



# **EARNINGS RELEASE**

**SONDA S.A.**

June 2013

## Earnings Release

January 01, 2013 – June 30, 2013

### SUMMARY: 1H13-2Q13

- ❖ Consolidated Revenues:  
**US\$638.4 million**
- ❖ Operating Income:  
**US\$80.8 million**
- ❖ EBITDA:  
**US\$ 109.6 million**
- ❖ Net Income:  
**US\$63.8 million**
- ❖ EBITDA Margin:  
**17.2%**
- ❖ Net Margin:  
**10.0%**

SONDA S.A. (Santiago Stock Exchange: SONDA), the leading Latin American owned private-sector IT Services provider, announces its consolidated financial results as of June 30, 2013. 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 June 30, 2013 (1 US\$ = 507.16 Chilean Pesos).

### 1. EXECUTIVE SUMMARY

SONDA totaled consolidated revenues of \$323,794 million (US\$638.4 million) for the first half of 2013, showing a decrease of 1.6% YoY. Operating income grew by 3.3%, to \$41,001 million (US\$80.8 million) and EBITDA reached \$55,571 million (US\$109.6 million), reflecting a rise of 1.4% YoY. Net income totaled \$32,375 million (US\$63.8 million), an increase of 34.2%. EBITDA margin was 17.2%, up 60bp when compared to first half of 2012.

Regional results:

Region	Revenues		EBITDA	
	Ch\$M	Δ Y/Y	Ch\$M	Δ Y/Y
Chile	145,304	-3.2%	29,795	-7.5%
Brazil	108,161	-0.4%	13,317	+1.7%
Mexico	27,945	-0.1%	4,753	+6.6%
OPLA	42,384	-0.1%	7,705	+54.1%
<b>Total</b>	<b>323,794</b>	<b>-1.6%</b>	<b>55,571</b>	<b>+1.4%</b>

Highlights:

- ❖ Devaluation of the Brazilian Real with regards to the Chilean Peso in the last twelve months has negatively affected the conversion of the results of Brazilian operations to reporting currency and, with this, the consolidated results. Excluding the effect of exchange rate fluctuations in the conversion of local currencies to reporting currency (Chilean peso), the consolidated revenues for the first half of 2013 would have reached US\$674.9 million growing by 4.0% YoY, while EBITDA would have reached US\$113.6 million, growing by 5.2% YoY.

- ❖ Operations outside Chile generated revenues for \$178,491 million (US\$351.9 million), lower by 0.3% YoY and contributing with 55.1% of consolidated revenues. The exchange rate fluctuations also had an effect in the combined results of operations outside of Chile, which, without this effect, would have increased revenues by 9.1% YoY.

- ❖ Operating income and EBITDA for the operations outside of Chile increased by 9.4% and 14.3%, reaching \$17,028 million (US\$33.6 million) and \$25,776 million (US\$50.8 million), respectively. Without conversion effects, EBITDA would have grown by 23.2%. EBITDA margin was 14.4% in 1H13, up 180bp, when compared to the same period in 2012.

- ❖ Revenues in Brazil totaled \$108,161 million (US\$213.3 million) decreasing by 0.4% YoY, with a higher EBITDA for \$13,317 million (US\$26.3 million / +1.7% YoY) and a 12.3% higher EBITDA margin (+20bp YoY). Without conversion effects, revenues in Brazil would have grown by 12.0% and EBITDA by 13.6% for 1Q13.

- ❖ In Mexico, operating margin and EBITDA margin reached 13.5% and 17.0% respectively, growing by 100bp and 110bp respectively, when compared to the same period in 2012.

- ❖ OPLA reached \$42,384 million (US\$83.6 million) in revenues, and a higher EBITDA by +54.1% YoY. EBITDA margin reached 18.2%, 640bp higher the same period of last year.

- ❖ Net income attributable to the owners of the company reached \$32,375 million (US\$63.8 million), reflecting an increase of 34.2% YoY.

- ❖ New deals closed during the first half of 2013 reached US\$632.3 million, decreasing by 1.4% YoY.

### IR Team:

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Figure 1 – Consolidated Financial Statements

**Consolidated Financial Statements**  
**SONDA S.A.**

Millions of Ch\$ (Ch\$M)				
<b>Income Statement</b>	<b>Jun-12</b>	<b>Jun-13</b>	<b>Δ \$</b>	<b>Δ %</b>
Revenues	329,163	323,794	(5,369)	-1.6%
Cost of Sales	(259,319)	(253,376)	5,943	-2.3%
<b>Gross Profit</b>	<b>69,844</b>	<b>70,418</b>	<b>574</b>	<b>0.8%</b>
Administration Expenses	(30,143)	(29,417)	727	-2.4%
<b>Operating Income <sup>(1)</sup></b>	<b>39,701</b>	<b>41,001</b>	<b>1,300</b>	<b>3.3%</b>
Depreciation and Amortization	15,076	14,570	(506)	-3.4%
<b>EBITDA <sup>(2)</sup></b>	<b>54,777</b>	<b>55,571</b>	<b>794</b>	<b>1.4%</b>
Other Income	1,692	6,899	5,207	307.8%
Other Expenses	(3,279)	(3,349)	(70)	2.1%
<b>Profit (Loss) From Operating Activities</b>	<b>38,114</b>	<b>44,551</b>	<b>6,438</b>	<b>16.9%</b>
Financial Income	1,498	3,959	2,461	164.2%
Financial Expenses	(5,275)	(3,665)	1,611	-30.5%
Share of Profit (Loss) of Associates	309	105	(204)	-66.1%
Foreign Exchange Differences	479	666	187	39.0%
Income (Loss) for Indexed Assets and Liabilities	(136)	403	539	-396.0%
<b>Net Income Before Taxes</b>	<b>34,989</b>	<b>46,019</b>	<b>11,031</b>	<b>31.5%</b>
Income Tax Expense	(8,806)	(11,964)	(3,158)	35.9%
<b>Net Income from Continuing Operations</b>	<b>26,182</b>	<b>34,055</b>	<b>7,873</b>	<b>30.1%</b>
Net Income Attributable to Minority Interest	2,058	1,680	(378)	-18.4%
<b>Net Income Attributable to Owners of the Company</b>	<b>24,125</b>	<b>32,375</b>	<b>8,250</b>	<b>34.2%</b>
<b>Balance Sheet</b>	<b>Dec-12</b>	<b>Jun-13</b>	<b>Δ \$</b>	<b>Δ %</b>
Cash and Cash Equivalents	61,310	155,583	94,272	153.8%
Other Current Financial Assets	4,504	2,203	(2,301)	-51.1%
Trade Accounts Receivable and Other Receivables, Net	158,699	147,850	(10,849)	-6.8%
Accounts Receivable from Related Companies	14,623	12,070	(2,552)	-17.5%
Inventories	28,036	36,740	8,704	31.0%
Other Current Assets	36,797	41,811	5,014	13.6%
<b>Current Assets</b>	<b>303,968</b>	<b>396,257</b>	<b>92,289</b>	<b>30.4%</b>
Intangibles Assets and Goodwill	235,879	229,663	(6,216)	-2.6%
Property, Plant and Equipment, Net	89,113	95,495	6,382	7.2%
Other Non-currents Assets	64,549	40,201	(24,348)	-37.7%
<b>Non-current Assets</b>	<b>389,542</b>	<b>365,359</b>	<b>(24,183)</b>	<b>-6.2%</b>
<b>Assets</b>	<b>693,509</b>	<b>761,615</b>	<b>68,106</b>	<b>9.8%</b>
Other Current Financial Liabilities	21,709	25,273	3,564	16.4%
Other Liabilities	146,836	159,871	13,035	8.9%
<b>Current Liabilities</b>	<b>168,545</b>	<b>185,143</b>	<b>16,598</b>	<b>9.8%</b>
Other Non-current Financial Liabilities	83,814	81,237	(2,577)	-3.1%
Other Liabilities, Non-Current	42,642	34,212	(8,429)	-19.8%
<b>Non-current Liabilities</b>	<b>126,456</b>	<b>115,449</b>	<b>(11,007)</b>	<b>-8.7%</b>
<b>Liabilities</b>	<b>295,001</b>	<b>300,593</b>	<b>5,591</b>	<b>1.9%</b>
Minority Interest	4,737	5,318	580	12.3%
<b>Total Shareholders' Equity Attributable to Owners of the Company</b>	<b>393,771</b>	<b>455,705</b>	<b>61,934</b>	<b>15.7%</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>693,509</b>	<b>761,615</b>	<b>68,106</b>	<b>9.8%</b>

<sup>(1)</sup> Operating Income = Gross Profit – Administration Expenses

<sup>(2)</sup> EBITDA = Operating Income + Depreciation and Amortization

## MANAGEMENT DISCUSSION AND ANALYSIS ON 1H13 AND 2Q13 CONSOLIDATED RESULTS

### I. Consolidated Results for 1H13

#### Revenues

Consolidated revenues reached \$323,794 million (US\$638.4 million) for the half 2013, decreasing by 1.6% YoY (\$5,369 million / US\$10.6 million).

Devaluation of the LatAm currencies with regards to Chilean Peso during 1H13, negatively affected the conversion of the results to reporting currency and with this, the consolidated revenues. Excluding the effect of exchange rate fluctuations, consolidated revenues would have reached US\$674.9 million growing by 4.0% YoY.

Main variations in the period were the following:

- ❖ +1.5% rise (+\$2,594 million / +US\$5.1 million) in revenues from IT services business, totaling \$180,078 million (US\$355.1 million), as a result of new contracts and projects, mostly in OPLA and Mexico. Excluding the effect of exchange rate fluctuations, consolidated IT services revenues would have grown by 7.7% YoY.
- ❖ Application business revenues increase by 2.0% (+\$530 million / +US\$1.0 million), to \$27,183 million (US\$53.6 million), mainly due to Chilean and Brazilian operations. Excluding the effect of exchange rate fluctuations consolidated Application business revenues would have grown by 10.4% YoY.
- ❖ Decrease of 6.8% (-\$8,493 million / -US\$16.7 million) in platforms business, reaching \$116,534 million (US\$229.8 million), Excluding the effect of exchange rate fluctuations, consolidated platforms business revenues would have dropped by 2.6% YoY. This variation was mainly a consequence of:
  - +16.7% larger sales of HW platforms (+\$4,195 million / +US\$8.3 million), totalizing \$29,319 million (US\$57.8 million), partially offset by,
  - -11.9% sales of SW platforms (-\$11,516 million / -US\$22.7 million), reaching \$85,362 million (US\$168.3 million)

Regarding revenue breakdown by business line, IT services contributed with a 55.6% of consolidated revenues, applications an 8.4% and platforms the remaining 36.0%.

Figure 2 – Consolidated Revenues by Business Line

Consolidated Revenues by Business Line	Jun-12	Jun-13	Δ \$	Δ %
	Ch\$M	Ch\$M		
Platforms	125,027	116,534	(8,493)	-6.8%
IT Services	177,484	180,078	2,594	1.5%
Applications	26,652	27,183	530	2.0%
<b>Total</b>	<b>329,163</b>	<b>323,794</b>	<b>(5,369)</b>	<b>-1.6%</b>
<b>Breakdown</b>				
Platforms	38.0%	36.0%		
IT Services	53.9%	55.6%		
Applications	8.1%	8.4%		
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>		

## Cost of Sales and Selling, General and Administrative Expenses

Cost of sales totaled \$253,376 million (US\$499.6 million) for 1H13, showing a decrease of 2.3% YoY, slightly higher than the decrease in revenues.

Administration expenses reached \$29,417 million (US\$58.0 million), lower than the same period of last year by 2.4%.

Figure 3 – Income Statement

<b>Summary of Consolidated Income Statement</b>	<b>Jun-12</b>	<b>Jun-13</b>	<b>Δ \$</b>	<b>Δ %</b>
	Ch\$M	Ch\$M		
Revenues	329,163	323,794	(5,369)	-1.6%
Cost of Sales	(259,319)	(253,376)	5,943	-2.3%
<b>Gross Profit</b>	<b>69,844</b>	<b>70,418</b>	<b>574</b>	<b>0.8%</b>
Administration Expenses	(30,143)	(29,417)	727	-2.4%
Operating Income <sup>(1)</sup>	39,701	41,001	1,300	3.3%
<b>EBITDA <sup>(2)</sup></b>	<b>54,777</b>	<b>55,571</b>	<b>794</b>	<b>1.4%</b>
Net Income Attributable to Owners	24,125	32,375	8,250	34.2%
<b>Financial Ratios</b>				
Gross Margin	21.2%	21.7%		
Operating Margin	12.1%	12.7%		
EBITDA Margin	16.6%	17.2%		
Net Margin	7.3%	10.0%		

<sup>(1)</sup> Operating Income: Gross Profit – Administration Expenses

<sup>(2)</sup> EBITDA: Operating Income + Depreciation and Amortization

## Operating Income and Ebitda

Operating income amounted to \$41,001 million (US\$80.8 million) increasing 3.3% YoY. Gross margin as a percentage of revenues totaled 21.7%, while operating margin was 12.7%, improving by 50bp and 60bp, respectively, with regards to 1H12.

EBITDA totaled \$55,571 million (US\$109.6 million / +1.4% YoY), while EBITDA margin reached 17.2%.

Devaluation of LatAm currencies with regards to Chilean Peso negatively affected the conversion of the results to reporting currency and with this, the operating income and EBITDA. Excluding the effect of exchange rate fluctuations, operating income would have reached US\$83.5 million growing by 6.7% YoY, while EBITDA would have reached US\$113.6 million growing by 5.2% YoY.

## Other Comprehensive Income (Excluding Administration Expenses)

Total other comprehensive income, excluding administration expenses, moved from a loss of \$4,712 million (US\$9.3 million) in June, 2012, to a profit of \$5,018 million (US\$9.9 million) in June 2013. The latter mainly due to an increase in other income (+\$5,207 million / US\$10.3 million), after the selling of a minority stake in the non-controlled affiliate Payroll, which generated an after tax profit for \$4,559 million (US\$9.0 million). In addition to this, financial income increased by \$2,461 million (US\$4.9 million), and financial expenses decreased by \$1,611 million (US\$3.2 million).

## Net Income

Net income attributable to the owners of the company, totaled \$32,375 million (US\$63.8 million) in 1H13, reflecting an increase of 34.2% YoY. Without the effect of the Payroll divestiture, net profit attributable to the owners of the company would have grown by 15.3% compared to the same period of last year.

## II. Consolidated Results for the Second Quarter of 2013 (2Q13)

### Revenues

Consolidated revenues reached \$165,933 million (US\$327.2 million) in 2Q13, down 5.3% YoY, mainly due to:

- ❖ Larger revenues from IT services business (+1.7% YoY), totaling \$90,950 million (US\$179.3 million), driven by:
  - +11.6% increase in outsourcing revenues (+\$5,022 million / +US\$9.9 million), to \$48.450 million (US\$95.5 million).
- ❖ Platforms business revenues went down by 15.6% YoY (-\$11,318 million / -US\$22.3 million) reaching \$61,122 million (US\$120.5 million), principally as a result of:
  - 17.1% lower sales of HW platforms (-\$9,409 million / -US\$18.6 million), to \$45,618 million (US\$89.9 million)
  - 8.1% lower sales of SW platforms (-\$1,273 million / -US\$2.5 million), reaching \$14,534 million (US\$28.7 million)
- ❖ Applications business with total revenues up 3.9% YoY (+\$525 million / US\$1.0 million), totaling \$13,862 million (US\$27.3 million), due to
  - Increase in licenses sales by 57.3% (+\$914 million / US\$1.8 million), totaling \$2,510 million (US\$ 4.9 million)

In terms of revenue breakdown by business line, IT services contributed with 54.8% of consolidated revenues during the second quarter of 2013, while applications and platforms business lines represented 8.4% and 36.8%, respectively.

Figure 4 – Consolidated Revenues by Business Line

<b>Consolidated Revenues by Business Line</b>	<b>2Q12</b>	<b>2Q13</b>	<b>Δ \$</b>	<b>Δ %</b>
	Ch\$M	Ch\$M		
Platforms	72,440	61,122	(11,318)	-15.6%
IT Services	89,387	90,950	1,563	1.7%
Applications	13,337	13,862	525	3.9%
<b>Total</b>	<b>175,163</b>	<b>165,933</b>	<b>(9,230)</b>	<b>-5.3%</b>
<b>Breakdown</b>				
Platforms	41.4%	36.8%		
IT Services	51.0%	54.8%		
Applications	7.6%	8.4%		
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>		

### Cost of Sales and Selling, General and Administrative Expenses

Cost of sales amounted \$130,147 million (US\$256.6 million) for 2Q13, down 6.1% YoY, showing a slightly higher decrease than revenues.

Administration expenses totaled \$14,965 million (US\$29.5 million), decreasing by 5.4% YoY.

### Operating Income and Ebitda

Operating income reached \$20,821 million (US\$41.1 million / +0.1% YoY). Gross margin as a percentage of revenues reached 21.6%, while operating margin was 12.5%.

EBITDA amount \$28,391 million (US\$56.0 million / -0.2% YoY) for 2Q13 and EBITDA margin reached 17.1% for the period.

Figure 5 – Income Statement

<b>Summary of Consolidated Income Statement</b>	<b>2Q12</b>	<b>2Q13</b>	<b>Δ \$</b>	<b>Δ %</b>
	Ch\$M	Ch\$M		
Revenues	175,163	165,933	(9,230)	-5.3%
Cost of Sales	(138,536)	(130,147)	8,389	-6.1%
<b>Gross Profit</b>	<b>36,627</b>	<b>35,786</b>	<b>(841)</b>	<b>-2.3%</b>
Administration Expenses	(15,818)	(14,965)	853	-5.4%
Operating Income <sup>(1)</sup>	20,809	20,821	13	0.1%
<b>EBITDA <sup>(2)</sup></b>	<b>28,435</b>	<b>28,391</b>	<b>(44)</b>	<b>-0.2%</b>
Net Income Attributable to Owners	11,882	18,000	6,118	51.5%
<b>Financial Ratios</b>				
Gross Margin	20.9%	21.6%		
Operating Margin	11.9%	12.5%		
EBITDA Margin	16.2%	17.1%		
Net Margin	6.8%	10.8%		

<sup>(1)</sup> Operating Income: Gross Profit – Administration Expenses

<sup>(2)</sup> EBITDA: Operating Income + Depreciation and Amortization

### Other Comprehensive Income (Excluding Administration Expenses)

Total other comprehensive income, excluding administration expenses, moved from a loss of \$3,047 million (-US\$6.0 million) in 2Q12 to a profit of \$6,174 million (US\$12.2 million) in 2Q13. The variation was mainly due to the selling of a minority stake in the non-controlled affiliate Payroll, which generated an after tax profit for \$4,559 million (US\$9.0 million).

### Net Income

Net income attributable to the owners of the Company, amounted \$18,000 million (US\$35.5 million) for 2Q13, up 51.5% YoY. Without the effect of Payroll divestiture, net profit attributable to the owners of the company would have grown by 13.2% compared to the same period of last year.

### 3. Regional Results for the first half of 2013 (1H13) and the second quarter of 2013 (2Q13)

#### Chile

Main changes in Chile between 1H12 and 1H13 are described below:

- ❖ Revenues of \$145,304 million (US\$286.5 million), decreasing by 3.2% YoY, as a result of extraordinary effects in outsourcing projects during 1H12, which not occurred in 1H13. Platforms revenues grew 0.5% YoY, excluding the effect of exchange rate fluctuations would have grown 2.7% YoY.
- ❖ Operating income reaching \$23,972 million (US\$47.3 million / -0.7% YoY) and EBITDA totaling \$29,795 million (US\$58.7 million / -7.5% YoY)
- ❖ Operating margin reached 16.5%, 40bp over the same period of 2012.

Figure 6 – Business in Chile  
Jun12 - Jun13

Summary of Results Chile	Jun-12	Jun-13	Δ \$	Δ %
	Ch\$M	Ch\$M		
Revenues	150,132	145,304	(4,829)	-3.2%
Platforms	72,105	72,469	364	0.5%
IT Services	71,980	66,388	(5,592)	-7.8%
Applications	6,048	6,447	399	6.6%
Cost of Sales	(112,759)	(108,439)	4,320	-3.8%
<b>Gross Profit</b>	<b>37,373</b>	<b>36,865</b>	<b>(508)</b>	<b>-1.4%</b>
Administration Expenses	(13,232)	(12,892)	340	-2.6%
<b>Operating Income <sup>(1)</sup></b>	<b>24,141</b>	<b>23,972</b>	<b>(168)</b>	<b>-0.7%</b>
<b>EBITDA <sup>(2)</sup></b>	<b>32,227</b>	<b>29,795</b>	<b>(2,432)</b>	<b>-7.5%</b>
Operating Margin	16.1%	16.5%		
EBITDA Margin	21.5%	20.5%		

Main changes in Chile between 2Q12 and 2Q13 are described below:

- ❖ \$74,777 million (US\$147.4 million / -4.8% YoY) in revenues for 2Q13. The decrease was driven by: platforms (+0.2% YoY), IT services (-10.6% YoY) and applications (+4.1%)
- ❖ Operating income of \$11,791 million (US\$23.2 million), decreasing 0.7% YoY, due to lower gross profit (-3.7% YoY)
- ❖ EBITDA totaling \$14,593 million (US\$28.8 million), going down by 8.3%, and EBITDA margin down to 19.5% when compared with 20.3% in 2Q12.

Figure 6 – Business in Chile  
1Q12 – 1Q13

Summary of Results Chile	2Q12	2Q13	Δ \$	Δ %
	Ch\$M	Ch\$M		
Revenues	78,525	74,777	(3,748)	-4.8%
Platforms	37,726	37,795	69	0.2%
IT Services	37,471	33,517	(3,954)	-10.6%
Applications	3,328	3,465	136	4.1%
Cost of Sales	(59,580)	(56,533)	3,047	-5.1%
<b>Gross Profit</b>	<b>18,946</b>	<b>18,245</b>	<b>(701)</b>	<b>-3.7%</b>
Administration Expenses	(7,067)	(6,453)	614	-8.7%
<b>Operating Income <sup>(1)</sup></b>	<b>11,879</b>	<b>11,791</b>	<b>(87)</b>	<b>-0.7%</b>
<b>EBITDA <sup>(2)</sup></b>	<b>15,916</b>	<b>14,593</b>	<b>(1,323)</b>	<b>-8.3%</b>
Operating Margin	15.1%	15.8%		
EBITDA Margin	20.3%	19.5%		

<sup>(1)</sup> Operating Income: Gross Profit – Administration Expenses

<sup>(2)</sup> EBITDA: Operating Income + Depreciation and Amortization



## Brazil

Main changes in Brazil between 1H12 and 1H13 are described below:

- ❖ Revenues totaling \$108,161 million (US\$213.3 million), down 0.4% YoY, without conversion effects, revenues in Brazil would have grown by 12.0%. IT services revenues decreased by 0.7% YoY, which, without conversion effects, would have grown by 11.7%.
- ❖ Operating income reached \$9,159 million (US\$18.1 million / -11.3% YoY), while EBITDA totaled \$13,317 million (US\$26.3 million / +1.7%). Without conversion effects, operating income would have decreased by 1.2% YoY, and EBITDA would have increased of 13.6%.
- ❖ Operating margin and EBITDA margin were 8.5% and 12.3%, increasing 20bp YoY.

Figure 7 – Business in Brazil  
1H12 – 1H13

Summary of Results Brazil	Jun-12	Jun-13	Δ \$	Δ %
	Ch\$M	Ch\$M		
Revenues	108,615	108,161	(453)	-0.4%
Platforms	21,576	21,407	(169)	-0.8%
IT Services	70,047	69,526	(521)	-0.7%
Applications	16,992	17,228	237	1.4%
Cost of Sales	(88,863)	(89,852)	(989)	1.1%
<b>Gross Profit</b>	<b>19,752</b>	<b>18,309</b>	<b>(1,442)</b>	<b>-7.3%</b>
Administration Expenses	(9,431)	(9,150)	281	-3.0%
<b>Operating Income <sup>(1)</sup></b>	<b>10,320</b>	<b>9,159</b>	<b>(1,161)</b>	<b>-11.3%</b>
<b>EBITDA <sup>(2)</sup></b>	<b>13,090</b>	<b>13,317</b>	<b>228</b>	<b>1.7%</b>
<i>Operating Margin</i>	9.5%	8.5%		
<i>EBITDA Margin</i>	12.1%	12.3%		

Main changes in Brazil between 2Q12 and 2Q13 are described below:

- ❖ Revenues reaching \$54,602 million (US\$107.7 million), decreasing 6.8% YoY, explained by the behavior of platforms business (-34.4% YoY) mostly, offsetting the higher revenues from both applications (+4.5% YoY) and IT services (+4.0% YoY). Without conversion effects, revenues in Brazil would have grown by 0.7%.
- ❖ Operating income and EBITDA reaching \$4,934 million (US\$9.7 million) and \$7,054 million (US\$13.9 million), decreasing by 19.9% and 6.5% YoY, respectively. Without conversion effects, EBITDA in Brazil would have grown by 0.1%.
- ❖ Operating margin, reached 9.0% from 10.5% in 2Q12, while EBITDA margin reached the same 12.9% than in 2Q12.

Figure 8 – Business in Brazil  
1Q12 – 1Q13

Summary of Results Brazil	2Q12	2Q13	Δ \$	Δ %
	Ch\$M	Ch\$M		
Revenues	58,571	54,602	(3,969)	-6.8%
Platforms	16,523	10,844	(5,679)	-34.4%
IT Services	33,528	34,858	1,330	4.0%
Applications	8,520	8,900	380	4.5%
Cost of Sales	(47,485)	(45,078)	2,407	-5.1%
<b>Gross Profit</b>	<b>11,086</b>	<b>9,524</b>	<b>(1,562)</b>	<b>-14.1%</b>
Administration Expenses	(4,930)	(4,590)	340	-6.9%
<b>Operating Income <sup>(1)</sup></b>	<b>6,156</b>	<b>4,934</b>	<b>(1,222)</b>	<b>-19.9%</b>
<b>EBITDA <sup>(2)</sup></b>	<b>7,547</b>	<b>7,054</b>	<b>(493)</b>	<b>-6.5%</b>
<i>Operating Margin</i>	10.5%	9.0%		
<i>EBITDA Margin</i>	12.9%	12.9%		

<sup>(1)</sup> Operating Income: Gross Profit – Administration Expenses

<sup>(2)</sup> EBITDA: Operating Income + Depreciation and Amortization

## Mexico

Main changes in Mexico between 1H12 and 1H13 are described below:

- ❖ Revenues in similar levels to those of 1H13, totaling \$27,945 million (US\$55.1 million), as a result of lower activity in the platforms business (-14.7% YoY), mainly due to business postponement, partially offset by higher revenues in IT services (+12.0% YoY), as a consequence of new projects executed during 1H13.
- ❖ Operating income of \$3,783 million (US\$7.5 million / +7.9% YoY) and \$4,753 million (US\$9.4 million / +6.6% YoY) in EBITDA
- ❖ Operating margin and EBITDA margin reached 13.5% and 17.0%, going up by 100bp and 110bp respectively in comparison with the same period of the last year.

Figure N°9: Business in Mexico  
1H12 – 1H13

Summary of Results Mexico	Jun-12	Jun-13	Δ \$	Δ %
	Ch\$M	Ch\$M		
Revenues	27,987	27,945	(42)	-0.1%
Platforms	12,481	10,644	(1,836)	-14.7%
IT Services	15,224	17,045	1,821	12.0%
Applications	282	256	(26)	-9.3%
Cost of Sales	(21,277)	(20,862)	415	-2.0%
<b>Gross Profit</b>	<b>6,709</b>	<b>7,083</b>	<b>373</b>	<b>5.6%</b>
Administration Expenses	(3,204)	(3,300)	(96)	3.0%
<b>Operating Income <sup>(1)</sup></b>	<b>3,505</b>	<b>3,783</b>	<b>278</b>	<b>7.9%</b>
<b>EBITDA <sup>(2)</sup></b>	<b>4,459</b>	<b>4,753</b>	<b>294</b>	<b>6.6%</b>
<i>Operating Margin</i>	<i>12.5%</i>	<i>13.5%</i>		
<i>EBITDA Margin</i>	<i>15.9%</i>	<i>17.0%</i>		

Main changes in Mexico between 2Q12 and 2Q13 are described below:

- ❖ Revenues for \$14,636 million (US\$28.9 million), a 3.4% YoY increase, as a result of higher activity in the IT services business line (+9.3% YoY)
- ❖ Operating income, reaching \$2,031 million (US\$4.0 million), 14.3% up from 2Q12 figures and EBITDA growing by 12.5% YoY, to \$2,521 million (US\$5.0 million)
- ❖ Operating margin was 13.9%, while EBITDA margin reached 17.2%, showing significant improvements when compared to 2Q12 (+130bp and +140bp, respectively)

Figure N°10: Business in México  
1Q12 – 1Q13

Summary of Results Mexico	2Q12	2Q13	Δ \$	Δ %
	Ch\$M	Ch\$M		
Revenues	14,149	14,636	487	3.4%
Platforms	6,711	6,517	(194)	-2.9%
IT Services	7,388	8,074	686	9.3%
Applications	50	45	(5)	-9.4%
Cost of Sales	(10,831)	(10,788)	42	-0.4%
<b>Gross Profit</b>	<b>3,318</b>	<b>3,847</b>	<b>529</b>	<b>15.9%</b>
Administration Expenses	(1,542)	(1,816)	(274)	17.8%
<b>Operating Income <sup>(1)</sup></b>	<b>1,776</b>	<b>2,031</b>	<b>255</b>	<b>14.3%</b>
<b>EBITDA <sup>(2)</sup></b>	<b>2,242</b>	<b>2,521</b>	<b>279</b>	<b>12.5%</b>
<i>Operating Margin</i>	<i>12.6%</i>	<i>13.9%</i>		
<i>EBITDA Margin</i>	<i>15.8%</i>	<i>17.2%</i>		

<sup>(1)</sup> Operating Income: Gross Profit – Administration Expenses

<sup>(2)</sup> EBITDA: Operating Income + Depreciation and Amortization

## OPLA (Other countries in Latin America)

Main changes in OPLA (which includes Argentina, Colombia, Costa Rica, Ecuador, Peru, Panama and Uruguay) between 1H12 and 1H13 are described below:

- ❖ Revenues in similar levels to those of 1H12, reaching \$42,384 million (US\$83.6 million). Without conversion effects, revenues would have grown by 7.1%. Higher revenues in IT services (+34.0% YoY), mostly explained by new contracts in Colombia, Argentina Peru and Uruguay, and the Metrobus' project in Panama started up in Feb-12.
- ❖ Operating income and EBITDA grew to \$4,086 million (US\$8.1 million) and \$7,705 million (US\$15.2 million), improving 135.6% YoY and 54.1% YoY, respectively
- ❖ Operating margin was 9.6% and EBITDA margin reached 18.2%, 550bp and 640bp up, respectively, when compared to the same period in 2012.

Figure N°11: Business in OPLA  
1H12 - 1H13

Summary of Results OPLA	Jun-12	Jun-13	Δ \$	Δ %
	Ch\$M	Ch\$M		
Revenues	42,430	42,384	(45)	-0.1%
Platforms	18,866	12,014	(6,852)	-36.3%
IT Services	20,234	27,119	6,886	34.0%
Applications	3,330	3,251	(80)	-2.4%
Cost of Sales	(36,419)	(34,223)	2,196	-6.0%
<b>Gross Profit</b>	<b>6,010</b>	<b>8,161</b>	<b>2,151</b>	<b>35.8%</b>
Administration Expenses	(4,276)	(4,075)	201	-4.7%
<b>Operating Income <sup>(1)</sup></b>	<b>1,734</b>	<b>4,086</b>	<b>2,352</b>	<b>135.6%</b>
<b>EBITDA <sup>(2)</sup></b>	<b>5,001</b>	<b>7,705</b>	<b>2,704</b>	<b>54.1%</b>
<i>Operating Margin</i>	<i>4.1%</i>	<i>9.6%</i>		
<i>EBITDA Margin</i>	<i>11.8%</i>	<i>18.2%</i>		

Main changes in OPLA between 2Q12 and 2Q13 are described below:

- ❖ 8.4% decrease in revenues, to \$21,919 million (US\$43.2 million), explained by a platforms revenues decrease of \$5,513 million (US\$10.9 million / -48.0%), partially offset by higher revenues in the IT services business for \$3,501 million (US\$6.9 million / 31.8%)
- ❖ Operating income of \$2,065 million (US\$4.1 million / +107.0% YoY) and EBITDA of \$4,223 million (US\$8.3 million / +54.7% YoY).
- ❖ Operating margin totaled 9.4%, while EBITDA margin reached 19.3%, improving by 790 bp.

Figure N°12: Business in OPLA  
1Q12 – 1Q13

Summary of Results OPLA	2Q12	2Q13	Δ \$	Δ %
	Ch\$M	Ch\$M		
Revenues	23,918	21,919	(1,999)	-8.4%
Platforms	11,479	5,965	(5,513)	-48.0%
IT Services	11,000	14,501	3,501	31.8%
Applications	1,439	1,452	13	0.9%
Cost of Sales	(20,641)	(17,748)	2,893	-14.0%
<b>Gross Profit</b>	<b>3,277</b>	<b>4,171</b>	<b>894</b>	<b>27.3%</b>
Administration Expenses	(2,279)	(2,105)	174	-7.6%
<b>Operating Income <sup>(1)</sup></b>	<b>998</b>	<b>2,065</b>	<b>1,068</b>	<b>107.0%</b>
<b>EBITDA <sup>(2)</sup></b>	<b>2,730</b>	<b>4,223</b>	<b>1,494</b>	<b>54.7%</b>
<i>Operating Margin</i>	<i>4.2%</i>	<i>9.4%</i>		
<i>EBITDA Margin</i>	<i>11.4%</i>	<i>19.3%</i>		

<sup>(1)</sup> Operating Income: Gross Profit – Administration Expenses

<sup>(2)</sup> EBITDA: Operating Income + Depreciation and Amortization

Figure N°13: Regional Summary

Regional Summary	Jun-12	Jun-13	Δ \$	Δ %	2Q12	2Q13	Δ \$	Δ %
	Ch\$M	Ch\$M			Ch\$M	Ch\$M		
<b>Chile</b>								
Revenues	150,132	145,304	(4,829)	-3.2%	78,525	74,777	(3,748)	-4.8%
Platforms	72,105	72,469	364	0.5%	37,726	37,795	69	0.2%
IT Services	71,980	66,388	(5,592)	-7.8%	37,471	33,517	(3,954)	-10.6%
Applications	6,048	6,447	399	6.6%	3,328	3,465	136	4.1%
Cost of Sales	(112,759)	(108,439)	4,320	-3.8%	(59,538)	(56,533)	3,005	-5.0%
<b>Gross Profit</b>	<b>37,373</b>	<b>36,865</b>	<b>(508)</b>	<b>-1.4%</b>	<b>18,988</b>	<b>18,245</b>	<b>(743)</b>	<b>-3.9%</b>
Administration Expenses	(13,232)	(12,892)	340	-2.6%	(7,117)	(6,453)	664	-9.3%
<b>Operating Income <sup>(1)</sup></b>	<b>24,141</b>	<b>23,972</b>	<b>(168)</b>	<b>-0.7%</b>	<b>11,871</b>	<b>11,791</b>	<b>(79)</b>	<b>-0.7%</b>
<b>EBITDA <sup>(2)</sup></b>	<b>32,227</b>	<b>29,795</b>	<b>(2,432)</b>	<b>-7.5%</b>	<b>15,916</b>	<b>14,593</b>	<b>(1,323)</b>	<b>-8.3%</b>
<i>Operating Margin</i>	16.1%	16.5%			15.1%	15.8%		
<i>EBITDA Margin</i>	21.5%	20.5%			20.3%	19.5%		
<b>Brazil</b>								
Revenues	108,615	108,161	(453)	-0.4%	58,571	54,602	(3,969)	-6.8%
Platforms	21,576	21,407	(169)	-0.8%	16,523	10,844	(5,679)	-34.4%
IT Services	70,047	69,526	(521)	-0.7%	33,528	34,858	1,330	4.0%
Applications	16,992	17,228	237	1.4%	8,520	8,900	380	4.5%
Cost of Sales	(88,863)	(89,852)	(989)	1.1%	(47,485)	(45,078)	2,407	-5.1%
<b>Gross Profit</b>	<b>19,752</b>	<b>18,309</b>	<b>(1,442)</b>	<b>-7.3%</b>	<b>11,086</b>	<b>9,524</b>	<b>(1,562)</b>	<b>-14.1%</b>
Administration Expenses	(9,431)	(9,150)	281	-3.0%	(4,930)	(4,590)	340	-6.9%
<b>Operating Income <sup>(1)</sup></b>	<b>10,320</b>	<b>9,159</b>	<b>(1,161)</b>	<b>-11.3%</b>	<b>6,156</b>	<b>4,934</b>	<b>(1,222)</b>	<b>-19.9%</b>
<b>EBITDA <sup>(2)</sup></b>	<b>13,090</b>	<b>13,317</b>	<b>228</b>	<b>1.7%</b>	<b>7,547</b>	<b>7,054</b>	<b>(493)</b>	<b>-6.5%</b>
<i>Operating Margin</i>	9.5%	8.5%			10.5%	9.0%		
<i>EBITDA Margin</i>	12.1%	12.3%			12.9%	12.9%		
<b>Mexico</b>								
Revenues	27,987	27,945	(42)	-0.1%	14,149	14,636	487	3.4%
Platforms	12,481	10,644	(1,836)	-14.7%	6,711	6,517	(194)	-2.9%
IT Services	15,224	17,045	1,821	12.0%	7,388	8,074	686	9.3%
Applications	282	256	(26)	-9.3%	50	45	(5)	-9.4%
Cost of Sales	(21,277)	(20,862)	415	-2.0%	(10,831)	(10,788)	42	-0.4%
<b>Gross Profit</b>	<b>6,709</b>	<b>7,083</b>	<b>373</b>	<b>5.6%</b>	<b>3,318</b>	<b>3,847</b>	<b>529</b>	<b>15.9%</b>
Administration Expenses	(3,204)	(3,300)	(96)	3.0%	(1,542)	(1,816)	(274)	17.8%
<b>Operating Income <sup>(1)</sup></b>	<b>3,505</b>	<b>3,783</b>	<b>278</b>	<b>7.9%</b>	<b>1,776</b>	<b>2,031</b>	<b>255</b>	<b>14.3%</b>
<b>EBITDA <sup>(2)</sup></b>	<b>4,459</b>	<b>4,753</b>	<b>294</b>	<b>6.6%</b>	<b>2,242</b>	<b>2,521</b>	<b>279</b>	<b>12.5%</b>
<i>Operating Margin</i>	12.5%	13.5%			12.6%	13.9%		
<i>EBITDA Margin</i>	15.9%	17.0%			15.8%	17.2%		
<b>OPLA</b>								
Revenues	42,430	42,384	(45)	-0.1%	23,918	21,919	(1,999)	-8.4%
Platforms	18,866	12,014	(6,852)	-36.3%	11,479	5,965	(5,513)	-48.0%
IT Services	20,234	27,119	6,886	34.0%	11,000	14,501	3,501	31.8%
Applications	3,330	3,251	(80)	-2.4%	1,439	1,452	13	0.9%
Cost of Sales	(36,419)	(34,223)	2,196	-6.0%	(20,683)	(17,748)	2,935	-14.2%
<b>Gross Profit</b>	<b>6,010</b>	<b>8,161</b>	<b>2,151</b>	<b>35.8%</b>	<b>3,235</b>	<b>4,171</b>	<b>936</b>	<b>28.9%</b>
Administration Expenses	(4,276)	(4,075)	201	-4.7%	(2,229)	(2,105)	124	-5.6%
<b>Operating Income <sup>(1)</sup></b>	<b>1,734</b>	<b>4,086</b>	<b>2,352</b>	<b>135.6%</b>	<b>1,006</b>	<b>2,065</b>	<b>1,060</b>	<b>105.4%</b>
<b>EBITDA <sup>(2)</sup></b>	<b>5,001</b>	<b>7,705</b>	<b>2,704</b>	<b>54.1%</b>	<b>2,731</b>	<b>4,223</b>	<b>1,493</b>	<b>54.7%</b>
<i>Operating Margin</i>	4.1%	9.6%			4.2%	9.4%		
<i>EBITDA Margin</i>	11.8%	18.2%			11.4%	19.3%		

<sup>(1)</sup> Operating Income: Gross Profit – Administration Expenses

<sup>(2)</sup> EBITDA: Operating Income + Depreciation and Amortization

## 4. Analysis of Consolidated Balance Sheet

### Assets

Total assets amounted \$761,615 million (US\$1,501.7 million) as of June 30, 2013, with a rise of 9.8% when compared to December 31, 2012. This is mainly explained by an:

- ❖ Increase of \$94,272 million (US\$185.9 million) in cash and cash equivalents, totaling \$155,583 million (US\$306.8 million), primarily due to the funds collected during the last tranche of the capital increase ended in January 2013.

Which were partially offset by a:

- ❖ Decrease in trade accounts receivable and other receivables for \$10,849 million (US\$21.4 million), totaling \$147,850 million (US\$291.5 million), as a result of Dec-12 seasonality and better collection effectiveness.
- ❖ Decrease in other non-current financial assets for \$23,241 million (US\$45.8 million), to \$3,166 million (US\$6.2 million), mainly due to the liquidation of financial investments.

The company continues showing a solid liquidity position as of June 30, 2013, with a current ratio of 2.1x. Working capital reached \$211,113 million (US\$416.3 million).

### Liabilities

Total liabilities reached \$300,593 million (US\$592.7 million) as of June 30, 2013, reflecting a rise of 1.9% regarding December 2012, mainly due to an increase in:

- ❖ Trade account payable and other current liabilities for \$16,007 million (US\$31.6 million), reaching \$110,011 million (US\$216.9 million) as of Jun 30, 2013. The later was caused mainly to an increase in trade account payable, by a lower in comparison base in December 2012, due to prepayments of obligations to suppliers in that month.

Which were partially offset by a decrease in:

- ❖ Non-current trade account payable for \$8,419 million (US\$16.6 million), to \$12,687 million (US\$25.0 million), primarily due to payments related to acquisitions in Brazil in 2012.

Debt level remained stable at the end of June 2013, with a 0.7x leverage ratio (total liabilities / equity), a 0.2x financial leverage ratio (financial liabilities / equity) and 15.2x financial expenses coverage ratio (EBITDA / financial expenses).

### Shareholder's Equity

Shareholders' equity attributable to the owners of the company, reached \$455,705 million (US\$898.5 million) as of June 30, 2013. Main changes compared to December 2012, are the capital raise ended in January, 2013, the results for the period, the dividend accrual and conversion effects from foreign subsidiaries.

In terms of annualized profitability, ROE reached 15.2%.

Figure 14 – Financial Ratios Summary

Financial Ratios		Jun-12	Jun-13	Δ	Dec-12	Δ
<b>Liquidity</b>						
<b>Current Ratio</b>	(times)	1.2	2.1	72.4%	1.8	18.7%
(Current Assets / Current Liabilities)						
<b>Quick Ratio</b>	(times)	1.1	1.9	75.4%	1.6	18.6%
((Current Assets - Inventories) / Current Liabilities)						
<b>Working Capital</b>	(Ch\$M)	58,087	211,113	263.4%	135,422	55.9%
(Current Assets - Current Liabilities)						
<b>Indebtedness</b>						
<b>Leverage</b>	(times)	1.2	0.7	-44.1%	0.7	-11.9%
((Current Liabilities + Non-current Liabilities) / Equity)						
<b>Leverage Financial</b>	(times)	0.6	0.2	-63.4%	0.3	-12.8%
((Other Current Financial Liabilities + Other Non-current Financial Liabilities) / Equity)						
<b>Short-Term Debt</b>	(times)	0.7	0.6	-9.4%	0.6	7.8%
(Current Liabilities / Total Liabilities)						
<b>Long-Term Debt</b>	(veces)	0.3	0.4	19.9%	0.4	-10.4%
(Non-Current Liabilities / Total Liabilities)						
<b>Financial-Expenses-Coverage Ratio</b>	(times)	10.4	15.2	46.0%	10.9	39.4%
(EBITDA / Financial Expenses)						
<b>Financial Debt tu EBITDA Ratio</b>	(times)	1.7	1.0	-45.2%	0.9	6.6%
((Current Liabilities + Non-current Liabilities) / EBITDA <sup>1,2</sup> )						
<b>Net Financial Debt to EBITDA Ratio</b>	(times)	1.3	(0.5)	-134.7%	0.3	-236.3%
((Current Liabilities + Non-current Liabilities - Cash and Cash Equivalents - Other Current Financial Assets) / EBITDA <sup>1,2</sup> )						
<b>Profitability</b>						
<b>ROE</b>	%	16.0%	15.2%	-80 pb	13.0%	220 pb
(Net Income attrib.to Ow ners <sup>2</sup> / Equity attrib.to Ow nera <sup>3</sup> )						
<b>ROA</b>	%	7.8%	8.9%	110 pb	7.2%	170 pb
(Net Income attrib.to Ow ners <sup>2</sup> / Equity attrib.to Ow ners <sup>3</sup> )						
<b>Earnings per Share</b>	(Ch\$)	62.6	74.3	18.8%	54.4	36.6%
(Net Income attrib.to Ow ners of Comp. / Total Shares <sup>4</sup> )						
<b>Dividend Yield</b>	%	1.9%	1.9%	0 pb	1.8%	10 pb
(Dividends Paid <sup>5</sup> / Closing Market Stock Price)						

<sup>1</sup> EBTIDA = Operating Income + Depreciation and Amortization

<sup>2</sup> Annual Base

<sup>3</sup> Calculated as an average:

- Jun-13: average between Jun-13 y Dec-12

- Jun-12: average between Jun-12 y Dec-11

- Dec-12: average between Dec-12 y Dec-11

<sup>4</sup> Numbers of shares considered:

- Jun-13 = 871,057,175

- Jun-12 = 771,057,175

- Dec-12 = 837,918,566

<sup>5</sup> Last 12 months

## Statements of Cash Flow

Cash and Cash Equivalents at End of Period totaled \$155,583 million (US\$306.8 million) in Jun-13, compared to \$38,184 million (US\$75.3 million) as of June 30, 2012.

The Operating Cash Flow was \$39,579 million (US\$78.0 million) for 1H13, as a result of collection activities net of payments to suppliers, employees and taxes.

Investment Cash Flow, reached \$18,091 million (US\$35.7 million), with a lower use of funds by \$87,331 million (US\$172.2 million), mainly due to the sale of financial investments in 1H13 and the acquisition of PARS and Elucid in 1H12.

CAPEX totaled \$16,542 million (US\$32.6 million), with net permanent investments of \$6,734 million (US\$13.3 million) and \$7,640 million (US\$15.1 million) in the purchase of fixed and intangible assets.

Financing Cash Flow was \$35,712 million (US\$70.4 million), decreasing by 35.7% YoY, due to lower funds from short term loans, partially offset by a larger amount of funds collected during the capital increase ended in January 2013.

Figure N°15: Statements of Cash Flow

Statements of Cash Flow	Jun-12	Jun-13	Δ \$	Δ %
	Ch\$M	Ch\$M		
Net Cash Flows from (used in) Operating Activities	20,387	39,579	19,191	94.1%
Net Cash Flows from (used in) Investing Activities	(69,240)	18,091	87,331	-126.1%
Net Cash Flows from (used in) Financing Activities	55,522	35,712	(19,810)	-35.7%
<b>Net Increase (Decrease) in Cash and Cash Equivalents before effect of Exchange Rates</b>	<b>6,670</b>	<b>93,382</b>	<b>86,712</b>	<b>-</b>
Effect of Exchange Rate changes on Cash and Cash Equivalents	(1,421)	891	2,312	-162.7%
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>5,248</b>	<b>94,272</b>	<b>89,024</b>	<b>-</b>
Cash and Cash Equivalents at beginning of period	32,936	61,310	28,374	86.2%
<b>Cash and Cash Equivalents at End of Period</b>	<b>38,184</b>	<b>155,583</b>	<b>117,398</b>	<b>307.5%</b>