.5%
Applications	9,333	9,544	210	2.3%	9,544	210	2.3%
Cost of Sales	-70,501	-80,388	-9,888	14.0%	-74,784	-4,284	6.1%
GROSS PROFIT	19,829	18,004	-1,825	-9.2%	17,577	-2,252	-11.4%
Administration Expenses	-11,343	-11,361	-18	0.2%	-11,034	309	-2.7%
OPERATING INCOME ⁽¹⁾	8,485	6,643	-1,843	-21.7%	6,543	-1,942	-22.9%
EBITDA ⁽²⁾	11,415	10,243	-1,172	-10.3%	10,092	-1,323	-11.6%
Operating Margin	9.4%	6.8%			7.1%		
EBITDA Margin	12.6%	10.4%			10.9%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

Note: Mar-20A corresponds to results for the quarter in constant currency.

Brazil

Main changes between 1Q20 and 1Q19 are described below:

- In constant currency, revenues increased 15.2% (YoY), mainly due to higher revenues from IT Services business (+15.5%, in constant currency) and Platforms (+52.6%, in constant currency). In reporting currency, revenues totaled \$65,913 million (US\$77.4 million), 17.5% higher than those reported in the first quarter of 2019.
- Operating Income and EBITDA, in constant currency, registered a loss of \$3,833 million (US\$4.5 million) and \$45 million (US\$0.05 million) respectively. In reporting currency, the Operating Income reached -\$3,999 million (-US\$4.7 million) and EBITDA totaled \$126 million (US\$0.1 million). The results are affected negatively by lower business closed and the postponement of revenue recognition from projects in execution.
- Operating Margin was -6.1% and EBITDA Margin was -0.2%.

Figure 5 – Business in Brazil
3M19 – 3M20

	mar-19 Ch\$M	mar-20 Ch\$M	Δ \$	Δ %	mar-20A Ch\$M	Δ \$ (a/a)	Δ % (a/a)
SUMMARY OF RESULTS BRAZIL							
REVENUES	56,089	65,913	9,824	17.5%	64,598	8,508	15.2%
Platforms	12,070	18,426	6,356	52.7%	17,976	5,906	48.9%
IT Services	36,350	42,864	6,514	17.9%	41,972	5,622	15.5%
Applications	7,669	4,623	-3,046	-39.7%	4,650	-3,019	-39.4%
Cost of Sales	-50,044	-62,461	-12,418	24.8%	-61,147	-11,103	22.2%
GROSS PROFIT	6,045	3,451	-2,594	-42.9%	3,451	-2,595	-42.9%
Administration Expenses	-6,353	-7,450	-1,097	17.3%	-7,284	-930	14.6%
OPERATING INCOME ⁽¹⁾	-308	-3,999	-3,691	-	-3,833	-3,525	-
EBITDA ⁽²⁾	3,565	-126	-3,691	-103.5%	-45	-3,610	-101.3%
Operating Margin	-0.5%	-6.1%			-5.9%		
EBITDA Margin	6.4%	-0.2%			-0.1%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

Note: Mar-20A corresponds to results for the quarter in constant currency.

Mexico

Main changes between 1Q20 and 1Q19 are described below:

- In constant currency, revenues decreased 37.6% (YoY), mainly explained by the Platforms Business (-66.6% in constant currency). Revenues in reporting currency decreased 27.8%, compared to 1Q19, totaling \$10,259 million (US\$12 million).
- Operating Income in reporting currency registered a loss of \$1,063 million (US\$1.2 million) and EBITDA totaled a loss of \$327 million (US\$0.4 million), due to lower commercial activity and extraordinary effects registered in 1Q19 causing lower expenses that are not repeated in this period.
- Operating Margin reached -10.4% and EBITDA Margin -3.2%.

Figure 6 – Business in Mexico
3M19 – 3M20

	mar-19 Ch\$M	mar-20 Ch\$M	Δ \$	Δ %	mar-20A Ch\$M	Δ \$ (a/a)	Δ % (a/a)
SUMMARY OF RESULTS MEXICO							
REVENUES	14,218	10,259	-3,959	-27.8%	8,877	-5,341	-37.6%
Platforms	7,118	2,696	-4,422	-62.1%	2,376	-4,742	-66.6%
IT Services	5,435	5,349	-86	-1.6%	4,604	-830	-15.3%
Applications	1,665	2,213	548	32.9%	1,897	232	13.9%
Cost of Sales	-12,918	-9,352	3,566	-27.6%	-8,072	4,846	-37.5%
GROSS PROFIT	1,299	906	-393	-30.3%	805	-495	-38.1%
Administration Expenses	88	-1,970	-2,058	-	-1,704	-1,793	-
OPERATING INCOME ⁽¹⁾	1,388	-1,063	-2,451	-176.6%	-900	-2,287	-164.8%
EBITDA ⁽²⁾	1,920	-327	-2,247	-117.0%	-268	-2,189	-114.0%
Operating Margin	9.8%	-10.4%			-10.1%		
EBITDA Margin	13.5%	-3.2%			-3.0%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

Note: Mar-20A corresponds to results for the quarter in constant currency.

OPLA (Other Countries in Latin America)

Main changes in OPLA (which includes Argentina, Colombia, Costa Rica, Ecuador, Peru, Panama and Uruguay) between 1Q20 and 1Q19 are described below:

- In constant currency, revenues increased 5.2% compared to 2018, mainly explained by the Platforms business (+40.3%). In reporting currency, revenues increased 19.0% YoY, reaching \$41,007 million (US\$ 48.1 million).
- Operating Income in constant currency increased 34.8% (YoY) and EBITDA was 24.4% higher (YoY). In reporting currency, the Operating Income amounted \$3,066 million (US\$3.6 million) and EBITDA \$4,775 million (US\$5.6 million) increasing 56.0% and 42.3% (YoY), respectively.
- Operating and EBITDA Margin reached 7.5% and 11.6%, respectively. The latter represented an increase of 180bp and 190bp, respectively YoY.

Figure 7 – Business in OPLA
3M19 – 3M20

	mar-19	mar-20	Δ \$	Δ %	mar-20A	Δ \$ (a/a)	Δ % (a/a)
	Ch\$M	Ch\$M			Ch\$M		
SUMMARY OF RESULTS OPLA							
REVENUES	34,462	41,007	6,544	19.0%	36,241	1,779	5.2%
Platforms	8,366	13,303	4,937	59.0%	11,738	3,372	40.3%
IT Services	24,190	25,122	932	3.9%	22,171	-2,018	-8.3%
Applications	1,906	2,582	676	35.4%	2,332	426	22.3%
Cost of Sales	-29,461	-33,371	-3,910	13.3%	-29,555	-95	0.3%
GROSS PROFIT	5,001	7,635	2,634	52.7%	6,686	1,684	33.7%
Administration Expenses	-3,035	-4,569	-1,533	50.5%	-4,036	-1,001	33.0%
OPERATING INCOME ⁽¹⁾	1,966	3,066	1,100	56.0%	2,649	683	34.8%
EBITDA ⁽²⁾	3,356	4,775	1,418	42.3%	4,174	818	24.4%
Operating Margin	5.7%	7.5%			7.3%		
EBITDA Margin	9.7%	11.6%			11.5%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

Note: Mar-20A corresponds to results for the quarter in constant currency.

Figure 8 – Regional Summary

Regional Summary	mar-19 Ch\$M	mar-20 Ch\$M	Δ \$	Δ %	mar-20A Ch\$M	Δ \$ (a/a)	Δ % (a/a)
CHILE							
REVENUES	90,329	98,392	8,063	8.9%	92,361	2,032	2.2%
Platforms	52,781	62,117	9,336	17.7%	56,144	3,364	6.4%
IT Services	28,215	26,732	-1,483	-5.3%	26,673	-1,542	-5.5%
Applications	9,333	9,544	210	2.3%	9,544	210	2.3%
Cost of Sales	-70,501	-80,388	-9,888	14.0%	-74,784	-4,284	6.1%
GROSS PROFIT	19,829	18,004	-1,825	-9.2%	17,577	-2,252	-11.4%
Administration Expenses	-11,343	-11,361	-18	0.2%	-11,034	309	-2.7%
OPERATING INCOME ⁽¹⁾	8,485	6,643	-1,843	-21.7%	6,543	-1,942	-22.9%
EBITDA ⁽²⁾	11,415	10,243	-1,172	-10.3%	10,092	-1,323	-11.6%
Operating Margin	9.4%	6.8%			7.1%		
EBITDA Margin	12.6%	10.4%			10.9%		
BRAZIL							
REVENUES	56,089	65,913	9,824	17.5%	64,598	8,508	15.2%
Platforms	12,070	18,426	6,356	52.7%	17,976	5,906	48.9%
IT Services	36,350	42,864	6,514	17.9%	41,972	5,622	15.5%
Applications	7,669	4,623	-3,046	-39.7%	4,650	-3,019	-39.4%
Cost of Sales	-50,044	-62,461	-12,418	24.8%	-61,147	-11,103	22.2%
GROSS PROFIT	6,045	3,451	-2,594	-42.9%	3,451	-2,595	-42.9%
Administration Expenses	-6,353	-7,450	-1,097	17.3%	-7,284	-930	14.6%
OPERATING INCOME ⁽¹⁾	-308	-3,999	-3,691	-	-3,833	-3,525	-
EBITDA ⁽²⁾	3,565	-126	-3,691	-103.5%	-45	-3,610	-101.3%
Operating Margin	-0.5%	-6.1%			-5.9%		
EBITDA Margin	6.4%	-0.2%			-0.1%		
MEXICO							
REVENUES	14,218	10,259	-3,959	-27.8%	8,877	-5,341	-37.6%
Platforms	7,118	2,696	-4,422	-62.1%	2,376	-4,742	-66.6%
IT Services	5,435	5,349	-86	-1.6%	4,604	-830	-15.3%
Applications	1,665	2,213	548	32.9%	1,897	232	13.9%
Cost of Sales	-12,918	-9,352	3,566	-27.6%	-8,072	4,846	-37.5%
GROSS PROFIT	1,299	906	-393	-30.3%	805	-495	-38.1%
Administration Expenses	88	-1,970	-2,058	-	-1,704	-1,793	-
OPERATING INCOME ⁽¹⁾	1,388	-1,063	-2,451	-176.6%	-900	-2,287	-164.8%
EBITDA ⁽²⁾	1,920	-327	-2,247	-117.0%	-268	-2,189	-114.0%
Operating Margin	9.8%	-10.4%			-10.1%		
EBITDA Margin	13.5%	-3.2%			-3.0%		
OPLA							
REVENUES	34,462	41,007	6,544	19.0%	36,241	1,779	5.2%
Platforms	8,366	13,303	4,937	59.0%	11,738	3,372	40.3%
IT Services	24,190	25,122	932	3.9%	22,171	-2,018	-8.3%
Applications	1,906	2,582	676	35.4%	2,332	426	22.3%
Cost of Sales	-29,461	-33,371	-3,910	13.3%	-29,555	-95	0.3%
GROSS PROFIT	5,001	7,635	2,634	52.7%	6,686	1,684	33.7%
Administration Expenses	-3,035	-4,569	-1,533	50.5%	-4,036	-1,001	33.0%
OPERATING INCOME ⁽¹⁾	1,966	3,066	1,100	56.0%	2,649	683	34.8%
EBITDA ⁽²⁾	3,356	4,775	1,418	42.3%	4,174	818	24.4%
Operating Margin	5.7%	7.5%			7.3%		
EBITDA Margin	9.7%	11.6%			11.5%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

ANALYSIS OF CONSOLIDATED BALANCE SHEET

Assets

As of March 31, 2020, Total Assets amounted \$1,058,067 million (US\$1,241.8 million), decreasing by 3.3% compared to December 2019. Main variations are:

Decrease in:

- Current Trade Accounts receivables and Other Receivables by \$24,734 million (US\$29 million), whose balance as of March 31, 2020 was \$254,271 million (US\$298.4 million), coming mainly from Chile.
- Goodwill by \$24,588 million (US\$28.9 million), whose balance as of March 31, 2020 was \$222,757 million (US\$261.4 million), essentially due to conversion effects.

Increase in:

- Current Tax Assets by \$9,599 million (US\$11.3 million), whose balance as of March 31, 2020 was \$36,372 million (US\$42.7 million), coming mainly from Chile.

Liabilities

Liabilities totaled \$548,031 million (US\$643.2 million) as of March 2020, decreasing by 2.1% compared to December 2019. Main variations are:

Decrease in:

- Current tax liabilities by \$7,153 million (US\$8.4 million), whose balance as of March 31, 2020 was \$15,385 million (US\$18.1 million), originated essentially in Chile.
- Other Non-Current Financial Liabilities by \$4,864 million (US\$5.7 million), whose balance as of March 31, 2020 was \$223,503 million (US\$262.3 million), mainly due to Brazil and associated to the transfer of balance to the current portion.

Shareholder's Equity

Consolidated shareholders' equity attributable to owners amounted \$507,086 million (US\$595.2 million) as of March 2020, decreasing 4.7% compared to December 2019 (\$25,070 million / US\$29.4 million). The main variations are explained by the results of the period, net of dividends, and by negative effects in the Reserve of Exchange Difference translations (\$29,648 million / US\$34.8 million).

Figure 9 – Financial Ratios Summary

Financial Ratios		mar-19	mar-20	Δ	dec-19	Δ
				mar-20 / mar-19		mar-20 / dec-19
LIQUIDITY						
Current Ratio (Current Assets / Current Liabilities)	(times)	1.4	1.9	35.8%	1.9	-1.1%
Quick Ratio ((Current Assets - Inventories) / Current Liabilities)	(times)	1.2	1.7	41.1%	1.8	-2.9%
Working Capital (Current Assets - Current Liabilities)	(Ch M\$)	112,724	244,411	116.8%	251,222	-2.7%
INDEBTEDNESS						
Leverage ((Current Liabilities + Non-current Liabilities) / Equity)	(times)	0.8	1.1	29.1%	1.0	2.7%
Financial Leverage ((Other Current Financial Liabilities + Other Non-current Financial Liabilities) / Equity)	(times)	0.4	0.6	46.9%	0.6	2.4%
Short-Term Debt (Current Liabilities / Total Liabilities)	(times)	0.7	0.5	-28.8%	0.5	1.7%
Long-Term Debt (Non-Current Liabilities / Total Liabilities)	(times)	0.3	0.5	67.8%	0.5	-1.7%
Financial-Expenses-Coverage Ratio (EBITDA / Financial Expenses)	(times)	5.1	4.7	-7.6%	5.1	-8.4%
Financial Debt to EBITDA Ratio ((Current Liabilities + Non-current Liabilities) / EBITDA ^{1,2})	(times)	2.5	5.3	112.8%	3.5	53.1%
Net Financial Debt to EBITDA Ratio ((Current Liabilities + Non-current Liabilities - Cash and Cash Equivalents - Other Current Financial Assets) / EBITDA ^{1,2})	(times)	1.8	2.7	51.4%	1.7	52.4%
PROFITABILITY						
ROE (Net Income attrib.to Owners ² / Equity attrib.to Owners ³)	%	3.9%	6.2%	230 pb	4.5%	170 pb
ROA (Net Income attrib.to Owners ² / Equity attrib.to Owners ³)	%	2.1%	3.0%	90 pb	2.3%	70 pb
Earnings per Share (Net Income attrib.to Owners of Comp. / Total Shares ⁴)	(Ch\$)	21.8	36.8	68.4%	26.5	38.5%
Dividend Yield (Dividends Paid ⁵ / Closing Market Stock Price)	%	0.6%	3.0%	240 pb	1.9%	110 pb

1 EBITDA = Operating Income + Depreciation and Amortization

2 Annual Base

3 Calculated as an average:

- mar-20: average between mar-20 and dec-19

- mar-19: average between mar-19 and dec-18

- dec-19: average between dec-19 y dec-18

4 Numbers of shares considered:

- mar-20 = 871057175.0

- mar-19 = 871057175.0

- dec-19 = 871057175.0

5 Last 12 months

Statements of Cash Flow

Cash and Cash Equivalents reached \$141,314 million (US\$165.9 million) as of March 31, 2020 compared to \$43,471 million (US\$51 million) as of March 31, 2019.

Net cash flow from operating activities totaled \$14,807 million in 1Q20 (US\$17.4 million), higher than the \$7,783 million (US\$9.1 million) generated in the same period of 2019.

The net cash flow used in investment activities was \$11,833 million (US\$13.9 million) in the 1Q20.

Capital Expenditures (CAPEX) totaled \$15,536 million (US\$18.2 million) in 1Q20, and included \$14,829 million (US\$17.4 million) invested in the purchase of fixed assets for internal use, contracts with customers and the construction of Data Center and \$706 million (US\$0.8 million) in intangibles.

The net cash flow used in financing activities reached \$2,290 million (US\$2.7 million), compared to the \$1,384 million (US\$39.8 million) received in the first quarter of 2019, variation associated to higher financial lease payment, net bank loans and interests.

Figure 10 – Statements of Cash Flow

	mar-19 Ch\$M	mar-20 Ch\$M	Δ \$	Δ %
Statements of Cash Flow				
Net Cash Flows from (used in) Operating Activities	7,783	14,807	7,024	90.3%
Net Cash Flows from (used in) Investing Activities	(14,653)	(11,833)	2,820	19.2%
Net Cash Flows from (used in) Financing Activities	1,384	(2,290)	(3,674)	-265.5%
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATES	(5,487)	684	6,171	112.5%
Effect of Exchange Rate changes on Cash and Cash Equivalents	(435)	1,890	2,325	534.9%
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(5,921)	2,575	8,496	143.5%
Cash and Cash Equivalents at beginning of period	49,393	138,739	89,347	180.9%
CASH AND CASH EQUIVALENTS AT END OF PERIOD	43,471	141,314	97,843	225.1%