



Founded in 1872



2006







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## *Chairman's Letter to the Shareholders*

Dear Shareholder,

I should like to comment on the Company's business during 2006.

CSAV last year produced a loss of US\$58,241,000.

In my letter to shareholders published in the previous Annual Report, I had forecasted 2006 by saying that "it will be a very bad year from the point of view of the freight in the containership business".

I made the same forecast at the shareholders meeting held on April 19, 2006.

In the letter mentioned above, I added:

"The problem for containerships has already been explained to shareholders in the financial statements of September and December 2005. It is very simple: there is an imbalance between supply and demand in this freight market. Capacity has risen and continues to rise because practically all shipowners, seeing the good results and tariff increases of the years 2004 and most of 2005, ordered the building of new ships, many of which with larger capacity than existing ones. Demand, on the other hand, has not risen in the same proportion."

In addition to the fall in containership freight rates, the rise in the oil price resulted in an extra cost of US\$ 150.000.000.

I should also mention the fall in the dollar against the Chilean peso (or the appreciation of the peso) which negatively affected expenses incurred in Chile.

I should also add the continuous and disproportionate increases in the tolls paid in the Panama Canal.

In early 2006, the year seemed so bad that it was possible that losses could exceed US\$ 350,000,000 for the reasons explained above.

The Board instructed management to increase the cost reductions being implemented globally, which counted with the collaboration of the personnel.

The management restructured the shipping business, which translated into the occupation of a larger proportion of available capacity and, in some cases, the suppression of services that caused the greatest losses.

I should insist that the fall in containership freight rates is due to an over-supply of ships and freight capacity and not to declining demand which continued to be firm, but less than the supply.

The firmness in demand is related to the good performance of the global economy, notably once again the spectacular growth of China, the improvement in the European economy, the revival of Japan, which ended a long period of deflation, and the growth of the Asian economies, particularly Vietnam.

In order to reduce its losses, the Company produced a non-operating income of which the most important items are a profit of US\$73,210,000 on the sale of four ships of the joint project with Peter Döhle Schiffahrtskontor KG, belonging to associate companies of CSAV, and a profit of US\$22,031,000 on the sale of the holding in the associate company Belden Shipholding Pte. Ltd.

What do we expect for 2007?

Containership freight rates have been firmer in some of the more important traffics. A newsletter from Maersk Broker of March 2007 says that “faith in the shipping business in general also showed a favorable change, with many shipowners showing improved valuations and thus higher share prices”. It added “A better future for line operations is therefore expected”.

But the newsletter reminds the reader that the challenges to be expected in future years would not be caused by a weakness on the demand side but by a potential over-supply.

The same publication states that the total fleet has continued to grow.

The order list of ships being or to be built equate to 45.5% of the current fleet at March this year.

With respect to demand, China continues to grow very strongly, although I believe it will be less than last year. Europe has a much lower, but apparently solid, growth rate, while Asia generally also shows satisfactory growth.

The problem is the economy of the United States of America, which is showing some deceleration. This is caused by a slow-down in construction, serious problems in institutions related to the mortgage business and a fall in productivity rates.

Alan Greenspan, who was president of the Federal Reserve for many years has stated that there is a risk of recession toward the end of this year, quantified as a 30% possibility. I agree with him about the existence of the risk but tend to think that the possibility could be a little higher.

Considering this factor and the number of ships that will increase the containership fleet this year, I think that the rise in freight rates could be impacted, which obliges us to act very prudently.

Finally, I wish to record the gratitude of the directors and myself to the Company's personnel who have contributed so well in facing the adverse circumstances that the company has had to face.

Ricardo Claro Valdés  
Chairman

# *Board of Directors*



## **CHAIRMAN**

### **Ricardo Claro Valdés**

Lawyer

Board Member since April 1986

TAX ID: 3.158.999-1

## **VICE PRESIDENT**

### **Felipe Lamarca Claro**

Business Engineer

Board Member since April 2003

TAX ID: 4.779.125-1

## **DIRECTORS**

### **Luis Alvarez Marín**

Agronomist

Board Member since April 1979

TAX ID: 1.490.523-5

### **Baltazar Sánchez Guzmán**

Business Engineer

Board Member since July 1990

TAX ID: 6.060.760-5

### **Joaquín Barros Fontaine**

General Manager

Board Member since April 2000

TAX ID: 5.389.326-0

### **Christoph Schiess Schmitz**

Business Engineer & Bachelor of Commerce

Board Member since April 1996

TAX ID: 6.371.875-0

### **Juan Andrés Camus Camus**

Business Engineer

Board Member since April 2004

TAX ID: 6.370.841-0

### **Patricio Valdés Pérez**

General Manager

Board Member since April 1988

TAX ID: 7.443.809-1

### **Arturo Claro Fernández**

Agronomist

Board Member since April 1987

TAX ID: 4.108.676-9

### **Jaime Claro Valdés**

Civil Industrial Engineer

Board Member since April 1997

TAX ID: 3.180.078-1

## **PRESIDENT AD-HONOREM**

### **José Luis Cerda Urrutia**

Civil Engineer

TAX ID: 1.661.990-6

### **Patricio García Domínguez**

General Accountant

Board Member since April 1988

TAX ID: 3.309.849-9

## **SECRETARY TO THE BOARD**

### **Alexander Tavra Checura**

Navy-Systems Engineer

TAX ID: 6.215.367-9

## **Changes in the Board**

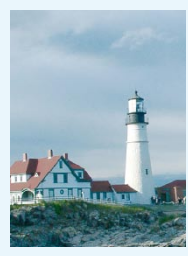
There were no changes in the board during 2006.

## **Directors' Committee**

The Directors' Committee, as referred to in clause 50 Bis of Law 18,046, comprised during the year Luis Alvarez Marín (chairman), Patricio García Domínguez and Juan Andrés Camus Camus.







General Manager  
**Juan Antonio Alvarez Avendaño**  
Lawyer  
Tax ID: 7.033.770-3

Senior Vice President Information Technology  
**Roberto Aguiló Ríos**  
Civil Engineer  
Tax ID: 6.065.462-K

Senior Vice President Libra and Libra Uruguay Lines  
**Enrique Arteaga Correa**  
Civil Industrial Engineer  
Tax ID: 9.771.836-9

Senior Vice President Operations & Logistics  
**Fernando Bustamante Feres**  
Electronic Engineer  
Tax ID: 6.622.925-4

Executive Director of CSAV Group Asia  
**Mario Da-Bove Andrade**  
Business Engineer  
Tax ID: 4.175.284-K

Comptroller  
**Gabriel Escobar Pablo**  
Business Engineer  
Tax ID: 7.583.066-1

Senior Vice President North America Region  
**Andrés Kulka Kuperman**  
Business Engineer  
Tax ID: 7.711.411-4

Senior Vice President Car Carrier & Reefer  
**Cristóbal Rollán Rodríguez**  
Business Engineer  
Tax ID: 7.554.617-3

Vice President Sales  
**Arturo Castro Miranda**  
Transport Engineer  
Tax ID: 6.997.529-1

Vice President Human Resources  
**Juan Carlos Valenzuela Aguirre**  
Degree in Philosophy  
Tax ID: 9.805.849-4

Head of International Legal Department  
**Renaud Fabri**  
Lawyer  
Tax ID: 14.740.039-K

Deputy General Manager  
**Domingo Cruzat Amunátegui**  
Civil Industrial Engineer  
Tax ID: 6.989.304-K

Senior Vice President West Coast South America Lines  
**Luis Alvarez Ríos**  
Civil Engineer  
Tax ID: 7.175.692 – 0

Senior Vice President East Coast Lines  
**Gonzalo Baeza Solsona**  
Civil Industrial Engineer  
Tax ID: 6.955.062-2

Senior Vice President Human Resources  
**Guillermo Cobo González**  
Degree in Administration  
Tax ID: 4.756.816-1

Senior Vice President 21st Century Project and Management Control  
**Rodrigo de la Cuadra Infante**  
Foods Engineer  
Tax ID: 8.396.078-7

Senior Vice President Administration & Finance  
**Rafael Ferrada Moreira**  
Business Engineer  
Tax ID: 10.302.911-2

Senior Vice President Asia Region  
**Alejandro Pattillo Moreira**  
Degree in Economics  
Tax ID: 7.431.351-5

Senior Vice President Marketing and Commercial  
**Francisco Subiabre Vergara**  
Business Engineer  
Tax ID: 5.589.921-5

Vice President Technical  
**Guillermo Baltra Aedo**  
Naval Engineer  
Tax ID: 6.004.832-0

Vice President Container Logistics  
**Fernando Valenzuela Díez**  
Electronic Engineer  
Tax ID: 7.175.694-7

Head of Legal Department  
**Beltrán Sáez Martínez de Morentín**  
Lawyer  
Tax ID: 2.389.041-0

Senior Vice President Shipmanagement  
**Héctor Arancibia Sánchez**  
Mechanical Navy Engineer  
Tax ID: 4.803.268-0

Senior Vice President Chartering & Bulk  
**Santiago Bielenberg Vásquez**  
Business Engineer  
Tax ID: 5.051.578-8

Regional Manager West Coast South America  
**Eugenio Cruz Novoa**  
Civil Engineer  
Tax ID: 7.018.819-8

Senior Vice President Cargo Services  
**Rafael Della Maggiora Silva**  
Civil Industrial Engineer  
Tax ID: 6.999.711-2

Senior Vice President Norasia Lines  
**Guillermo Ginesta Bascuñán**  
Civil Industrial Engineer  
Tax ID: 7.011.275-2

Senior Vice President Europe Region  
**Arturo Ricke Guzmán**  
Business Engineer  
Tax ID: 6.994.493-0

Senior Vice President Reefer  
**Jorge Villagra Mendoza**  
Chilean Merchant Marine Captain  
Tax ID: 5.752.321-2

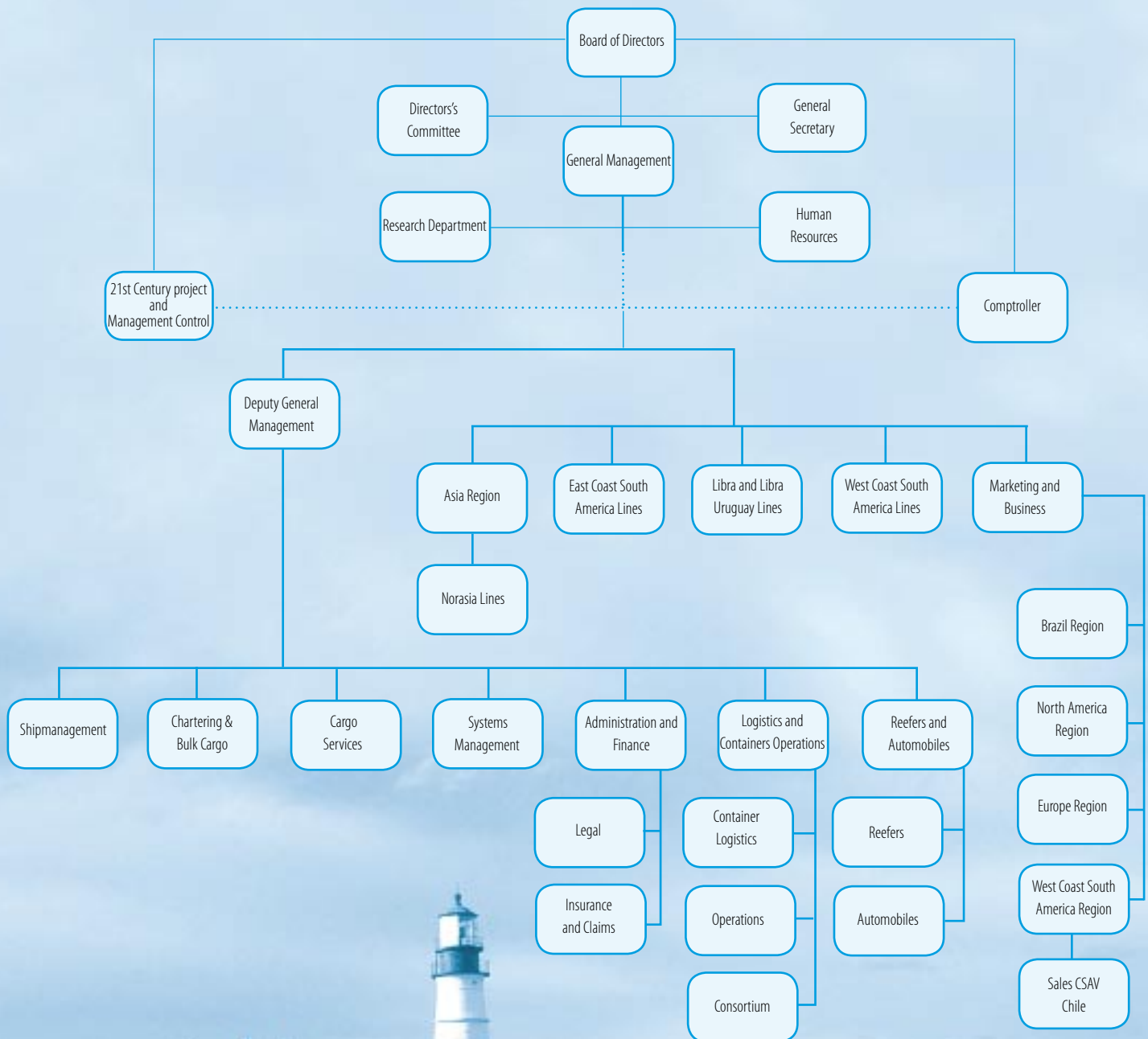
Vice President Research  
**Vivien Swett Brown**  
Business Engineer  
Tax ID: 8.571.420-1

Head Lawyer  
**Claudio Barroilhet Acevedo**  
Lawyer  
Tax ID: 10.412.595-6





## Organizational Structure







## *Historical Summary*

### *A Regional Company Going Global*

Compañía Sud Americana de Vapores (CSAV) was founded in the port of Valparaíso on October 9, 1872 when Compañía Chilena de Vapores merged with Compañía Nacional de Vapores. The decree, which established the Company's legal entity, was signed by the then President of Chile, Federico Errázuriz Zañartu. Maximiliano Errázuriz chaired the first board of directors and Alfredo Lyon Santamaría was the first general manager.

During the first stage of its development, the Company provided coastal trade services. Its first international experience was to establish a service to Callao, Peru, in 1873, which was then extended to Panama in 1874. CSAV vessels were then the only link with the remote regions of Chile.

As a result of an agreement with Pacific Steam Navigation Company (known then in Chile as Compañía Inglesa de Vapores) in 1833, the service to Panama became stable and permanent. At the same time, connections were formed with other parts of the world under agreements with several foreign companies.

The Company attended the Pacific services which extended to San Francisco until 1914, but early in the 20th Century it had to restrict itself to no farther than Panama because of intense competition from European lines. However, the opening of the Panama Canal enabled it to extend its lines to New York following the withdrawal of the European shipping companies because of the First World War.

In 1938, following the world economic crisis of 1931, CSAV placed three new motor vessels into service, the “Copiapó”, “Imperial” and “Aconcagua”, of impressive aerodynamic design, which enabled it to consolidate the line services to New York and extend it to Europe. This extension and all merchant shipping, particularly in the Atlantic Ocean, had to be suspended because of the start of the Second World War (1939-1945).

With the ending of the war, the Company’s services showed vigorous growth with the incorporation of ports in Germany, Belgium, Holland and England. During this period, the holds of some vessels were converted to reefer chambers which permitted the start of fruit transport on its regular services to the United States and Europe. The development of this activity made Sud Americana de Vapores a leader in the transport of refrigerated products.

Bulk shipping gained in importance in 1943 and later, in 1974, there was a strong incentive to consolidate its international services. Sudamericana, Agencias Aéreas y Marítimas S.A. (SAAM) was formed by CSAV in 1961 for air and shipping agency business.

The promulgation in 1979 of Decree Law 3,059 (National Merchant Marine Development Law) led to a stage of great dynamism and growth for the Company’s businesses. New traffics were started in 1984 and its existing services to North Europe, Far East and Japan, Mediterranean, America Pacific and Southeast Asia were modified. There was also important growth in the specialized services for refrigerated, vehicle and bulk cargoes.

Starting in the early 1990s, the Company had to face new and greater challenges as a result of the opening up of competition allowed by the governments of most Latin American countries.

In order to take advantage of the opportunity that this enormous change in the competitive scenario implied, the Company and its subsidiaries established and increased their businesses in Peru, Colombia, Ecuador, Argentina, Mexico and Brazil, with more and improved services and with new routes and activities related to the shipping business.

In 1996, it reached an agreement with the Norwegian company Kristian Gerhard Jebsen Skipsrederi A/S to jointly operate seven Aframax OBO ships. These dual-purpose vessels allow the carrying of oil and its byproducts, and of bulk products. The fleet was later expanded to a total of eleven vessels which operated in the principal Atlantic markets.

In 1997, an agreement was reached with Odfjell ASA, a world leader in its field, to exploit the transport of chemicals in Chile and other countries on the West Coast of South America. With these investments, the activities of the Company and its subsidiaries expanded into new, highly-dynamic areas of the global shipping business.

During 1998, Compañía Sud Americana de Vapores S.A. obtained its ISO 9002 certification, granted by Lloyd’s Register Quality Assurance (LRQA). This confirms that CSAV has a quality management system, applicable to its domestic and international shipping services for general cargo, containers, bulk, vehicles and frozen and refrigerated cargo, which meet international standards.

In 1999, as part of its international expansion, the Company acquired majority holdings in Companhia Libra de Navegação, Brazil, and Montemar Marítima S.A., Uruguay, which participate in different container carrier markets between the East Coast of South America and the United States and Europe.

The same year, CSAV entered the cement carrying business with a holding in Belden Shipping, one of the world’s largest cement shipping companies. CSAV therefore developed a solid commercial and technical capacity in the handling and transportation of this product.

Several important events occurred in 2000. These included the start of port operations by the concession-holding companies San Antonio Terminal Internacional S.A. and San Vicente Terminal Internacional S.A., whose concession contracts were signed in November 1999 by the companies owners, Sudamericana, Agencias Aéreas y Marítimas S.A. (SAAM) and the American company SSA Holding International (SSA), and the start-up of the concession-holder Iquique Terminal Internacional S.A. whose concession contract was signed in May by its owners, SAAM and Urbaser of the Dragados Group, Spain.



CSAV also acquired the Maltese shipping company Norasia Lines Ltd. in 2000, which gave it entry to the East–West routes, and the company Norasia China Ltd., constituted in Hong Kong, with operations in various cities in the Republic of China.

During 2003, CSAV signed, through one of its subsidiaries and in association with Peter Döhle Schiffahrtskontor KG, the largest shipbuilding contract in its history. This covers 22 container-carrier ships with a total capacity of 108,700 Teus. For its part, SAAM was awarded a 20-year concession for operating two port terminals in Antofagasta.

During 2004, CSAV entered into a partnership with Drylog Bulk Carriers Ltd., Bocimar Internacional N.V., and AMN Shipventure Inc., for the operation of bulk cargo vessels, and sold its holdings in SKS OBO Holding Limited, Bermuda, SKS OBO Limited, Bermuda and OBO MAR AS, Norway. SAAM was jointly awarded a 20-year concession to operate two port terminals in Arica.

In 2005, CSAV increased its network of own agencies to three important markets: India, Brazil and Mexico. Similarly, CSAV that year saw important growth in its operative capacity, which positioned it as one of fastest-growing companies during the year. The subsidiary SAAM grew strongly through the purchase of Brazil's third largest tug-operating company and the adjudication of the container terminal at Port Everglades, United States.

During 2006, CSAV completed its ship building program begun in 2003 with the delivery of the last 13 containerships, including ships with a 6,500 Teus capacity, significantly increasing the proportion of own ships operated by the Company. On the other hand, the Company sold its holding in Belden Shipholding Pte.Ltd.

CSAV continued with its strategy of assuming own distribution in key countries through the opening of agencies. In 2006, agencies were opened in Argentina, Belgium, Korea and Holland. For its part, SAAM continued to consolidate its position as a port and tug service operator in Chile and the region.

CSAV has therefore consolidated itself as a global carrier, with a strong presence in the routes between South America and the rest of the world, operating an average fleet of over 100 ships and actively participating in the general cargo markets in containers, bulk, reefers and vehicles.


CSAV is really the most globalized company in Chile, which motivated the Universidad del Desarrollo and the Centre for Entrepreneurship and Innovation to award its “Prize for Entrepreneur Spirit. Senior Category” to our chairman Ricardo Claro Valdés. The rector of that university, Ernesto Silva, explained that this prize “is a recognition of the businessman who manages the only really global company in Chile, and who knew to anticipate the importance of Asia to Chile thirty years ago when our country had not even dreamt of signing a free-trade agreement with China, Korea or Singapore, like there are today”.

Our chairman thanked the University the Prize and especially its timing, when CSAV showed a large loss for the first time.



The Rector of the Universidad del Desarrollo, Ernesto Silva B., and the Chairman of Compañía Sudamericana de Vapores, Ricardo Claro V.





## *Description of the Company and the Industry*

CSAV and its subsidiaries Libra, Libra Uruguay and Norasia are involved in container shipping. CSAV also carries liquid and solid bulks, refrigerated (reefer) cargo and vehicles, either directly or through subsidiaries. The subsidiary Sudamericana, Agencias Aereas y Maritimas S.A. (SAAM), provides port services and land logistics in different ports of Latin America.

Over the past 25 years, global shipping has shown considerable growth as a result of economic growth and globalization, the strong growth in Asian exports and the deregulation of foreign trade in general and of the shipping business in particular. This trend has influenced the Latin American economies since the early 1990s when most countries deregulated their economies.

The shipping business is very competitive and is noted for its sensitivity to changes in economic activity. Time lags between these changes and the availability of capacity generate high volatility in shipping tariffs and ship charter rates.

Sea transport services can be divided into seven main segments:

- Container Transport
- Vehicle Transport
- Solid Bulks Transport
- Reefer Cargo Transport
- Cement Transport
- Oil and Derivatives Transport
- Chemicals and Gas Transport

The most important segment for CSAV is container transport. The principal container carrier markets are the so-called East-West, comprising the sections Asia-Europe, Trans Pacific and Transatlantic. Next are the so-called North-South traffics among which, in importance, are the sections between South America and Asia, North America, Europe and the Mediterranean.

Container carrier activity has seen strong consolidation in recent years, characterized by the formation of alliances and acquisitions that seek to broaden the coverage of services and reduce costs.

## Regulatory Framework

The regulatory framework in Chile is mainly covered by the following:

Law 2,222 of May 31, 1978, which replaced the old navigation law of 1878, which has been amended by Laws 18,011 of July 1, 1981, 18,454 of November 11, 1985, 18,680 of January 11, 1988, 18,692 of February 19, 1988 and 19,929 of February 11, 2004.

Law 3,059 of December 22, 1979 which contains a new text of the Law on Protection of the National Merchant Marine.

Law 18,680 of January 11, 1988, already mentioned, which fully replaced Chile's commercial maritime legislation, in a new Third Book of the Code of Commerce.

Law 211 of 1973 on the protection of free competition should also be mentioned, that operates in coordination with the rules contained in Law 3,059 of 1979, whose provisions have suffered important modifications introduced by Law 19,911 of November 14, 2003.

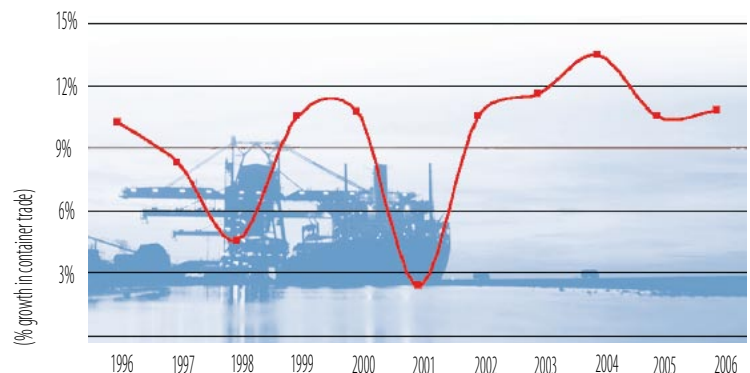
In the international area, there is a combination of provisions that cover various aspects of the shipping business, including those that establish environmental rules that affect from the building to the operation of ships, and the entry to or leaving from the country of animal or vegetable species; customs regulations that specify the species that can be imported or exported and the duties affecting these operations; immigration regulations that cover the entry into the country of passengers and crews; port operation regulations and, recently, anti-terrorist regulations that have acquired growing importance in cargo operations, even prior to shipment.

## The Competitive Environment

The general cargo transport segment in containers has shown strong growth since its inception. The efficiency and service quality offered by the container has enabled it to grow as an alternative to other forms of transport, thus explaining why this segment has grown faster than foreign trade in general.

Following the recession that affected the world's principal economies in 2001 more or less simultaneously, and starting in the second half of 2002, the demand for containership transport recovered vigorously. During 2006, the growth in demand was 10.8%, higher than the 10.5% recorded in 2005. The traffics of greatest importance in volume terms from Asia to Europe and from Asia to North America, showed growth of around 10% during 2006, three percentage points lower than the previous year.

### Demand Analysis



(Source: Clarkson Research Studies)



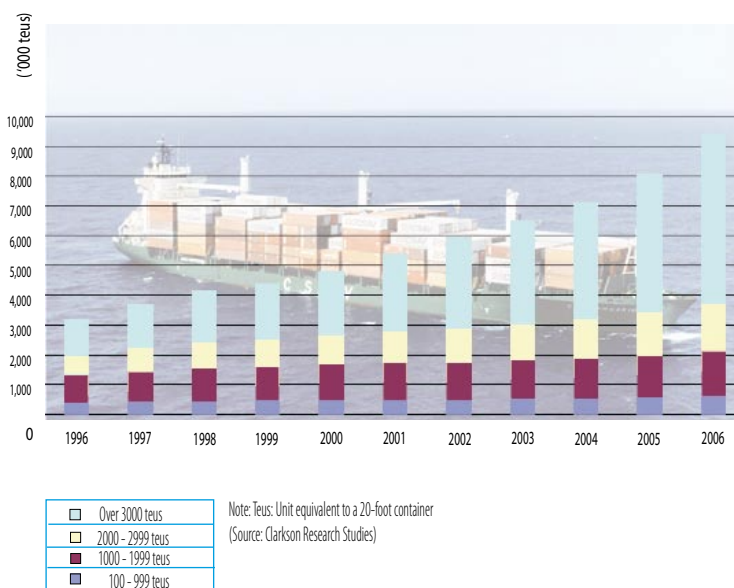
The supply of containerships has grown continuously in the last 10 years, increasing both the size and speed of the ships which has permitted improvements in service quality and cost reductions. The global capacity of containership transport increased by 16.6% during 2006, 13.1% more than in 2005.

As in 2005, the growth in supply exceeded the growth in demand, increasing the gap between both with respect to the previous year. As a result, freight rates continued their deterioration begun during 2005. Charter rates for containerships maintained their level during the first half of 2006 and then deteriorated in the second half, producing an average annual charter rate lower than that of 2005.

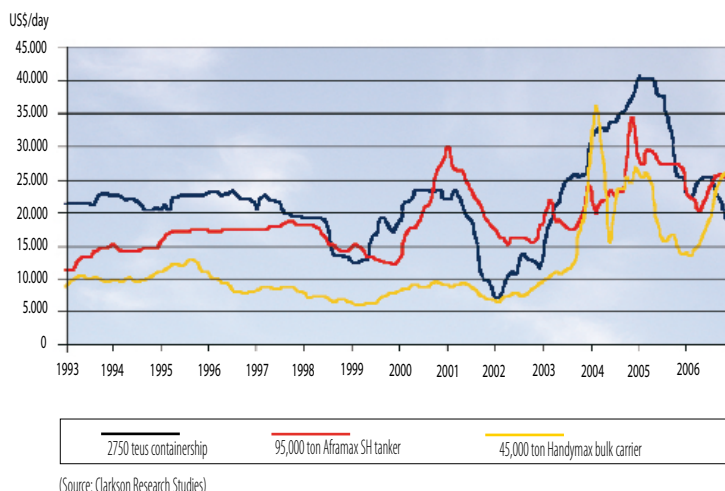
The market for dry bulk carriers recovered from the fall suffered in 2005. Charter rates increased gradually during the year without reaching the record levels of 2004. The increase in charter rates for 2006, much in excess of those over the last decade for this type of ship, is explained by the consistent movement of raw materials, particularly construction materials, iron ore and coal. The replacement of oil by coal in thermal power plants and the growth in the worldwide movement of raw materials permits the projection of a good market for this type of ship.

The charter rates for reefers, particularly those that are older because of their inefficiencies in fuel consumption, fell in early 2006 compared to the same period of 2005. This fall is explained by climatic changes that affected the production and harvesting of bananas in Central America. In the second half of 2006, the trend reversed to show a firmer market. With the termination of these effects in the first half, the lack of investment in the sector (ship building) had the expected upward effect on ship chartering rates. In recent times, the transport of refrigerated cargo is gradually changing from conventional reefer ships to refrigerated containers on containerships.

## World Container Ship Fleet



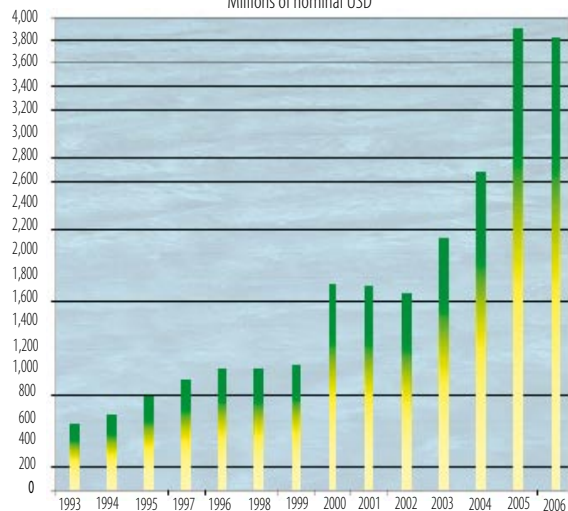
## Ship chartering rates





### Total Consolidated Sales of CSAV

Millions of nominal USD





A large container ship is shown from an aerial perspective, sailing on a deep blue ocean. The ship's deck is visible, covered with numerous colorful shipping containers in shades of red, blue, and yellow. The ship is moving towards the bottom left of the frame, leaving a white wake behind it.

## *The CSAV Group in 2006*

### **Results Analysis**

The result for the year 2006 was a loss of 58,241 thousand dollars, a substantial fall from the net income of 132,303 thousand dollars produced in 2005.

Consolidated sales for the year were 3,839,176 thousand dollars, representing a reduction of 62,798 thousand dollars or 1.6% compared to the year before. This is fully explained by the lower average freight rates during 2006 compared to those for 2005. In fact, the fall in freight rates meant a reduction in sales much greater than that reflected in net terms, but was partially offset by a slight rise in the volume carried and a restructuring of ship operations, by operating a higher proportion of available capacity, which increased the sale of spaces to third parties.

The line traffics operated by CSAV from the West Coast of South America to Asia and North America showed firmer rates until the third quarter of 2005 but then continued their downward trend. The average freight rates for 2006 compared to those for the previous year showed a sharp fall. The same effect is shown by the traffics from the same coast to Europe and in the traffics to and from the East Coast of South America, in particular that which covers Asia. Finally, among the special services, car carrying increased its sales with respect to 2005 and solid bulk continues its focus on profitable business, slightly improving its results compared to 2005.

Norasia Container Lines Ltd, the subsidiary that offers services in the East-West traffics between North Europe, the Mediterranean, the Persian Gulf and the Indian sub-continent, Asia and North America, as well as CSAV, has faced since the last quarter of 2005, a significant fall in freight rates because of the large increase in available containership space. The average freight rates for 2006 are therefore below those for 2005.

Companhia Libra de Navegação (Libra) and Compañía Libra de Navegación (Uruguay), subsidiaries that mainly offer containership services to and from the Atlantic Coast of South America, have also been affected by freight rates in a scenario similar to that described above for the services of CSAV and Norasia.

CSAV Panamá, the subsidiary dedicated to carrying refrigerated cargo, showed a slight fall in the volume shipped compared to 2005, mainly due to a fruit season affected by the weather in the north of Chile, although

The subsidiary Sudamericana Agencias Aéreas y Marítimas S.A. (SAAM), which offers the port services of stevedoring, tugs, shipping agencies, warehousing and container workshops at various ports in North, Central and South America, continued its international expansion in these operations, showing a favorable evolution in sales and results.

The cost of sales was 3,784,565 thousand dollars, 10.5% higher than the year before. The principal factor behind this increase was the rise in fuel prices, which were 22% higher on average. There was also the effect of the increase in volumes carried and the increase in ship operations which, although meaning a greater operating cost, permitted the shipping of a greater volume and increasing sales of space to third parties. Similarly, part of the operating costs in Europe, Chile and Brazil were adversely affected by the depreciation of the dollar in those countries.

Administrative and selling expenses for the year were 290,859 thousand dollars which represented a fall of 8.6% compared to 2005. This fall, despite the depreciation of the dollar in Chile (5% on average), in Brazil (11% on average) and in Europe (4% on average) that produced increases in expenses measured in dollars, is explained by the implementation of a cost reduction plan and increased efficiency which included the extension of the own-agency network and shared services centers; as well as reduced agency commissions as a result of lower sales in line services.

The operating result therefore was a loss of 236,248 thousand dollars, compared to income in 2005 of 159,078 thousand dollars. However, the analysis of the operating result should be read together with the analysis of the chapters Market Risks and Market Situation reported with the financials statements from September 2005 onward where it is stated that the increase in the supply of ships has caused the important fall in freight rates that the industry has faced and which has been present since the last quarter of 2005.

As was stated earlier, “the cause of this fall in freight rates is due to the increase in the supply of containerships. As the business was successful in 2004 and 2005, most shipping companies ordered the building of new ships of larger cargo capacity in the shipyards of several countries.

Meanwhile, however, the demand for container transport has not risen in the same proportion. Consequently, the result can be no other than a fall in freights”.

The shareholders meeting held in April 19, 2006 was informed that it was most probable that in 2006 the Company would produce a loss, basically due to the fall in freight rates and the rise in oil costs. This was reflected in the results from the first quarter of 2006.

The financial statements at September 30, 2006 showed some of the favorable trends in shipping tariffs, with the proviso that it was too early to know whether this was a passing trend or would be sustained over time, particularly considering the general context of the over-supply of ships. While in some markets the upward trend is maintained, these rises are insufficient for the moment. On the other hand, there were recent falls in tariffs in other markets and, in aggregate, the recovery noted a couple of months ago has stalled. In fact, tariffs at the end of 2006 and beginning of 2007 are on average lower than those of the same months of the previous year. The tariffs situation will probably result in the Company continuing to incur losses, at least for the first months of 2007, despite the reduction in oil prices.

The non-operating result showed a profit of 158,175 thousand dollars, which represented an increase of 150,461 thousand dollars compared to the previous year. This important increase is explained by the sale of four ships from the joint project with Peter Döhle Schiffahrtskontor KG and belonging to associate companies of CSAV, that represented a gain of 73,210 thousand dollars (shown in income from investment in related companies) and the sale of CSAV's participation in the associate company Belden Shipholding Pte.Ltd. that generated a gain of 22,031 thousand dollars (shown in Other non-operating income). Other non-operating income also includes gains on the sales of ships and derivative contracts.

There was also a gain in 2006 from a better result in Exchange differences of 18,289 thousand dollars and greater gain from derivative contracts. Finally, Income tax and Minority interest showed significant changes as a result of the losses incurred in the year.



## Summary of Cargo Carried

Year	Paying Tons (1)	Freight (2) (Teus)	Sales (3) Thousands USD	Ship Operating Days (days / ships)	Annual Vessel Equivalents (5)
1995	8,029,315	238,690	817,601	19,382	53.10
1996	8,569,376	315,457	944,603	18,262	50.03
1997	9,679,159	402,959	1,054,788	20,224	55.41
1998	9,862,537	451,764	1,032,352	19,174	52.53
1999	12,638,896	594,412	1,079,760	22,601	61.92
2000	19,020,536	941,150	1,743,761	26,955	73.85
2001	18,535,821	1,045,388	1,735,112	25,648	70.27
2002	19,134,362	1,086,777	1,674,948	26,431	72.41
2003	20,737,238	1,338,545	2,135,539	28,476	78.02
2004	21,045,372	1,607,083	2,685,886	32,770	89.54
2005	29,805,926	2,075,484	3,901,974	39,118	107.17
2006	31,879,141	2,212,582	3,839,176	40,408	110.71

(1) Total CSAV services (container services, solid bulks, liquid bulks and vehicles). Paying tons: freight size units, basically a thousand kilos or, if volume, a cubic meter or 40 cubic feet.

(2) Freight based on full container operations in the Container and Reefer Services. The figures do not include transshipments, in contrast to figures given in the past.

(3) Sales of Compañía Sud Americana de Vapores and its subsidiaries are shown in nominal values.

(4) Each 365 days / vessel = 1 annual vessel equivalent.

## Principal Financial Indicators (as per the consolidated financial statements)

Balance Sheet (millions of USD)	2006	2005	2004	2003	2002	2001	2000
Fixed Assets	278.3	272.1	245.3	272.1	262.3	264.3	283.7
Total Assets	1,701.3	1,778.3	1,608.9	1,277.9	1,079.5	1,034.4	1,082.4
Current & Long-Term Liabilities	941.5	922.9	842.0	687.2	554.4	535.6	573.5
Shareholders' Equity	748.2	827.0	746.4	568.6	502.4	482.6	482.3

Income Statement (millions of USD)	2006	2005	2004	2003	2002	2001	2000
Sales	3,839.2	3,902.0	2,685.9	2,135.5	1,674.9	1,735.3	1,743.8
Operating Income	(236.2)	159.1	140.1	66.5	34.7	19.1	41.1
Non-Operating Result	158.2	7.7	88.8	15.0	16.5	16.8	6.9
Net Income	(58.2)	132.3	207.1	72.3	36.8	26.1	43.1
Earnings per Share ( USD/100)	(7.91)	17.98	28.15	9.83	5.0	3.54	5.85

Other Indicators	2006	2005	2004	2003	2002	2001	2000
Return on Assets (%)	(3.4)	7.8	14.3	6.10	3.50	2.52	3.98
Return on Equity (%)	(7.4)	16.8	31.5	13.50	7.50	5.40	9.38
Current Ratio	1.85	1.96	1.99	1.65	1.38	1.81	2.05
Debt Ratio	1.26	1.12	1.13	1.21	1.10	1.11	1.19

## *CSAV Services*

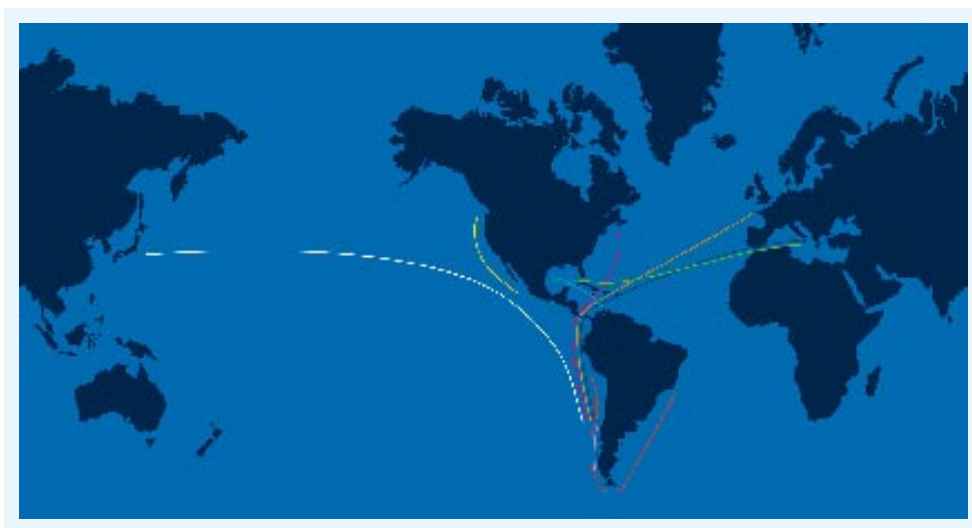
### **1. Liner Services**

The line services, oriented fundamentally to the transport of cargo in containers, are CSAV's principal business area. The constant growth in volumes of this business has enabled the Company to become the most important operator in Latin America.

Most of these services are operated jointly with other shipowners who agree the way the offered capacity is distributed on a given route, normally in relation to the supply of ships, but retaining their commercial independence. The objective of these agreements is to improve the service offered to customers and achieve economies of scale.

#### **1.1 Shipping Services to and from the Pacific Coast of South America, the Caribbean and the Gulf of Mexico-United States.**

CSAV offers services to and from the Pacific Coast of South America to North Europe, Mediterranean, North America Atlantic and Pacific, Mexico Pacific, Gulf of Mexico-United States, Asia, Atlantic Coast of South America, Caribbean, Chile Center/South and Chile Center/North. It also offers services to and from the Caribbean and the Gulf of Mexico-United States to North Europe and Mediterranean.



### **Highlights of the Year**

The traffic linking the Pacific Coast of South America and North America showed stability in total sales compared to the year before, but there was an important increase in cargo-related costs, ship chartering and fuel, which prejudiced the result of this service.

The Asia service showed a reduction in import and export sales despite having increased its volumes of carrying capacity measured in Teus. This is the result of a generalized fall in freight levels. Operating costs increased as a consequence of the higher charter rates and the sustained rises in fuel costs. The results of this service during the year were therefore negative.

The service from the Pacific Coast of South America to the Mediterranean saw a slight reduction in volumes during the year. While tariff levels were stable, the fall in cargo carried and the increase in ship chartering rates and fuels reduced the result for this service from the previous year.

The CSAV service from the Pacific Coast of South America to the North of Europe increased its offer of space on the unravelling of the Eurosal consortium in which it participated and beginning an independent service. CSAV operates 8 ships on this new service between the Pacific Coast of South America, the Caribbean and North Europe. Complementing this service, CSAV maintains partnership with other shipping companies for increasing the coverage between the Pacific Coast of South America and North Europe and between the Caribbean and North Europe. This new service structure has enabled CSAV to increase its carrying capacity, coverage and frequency.

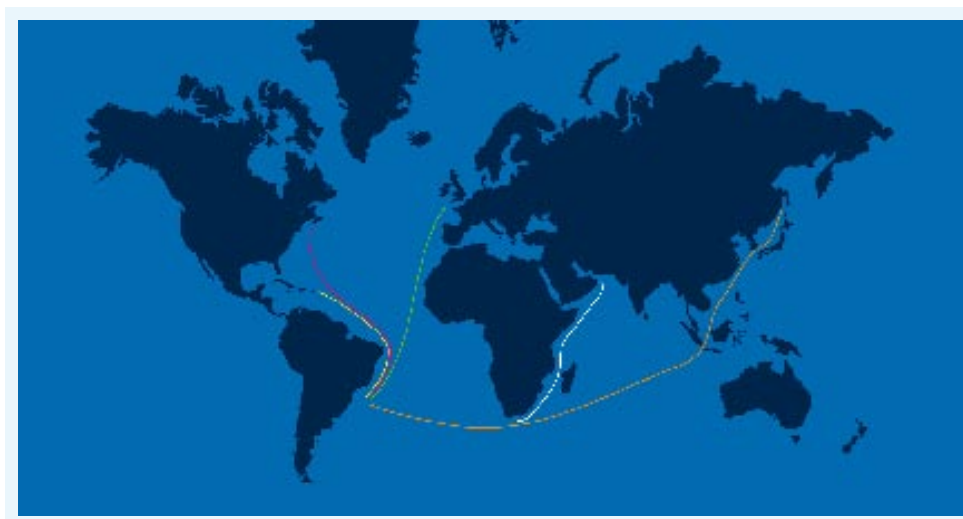
During the year, the service between the Pacific Coast of South America and the Atlantic Coast of South America improved its level of service by increasing coverage and frequency. This is the result of agreements for the purchase and sale of space with other shipping companies which also permitted reducing the impact of the increase in ship charter rates and fuel costs.

## 1.2 Shipping Services to and from the Atlantic Coast of South America

CSAV offers containership services to and from the East Coast of South America to North America Atlantic, North Europe, West Coast of Africa, South Africa and the Asia region, including Southeast Asia, China and Japan.

During 2006, the markets of Brazil and Argentina were positively influenced in their foreign trade, mainly their imports, basically due to the appreciation of the local currencies. In the case of exports, both countries showed growth in volumes.

Unfortunately, despite this growth and also growth in market share of the relevant markets, tariffs fell to very low levels because of over supply, with an average reduction of 20%. In addition, the higher cost of fuel had as negative effect on operating costs which, together with the fall in freight rates, implied a considerable financial loss for all the services. The continual operating problems in Brazilian ports also adversely affected results. The lack of capacity and infrastructure compared to the growth rates in cargo volumes, led to congestion and operating problems, with serious consequences for the costs structure.



## Highlights of the Year

During 2006, the East Coast of South America services showed important growth in containership capacity, mainly driven by the new service to the Middle East (Marcopolo service). However, the 19% increase in cargo carried was slightly lower than the growth in capacity which negatively influenced the results of these services. As in 2005, when the volume carried rose by 25%, the increase in cargo was driven by growth in the Asax service that links Eastern South America with South Africa, Southeast Asia, China and Japan.

In August, the Marcopolo service was started which connects the East Coast of South America with South Africa, the East Coast of Africa and the Persian Gulf. It is also designed to connect the Asax service with other ports in Africa like Cape Town, Mombassa and Dar es Salam in Tanzania.

Following CSAV's strategy of bringing the CSAV brand to its customers, with the consequent benefits in lower costs and greater loyalty, the company began the operation of its own agency in Argentina (CSAV Argentina, in association with the owners of the old local agency) in order to increase its participation in that country and improve cost efficiency. From May, this agency is offering the services of sales, customer service and documentation, plus port operations and logistics.





## 2. Special Services

### 2.1 Liquid Bulks Shipping Services

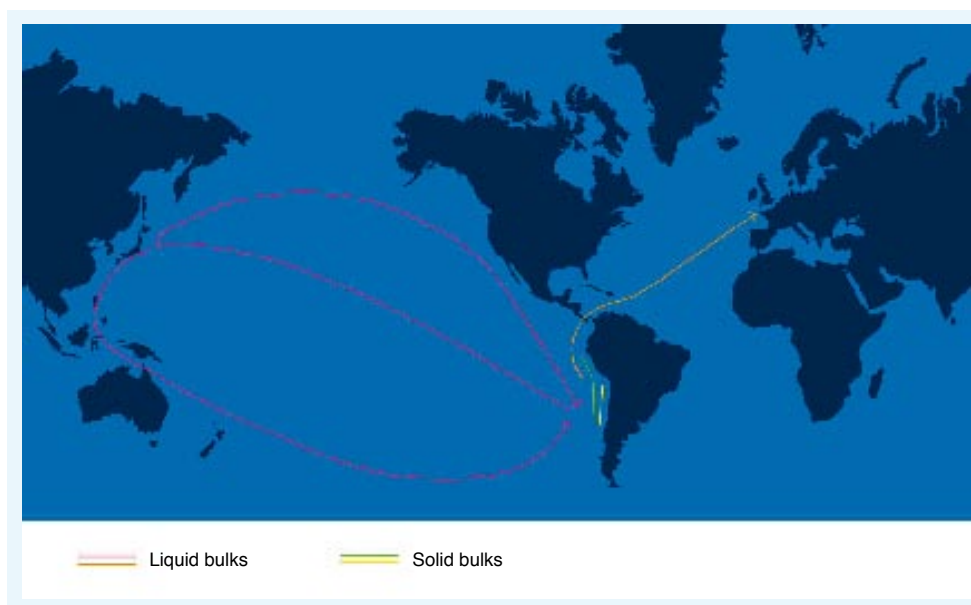
CSAV offers shipping services in sulphuric acid and other chemicals in Chile through the subsidiary Odfjell y Vapores S.A. in which the partner is Odfjell Seachem, the principal operator in this kind of product in the world.

#### Highlights of the Year

The “M/V Bow Andes” was replaced by “M/V Bow Cóndor”, of the same characteristics, during 2006. It was not possible to renew the coastal service contract with Codelco, and this was awarded to another shipping company for the period 2008-2011.

### 2.2 Solid Bulks Shipping Services

The Company carries copper concentrates from the Pacific Coast of South America to Asia and North Europe. The vessels are loaded on the Pacific Coast of South America with thermal and metallurgical coal, plus grain from Canada.

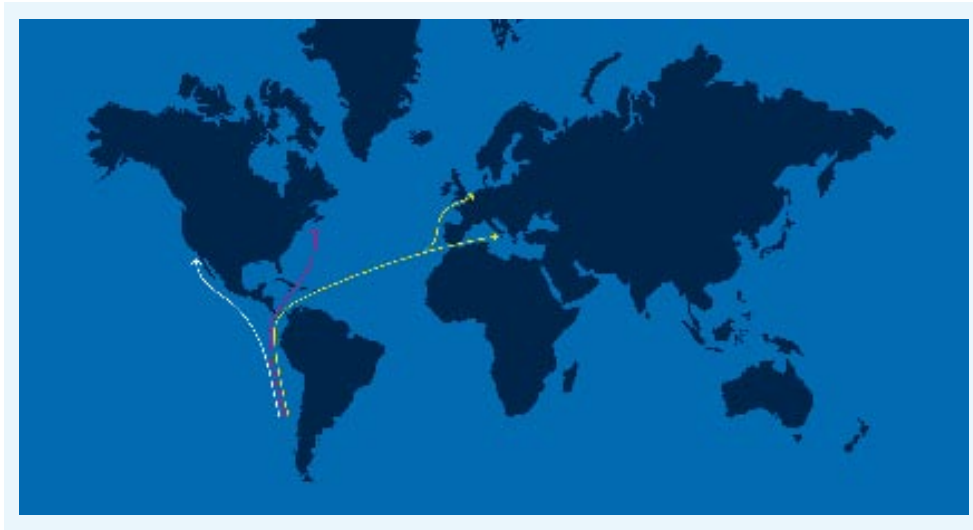


#### Highlights of the Year

Solid bulks transport improved their results compared to 2005, taking advantage of the good moment this market is passing through. The Company continues its participation, through its subsidiary Corvina Shipping Co., in the bulk shipping operation with the Greek shipowner, Peter Livanos. The joint building was ordered during the year of four bulk carriers for delivery in 2011.

### 2.3 Refrigerated and Frozen Cargo Service

CSAV, through its subsidiary CSAV Panamá, carries refrigerated fruit and products. A service is offered with chartered ships during the fresh-fruit exporting season from Chile to both coasts of the United States, Mexico and Europe. These destinations are complemented with refrigerated containers carried on ships of the line services. For the Asian market, all is carried in containers.



#### Highlights of the Year

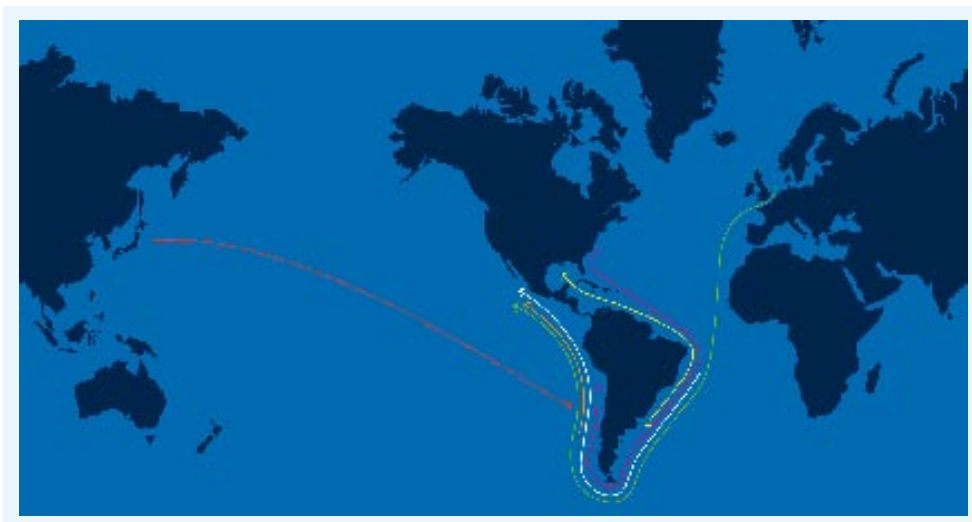
The refrigerated cargo service in containers continued to grow, showing increases to the various destinations served by the Company, which contributed to the smaller volumes being carried in reefer ships than in the previous year.

The integral refrigerated cargo service was consolidated, managing to provide customers with a better coordination and efficiency in the planning of production and shipments during the fruit season.

## 2.4 Vehicle Service

CSAV serves the following routes with specialized ships of the Pure Car and Truck Carrier (PCTC) type, which allow the roll-on and roll-off of the vehicles via ramps:

- Japan and Korea to Chile and Peru.
- Argentina and Brazil to the East Coast of Mexico, Colombia, Venezuela and the Caribbean.
- Brazil and Argentina to the West Coast of South America, Central America and Mexico.
- Brazil and Argentina in both directions (Mercosur).
- West Coast of Mexico and Central America to the West Coast of South America.
- North Europe to the West Coast of South America, Central America and Mexico.
- East Coast of United States to Venezuela, Colombia, West and East Coast of South America.



### Highlights of the Year

During 2006, CSAV managed to consolidate its offer of destinations to all South America, Central America and the Caribbean. It has also increased its frequencies from Europe and the United States to both coasts of South America. All this effort enabled it to attend satisfactorily all the requirements of its customers in terms of volume, diversity of destinations and transport quality. Its customers have thus recognized this effort and the provision of a value-added service through the renewal of contracts.

### 3. Services of Norasia Container Lines Ltd.

CSAV, through its subsidiary Norasia Container Lines Ltd., offers services on the East-West traffics between Asia and North Europe, Mediterranean, Persian Gulf, the Indian sub-continent and North America.



#### Highlights of the Year

To reflect its integration with CSAV, Norasia adopted the commercial name of CSAV Norasia Liner Services Ltd. (CSAV Norasia) in 2006.

Volumes in the East-West market continued to grow strongly in a year driven by the growth of Chinese manufacturing companies. CSAV Norasia continued to increase the size of its ships on the services between Asia and Europe, receiving the last 6,500 Teus ships that were being built. The volume carried by CSAV Norasia in 2006 exceeded a million Teus for the first time.

The range of services offered in 2006 has enabled it to increase the volume of containers by 3% over 2005, while sales reduced by 9% due to the fall in freight tariffs as a result of over-capacity in the industry in some traffics.

CSAV Norasia continued to consolidate its presence in the Asia - Black Sea service, replacing its 3,000 Teus ships with 4,000 Teus ships, to offer increased capacity and faster speeds. A port was added to this service in the Black Sea, thus offering more options for customers.





#### 4. Services of Companhia Libra de Navegação and Compañía Libra Navegación (Uruguay) S.A.

The subsidiaries Compañía Libra de Navegação (Libra) and Compañía Libra de Navegación (Uruguay) S.A. (Libra Uruguay) offer container services to and from the Atlantic Coast of South America, connecting with North Europe, Mediterranean, North America Atlantic, Gulf of Mexico and USA, Caribbean, and Pacific Coast of South America.



#### Highlights of the Year

Through a new association with Aliança and Maruba, the Conosur service was reorganized, offering an increased frequency and coverage.

In March, a space exchange agreement was reached with Hamburg Sud in the East Coast of United States service, generating operational savings and offering a wider range of destinations.

In October, the Gulf of Mexico service, with the ship *Libra México*, began a program for the replacement of its 3,100 Teus ships with 4,100 Teus ships. This project will end in May 2007. On that date and in parallel, the Mediterranean service, with its ship *Libra Rio*, began the replacement of its 2,500 Teus ships with 3,100 Teus ships, a project that should be concluded in June 2007. Both projects enable Libra to maintain its leadership in quality and competitiveness in both markets.

In November it was decided to restructure the North Europe service. At the same time and on the same route, a cooperation agreement was signed with Hamburg Sud through a joint service, and another with MSC through a space purchase agreement, thus permitting an increase in efficiency and competitiveness in this service.

The volume of cargo carried by Libra and Libra Uruguay in 2006 was 5% higher than in 2005. However, the results of the services have shown losses as a result of the significant fall in freight rates and large increases in operating costs.

In September, The Oracle CRM module was introduced for recording all interactions with customers and for aligning all the line services and agencies with the policies and procedures of the parent company. Work continued on the customer relations program.

Compañía Libra de Navegación (Uruguay) S.A. began to operate in October, in replacement of Montemar Marítima S.A.

The implementation of the Oracle Financials module was completed, for the production of the financial statements in accordance with corporate policies and procedures.

Libra, in August, obtained the certification of its environmental management system under the ISO 14001/2004 standard and renewed its quality management system certification under ISO 9001/2000.

The bulk carrier “Braztrans 1”, continued to be chartered to a third party.





## *Other Activities of the Year*

### **Marketing**

#### Agencies globally

In order to align its distribution channels with the CSAV Group's business strategy, the expansion plan continued of its agency network in key countries. In 2006, agencies have been added in Holland, Belgium, Korea and Argentina. At the end of 2006, also, agreements were signed with the agencies in Spain and Italy, to be incorporated during the first quarter of 2007. With these, the CSAV Group obtains the management and direct control of approximately 75% of global sales.

#### Value Proposal

The Company's new value proposal was announced internally. This derives from the brand platform defined in 2005 which places the customer at the neuralgic center of CSAV's commercial activity. The launch, in its first stage, was carried out in Chile, Brazil, Argentina and Mexico, and it will be launched in Europe and USA in early 2007.

As part of this launching, a series of institutional materials were prepared (video, brand-book, map, screen saver, graphics instructions manual, photographic file, etc.) and distributed to all the regional offices and own agencies in order to strengthen and standardize communications and brand identity globally.

#### Relationship Marketing

Maintaining its strategy of relationship marketing, CSAV this year carried out various loyalty events directed to different customer segments. Their objective is to strengthen its customer relations and thus generate long-term mutual benefits. They also provide the opportunity to increase the value of the relationship through a better of knowledge of their business.





## Market Intelligence

Commercial management systems were implemented globally during the year, permitting CSAV to carry out a deeper analysis of sales and customer knowledge through one source of information.

A process was established for measuring the utilization of ships on a monthly and an accumulated basis, by service, region and carrier.

Market information was standardized, both reports and the data base, which translated into an important reduction in the costs and an improvement in obtaining the information.

## Customer Relationship Management

During 2006, the Customer Relationship Management (CRM) project continued to be implemented in the commercial agencies controlled by CSAV. It is currently operating in the agencies of Chile, Brazil, Argentina, China and Mexico. For 2007, the implementation is planned for England, Germany and Belgium. The basic objective of the project is to increase knowledge of customers through an integral record of interactions with them, generated in the Sales and Customer Service areas.

In addition, the Consensus Forecast Management (CFM) was implemented this year in the principal agencies on the West Coast of South America (Chile, Peru, Bolivia, Ecuador and Colombia). For 2007, its implementation is planned for Central America and the agencies reporting to the regional offices in Brazil and Europe. The objective of this initiative is to improve coordination between the commercial area and the lines, and provide information for a better planning and follow-up of demand, thus optimizing the use and profitability of the containership services.

## Systems

Continuing with the project for business transformation and technological improvement, the updating was made in 2006 of the latest available version of the financial-accounting application based on Oracle and the corresponding improvement in the technological platform for supporting future growth.

Following the satisfactory operation of the financial-accounting module in CSAV and the subsidiary Libra, its implementation was begun in CSAV Norasia, which will permit the finalization of an important stage in the integration of the CSAV Group.

New information analysis tools have also been incorporated to significantly support the control management associated with the CSAV Group revenues and costs cycles.

## Administration and Finance

The Company in 2006 continued in its efforts to increase administrative efficiency and reduce administrative expenses, taking advantage of the new platform of administrative accounting systems and the operation of shared services centers. Similarly, it has continued with the orientation to strengthen procedures, control costs, and the quality and visibility of management information. During the last quarter, the last stage was begun of updating the administrative-accounting systems through the start-up of the ERP Oracle system in Norasia, which will enable CSAV in 2007 to have the one platform in administrative-accounting systems.

Early in 2006, CSAV awarded the HSBC Bank the system of the global management of current accounts (cash management), called HSBCNet. This system, based on a web platform, enabled the Company to improve the technological platform to permit it greater information security and visibility at a lower cost.

## Investments and Financing

During 2006, through associate companies, two 4,050 Teus ships, three 5,500 Teus ships and three 6,500 Teus ships were received and added to the fleet of the CSAV Group, corresponding to the building project jointly with the German ship-owner Peter Döhle Schiffahrts-KG. These ships were financed with 12-year loans that finance 90% of the value of the ships, at very competitive rates, secured by mortgages over the ships and an additional guarantee of the owners (CSAV and Döhle) for up to 24% of their value (up to 12% for each partner).

The Company signed a credit line with BNP Paribas for up to USD 450 million to be used for possible future ship acquisitions according to the fleet's growth needs. This credit line can be used during a period of 5 years and, once drawn, is repayable quarterly over a term of up to 10 years, depending on the age of the corresponding ship. Therefore, together with the line of credit signed in 2005 with the German HSH Nordbank, CSAV has 700 million dollars of lines of credit signed for this purpose.

The principal banks with which the Company and its subsidiaries operate are:

### **In Chile:**

Banco de Chile  
Banco Santander Santiago  
BBVA  
Deutsche Bank  
HSBC

Banco de Crédito e Inversiones  
Scotiabank SudAmericano  
Citibank  
ABN AMRO Bank

### **Abroad:**

ABN AMRO Bank  
Bank of China  
Brown Brothers Harriman & Co.  
CALYON  
Commerzbank  
DnB NOR Bank Asa  
Deutsche Bank  
Dexia Bank  
Goldman Sachs  
HypoVereinsBank  
ING Bank  
NordLB  
Scotiabank  
UBS

Bank of America  
BNP Paribas  
Banco Santander  
Citibank  
Credit Suisse  
DekaBank  
Deutsche Schiffsbank  
DVB Bank  
HSBC  
HSH Nordbank  
Natexis Banques Populaires  
Rabobank  
The Royal Bank of Scotland

## Risk Management

The Company has a comprehensive operating risks management program which includes internal and external audit work and an insurance plan. The internal audit covers a systematic revision of the principal risk areas of the Company and its subsidiaries.

With respect to insurance, it should be emphasized that the Company's fleet is protected against hull and machinery damage, maritime risks and war. It also has protection and indemnity cover for the cargo and other insurances for the different port activities, containers and other of its fixed assets.

One of the challenges facing CSAV is to establish a ship chartering strategy coherent with a variable freight rates market. The Company's charter contracts run from six months to five years at fixed rates while freights fluctuate in the short term. During the year, there was a fall in chartering rates as a result of the greater available supply of containerships.

To cover the risk of price fluctuations for its basic supplies like ship fuel, the Company keeps small inventories and a portion of the tariffs that it charges customers is adjusted according to variations in fuel prices.

The Company and its subsidiaries also take out fuel price hedging contracts but the cost of these has increased sharply in recent times so such hedging has been limited and that which we have is more expensive than before.

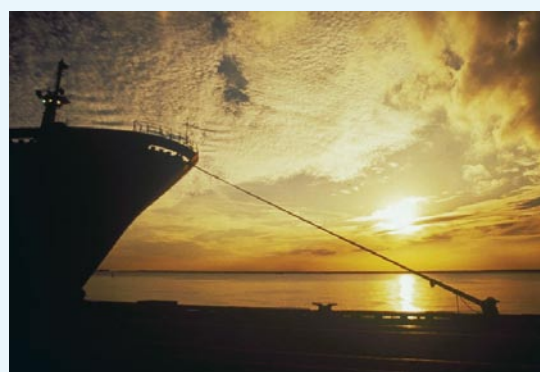
CSAV has contracted a currency hedge covering a broad range of fluctuations in the yen for a period of 30 years to cover the currency exchange risk under the loan for around USD 202 million granted by the Japanese subsidiary of American Life Assurance Co. of Columbus. The Company has also contracted currency derivatives to cover the fluctuations of bonds for 1,950 thousand UF, equivalent to approximately 68 million dollars.

The Company has also interest rate hedge for a term of 10 years to cover loans for the purchase of new ships which started to be delivered during 2005.

## Credit Rating

The bonds in Unidades de Fomento retained their rating of A+ by the rating-agencies Humphreys Limitada and Fitch Chile Clasificadora de Riesgo Ltda. On the other hand, S&P reduced the Company's credit rating in August from BBB- to BB+ (with negative outlook) as a result of the unfavorable changes in the global containership industry and how this has adversely impacted on the results of CSAV. Despite this, S&P stresses the Company's favorable liquidity and financial position.

Humphrey's Ltda. rated CSAV's shares at First Class Level 1 while Fitch Chile Clasificadora de Riesgo Limitada maintained its rating of First Class Level 2 during the year. In 2004, the Chilean Credit Rating Commission gave its approval for Chilean pension funds to invest in CSAV



## Operations and Logistics

### Operations and Intermodal

As in previous years, 2006 was characterized by a rise in costs generated by an increase in volumes transported and greater intermodal and transshipment activities, plus increases in the cargo transfer prices due to the reduction in the capacity of new terminals in the world. This imbalance between growth in cargo volumes and terminal capacity for handling it, was evident mainly in the United States, Europe and Brazil.

Despite the above complicated scenario, CSAV has managed to contain and mitigate the rise in stevedoring costs through the concentration of services on fewer terminals and the adherence to long-term contracts with key providers.

As has been mentioned, the Company's intermodal activity has increased strongly. A large part of this growth is based on the volumes transported between Asia and the Black Sea. With respect to the costs, these have been strongly influenced by well-known rises in fuel prices and a chartering market favorable to ship owners, characterized by the scarce availability of smaller-sized ships. Despite these complications, which began to disappear in the third quarter, it was possible to maintain connector or feeder ship freight rates, but not for land transport.

Because of the continual and sustained increase in fuel prices, and in order to improve efficiency in the use of this important resource, it has continued to develop a series of short and long-term initiatives for reducing the oil consumption of the fleet operated by CSAV. Important improvements have also been made in selecting the best places for bunkering. In the long term, it is expected to introduce models to consumption variables and improvements to route plans, in order to generate efficiencies that are sustainable over time.

### Logistics

The first half of 2006 ended with container prices rising, basically due to higher steel and wood prices, accompanied by an explosion in demand as a result of optimistic projections and expectations of a shortage of containers. The prices of 20-foot containers fluctuated wildly during the year, reaching levels of US\$ 1,950 in the first half; in October-November, the level declined to US\$ 1,750 and then again rose to US\$ 2,000 in December. The high concentration on few container manufacturers does not contribute to important price reductions.

The polarization of trade in the Asian markets has generated a growing imbalance in the traffic of containers, which has affected operating costs. The increase in cargo flows in the world and the growing shortage of sea terminals have reduced their storage capacity, which has forced the incurrence of additional costs.

The effects of fleet efficiency have enabled the containership fleet to grow by just 1.2% while the increase in voyages was close to 6.4 %. This has brought with it a greater cost of the imbalance, equivalent to 3%. Our projections for 2007 foresee container prices with the same fluctuating cycle trends and stable unit imbalance costs resulting from a combined action with our business units and of costs to reduce it.

Work continues on aggressive cost-reduction plans, the maintenance of the efficiencies achieved and in giving greater visibility to the operating process. As part of this program, the purchase of 1,000 refrigerated containers has been ordered from China.

### ISO

The Company continued with its concern for providing a quality service and for the importance of the environment. CSAV has thus maintained its certification under the environmental management standards of ISO 14.001 and the quality management standards ISO 9001:2000 and QOS of Ford.



## Ship Management

### Purchase and Sale of Ships

The following new shipbuildings, ordered jointly and in equal shares by CSAV and Peter Döhle Schiffahrts (PDS), were received from their shipyards as part of the building projects of six 5,500 Teus ships and six 4,050 Teus ships, from China Shipbuilding Corporation Shipyard (CSBC), Taiwan, and the project for six 6,500 Teus ships, with Hyundai Heavy Industries Co. (HHI), Korea:

During February, the 5,500 Teus ship “Cholguán” was received and registered in Liberia. This ship entered service with Norasia Container Lines Limited (Norasia) and delivered to Southern Shipmanagement (SSM), for its technical management. In the same month, the 4,500 Teus “Lircay” was received from the shipyard and registered in Liberia, entering the service of Norasia, under the technical management of PDS.

The “Chaitén”, the fifth of the 5,500 Teus series, was received in April, being registered in Liberia and entering the service of Norasia Container Lines Limited. The technical management of the ship was assigned to PDS.

In May, the fourth 4,050 Teus ship, the “Longavi”, was received from the shipyard, registered in Liberia and entered the service of Norasia. The technical management of the ship was assigned to SSM.

In July, the 5,500 Teus ship “Chacabuco” was delivered by CSBC and entered the service of Norasia, with a Liberian flag and under the technical management of SSM.

The “Lontue” and “Laja”, the last two of the 4,050 Teus series, were received from CSBC in July and September and were sold and delivered to their buyers Conti 41 Container Schiffahrts-GmbH & Co. KG MS “Conti Nice” and Conti 42 Container Schiffahrts-GmbH & Co. KG MS “Conti Nantes”, respectively.

The “Pucón”, the first of the six ships of the 6,500 Teus series, were delivered by the HHI shipyard in August, followed in November by the “Puelo”, and finally the “Palena” was received in December. All these ships were added to the services of Norasia, under the technical management of SSM.

During the fourth quarter, four of the 5,500 Teus ships in which CSAV had a 50% participation, were sold to subsidiaries of PDS, as follows:

In October, the “Cholguán” was delivered to MS Tabea Schiffahrtsgesellschaft GmbH & Co. KG, based in Hamburg, Germany.

During November, the “Choapa” was delivered to MS Tabea Schiffahrtsgesellschaft GmbH & Co. KG, Hamburg.

Finally, during December, the “Chillán” and “Copiapó” were delivered to MS “Tessa” and MS “Tamina” Schiffahrtsgesellschaft GmbH & Co. KG, Hamburg, respectively.

During 2006, the Company and its subsidiaries chartered 157 ships which, complementing its own fleet, enabled it to provide sea freight services on the different traffics.

### Operating Days of Own Ships

The ships making up the fleet of the Company and its subsidiaries in 2006 had a total of 4,707 available days, having used 167 of them for careening, maintenance and repair work. In other words, 4,540 days for the commercial operation of the ships, which is the equivalent of 96.5% of the total available time. The non-operative days are mainly explained by 85 days imputable to careening work on the ships “Río Bueno”, “Pacific Explorer” and “Pacific Winner”.

## Fleet of CSAV, Subsidiaries and Associate Companies

Ship	Owner	Deadweight Tonnage (Tons)	Type of Ship	GRT (TM)	Speed in knots	Year Built
Norasia Alya	Associate	41,748	Containership	35,881	22.2	2004
Chaitén	Associate	68,228	Containership	66,280	24.4	2006
Chacabuco	Associate	68,228	Containership	66,280	24.4	2006
Limarí	Associate	51,870	Containership	42,800	23.4	2005
Loa	Associate	51,870	Containership	42,800	23.4	2005
Longaví	Associate	51,870	Containership	42,800	23.4	2006
Lircay	Associate	51,870	Containership	42,800	23.4	2006
Pucón	Associate	80,250	Containership	75,400	25.1	2006
Puelo	Associate	80,250	Containership	75,400	25.1	2006
Palena	Associate	80,250	Containership	75,400	25.1	2006
P. Runner	Subsidiary	17,830	Car carrier	38,754	17.4	1977
P. Winner	CSAV	23,485	Car carrier	48,688	16.5	1987
Mapocho	CSAV	21,182	Containership	16,986	19.0	1999
Rio Bueno	Subsidiary	11,076	Car carrier	26,107	16.5	1980
Rio Enco	CSAV	7,426	Car carrier	19,867	16.5	1978
Rio Blanco	Subsidiary	18,142	Car carrier	41,208	17.0	1981
Bow Pacífico	Subsidiary	18,657	Chemical carrier	12,198	15.2	1982
Bow Cóndor	Subsidiary	28,022	Chemical carrier	17,561	16.0	1978
Atlíxco	Associate	18,217	Car carrier	41,697	18.0	1982
Braztrans I	Subsidiary	38,186	Bulk carrier	22,011	15.0	1980

### Ship Management

The technical management of the Company's fleet, and of its Chilean and foreign subsidiaries' fleets, comprising ships sailing under the flags of Chile, Liberia and the Marshall Islands, has continued to be with Southern Shipmanagement (SSM), a company specialized in the business and having 25 years' experience, in which Wallem Shipmanagement Ltd, Hong Kong, has a holding.

Companhia Libra de Navegacao continued as the ship owner of the "Braztrans I", having contracted the technical management of its ship to V.Ships – Brazil.

The two technical managers mentioned have documented management systems, that are subject to constant revision and the compliance certification with the standards of the International Code of Ship Operating Safety Management and OMI Contamination Prevention (ISM Code) and the International Code for Ship Protection and of Port Installations (ISPS Code). They also have their operations audited and certified according to International Quality Standards ISO 9001-2000 and ISO 14001.

The process of validation of the C-TPAT (Customs – Trade Partnership Against Terrorism) accord was completed in 2006. This accord, which was signed in 2002 with the U.S. Customs and Border Protection, Company (CSAV, Norasia, Libra and Montemar).

The primary objective of this accord is to prevent the transport of illicit effects for terrorist ends in our ships and cargoes bound for the USA, by the implantation of security procedures in the whole sea freight logistical chain.

All this translates into a high economic and operational efficiency and great technical reliability, which grants safety and protection in the operation of the ships and permits providing a reliable service to customers.

### Research and Development

As described above, CSAV works in a very competitive environment, in which variations in global economic growth directly affect the demand for cargo transport. This, together with the variations in the supply of new buildings, generates cycles associated with the principal variables of the industry, like the levels of ship charters, freight rate levels and cargo volumes, which require an important effort in research to calculate the supply of services in the different traffics and markets, and to thus maintain CSAV's competitive presence in the world shipping market.

It is also necessary to regularly follow variables such as regulations in the different markets, fuel prices, exchange rates, interest rates, etc., factors that affect trade flows and operating costs.



## Human Resources

During 2006, CSAV has continued with a special focus on human resources management in order to improve the working environment and invest in the development of skills and abilities of its employees to thus sustain compliance with the targets of CSAV and provide a service of quality to its customers.

### Training and Development

The year 2006 was focused mainly on strengthening the technical and functional skills of the personnel, which implied 35,172 hours of training, the equivalent of an average of 62.03 hours training per person.

The statistics obtained by the training program, by area, are as follows:

Area	Persons attending	Total hours
Languages program	242	16,337
Shipping business program	213	7,980
Information technologies program	160	3,536
Functional technical program	371	4,797
Integrated management system program	30	403
Virtual Campus program	194	2,119

The training activities were developed in the shipping business, ISO, information technologies, functional techniques and Virtual Campus through the e-learning tool. This Virtual Campus has 5 courses: "Induction in CSAV" in Spanish and English, "Integrated Management System - SGI", "Oracle" with the purchase order process, and under development are Accounts Payable and Accounts Receivable. This technological progress in the area of training and development has enabled us to export the induction course to Hong Kong with excellent results. The courses of "Induction in CSAV" and "Oracle" will soon be provided to the agencies and the shared services center in India.

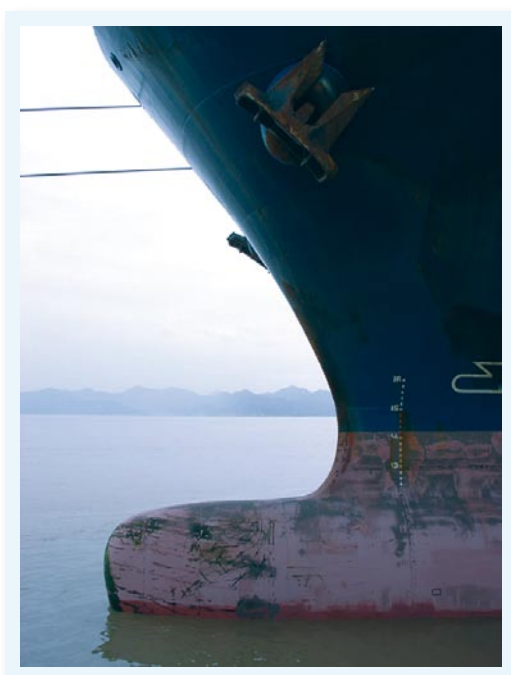
The implementation of the new performance management system was completed in 2006, to identify personal objectives for every employee of CSAV, and aligned with the Company's objectives, and to prepare personal development plans, a process that was accompanied by a program of tutorials both for department heads and for employees to ensure their correct execution.

This system, being aligned to the Company's objectives and individual objectives, contributes significantly to the Company's productivity and is relevant for ensuring employees' commitment and motivation.

The recognition program, launched in 2005, has continued to reward employees, supervisors and work teams that excel in their commitment to CSAV; 196 people were rewarded, whether for quality of service, innovation, work well done or efforts and commitment.

The intranet "Contacto" has become a potent channel of communication with employees, with more than 2,800 visits weekly, which facilitates communications, news and different Company programs and policies.

Special emphasis was given in 2006 to direct head/subordinate communications, an activity begun in May, in which the general manager held an organizational feed-back meeting for all personnel. By this means, all the employees were informed of CSAV's strategic lines for 2006 and the challenges the year presented, which gave rise to a series of meetings at departmental level to discuss these matters.



## Personnel of CSAV and subsidiaries

The revision, evaluation and description were completed in 2006 of all the jobs in the Company. At the same time, the contractual relations were revised of all the personnel, which meant that by mid year, almost all the requirements of the new outsourcing law were met.

The workforce of CSAV and its subsidiaries at December 31, 2006 was 6,867 employees, distributed as per the following table:

	Executives	Employees	Total
CSAV HQ	24	575	<b>599</b>
SAAM	15	404	<b>419</b>
Others SAAM	80	3,053	<b>3,133</b>
Others CSAV	6	2,710	<b>2,716</b>
<b>Total</b>	<b>125</b>	<b>6,742</b>	<b>6,867</b>

The principal movements made at the executive level were:

### Appointments:

In February, Andrés Kulka Kupperman joined the organization as the Regional Manager, North America.

In February, Mario Da-Bove Andrade assumed the position of Executive Director of CSAV Group Asia, based in Hong Kong.

### Severances:

In February, Patrick Horn García, SVP of Processes, left the Company.

On March, Ricardo Waidele Cortés, SVP Global Customer Support, left the Company.

In April, Ignacio Jiménez Olmo, VP Insurance, left the Company.

During 2006 remuneration payments made to executives amounted to ThCh\$ 2,441,302 and severance payments amounted to ThCh\$ 584,211.





## Benefits

The provision of benefits that CSAV offers all its employees continued during 2006, reflected in the better perception and evaluation of the employees of these, as indicated in labor atmosphere surveys.

### Health and Education

Through the Social Assistance Corporation CAS-CSAV, the Company provides funds for improving the quality of life of its employees. The funds are mainly used to provide additional health insurance cover and education for its employees and their families.

The Corporation in 2006 managed funds which are 15% provided by the employees and 85% by the Company.

### Life Insurance

The Company maintains life insurance for its employees, including additional coverage for serious illnesses of the employee or their families.

### Housing Benefits

Since the creation of mortgage loans for employees, 238 loans have been granted for the purchase, construction or repair of homes.

### Senior Study Scholarships

The Company in 2006 continued with its scholarship program for children of employees undertaking senior education and that have excelled in academic performance. In addition, seventeen employees have taken post-graduate courses that permit the beneficiaries access to better opportunities of formation and professional development.

## Recreation

Among the activities that the Company organizes for all its employees, are the annual excursion and the celebration of the anniversary of CSAV, held during November as has been traditional, and well attended as evidenced by the presence of approximately 500 guests who enjoyed a day of activities of integration, entertainment and relaxation.

As has been the custom in December, the Company celebrated Christmas for its employees and their families. The family group enjoyed a day of entertainment and relaxation, ending with the giving of presents to the children. This celebration is carried out with financing shared between the employees and the Company.

The Company maintains its support for sporting and recreational activities for its employees and their families, providing funds for its financing.

CSAV makes available relaxation and recreation for the family group throughout the year at the Montecarmelo Country Club in Limache.

### Labor Relations

The Company's relations with its employees have been maintained in a climate of respect and mutual cooperation. The application of the collective work agreements with the CSAV Union and the Supervisors Group cover the labor relations, which encourage a fluid and constant communication through periodic meetings with the workers' representatives.

### Appreciation of its Personnel

The board wishes to emphasize the commitment and dedication of the Company's personnel in meeting its objectives and adequately facing the large challenges of 2006.

## Principal Properties of the Company

### Santiago

AGF Building (Offices)  
Hendaya 60

Floor 9  
Rol 214-142

Floor 11  
Rol 214-146  
Rol 214-145

Floor 13  
Rol 214-150

### For personnel recreation:

Montecarmelo Country Club  
Avda. Eastman 1047, Limache  
Roles 322-1

Floor 10  
Rol 214-144

Floor 12  
Rol 214-148  
Rol 214-147

Floor 14  
Rol 214-151  
Rol 214-152

### Valparaíso

Valparaiso Office Building  
Plaza Sotomayor 50  
Rol 8-004

Other properties  
Apartment 1109  
Pasaje Ross 149  
Rol 37-110

Materials Warehouse Building  
José Tomás Ramos 22  
Rol 90-22

Land  
Blanco 509 al 529  
Rol 8-001  
Blanco 541 al 545  
Rol 8-002

### Iquique

Office  
Aníbal Pinto 444  
Rol 255-19



## General Information

### Ownership Structure

Largest 12 shareholders	Number of shares	Percentage of total
Marítima de Inversiones S.A.	334,225,618	45.42%
A.F.P. Provida S.A. Fondos de Pensiones	46,452,692	6.31%
Banchile Corredores de Bolsa S.A.	26,199,100	3.56%
Philtra Limitada	23,110,142	3.14%
Citibank N.A. por Cta. Terceros Cap. XVI	16,369,363	2.22%
Servicios y Consultoría Hendaya S.A.	14,219,520	1.93%
Inmobiliaria Copihue S.A.	13,367,592	1.82%
Bancard Inversiones Limitda	12,933,420	1.76%
Constructora Santa Marta Ltda.	11,000,000	1.49%
Larraín Vial S.A. Corredores de Bolsa	10,399,896	1.41%
A.F.P. Cuprum S.A. Fondos de Pensiones	7,444,159	1.01%
Internacional Río Plata S.A.	7,358,445	1.00%

According to the Company's registers and the application to them of chapter XV of Law 18,045, the shareholders who hold or control shares or rights in the Company, directly or through other parties, are the following:

Name	Kind of party	Number of shares	Percentage of Total
Marítima de Inversiones S.A.	Entity	334,225,618	
Because it has common controllers with :	-	-	
Servicios y Consultorías Hendaya S.A.	Entity	14,219,520	
Navarino S.A.	Entity	4,994,300	
María Luisa Vial Lecaros	Person	10,781	
Ricardo Claro Valdés	Person	4,590	
	-	353,454,809	48.03%

### Share Transactions

The following shows share transactions made in the years 2006 and 2005 by major shareholders, the chairman, directors, managers and executives, according to the Company's share register:

Shareholder	2006		2005	
	Purchases	Sales	Purchases	Sales
A.F.P. Provida S.A. pension fund	8,069,584	10,522,924	31,022,259	2,533,468
Citibank N.A. for Chap. XIV third parties	21,345,218	8,166,124		
A.F.P. Habitat S.A.	6,030,953	10,065,117	2,451,260	9,451,007
Bancard S.A.	40,843,189	27,909,769	-	-
Larraín Vial S.A. Corredores de Bolsa	26,929,003	30,500,096	173,879,572	164,364,211
Celfin Capital S.A. Corredores de Bolsa	29,778,862	30,117,324	56,315,094	57,217,627
Banchile Corredores de Bolsa S.A.	153,111,464	160,277,196	289,284,074	259,854,299
Bolsa Electrónica de Chile Bolsa de Valores	82,502,789	95,218,633	152,802,949	138,390,466
Marítima de Inversiones S.A.	-	-	11,040,000	-
Antarchile S.A.	-	-	10	113,432,959
Inversiones Angelini y Cía. Ltda..	-	-	-	21,989,986
Inmobiliaria Copihue S.A.	797,947	-		
Inversiones San Benito	-	-	20,000	-
Administradora de Inversiones Germania Limitada (ex Coquimbo Industria Nacional Limitada)	2,326,833	-	3,645,067	-
A.F.P. Cuprum S.A. pension fund	2,526,481	3,558,744		



## Market Statistical Information

Quarterly statistics of market trading over the last three years is as follows:

Year	N° of shares traded	Amount Ch\$	Average Price Ch\$
<b>2004</b>			
First quarter	15,744,526	12,328,001,965	783.00
Second quarter	21,252,206	16,342,842,193	769.00
Third quarter	36,467,496	33,467,174,777	917.73
Fourth quarter	36,342,867	48,500,621,772	1,334.53
<b>2005</b>			
First quarter	185,881,630	243,918,863,263	1,315.06
Second quarter	140,654,902	184,597,642,570	1,312.42
Third quarter	89,817,389	116,116,444,875	1,292.81
Fourth quarter	100,512,946	93,129,463,103	926.54
<b>2006</b>			
First quarter	67,455,340	51,464,491,318	762.04
Second quarter	78,301,953	50,864,779,413	649.60
Third quarter	40,719,092	27,201,060,369	668.02
Fourth quarter	116,215,455	82,179,973,079	707.13

## Dividend policy

The ordinary shareholders meeting held on April 16, 2004 agreed to distribute 30% of the net income, a policy which was confirmed at the ordinary meetings held on April 15, 2005 and April 19, 2006. The last meeting also authorized the board to define the timing and amount of interim dividends payable, and to pay dividends against the fund for future dividends, if it deemed it prudent, without the need for authorization by a shareholders meeting.

## Payment of dividends

The following dividends have been paid against the net income of the years stated:

Dividend N°	Payment date Mes	Year	Value paid per share		Earnings Year
			Ch\$	US\$ equiv.	
301	July	2001	2.9	0.0047	2001
302	October	2001	3.1	0.0045	2001
303	January	2002	1.4	0.002068	2001
304	April	2002	1.91391	0.00296	2001
305	October	2002	3.8	0.005377	(1)
306	January	2003	3.00	0.004243942	2002
307	April	2003	11.38609	0.0157484	2002
308	July	2003	4.60	0.006597536	2003
309	October	2003	4.50	0.006447823	2003
310	January	2004	4.50	0.007243	2003
311	April	2004	11.52450	0.019026	2003
312	July	2004	4.70	0.007268	2004
313	October	2004	6.60	0.010752	2004
314	January	2005	10.00	0.017031	2004
315	April	2005	28.51981	0.0493918	2004
316	July	2005	5.50	0.009482	2005
317	October	2005	13.00	0.024565	2005
318	January	2006	4.50	0.008561318	2006
319	April	2006	13.00	0.024488146	2006

(1) Against the Reserve Fund for Future Dividends

## Distribution of Earnings

The statement of income for the year ended December 31, 2006 shows a loss of US\$ 58,241,431.77, which includes the amortization of negative goodwill (consolidated) of US\$ 586,592.28. The board will propose to the shareholders meeting that no dividend be distributed.

The shareholders meeting should pronounce on the board's proposal.

## Shareholders' equity

At December 31, 2006, the Company's capital and reserves are as follows:

Paid capital	US\$	170,000,000.00
Other reserves	US\$	20,258,721.94
Fund future dividends	US\$	28,347,491.10
Retained earnings	US\$	529,606,495.27
<b>Total</b>	<b>US\$</b>	<b>748,212,708.31</b>

## Directors' Remuneration

In accordance with Law 18,046, the ordinary shareholders meeting held on April 19, 2006 agreed the remuneration of the board for the year 2006, consisting of an allowance of one "ingreso mínimo" per director and double for the chairman, for each meeting attended, and profit sharing equivalent to 2% of the net income for the year, with a maximum of US\$ 300,000 and a minimum of US\$ 60,000, the chairman receiving double that of each director. However, there would be no participation if there are no profits. In addition, the director members of the Directors' Committee receive a fee of one "ingreso mínimo" for each meeting attended, and double for its chairman.

The total amount paid during 2005 was US\$ 2,765,631.16. The details are shown in Note 31 to the consolidated financial statements, which are an integral part of this annual report.

## Directors' Committee

The Directors' Committee in 2006 comprised the directors Luis Alvarez Marín (independent and the chairman), Patricio García Domínguez (controller) and Juan Andrés Camus Camus (independent). The lawyer Beltrán Sáez Martínez de Morentin was the secretary and the SVP administration and finance, Rafael Ferrada Moreira, and the comptroller, Gabriel Escobar Pablo, were confirmed as informants.

## Activities

The Committee met 8 times during the year, to analyze the balance sheet and financial statements for the year ended December 31, 2005, that had to be provided to the shareholders at their ordinary meeting in April 2006; propose the external auditors and the credit-rating agencies that the board might suggest to the shareholders meeting; examine the remunerations system and compensation plans for the managers and senior executives, and analyze the quarterly financial statements at March, June and September prior to their approval by the board.

At five of these meetings, the numerous transactions with related companies were known and approved, although of irrelevant amounts but in the Company's normal business and that of its related companies, like purchases of bunkers for ships which, following a quotation, generally resulted in purchases from Copec, or the inevitable contracting by ships of port services with the related companies, Iquique Terminal Internacional, Antofagasta Terminal Internacional, San Antonio Terminal Internacional and San Vicente Terminal Internacional. It also was advised of and approved sporadic sea freight transactions and other contracts with other related companies. All these contracts, when the Company was directly involved, received the prior approvals of the Committee and then the board, in accordance with clause 44 of Law 18,046. When the contracts were signed by independently-managed subsidiaries, they received the subsequent approvals of the Committee and the board, in accordance with clause 89 of the same law. A total of 474 transactions were analyzed separately to ensure that they met equitable conditions normally prevailing in the market.



## Material Information

### a) General Management Letter of 28.02.2006

The Superintendency of Securities and Insurance (SVS) was informed that the board had met on that date to be informed of and make itself responsible for the financial information for the quarter ended December 31, 2005.

### b) General Management Letter to the SVS of 21.03.2006

The board on that date agreed to propose to the ordinary shareholders meeting to be held on April 19, 2006, the distribution of the final dividend No.319 for the equivalent in pesos of US\$ 18,140,652.11, meaning a dividend per share of US\$ 0.0246528, payable from April 28, 2006 for its equivalent in Chilean pesos at the “observado” exchange rate on the date of the shareholders meeting.

### c) General Management Letter to the SVS of 28.04.2006

The board of the Company on this date was informed of and made itself responsible for the financial information for the quarter ended March 31, 2006.

### d) General Management Letter to the SVS of 28.06.2006

The board unanimously approved the general terms and conditions for the contracting of a revolving credit facility with BNP Paribas, France, for up to US\$ 300,000,000, to be used through one or more of CSAV's subsidiaries in order to have sufficient funds for the possible future acquisition of ships, according to their fleet needs.

On the acquisition of each ship, the subsidiary will secure the respective drawing with a mortgage over the ship and the guarantee of CSAV for up to the equivalent of 50% of the corresponding drawing. The repayment of each drawing will be in quarterly instalments and the term will be up to 10 years depending on the corresponding ship. The interest rate will be the equivalent of Libor + 0.9% per annum.

It is not reasonably possible to quantify the effects of this transaction on the results of CSAV.





e) General Management Letter to the SVS of 11.08.2006

The board of the Company on this date was informed of and made itself responsible for the financial information for the quarter ended June 30, 2006.

f) General Management Letter to the SVS of 29.09.2006

The board of CSAV today unanimously approved the sale to Peter Döhle Schiffahrts-KG, or some of its subsidiary or associate companies, the 50% that, through associate companies, it holds in four 5,500 Teus ships. The sale price is USD 85,000,000 per ship (USD 42,500,000 for the 50% of each ship), generating income of USD 170,000,000. The estimated gain on this transaction is approximately USD 70,000,000. The signing of the final contracts and the respective ship deliveries remain pending, and will be completed in the next few months.

The board of CSAV also approved the purchase of three 6,300 Teus ships (or, what is the equivalent, 50% of 6 ships of that size) from Peter Döhle Schiffahrts-KG or some of its subsidiary or associate companies, at a price of USD 85,550,000 each ship, for a total of USD 256,650,000. The signing of the final contracts and the respective ship deliveries remain pending, but is foreseen for the period 2009-2010.

g) General Management Letter to the SVS of 27.10.2006

The board of the Company on this date was Informed of and made itself responsible for the financial information for the quarter ended September 30, 2006.

h) General Management Letter to the SVS of 27.11.2006

The board of CSAV at its meeting of November 24 unanimously approved the sale to KGJS Cement Holdings AS, of the 26.09% holding it has in Belden Shipholding Pte. Ltd., through CSAV's subsidiary Williams Investment Co. S.A. The sale price is approximately USD 28,000,000. The estimated gain on this transaction for CSAV is approximately USD 22,000,000. The respective sale contract has the normal clauses for this kind of transaction.





## *Subsidiary Companies of CSAV*

### **Chilean Subsidiaries**

#### **SAAM**

Sudamericana, Agencias Aéreas y Marítimas S.A.(SAAM) was constituted under public deed dated November 15, 1961 before the Valparaíso notary Rafael Luis Barahona Stahr, and Ministry of Finance Decree No.2,009 of February 15, 1962, approved its constitution and bylaws and declared it legally constituted.

The company's legal domicile is currently in Valparaíso and Santiago, and its Tax Registration number is 92.048.000-4.

The company's objects are to carry on business in Chile and abroad in the areas of shipping agencies and/or attending ships, shipowners, sea, air and land freight companies; agencies for freight, travel and tourism; transport representations and commercial services; coastal trade and port services; shipment, stevedoring and warehousing services; ship services; tug, launch and mooring services; the construction, tendering, development and operation of ports and port terminals; participations in other companies and any other business related to these objects.

SAAM offers the following services to shipowners, importers and exporters:

### **1.Ship Services**

- Port stevedoring services.

The port services activity plans, carries out and controls all the work related to the loading and unloading of merchandise from/to the ships for which SAAM acts as stevedoring agent.

- Port services in concession-held terminals.
- Tug services.

SAAM has always operated tugs for port use and maritime assistance, supporting ships during their docking and sailing departure operations when they are unable to do so under their own steam.

- Container depot and maintenance services.

SAAM has depots located at strategic sites in different Chilean ports and in some ports in Colombia, Ecuador, Peru and Brazil, providing these services through related companies.

- Shipping agency service.

Provides the planning, management and control of activities for providing slip agency services (port agent), protector agent or documentation agent, for both regular service ships and for tramp services.

- Aircraft services at airports.
- Launch and pilotage services.

### **2. Cargo Services**

The cargo services offered by SAAM are the following:

- Shipping agent services for exporters.
- Comprehensive logistics service for wine, fruit and salmon.
- River transport service.
- Barge and ferry services.
- Storage and warehouse services.
- Refrigeration services in cold stores.
- Net anchoring and maintenance services (salmon farming).
- Port and airport primary zone services.
- Mass and bulk cargo services.

### **Material information**

In a year in which SAAM celebrated its 45th anniversary and which was marked by high prices for the principal commodities, with stable exchange and inflation rates, the results of SAAM and subsidiaries continued to be satisfactory, improving by some 15% over the year before, the result of great efforts in all areas of the business and especially thanks to a sharp reduction in the costs of SAAM in Chile.

In the international area, SAAM continued to consolidate itself in 2006 with sustained growth and opening of businesses in two new countries: Guatemala and Costa Rica, where it provides tug services in the ports of Quetzal (Guatemala) and Caldera, Puntarenas and Punta Morales (Costa Rica). In Brazil, the associate company Tugbrasil acquired the business of the Brazilian company Astromarítima in the port of Itaquí, incorporating four new tugs into its fleet. This port serves the needs of important companies like Alumar, Companhia Vale do Rio Doce and Petrobrás, the principal producers in Brazil of aluminum, iron and oil respectively. The Peruvian associate company Tramarsa bought the tug company Inverna which has a fleet of five tugs and three pilot launches, and provides services in the ports of Talara, Pisco and Callao. In Mexico, the tug service concessions were renewed for a new 8-year period in the ports of Veracruz, Altamira and Tampico, and for three years for services to PEMEX in the Ciudad del Carmen zone where it was also adjudicated a new contract.



## Tug Fleet of SAAM S.A. and its Subsidiaries and Associate Companies

Name	Company Owner	Horsepower	Port	Country	Year Built
Alcatraz	SAAM	4,320	Punta Arenas (on trip)	Chile	2006
Bandurria II	SAAM	4,200	Iquique	Chile	2006
Aguila III	SAAM	5,000	Punta Arenas	Chile	2003
Pequén	SAAM	4,000	San Antonio	Chile	2002
Quetro	SAAM	3,500	San Antonio	Chile	2001
Choroy	SAAM	3,000	Valparaíso	Chile	1998
Tagua	SAAM	2,560	Valparaíso	Chile	1998
Saam	SAAM	2,800	Talcahuano/San Vicente	Chile	1996
Huala	SAAM	3,400	Talcahuano/San Vicente	Chile	1996
Gaviota II	SAAM	2,800	Iquique	Chile	1995
Caiquén II	SAAM	2,800	Quintero	Chile	1995
Manutara II	SAAM	2,800	Mejillones	Chile	1993
Alondra	SAAM	2,448	Coquimbo	Chile	1984
Pelícano I	SAAM	2,000	Chañaral	Chile	1980
Halcón II	SAAM	4,200	Puerto Montt	Chile	1977
Petrel	SAAM	3,200	Antofagasta	Chile	1976
Albatros II	SAAM	1,600	Arica	Chile	1968
Mataquito	SAAM	720	Puerto Montt	Chile	1963
Bandurria I	SAAM	1,860	Puerto Chacabuco	Chile	1960
Don Martín	Associate	1,200	Puerto Corral	Chile	1993
Saam Jarochó	Affiliate	5,364	Altamira	Mexico	2005
Saam Tajín	Affiliate	5,364	Ciudad del Carmen	Mexico	2005
Saam Purépecha	Affiliate	5,520	Ciudad del Carmen	Mexico	2005
Saam Zapoteca	Affiliate	4,200	Lázaro Cárdenas	Mexico	2003
Sam Ixcateca	Affiliate	5,364	Altamira	Mexico	2003
Saam Otomí	Affiliate	4,000	Tampico	Mexico	2002
Saam Chichimeca	Affiliate	5,470	Ciudad del Carmen	Mexico	2002
Saam Tacuete	Affiliate	4,660	Veracruz	Mexico	2000
Saam Azteca	Affiliate	5,470	Ciudad del Carmen	Mexico	2000
Saam Totonaca	Affiliate	5,470	Ciudad del Carmen	Mexico	1999
Saam Tomiyauh	Affiliate	4,000	Altamira	Mexico	1998
Saam Toltéca	Affiliate	4,200	Lázaro Cárdenas	Mexico	1997
Saam Mexica	Affiliate	4,200	Altamira	Mexico	1997
Saam Xalapa	Affiliate	3,200	Veracruz	Mexico	1994
Saam Huasteca	Affiliate	4,290	Tuxpan	Mexico	1991
Saam Olmeca	Affiliate	4,352	Tampico	Mexico	1989
Saam Tarasco	Affiliate	4,347	Lázaro Cárdenas	Mexico	1988
Amazonas I	Affiliate	2,560	Puerto Quetzal	Guatemala	1998
Don Hugo	Affiliate	2,600	Caldera/Puntarenas	Costa Rica	1999
Antisana	Affiliate	3,000	Caldera/Puntarenas	Costa Rica	1998
Don Beto	Affiliate	1,700	Caldera/Puntarenas	Costa Rica	1983
Macará	Affiliate	4,200	Guayaquil	Ecuador	1987
Paute	Affiliate	1,350	Esmeraldas	Ecuador	1981
Azuay	Affiliate	1,500	Guayaquil	Ecuador	1981
Tomebamba	Affiliate	1,200	Guayaquil	Ecuador	1977
Daule	Affiliate	1,200	Puerto Bolívar	Ecuador	1974
Guayas	Affiliate	1,200	Manta	Ecuador	1973
Pastaza	Affiliate	2,000	Guayaquil	Ecuador	1970
Napo I	Affiliate	1,320	Manta	Ecuador	1963
Imperatriz I	Associate	4,580	Itaqui	Brazil	2005
Alcântara	Associate	4,580	Itaqui	Brazil	2005
Lugos	Associate	3,942	Sao Sebastião	Brazil	2000
Sulis	Associate	3,942	Paranaguá	Brazil	2000
Pelagius	Associate	3,942	Itajaí	Brazil	1999
Cailléan	Associate	3,942	Santos	Brazil	1999
Tanarus	Associate	3,942	Vitória	Brazil	1999
Brigantia	Associate	3,942	Salvador	Brazil	1999
Ektor	Associate	2,880	Itajaí	Brazil	1993
Galahad	Associate	2,880	Rio Grande	Brazil	1991
Excalibur	Associate	2,880	Salvador	Brazil	1991
Lot	Associate	2,880	Santos	Brazil	1991
Merlin	Associate	2,880	Vitória	Brazil	1991
Avalon	Associate	2,880	Paranaguá	Brazil	1991
Percibal	Associate	2,100	Rio de Janeiro	Brazil	1986
Arthur	Associate	2,880	Santos	Brazil	1985
Lancelot	Associate	1,600	Itajaí	Brazil	1984
Pindaré	Associate	1,830	Itaqui	Brazil	1983
Mearim	Associate	1,830	Itaqui	Brazil	1983
Chanul	Associate	4,200	Buenaventura (on trip)	Colombia	2006
Chonta	Associate	2,100	Buenaventura	Colombia	1995
Islay	Associate	4,200	Matarani	Peru	2006
Toquepala	Associate	3,000	Pisco	Peru	2003
Chavín	Associate	2,360	Callao	Peru	2002
Kuelap	Associate	2,500	Callao	Peru	2000
Sipán	Associate	1,636	Callao	Peru	1998
Kallpa	Associate	2,100	Huarmey	Peru	1995
San Lorenzo	Associate	1,300	Ilo	Peru	1994
Nazca	Associate	1,600	Talara	Peru	1981
Chimú	Associate	1,600	Talara	Peru	1981
Vicus	Associate	1,400	Callao	Peru	1981
Paracas	Associate	1,400	Callao	Peru	1981
Rímac	Associate	1,300	Matarani	Peru	1981
Tramarsa 1	Associate	1,334	Ilo	Peru	1981
Tramarsa 2	Associate	1,200	Supe	Peru	1978
Tramarsa 3	Associate	1,334	Ilo	Peru	1978
Punta Coles	Associate	1,680	Paita	Peru	1972
Máncora	Associate	800	Callao	Peru	1968
Huracán	Associate	1,200	Montevideo	Uruguay	1993
Matrero	Associate	3,620	M' Bopicuá/Fray Bentos	Uruguay	1991
Gaucho	Associate	4,000	Montevideo	Uruguay	1985
Gaucho II	Associate	4,400	M' Bopicuá/Nueva Palmira	Uruguay	1985
Sudestada	Associate	4,100	Montevideo	Uruguay	1972
Pablo M. Ferrés	Associate	1,000	Nueva Palmira	Uruguay	1961
Pampero	Associate	1,600	Nueva Palmira	Uruguay	1960

Notable were the investments made in the port terminals, in infrastructure and port equipment, that enable them to meet future foreign trade requirements under international standards, increasing productivity in attending ships. At San Antonio, works are finishing for the expansion of its quays which will leave this terminal with a marginal quay for attending three ships at the same time; Antofagasta, a second mobile crane was incorporated and land equipment installed for moving containers. Work was also started on the construction of a second 1,760 m<sup>2</sup> warehouse for storing minerals; and in Iquique, a depot was prepared for storing and repairing containers. Lastly, in Arica, a second mobile crane was introduced to double the terminal's productivity.

With respect to the commercial management in Chile, notable were the growth in the integral fruit service, with the shipment of 12 million cases, the consolidation of the integral wine service and the development of an integral service for salmon exports, with average cold-store occupation rates of around 85%. A containers logistics service was also begun, with direct dispatches from ports to Santiago. It is also important to mention the incorporation of a mobile crane on the Valparaíso port pier and the acquisition of a tug with azimuthal technology for the port of Iquique.

The fleet of SAAM and its subsidiary and associate companies increased by 15 tugs during 2006, making a total of 102 tugs in Latin America, including tugs for the reception (voyage) process, four chartered and another four being built. For its new positioning, two tugs, the "Amazonas I" and "Antisana" left Ecuador to be re-located in the port of Quetzal in Guatemala and Caldera in Costa Rica, where the tugs "don Hugo" and "don Beto" were also acquired from the local port authority. In Peru, as a result of the purchase of the company Inverna, five tugs were added to operate in the ports of Talara and Callao, and the new azimuthal tug "Islay" was received to be stationed at the port of Matarani. In Brazil, the acquisition of the business of Astromarítima added four new tugs to its fleet. In Chile, the tug "Bandurria II" was added to operate in the port of Iquique. The tugs "Chanul" y "Alcatraz" are currently sailing to the ports of Buenaventura, Colombia and Punta Arenas, Chile, respectively.

The company's net income was ThCh\$ 21,481,260, equivalent to ThUS\$ 40,349

The authorized and paid capital at December 31, 2006 amounted to ThCh\$ 54,890,243, equivalent to ThUS\$ 103,102. CSAV holds 99.9995% of the capital, with Global Commodity Investment, Inc. holding the balance or 0.0005%.

The Company's board of directors consists of eleven members elected for a three-year term; these at December 31, 2006 were:

Chairman

**Jaime Claro Valdés**  
(Director of CSAV)

Vice Chairman

**Baltazar Sánchez Guzmán**  
(Director of CSAV)

Executive Director

**Víctor Pino Torche**

Directors

**Luis Alvarez Marín**  
(Director CSAV)

**Joaquín Barros Fontaine**  
(Director CSAV)

**Arturo Claro Fernández**  
(Director CSAV)

**Patricio García Domínguez**  
(Director CSAV)

**Felipe Lamarca Claro**  
(Vice chairman of CSAV)

**Ricardo Matte Eguiguren**

**Alfonso Sweet Saavedra**

**Patricio Valdés Pérez**  
(Director CSAV)

General Manager

**Alejandro García-Huidobro Ochagavía**





### **Empresa de Transporte Sudamericana Austral Ltda.**

The objects of this company are to exploit sea, land and air transport and provide shipping services of all kinds.

Its paid capital at December 31, 2006 was US\$ 342,043. Compañía Sud Americana de Vapores S.A. holds 99% of the capital, and Global Commodity Investment Inc. the remaining 1%.

The result for the year was a loss of US\$ 8,955

The following are the members of the board:

Chairman:

**Rodrigo de la Cuadra Infante**

(Senior Vice President 21st Century Project and Management Control CSAV)

Directors:

**Rafael Ferrada Moreira**

(Senior Vice President Administration and Finance CSAV)

**Domingo Cruzat Amunategui**

(Deputy General manager CSAV)

### **Odfjell y Vapores S.A.**

The objects of this company are the exploitation of sea trade and transport anywhere in the world, and the acquisition of all kinds of vessels for sea trade and the provision of shipping services.

Its paid capital at December 31, 2006 is USD 1,033,439.

Compañía Sud Americana de Vapores S.A. has a 51% shareholding in the company, with Odfjell ASA holding 49%.

The result for the year was a net income of US\$ 5,694,006

The following are the members of the board and the general manager:

Chairman:

**Jaime Claro Valdés**

(Director CSAV)

Directors:

**Rodrigo de la Cuadra Infante**

(Senior Vice President 21st Century Project and Management Control CSAV)

**Terje Storeng**

**Pedro Torres Troncoso**

General Manager:

**Héctor Arancibia Sánchez**

(Senior Vice President Shipmanagement CSAV)



## Foreign Subsidiaries

### Corvina Shipping Co. S.A.

The following are the corporate objects of this company:

- a. To purchase, sell, charter and generally administer ships and shipping line operations in Panama and anywhere in the world.
- b. Shipping agencies and shipping operations in general in Panama and abroad.
- c. Purchase, sale, barter, rent and trade assets and merchandise of any kind and any kind of commercial or financial operation related and dependent on the objects, and the participation on other Panamanian or foreign companies.
- d. Purchase and trading of shares or corporate rights and in general any other commercial, maritime, financial or real estate operations permitted by the laws of Panama now or in the future.

Its paid capital at December 31, 2006 is USD 40,600,000 of which Compañía Sud Americana de Vapores S.A. holds 99.998%.

The result for the year was a net income of US\$ 45,523,850.

Directors:

**Rodrigo de la Cuadra Infante**

(Senior Vice President 21st Century Project and Management Control CSAV)

**Rafael Ferrada Moreira**

(Senior Vice President Administration and Finance CSAV)

**Bertilda R. de Torres**

**Mitha C. de Fernández**

**Andrés Kulka Kupermann**

(Senior Vice President North America Region CSAV)

General Manager:

**Bertilda R. de Torres**





### **Tollo Shipping Co. S.A.**

The following are the corporate objects of this company:

- a. Purchase, sell, charter and generally administer ships and shipping line operations in Panama and anywhere in the world.
- b. Shipping agencies and shipping operations in general in Panama and abroad.
- c. Purchase, sale, barter, rent and trade assets and merchandise of any kind and any kind of commercial or financial operation related and dependent on the objects, and the participation on other Panamanian or foreign companies.
- d. Purchase and trading of shares or corporate rights and in general any other commercial, maritime, financial or real estate operations permitted by the laws of Panama now or in the future.

Its paid capital at December 31, 2006 is USD 91,840,000 of which Compañía Sud Americana de Vapores S.A. holds 99.999%.

The result for the year was a loss of US\$ 64,282,752.

Directors:

**Rodrigo de la Cuadra Infante**

(Senior Vice President 21st Century Project and Management Control CSAV)

**Rafael Ferrada Moreira**

(Senior Vice President Administration and Finance CSAV)

**Bertilda R. de Torres**

**Mitha C. de Fernández**

**Andrés Kulka Kupermann**

(Senior Vice President North America Region CSAV)

General Manager:

**Bertilda R. de Torres**

### **Inversiones Plan Futuro S.A.**

The objects of this company are the trading and investment in assets and in general any other commercial, maritime and financial operations permitted by the laws of Panama now or in the future. It also has holdings in other companies.

Its paid capital at December 31, 2006 is USD 37,500,000 of which Compañía Sud Americana de Vapores S.A. has a shareholding of 99.997%.

The result for the year was a net income of US\$ 1,760.

Directors:

**Rodrigo de la Cuadra Infante**

(Senior Vice President 21st Century Project and Management Control CSAV)

**Rafael Ferrada Moreira**

(Senior Vice President Administration and Finance CSAV)

**Bertilda R. de Torres**

**Mitha C. de Fernández**

**Andrés Kulka Kupermann**

(Senior Vice President North America Region CSAV)

General Manager:

**Bertilda R. de Torres**



### **Inversiones Nuevo Tiempo S.A.**

The objects of this company are the trading and investment in assets and in general any other commercial, maritime and financial operations permitted by the laws of Panama now or in the future. It also has holdings in other companies.

Its paid capital at December 31, 2006 was US\$ 6,170,000 and Compañía Sud Americana de Vapores S.A. holds 99% of this.

The result for the year was a loss of US\$ 3,190,556.

Directors:

**Rodrigo de la Cuadra Infante**

(Senior Vice President 21st Century Project and Management Control CSAV)

**Rafael Ferrada Moreira**

(Senior Vice President Administration and Finance CSAV)

**Bertilda R. de Torres**

**Mitha C. de Fernández**

**Andrés Kulka Kupermann**

(Senior Vice President North America Region CSAV)

General Manager:

**Bertilda R. de Torres**

### **CSAV Agency, LLC**

CSAV Agency, LLC (formerly American Transportation Group, LLC “ATG”) provides agency services for the CSAV Group in the United States and Canada and is responsible for all the commercial and operational activities.

Its also provides documentation, logistical, intermodal, port operation and equipment positioning and maintenance services for more than two thousand customers in a large part of the United States and Canada.

The paid capital amounted to US\$ 903,000 and is 99.77% held by CSAV.

The result for the year was a net income of US\$ 3,189,514.

Chairman

**Andrés Kulka Kupermann**





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## **CSAV GmbH**

The object of this limited partnership is the representation of Compañía Sud Americana de Vapores S.A. The paid capital is EUR 350,000 and belongs 100% to CSAV.

The result for the year was a net income of EUR 94,670.

General Manager

**Arturo Ricke Guzmán**

## **CSAV Group (China) Shipping Co. Ltd.**

The object of this limited partnership is to promote the shipping business of ships owned or chartered by CSAV, the selling of freight and providing joint services.

The paid capital was US\$ 1,240,000, with 99% held by CSAV.

The result for the year was a net income of US\$ 1,462,544.

Directors:

**Rodrigo de la Cuadra Infante**

(Senior Vice President 21st Century Project and Management Control CSAV)

**Rafael Ferrada Moreira**

(Senior Vice President Administration and Finance CSAV)

**Alejandro Pattillo Moreira**

(Senior Vice President Asia Region CSAV)



**Norgistic (China) Ltd.**

The objects of this limited partnership is the reservation and stuffing of containers and their repair and maintenance, the coordination of the operations with the cargo terminals and warehouses, signing cargo receipts and service contracts with transport companies.

The paid capital is USD 1,000,000 and belongs 99% to CSAV.

The result for the year was a net income of US\$ 19,475.

Directors:

**Rodrigo de la Cuadra Infante**

(Senior Vice President 21st Century Project and Management Control CSAV)

**Rafael Ferrada Moreira**

(Senior Vice President Administration and Finance CSAV)

**Alejandro Pattillo Moreira**

(Senior Vice President Asia Region CSAV)

**CSAV Inversiones Navieras S.A.**

Its objects are the investment and participation in other companies that are in the business of shipping agencies or sea, air, land or multi-modal transport services.

The paid capital is USD 3,000,000 and Compañía Sud Americana de Vapores S.A. has a shareholding of 99.993%.

The result for the year was a net income of US\$ 939,316.

Chairman:

**Rodrigo de la Cuadra Infante**

(Senior Vice President 21st Century Project and Management Control CSAV)

Directors:

**Rafael Ferrada Moreira**

(Senior Vice President Administration and Finance CSAV)

**Francisco Subiabre Vergara**

(Senior Vice President Marketing and Commercial CSAV)









## Other Subsidiaries and Associate Companies



Name	Capital	Corporate Objects	Manager	Administration
Chilean Companies :				
Inmobiliaria Marítima Portuaria S.A. (IMPSPA S.A.)	Ch\$ 16,453,766,715	Carry out all kinds of trading activities and related businesses with: a) Investments in real estate and their acquisition, commercialization, exploitation and construction, and b) Investments in assets such as shares, bonds, debentures, rights in companies, etc.	Miguel Tortello S.	Chairman : Victor Pino T. Directors: Miguel Tortello S. Roberto Larraín S.
Agencias Universales S.A. (AGUNSA)	Ch\$ 21,530,464,237	Shipping agents, stevedoring and launch services.	Luis Mancilla	Chairman: José M. Urenda S. Directors: Jaime Barahona V. Beltrán F. Urenda S. Franco Montalbetti M. Antonio Jabat A. Mikel Uriarte P. Gonzalo Amenábar V.
CPT Empresas Marítima S.A.	Ch\$ M\$10,513,248	Shipping agents and tug services.	Sergio Smith P.	Directors: Harald Rosenqvist S. Rodolfo Skalweit W. Franco Montalbetti M. José M. Urenda S. Federico Aranda . Francisco Jobson V.
Inmobiliaria San Marco Ltda.	Ch\$ 28,943,872,400	Management, rental & exploitation of real estate	Mauricio Robles Muñoz	Directors: Victor Pino T. Roberto Larraín S. Oscar Miguel Tortello Mauricio Robles M.
Inversiones San Marco Ltda	Ch\$ 129,510,458	Investments in all kinds of assets.	Mauricio Robles Muñoz	Directors: Felipe Rioja R. Miguel Tortello S. Roberto Larraín Sáenz
Servicios De Aviación S.A (SERVISA)	Ch\$ 647,628,468	a) Aircraft, cargo & passenger services at airports b) Airport maintenance. c) Aircraft maintenance & repair d) Cargo handling & reception, storage, loading & delivery e) Land transportation of cargo & passengers to & from airports, at any airport in Chile or abroad. f) Act as general representative &/or agent for cargo. g) Sell duty-free merchandise on airport premises. h) Provide national & international air transport services for cargo & passengers. i) Provide additional services to the above. j) Investments of any kind, whether or not related to the above.	Gastón Merino	Directors: Alejandro García-Huidobro O. Victor Pino T. Alfredo Searle V. Jaime Claro V. (1)
Servicios Logísticos Ltda. (SERVILOG LTDA.)	Ch\$ 70,000,000	Provide services for logistics, personnel management, airport services, aircraft leasing, air transport, representations, warehouse management, air, land & sea freight, courier, general sales agent, equipment & machinery rental, travel agency, IT, storage & distribution solutions, & other related services.	Patricio Latorre Sepúlveda	Directors: Victor Pino T. Pamela Camus G. Jaime Claro V. (1) Carlos Tolosa B.

Name	Capital	Corporate Objects	Manager	Administration
Servicios Portuarios Y Extraportuarios Bio Bio Ltda. (SEPBIO)	Ch\$ 10,000,000	Complementary services for sea or land transport, including transfer, carriage, storage, stevedoring, container & other merchandise consolidation & deconsolidation; personnel & logistical services, reception & attendance of ships at port; preparation of readiness & dispatch of ships; attention & operation of ships in port; purchase, sale & rental.	Felipe Ignacio Barison	Directors: Carlos Francisco Elgueta Alejandro García-Huidobro O. Roberto Larraín S. John Charles Bressi José Francisco Iribarren Pedro David García M. Karin Angerstein Hintze Christian Gonzalo P. Sandra Paola Ezquerro Q.
Saam Servicios a la Industria Hidrobiológica Ltda. (Saam Salmones Ltda.)	Ch\$ 50,000,000	Processing & transformation of all types of hydro-biological resources, sea & land transport, transfer, carriage, storage, stevedoring, container & other merchandise consolidation & de-consolidation, and any other related services.	Juan Eduardo Escudero.	Directors: Alejandro García-Huidobro O. Cristian Andrés Irarrazaval Alejandro García-Huidobro O. Cristian Andrés Irarrazaval T. Miguel Tortello S.
Saam Contenedores S. A.	US\$ 2,000,000	Development, maintenance & operation of container terminal at San Antonio port, including container depot, inspection, maintenance & repair services	Juan Eduardo Escudero	Directors: Alejandro García-Huidobro O. Cristian Irarrazaval T. Miguel Tortello S.
Inmobiliaria Carriel Ltda	Ch\$ 140,024,660	Investments in real estate, including sales, construction & exploitation.		Directors: Víctor Pino T. Rodolfo Skalweit Martín Skalweit Rudloff Alejandro García-Huidobro O.
Inmobiliaria Baron Ltda	Ch\$ 3,899,588,136	Investments in real estate, including sales, construction & exploitation.	Miguel Tortello	Directors: Víctor Pino T. Miguel Tortello S. Roberto Larraín S.
Inmobiliaria Rehue Ltda.	Ch\$ 6,403,185,849	Agricultural real estate management	Mauricio Robles	Directors: Víctor Pino T. Roberto Larraín S. Oscar Miguel Tortello Mauricio Robles M.
Muellaje Del Loa S.A.	Ch\$ 41.901.840	Provision of personnel for shipping complementary services.	Gastón Bastías	Directors: Alejandro García-Huidobro O. EugenioValenzuela Carvallo. Pablo Ribbeck Hormaeche.
Muellaje Isluga S.A.	Ch\$ 42,521,791	Provide Iquique Terminal Internacional S.A. with personnel for shipping complementary services, including the transfer, carriage, storage, stevedoring, container & other merchandise consolidation & de-consolidation, and all operations related to these activities.	Fernando Ugarte	Directors: Alejandro García-Huidobro O. Víctor Pino T. Jaime Claro V. (1)
Muellaje Ati S.A.	Ch\$ 43,931,780	Provide Antofagasta Terminal Internacional S.A. with personnel for shipping complementary services.	Gastón Bastías Román	Directors: Alejandro García-Huidobro O. Víctor Pino T. Victoria Vásquez G. Alfredo Searle V. Luis Grez Jordan

Name	Capital	Corporate Objects	Manager	Administration
Antofagasta Terminal Internacional S.A. (A.T.I. S.A.)	US\$ 7,000,000	Development, maintenance & exploitation of No.2 mooring at Antofagasta port.	Gastón Bastías Román	Directors: Alejandro García-Huidobro O. Ramón Jara A. Jaime Claro V. (1) José Manuel Urenda Franco Montalbetti M. Victor Pino T. Eugenio Valenzuela C. Miguel Sepúlveda C.
Terminal Puerto Arica (T.P.A S.A)	US\$ 5,000,000	Development, maintenance & exploitation of No.1 mooring at Arica port of Empresa Portuaria Arica S.A.	Matias Laso Polanco	Directors: Alvaro Brunet L. Alejandro García-Huidobro O. Richard Von Appen Lahres Alfonso Rioja R. Jaime Barahona V. Dionisio Romero P.
Cargo Park S.A.	Ch\$ 5,464,156,520	Exploitation of real estate.	Pedro M. Justiniano Y.	Chairman : Guillermo Ariztia C. Directors: Roberto Maristany W. Jaime Claro V. (1) Alejandro García-Huidobro O. Pedro M. Justiniano Y.
Portuaria Corral S.A.	Ch\$ 3,936,220,000	Sea and river cargo transport.	Horacio Diez O.	Chairman : Victor Pino T. Directors: Alejandro García-Huidobro O. Guisela Skalweit W. Rodolfo Skalweit W. Roberto Larrain S. Francisco Jobson
Aerosan Airport Services S.A.	Ch\$ 2,715,898,146	Airport services and investments.	Pat ricio Latorre S.	Chairman : Victor Pino T. Directors: Jaime Claro V. (1) Pamela Carnus G. Carlos Tolosa B.
Aquasaam S.A.	Ch\$ 1,720,601,010	Advice and carrying out projects of all kinds especially in the shipping business, construction services, development, building, assembly and maintenance of rafts, launches, anchorage services, maintenance & repair of nets & other services related to the salmon industry and the representation & commercialization of implements and accessories used mainly in the salmon industry & fish farming in general.	René Quilhot P.	Chairman : Arturo Claro F. (2) Directors: Victor Pino T. Alejandro García-Huidobro O. Sydney Hamann H.
Terminales y Servicios de Contenedores S.A. (TESCO)	Ch\$ 1,239,985,000	Export of container terminals & services.	Andrés Schultz M.	Directors: Luis Mancilla P. Rodrigo Jiménez P. Marcelo Ramos
Inmobiliaria La Divisa S.A.	Ch\$ M\$1,156,162	Real estate.	Rodrigo Jiménez P.	Directors: Franco Montalbetti M. Luis Mancilla P. James Wells M.

Name	Capital	Corporate Objects	Manager	Administration
Transportes Fluviales Corral S.A.	Ch\$ 1,177,661,600	Cargo transport, tug services, agencies, attending ships, ship repairs & maintenance, stevedoring, port, sea and river services, the commercialization, operation & exploitation of ships, vessels, machinery & equipment and the provision of services & commercialization of assets related to river or sea transport and port work.	Horacio R. Diez O.	Chairman : Víctor Pino T. Directors : Alejandro García-Huidobro O. Guisela Skalweit W. Francisco Jobson
Logística Integral S.A. (COSAN S.A.)	Ch\$ 55,065,482	Cargo logistical services for exporters, importers and shipping companies, operating cargo terminals, containers & finished product warehouses, integrating land transport to each of these support activities	Enrique Díaz A.	Chairman : Alejandro García-Huidobro O. Directors : Roberto Larraín S. Felipe Rioja R.
Transbordadora Austral Broom S.A.	Ch\$ 1,575,107,091	Ocean freight transport.	Alejandro Kusanovic G.	Chairman : James Wells M. Directors : Pedro Lecaros M. Víctor Pino T. Marcelo Vargas
Inversiones y Servicios Rigel S.A.	Ch\$ 469,239,956	Investments & exploitation of real estate, investment in assets like shares, bonds or commercial paper, provision of advisory services. Stevedoring services	Daniel Labbé F.	Chairman : Alejandro García-Huidobro O. Directors : Rolf Mengdehl K. Héctor Oberg S. Felipe Rioja R. Arturo Storaker M.
Servicios Aeroportuarios Aerosan S.A.	Ch\$ 440,292,023	Export and import warehousing and complementary services	Patricio Latorre S.	Chairman : Víctor Pino T. Directors : Jaime Claro V. (1) Pamela Camus G. Carlos Tolosa
SAAM Extraportuarios S.A.	Ch\$ 365,984,156	Customs depots managed in accordance with the law for storing goods until their withdrawal for import, export or other customs destination, including complementary &/or additional services that the customs service expressly authorizes	Javier Kuhlmann	Chairman : Cristián Irrazábal T. Directors : Miguel Tortello S. Juan Escudero A.
Inmobiliaria Afin S.A.	Ch\$ 219,539,751	Real estate management	Rodolfo García S.	Chairman : Simon Mackenzie Directors : Matthias Reinarz James Wells Sergio Pinto R. Miguel Tortello
Orion Servicios Mercantiles Integrados S.A. (ORION S.A.)	Ch\$ 207,303,573	Investment & exploitation of real estate and investments in assets like shares, bonds and commercial paper, and advisory services in general. Stevedoring services	Daniel Labbé F.	Chairman : Alejandro García-Huidobro O. Directors : Rolf Mengdehl Kühlenkampff Héctor Oberg S. Felipe Rioja R. Arturo Storaker M.



Name	Capital	Corporate Objects	Manager	Administration
Empresa de Servicios Marítimos y Portuarios Hualpén Ltda. (HUALPEN LTDA.)	Ch\$ 204,232,502	Stevedoring.	Horacio Díez O.	Chairman : Víctor Pino T. Directors : Rodolfo Skalweit W. Alejandro García-Huidobro O. Martín Skalweit R.
Servicios Portuarios Reloncaví Ltda.	Ch\$ 165,000,000	Stevedoring services.	Horacio Díez O.	Chairman : Víctor Pino T. Directors : Alejandro García-Huidobro O. Francisco Jobson V. Rodolfo Skalweit W.
Muellaje del Maipo S.A.	Ch\$ 111,256,257	Mooring services for shipping	Eliza Díaz C.	Chairman : Víctor Pino T. Directors : José F. Iribarren M. Cristián Irarrázaval T. Serafín Pinedo F.
Muellaje SVTI S.A.	Ch\$ 96,935,832	Provide San Vicente Terminal Internacional S.A. with the necessary personnel. It may also provide directly transfer, carriage storage, stevedoring, container &/or consolidation & deconsolidation services, and any business related to its objects.	Felipe Barison K.	Chairman : Víctor Pino T. Directors : Alejandro García-Huidobro O. José Iribarren Karin Angerstein
Recursos Portuarios y Estibas Ltda.	Ch\$ 84,923,000	Port stevedoring	Luis Heyser D.	Directors : Luis Heyser Luis Mancilla P. Juan E. Bilbao G.
Southern Shipmanagement (Chile) Ltda.	Ch\$ 47,650,000	Manage & operate ships and in general any related services.	Héctor Arancibia S. (7)	Chairman : Rodrigo de la Cuadra I. Directors : Rafael Ferrada M. Rob Grool James Nelson
Muellaje STI S.A.	Ch\$ 48,467,914	Provide San Vicente Terminal Internacional S.A. with the necessary personnel for complementary shipping services. It may also provide directly transfer, carrying, storage, stevedoring, container &/or consolidation & de-consolidation services, and any business related to its objects.	Alberto Bórquez C.	Chairman : Víctor Pino T. Directors : Alejandro García-Huidobro O. Pedro García Morales
Cía. de Servicios de Movilización Ltda. (COSEM LTDA.)	Ch\$ 4,800,000	Cargo movement personnel services.	Claudio Hurtado L.	Chairman : Cristián Irarrázaval T. Directors : Miguel Tortello S. Juan E. Escudero A. Alejandro Moreno M.
Muellaje ITI S.A.	Ch\$ 47,537,628	Provision of the necessary personnel for complementary shipping services. It may also provide directly transfer, carrying, storage, stevedoring, container &/or consolidation & de-consolidation services, and any business related to its objects.	Fernando Ugarte	Chairman : Alejandro García-Huidobro O. Directors : Víctor Pino T. Jaime Claro V. (1)

Name	Capital	Corporate Objects	Manager	Administration
Muellaje Roland Ltda.	Ch\$ 43,889,992	Provision of the necessary personnel for complementary services required by sea, land or air transport &/or any activity que needing these resources. Provision of mooring, transfer, carrying, storage & stevedoring services.		Provisional Administration: Felipe Barison K. Carlos Elgueta O. John Charles Bressi Sandra Ezquerro Q. Christian Prieto R.
SEPSA S.A.	Ch\$ 37,920,208	Provision to third parties of personnel needed for storage, cargo consolidation & de-consolidation and merchandise container services.	Claudio Hurtado L.	Chairman : Cristián Irarrázaval T. Directors : Juan E. Escudero A. Alejandro Moreno M.
Petromar S.A.	Ch\$ M\$ 33,118	Bay fueling facilities	Luis Mancilla P.	Directors : Franco Montalbetti M. Luis Mancilla P. Enrico Martini G. Rodrigo Jiménez P.
Modal Trade S.A.	Ch\$ M\$ 297,671	Cargo transport & distribution.	Rodrigo Jiménez P.	Directors :  Luis Mancilla P. Enrico Martini G. Rodrigo Jiménez P.
Portuaria Patache S.A.	Ch\$ 23,757,000	Port stevedoring.	Jorge Fabry B.	Directors :  Luis Mancilla P. Juan E. Bilbao G. Jorge Fabry B. Francisco Toledo H.
El Litoral Servicios Portuarios S.A. (En liquidación)	Ch\$ M\$ 19,774	Port stevedoring.	Arturo Osses G.	Directors : Juan E. Bilbao G. Luis Mancilla P. Alejandro Barthold Arturo Osses G.
Terminal Peñuelas S.A.	Ch\$ 19,257,424	Provision of services related to cargo transport like full or empty container depots, workshop facilities & operations complementary to cargo &/or containers.	Claudio Hurtado	Chairman : Cristián Irarrázaval
Terminal Barrancas S.A.	Ch\$ 18,996,484			Directors:
Terminal Chinchorro S.A.	Ch\$ 18,996,484			Juan E. Escudero A.
Terminal El Colorado S.A.	Ch\$ 18,996,484			Alejandro Moreno M.
Transuniversal Estibas S.A.	Ch\$ M\$ 14,860	Port stevedoring.	Remigio Araneda	Directors: Luis Mancilla P. Ian Taylor M.
Terminal El Caliche S.A.	Ch\$ 11,213,229	Provision of services related to cargo transport like full or empty container depots, workshop facilities & operations complementary to cargo &/or containers.	Claudio Hurtado L.	Chairman : Cristián Irarrázaval T.
Terminal Renca S.A.	Ch\$ 11,213,229			Directors:
Terminal Las Golondrinas S.A.	Ch\$ 11.213.229			Juan E. Escudero A. Alejandro Moreno M.
Servicios de Aviación Ltda. (SERVIAR LTDA.)	Ch\$ 10,000,000	Airport personnel services.	Patricio Latorre	Chairman : Victor Pino T. Directors: Pamela Camus G. Jaime Claro V. (1) Carlos Tolosa
Servicios Marítimos Patillos S.A. (SERMAPAT)	Ch\$ 1,597,431	Provision of shipping & port services.	Enrique Espinoza G.	Chairman : Alejandro García-Huidobro O. Directors : Enrique Espinoza G. Felipe Rioja R. Alejandro Danus Ch.

Name	Capital	Corporate Objects	Manager	Administration
Euroatlantic Container Line S.A.	Ch\$ 1,000,000	Shipping & its means of technical & administrative support, and provision of all services complementing &/or related to shipping.	Felipe Rioja R.	Chairman : Rodrigo de la Cuadra I. ( 5) Directors: Ignacio Jiménez O. Rafael Ferrada M. ( 6)
Compañía Chilena de Navegación Interoceánica S.A.	US\$ 82,500,000	Shipping.	Eugenio Valenzuela C.	Chairman : Beltrán Urenda S. Directors: Alexis Ramírez A. Antonio Jabat A. Juan F. Waidele C. Franco Montalbetti M. Hernán Soffia P. Sebastián Swett O.
San Antonio Terminal Internacional S.A. (STI)	US\$ 33,700,000	Develop, maintain & exploit the Molo Sur quay at San Antonio of port Empresa Portuaria San Antonio. Wharfage & storage with respect to the quay mentioned above.	Alberto Bórquez C.	Chairman : David Leslie Michou Directors: Víctor Pino T. Alejandro García-Huidobro O. Luis Grez Jordán John Bressi Andrew McLauchlan
SCL Terminal Aéreo Santiago S.A.	Ch\$ M\$15,162,738	Exploitation of Arturo Merino Benítez airport, Santiago.	Carlos Plass W.	Directors: José M. Urenda S. Franco Montalbetti M. Enrique Correa R. Manuel García B. Frank O'Neill Javier Villalobos G. Antonio Tuset J.
San Vicente Terminal Internacional S.A. (SVTI)	US\$ 10,000,000	Development, maintenance & exploitation of the mooring at San Vicente port of Empresa Portuaria Talcahuano-San Vicente. Wharfage & storage with respect to the quay mentioned above.	Felipe Barison K.	Chairman: Víctor Pino T. Directors: Alejandro García-Huidobro O. José Francisco Iribarren Andrew McLauchlan Luis Grez
Iquique Terminal Internacional S.A.	US\$ 10,000,000	Development, maintenance & exploitation of the N°2 mooring at Iquique port of Empresa Portuaria Iquique. Wharfage & storage with respect to the quay mentioned above.	Fernando Ugarte	Chairman: Alejandro García-Huidobro O. Directors: Víctor Pino T. Jaime Claro V. ( 1) Antonio Estrada Sergio Hinostroza
Compañía Naviera Rio Blanco S.A.	US\$ 3,550,000	Exploitation as shipowner or other title of shipping especially shipping contracts, freights, ship chartering; the acquisition of ships for sea trade; provision of services related to trade & shipping.	Héctor Arancibia S. ( 7)	Chairman: Domingo Cruzat A. ( 4) Directors: Rafael Ferrada M. ( 6) Rodrigo de la Cuadra ( 5) Takashi Kurauchi Yasuhiro Noguchi
Valparaíso Terminal de Pasajeros S.A. (VTP SA)	US\$ 3,550,000	Cruise passengers services.	Juan Bilbao G.	Directors : José M. Urenda S. Franco Montalbetti M. Luis Mancilla P.

Name	Capital	Corporate Objects	Manager	Administration
Saam Internacional S.A.	US\$ 1,500,000	Investments abroad in any kind of asset, especially the purchase & sale of rights & shares, plus the management & exploitation of these assets.	Alejandro García-Huidobro O.	Chairman : Victor Pino T. Directors: Jaime Claro V. ( 1) Alejandro García-Huidobro O. Roberto Larrain S. Alberto Rawlins B.
Interoceanbulk S.A.	US\$ 10,000	Shipping of liquid or solid bulks.	Eugenio Valenzuela C.	Chairman : Antonio Jabat A. Directors : Sergio Pinto R. Rodrigo Soffia B. Beltrán Urenda S.
<b>Panamanian Companies:</b>				
Inversiones Alaria S.A.	US\$ 1,000,000	Purchase & sale of all kinds of assets.		Chairman : Julio E. Linares F.
Inversiones Habsburgo S.A.	US\$ 216,000	Investments in general and participations in industrial, commercial, real estate or financial companies. Shipping business whether in relation to river or sea, air or land transport, and shipping agencies in Panama and elsewhere. Participations in other companies.		Directors : Alberto Rawlins B. Roberto Larrain S.
Inversiones Maritima Universales S.A. (IMUSA)	US\$ 20,000,000	Investment company.	Luis Mancilla P.	Directors : Franco Montalbeti M. Luis Mancilla P. José M. Urenda S.
Dry Bulk Handy Holding Inc.	US\$ 567,314	Ship owner and manager, shipping agencies and any commercial and financial operation.		Chairman : Juan Antonio Alvarez A. (3) Directors : Yannis Haramis Nicholas Fistes Santiago Bielenberg V. (14)
Naviera Arica S.A.	US\$ 106,469	Shipping.		Chairman: Beltrán Urenda S.
Naviera Antofagasta S.A.	106,469			Directors : Antonio Jabat A. Sergio Pinto R.
CNP Holdings S.A.	US\$ 10,000	Shipowner and manager, shipping agencies and any commercial and financial operation.	Bertilda R. de Torres	Directors Rodrigo de la Cuadra I. ( 5) Rafael Ferrada M. ( 6) Andres Kulka K. (13) Bertilda R. de Torres Mirtha C. de Fernández
Picton Maritime Co. S.A.	1,000			
CSAV Sudamericana de Vapores S.A.	US\$ 10,000	Ship owners and managers, shipping agencies and any commercial and financial operation.	Bertilda R. de Torres	Directors Rodrigo de la Cuadra I. (5) Rafael Ferrada Moreira. (6) Andres Kulka K. (13) Bertilda R. de Torres Mirtha C. de Fernández
Lanco Investments Co. S.A.	10,000			
Malleco Shipping Co. S.A.	10,000			
Maule Shipping Co. S.A.	10,000			
Mayne Shipping Co. S.A.	10,000			
Rahue Investments Co. S.A.	10,000			
Sea Lion Shipping Co. S.A.	10,000			
Williams Investments Co. S.A.	10,000			
Global Commodity Investments Inc.	1,000			
Lennox Ocean Shipping Co. S.A.	1,000			



Name	Capital	Corporate Objects	Manager	Administration
Southern Shipmanagement Co. S.A.	US\$ 10,000	Ship owner and manager, shipping agencies and any commercial and financial operation	Harry Gilbert	Chairman : Rob Grool ViceChairman: Héctor Arancibia S. Directors James Nelson Eduardo Schalchli M.
South Cape Financial and Maritime Corp.	US\$ 10,000	Shipping.		Chairman : Beltrán Urenda S. Directors : Antonio Jabat A. Sergio Pinto R.
Maritime Shipping Trading Inc.	US\$ 10,000	Ship owner and manager, shipping agencies and any commercial and financial operation.		Directors : Dionisio Romero P. Arturo Woodman P. Cristóbal Rollán R. Juan Carlos Claro Alejandro Pedraza M. Luis Morales A. Fabio Córdova C.
Key Biscayne Marine, Inc.	US\$ 10,000	Shipping.		Chairman : Antonio Jabat A. Directors : Sergio Pinto R. José M. Urenda S.
Five Continent Navigation S.A.	US\$ 5,000	Purchase, sale & chartering of ships. Shipowner & manager.		Chairman : Toshitaka Shishido Directors : Juan Cristóbal Rollán (9) Toshihito Inoue
<b>Other Countries :</b>				
SAAM Costa Rica Costa Rica	US\$ 2,500,000	Not operative.	Luis Pinochet U.	Chairman : Alejandro García-Huidobro O. Directors : Alberto Rawlins B. Juan Pablo Artigas C.
Ecuastibas S.A. Ecuador	US\$ 2,717,288	All kinds of port services, as port operator or in complementary services.	Enrique Brito	Chairman : Alberto Rawlins B. Directors : Felipe Rioja Alejandro García-Huidobro O.
Tioga Fruit Terminal Inc. USA	US\$ 311,203	Operations of port terminal in Philadelphia.		Chairman : Andrés Kulka K. (13) Directors : Gonzalo Irarrázabal Cristobal Rollán R. (9)
CSAV Group (Hong Kong) Ltd.	US\$ 64,625	Agencies.	So Chi Leung	Directors : Juan Antonio Alvarez A. (3) Rodrigo de la Cuadra I.(5) Francisco Subiabre V. (12) Alejandro Patillo (10)

Name	Capital		Corporate Objects	Manager	Administration
Norasia North America LLC USA	US\$	50,000	Being dissolved.		
Schiffahrtsgesellschaft CCNI Deutschland GmbH	US\$	32,633	Shipping.	Roberto Echevarria V.	
Odfjell & Vapores (O&V) Ltd. Bermudas	US\$	12,000	Shipowner and manager, shipping agencies and any commercial and financial operation.		Chairman: Jaime Claro V. (1) Directors : Terje Storeng Timothy Counsell James Macdonald
Brunswick Investments Co. Inc. Bahamas	US\$	10,000	Shipowner and manager, shipping agencies and any commercial and financial operation.	Bertilda R. de Torres	Directors Rodrigo de la Cuadra I. (5) Rafael Ferrada M. (6) Andrés Kulka K. (13) Bertilda R. de Torres Mirtha C. de Fernández
South Trade Shipping Co. Inc. Islas Marshall	US\$	10,000	Shipowners & managers, shipping agencies & any commercial & financial operation	Juan A. Montes G.	Chairman: Juan A. Montes G. Directors: Clarissa Plata de Aguirre José M. Urenda S. Andrés Kulka K. (13) Elsa M. Sousa Q.
Bureo Shipping Co. S.A. Islas Marshall	US\$	10,000	Shipowner and manager, shipping agencies & any commercial & financial operation.	Bertilda R. de Torres	Directors Rodrigo de la Cuadra I. (5) Rafael Ferrada M. (6) Andrés Kulka K. Bertilda R. de Torres Mirtha C. de Fernández
Pacific Winner Shipping Co. S.A. Marshall Islands	US\$	10,000	Shipowner & manager, shipping agencies & any commercial & financial operation.	Bertilda R. de Torres	Directors Rodrigo de la Cuadra I. (5) Rafael Ferrada M. (6) Andrés Kulka K. Bertilda R. de Torres Mirtha C. de Fernández
Maritime Shipping & Trading International Inc. Marshall Islands	US\$	10,000	Shipowner & manager, shipping agencies & any commercial & financial operation.		Dionisio Romero Paoletti Arturo Woodman Pollit Juan Carlos Claro F. Cristóbal Rollan R. (9) Alejandro Pedraza M. Fabio Salame-Cordova Ciardi Luis Morales A.
Norasia Container Lines Ltd. Malta	US\$	10,000	Shipping.		Directors: Juan Antonio Alvarez A. (3) Rodrigo de la Cuadra I. (5) Fernando Bustamante F. (8)
Agence CSAV Ltee/CSAV Agency Ltd.(Quebec) ATG. Canada	US\$	10,000	Agencies.	Mario Da-Bove (11)	Chairman: Andrés Kulka K.(13) Directors: Sergio Hurtado Alvaro Infante Gonzalo Irarrázaval
Tolkeyén Patagonia Turismo S.A. Argentina	PA\$	4,000,000	Activities related to tourism and trade; hotels, transport, exports & imports, etc.	Claudio de Sousa	Chairman: Adriano Cafaro Directors: Marcelo Vargas James Wells M. Alejandro Kusanovic

Name	Capital	Corporate Objects	Manager	Administration
Atlantis Marine S.A. Argentina	PA\$ 648,000	Appraisal services; shipping & port consultancies; tourism & port services; tug, diving, rescue, fire fighting & prevention of pollution services; fishing; management, construction & ownership of ships &/or shipping devices; buoy laying, dredging & maintenance of shipping waterways; shipping agencies.		Chairman: Adriano Cafaro Directors : Juan E. Mattson P. Arturo Storaker M. Mary Hinchliff M.
Comercial e Inversiones Coiron S.A. Argentina	PA\$ 12,000	Investments in Atlantis Marine S.A., Argentina, through the holding & disposal of shares or other securities.		Chairman: Juan E. Mattson P. Directors : Arturo Storaker M. Alejandro García-Huidobro O. Jorge Pérez A.
CSAV Argentina S.A. Argentina	PA\$ 5,000	Agencies.	José Miguel Respaldiza	Damian Beccar V.
Logística Integral Mendoza S.A. Argentina	PA\$ 1,950	Vehicle transport, distribution & storage services; installation & exploitation of container & cargo terminals; representations, rental of transport equipment, trading in securities and business related to these objects.	Enrique Díaz	Chairman: Alejandro García Huidobro O. Directors : Roberto Larraín Felipe Rioja
Aerosan Perú S.A. República de Perú		Not operative.		
Trabajos Marítimos S.A. (TRAMARSA) República de Perú	N/S 10,000,000	Port operator (shipping agent, stevedoring, tug services, pilotage services, rental of equipment & terminal operations).	Mario Hart P.	Chairman: Dionisio Romero Directors : Calixto Romero G. Ernesto Romero B. Gabriel Seminario D. Alvaro Galindo N. José Antonio Onrubia
Consorcio Naviero Peruano S.A. República de Perú	N/S 5,761,698	Shipowner & manager, shipping agencies & any commercial & financial operation.	Alejandro Pedraza M.	Chairman: Juan Rassmuss E. Directors : Arturo Woodman P. Cristóbal Rollán R. ( 9) Juan C. Claro U. Dionisio Romero P.
Construcciones Modulares S.A. República de Perú	N/S 766,540	Installation & management of container & cargo terminals; cold-storage plants; containers operator; cargo storage & services; packaging; container consolidation & de-consolidation; construct, maintain, modify & repair containers & modules.	Armando Vidal R.	Chairman: Dionisio Romero P. Directors: Alvaro Galindo N. Mario Hart P. Emilio Fantozzi T.
Inversiones Misti S.A. República de Perú	N/S 700,233	Shipping & port business & activities, stevedoring, storage, port operator, tonnage, launch facilities, shipowner & shipping agent, port equipment, cargo & container handling & transport, etc. Participation in other companies.	Alberto Rawlins B.	Chairman: Alberto Rawlins B. Directors: Roberto Larraín S. Felipe Rioja
Inversiones CNP S.A. República de Perú	N/S 100,000	Shipowners, shipping of all kinds, port stevedoring services and in general all activities related to shipping	Cristóbal Rollán R. (9)	Chairman: Cristóbal Rollán R. (9) Directors: Rodrigo de la Cuadra I. (5) Rafael Ferrada M. ( 6)

Name	Capital	Corporate Objects	Manager	Administration
Elequip S.A. Colombia	\$Col. 992,674,600	Operative equipment for stevedoring & similar activities.	Antonio Rodríguez M.	Directors: Alejandro García-Huidobro O. Alberto Rawlins B. Claus Haubold Juan Raute
Equiyard S.A. Colombia	\$Col. 850,000,000	Management of container maintenance & repair depots.	Antonio Rodríguez M.	Directors: Alejandro García-Huidobro O. Alberto Rawlins B. Claus Haubold Juan Raute
Equimac S.A. Colombia	\$Col. 97,338,600	Tug services.	Juan Mejía V.	Directors: Alejandro García-Huidobro O. Alberto Rawlins B. Claus Haubold Juan Raute
Companhia Libra de Navegación (Uruguay) S.A. Uruguay	\$Urug 44,960,617	Ocean & river transport in all forms.		Chairman: Juan Antonio Alvarez A. (3) Directors: Rodrigo de la Cuadra I. (5) Fernando Bustamante F. (8) Jaime Claro V. (1) Celine Borges Torrealba Gonzalo Boregs T.
Giraldir S.A. Uruguay	\$Urug 7,242,240	Tug & shipping services.	Fernando Capurro S.	Chairman: Alejandro García-Huidobro O. Directors: Fernando Capurro S. Alberto Rawlins B.
Kios S.A. Uruguay	\$Urug 10,000,000	Tug services.	Fernando Capurro S.	Directors : Fernando Capurro S. Alberto Rawlins B. Alvaro Tarabal
Tamarim International S.R.L. Uruguay	USD 9,612,900	Water-borne activities in their forms and related services, cargo transport, shipping agencies, port services and in general any commercial & financial operation.	Manager Rodrigo de la Cuadra I. (5)	
CSAV Ecuador S.A. Ecuador	ECS 20,000,000	Shipowner & manager, shipping agencies & any commercial & financial operation.	Pedro Toro A.	Directors : Fernando Bustamante F. (8) Ignacio Jiménez O. Fernando del Río R.
Companhia Libra de Navegacao Brazil	R\$ 8,000,000	Shipping services; operation of oil, clear derivative & LPG tankers; ship chartering; participation in companies for complying with these objects.		Directors: Gonzalo Baéza S. (17) Jose Francisco Muñoz Luis Enrique Arteaga C. (15)
Tamarim Participacoes Ltda. Brazil	R\$ 1,000,000	Investment company.		Directors: Luis Enrique Arteaga C. (15) Gonzalo Baeza S. (17) M. Cristina Cescon A.
Navibras Comercial Marítima e Afretamentos Ltda. Brazil	R\$ 2,648,100	Agencies.		Directors Maria Cristina Cescon Jose Francisco Muñoz Luis Enrique Arteaga C. (15)
Norgistic Brasil Operador Multimodal Ltda. Brazil	R\$ 10,000	Sea, air, rail or river transport coordination services; promotion & coordination of operations with the cargo terminals, warehouses, customs depots; coordination & promotion of consolidation & de-consolidation operations of import & export cargoes.		Directors: Gonzalo Baeza S. (17) Jose Francisco Muñoz Luis Arteaga C. (15)



Name	Capital	Corporate Objects	Manager	Administration
Marsud Armazéns Gerais Ltda. Brazil	R\$ 4,411,162	a) Warehousing, shipping agencies, representation of ocean-going & coastal shipping companies, of air & land transport companies and exploit related business such as port operator, stevedoring; logistics operator; transitory cargo agent; freight; storage of merchandise & containers; rental & repair of containers; palletization of cargo; container consolidation & de-consolidation; road & rail movement of cargo in general; shipping & customs clearance; import & export; management & provision of intermodal terminal, toad, rail & shipping services. b) The rental of equipment like container & simple cranes. c) Commercial representations. d) Participation in other companies, whatever their business.		Director : Jorge Cárdenas C.
Terminal de Contenedores Santiago do Brasil Ltda.		Not operative.		
Marsud Ltda. Brazil	R\$ 520,000	Shipping agencies.		Representative: Jorge Cárdenas C.
Sudamericana Agencia Marítima do Brasil Ltda. Brazil	R\$ 404,612	Not operative.		Director: Jorge Cardenas C.
SAAM Rebocadores Ltda. Brazil	R\$ 10,000	Not operative.		
SAAM Remolques S.A. de C.V. Mexico	M\$ 43,663,265	Port services with tugs, mooring & launches.	Claudio Pommiez	Directors: Eduardo Diez Barroso S. Alejandro García-Huidobro O. Roberto Larrain S. Alberto Rawlins B.
Recursos Portuarios S.A. de C.V. México	M\$ 50,000	Provision of technology & manual services, transmission of technical knowledge, personnel training & management services.	Claudio Pommiez	Directors: Alejandro García-Huidobro O. Roberto Larrain S. Alberto Rawlins B.
SAAM Remolcadores S.A. de C.V. Mexico	M\$ 50,000	Tug & launch port services.	Claudio Pommiez	Directors: Roberto Larrain David Foulkes Felipe Riojas Alejandro García-Huidobro O. Alberto Rawlins B.
CSAV Group Agencies (Hong Kong) Ltd.	HK\$ 3,000,000	Agencies		Directors: Rodrigo de la Cuadra I. (5) Francisco Subiabre V. (12) Alejandro Pattillo.M. (10)
Norgistics (China) Limited Hong Kong	HK\$ 10,000	Agencies		Directors: Rodrigo de la Cuadra I. (5) Rafael Ferrada M. (6) Alejandro Pattillo M.
CSAV Group Agencies (Taiwán) Ltd	NT\$ 9,000,000	Agencies	Li Chien - Lung	Chairman: Strauss Koo Directors : W.S. Chao Li Chi - Chung

Name	Capital		Corporate Objects	Manager	Administration
Ridge Holdin Company Limited Isla de Man	GBP	2,000	Shipowner & manager, shipping agencies & any commercial & financial operation		Directors : James R. Stevenson Joerg Vanselow Rafael Ferrada M. (6) Rodrigo de la Cuadra I. (5)
Pantile Holding Company Limited Isla de Man	GBP	2,000	Shipowner & manager, shipping agencies & any commercial & financial operation.		Directors : James R. Stevenson Joerg Vanselow Rafael Ferrada M. (6) Rodrigo de la Cuadra I. (5)
Anakena Bulk Ltd. Isla de Man	GBP	2,000	Liquid or solid bulks shipping	Rodrigo del Solar	Directors: Stuart B. Allen Juan F. Waidele C. Beltrán Urenda S. Eugenio Valenzuela C. Andrés Kulka K. (13)
Saam Guatemala S.A. Guatemala	GTQ	12,000,000	Not operative.		Directors: Rafael Alvarado Felipe Rioja Roberto Larrain Alberto Rowlins
CSAV Group Agencies (UK) Ltd. England	GBP	100,000	Agencies		Directors: Claire Hannah Vogt Paul Vogt Francisco Subiabre V. (12) Arturo Ricke (18)
Vogt & Maguire Shipbroking Limited England	GBP	10,000	Shipping agency management company and in general the exploitation of any shipping business		Directors: Charlotte Vogt Claire Hannah Vogt Francisco Subiabre V. (12) Fernando Bustamante F. (8)
Torskey Uruguay	\$Urug	1,600,000	Agencies		Directors: Rafael Ferrada M. (6) Rodrigo de la Cuadra I. (5) Eugenio Cruz (16)
CSAV Group (India) Private Limited	Rps	100,000	Back Office		Directors: Rodrigo de la Cuadra I. (5) Rafael Ferrada M. (6) Alejandro Patillo M. (10)
CSAV Group Agencies (India) Private Limited	Rps	10,000,000	Agencies		Directors: Rodrigo de la Cuadra I. (5) Francisco Subiabre V. (12) Alejandro Patillo M. (10)
Wellington Holdings Group S.A. British Virgin Island	USD	10,000	Shipowner & manager, shipping agencies & any commercial & financial operation.		Directors: Jaime Claro V. (1) Rodrigo de la Cuadra I. (5) Juan Antonio Alvarez A. (3) Fernando Bustamante F. (8) Goncalo Borges I. Celine Borges Jochen Dohle
Kempe Holding Co. Ltd. British Virgin Island	USD	10,000	Holding company of shipowning companies		Directors: Paul Vogt Christoph Dohle Wulfert Kirst Arturo Ricke

Name	Capital		Corporate Objects	Manager	Administration
Choapa Shipping Ltd. Marshall Island	USD	1,000	Shipowner & manager, shipping agencies & any commercial & financial operation.		Directors: Paul Vogt Christoph Dohle Wulfert Kirst Arturo Ricke
Cholguan Shipping Ltd. Marshall Island	USD	1,000	Shipowner & manager, shipping agencies & any commercial & financial operation.		Directors: Donald B. Shafro Robert L. Poster Michael C. Lambert Richard A. Bertocci
Chacabuco Shipping Ltd. Marshall Island	USD	1,000	Shipowner & manager, shipping agencies & any commercial & financial operation.		Directors: Donald B. Shafro Robert L. Poster Michael C. Lambert Richard A. Bertocci
Puelo Shipping Ltd. Marshall Island	USD	1,000	Shipowner & manager, shipping agencies & any commercial & financial operation.		Directors: Donald B. Shafro Robert L. Poster Michael C. Lambert Richard A. Bertocci
Limari Shipping Ltd. Marshall Island	USD	1,000	Shipowner & manager, shipping agencies & any commercial & financial operation.		Directors: Paul Vogt Christoph Dohle Wulfert Kirst Arturo Ricke
Longavi Shipping Ltd. Marshall Island	USD	1,000	Shipowner & manager, shipping agencies & any commercial & financial operation.		Directors: Donald B. Shafro Robert L. Poster Michael C. Lambert Richard A. Bertocci
Laja Shipping Ltd. Marshall Island	USD	1,000	Shipowner & manager, shipping agencies & any commercial & financial operation.		Directors: Donald B. Shafro Robert L. Poster Michael C. Lambert Richard A. Bertocci
Paine Shipping Ltd. Marshall Island	USD	1,000	Shipowner & manager, shipping agencies & any commercial & financial operation.		Directors: Donald B. Shafro Robert L. Poster Michael C. Lambert Richard A. Bertocci
Pucon Shipping Ltd. Marshall Island	USD	1,000	Shipowner & manager, shipping agencies & any commercial & financial operation.		Directors: Donald B. Shafro Robert L. Poster Michael C. Lambert Richard A. Bertocci
Agencias Grupo CSAV (México) S.A. de C.V. México	USD	397,974	Agencies		Directors: Gonzalo Irarrázaval Mario Da Bove (11) Luis Goya Escobedo
CSAV Group Agencies (Korea) Co. Ltd. Korea	USD	237,703	Agencies		Directors: Rafael Ferrada M. ( 6) Francisco Subiabre v.(12)
CSAV Group Agencies Brazil Agenciamento de Transportes Ltda Brazil	USD	200,000	Agencies		Directors: Luis Enrique Arteaga (15) Gonzalo Baeza S. (17)

Name	Capital	Corporate Objects	Manager	Administration
Compañía Sudamericana de Vapores Agencia Marítima, S.L. Spain	€ 500,000	Agencies.	Arturo Ricke (18)	Directors: Arturo Ricke (18) Jordi Trius Traserra Antonio Campoy Mario Kahl
CSAV Group Agencies Belgium N.V.	€ 500,000	Agencies.	Eliane Achten	Directors: Arturo Ricke (18) Mario Kahl Christoph Döhle Yves van Doosselaere
CSAV Agency Netherlands BV Holland	EUR 1,250,000	Agencies.	Albert Hoek	Directors: Arturo Ricke (18) Mario Kahl Christoph Döhle Raymond Riemen
Florida International Terminal, LLC USA	US\$ 3,000,000	Port terminal operations & stevedoring services.	José Alberto Díaz	Directors: Alejandro García-Huidobro O. José Alberto Díaz Alberto Rawlins Bernard Felipe Rioja R. Roberto Larraín S. Franco Montalbetti Luis Mancilla
Saam Florida, Inc. USA	US\$ 2,100,000	Investments in USA		Directors: Alberto Rawlins Bernard Felipe Rioja R. Roberto Larraín S.
Ulbra Terminal Imbituba S.A. Brazil	R\$ 22,291,674 (US\$ 9,788,158.78)	Port services and related delivery and agency services. Rental of port areas for port and logistical operations. Participations in other companies.	Guilherme Soares de Sá Peixoto	Directors: Francisco Javier Silva Donoso Celina Borges Torrealba Carpi Alejandro García Huidobro Victor Pino Torche Jaime Arturo Claro Valdés Ronaldo Borges
Tugbrasil Apoio Portuario S.A. Brazil	R\$ 58,254,637	Sea & port navigation activities. Rental from others of equipment & vessels. Participation in companies.	Jorge Oyarce S.	Directors: Celina Borges Torrealba C. Ronaldo Borges Francisco Javier Silva D. Victor Pino Torche Jaime Claro V. (1) Alejandro García-Huidobro O.
Riluc Sociedad Anónima Uruguay	US\$ 199,979	Professional cargo transport services	Horacio Diez O.	Directors: Victor Pino Torche Alejandro García-Huidobro O. Francisco Javier Jobson Horacio Diez O. Felipe Rioja R.
Gertil Sociedad Anonima Uruguay	US\$ 3,384,936	Port stevedoring services	Horacio Diez O.	Directors: Victor Pino Torche Directores Alejandro García-Huidobro O. Francisco Javier Jobson Horacio Diez O. Felipe Rioja R.
Reenwood Investment's Inc. Panama	US\$ 112,000	Investment company	Horacio Diez O.	Directors: Julio Ernesto Linares F. Roberto Larraín S. Horacio Diez O.



Notes:

A.- The trading relations between subsidiaries or associates with the parent or related company are shown by type and amount in the consolidated balance sheet.

Contracts between the company and its subsidiaries contain equitable market conditions and do not exceed normal operating needs.

B.- Relationships of the Administrators of the related companies with CSAV

(1) Jaime Claro V.	Director
(2) Arturo Claro F.	Director
(3) Juan A. Alvarez A.	General Manager
(4) Domingo Cruzat A.	Deputy General Manager
(5) Rodrigo de la Cuadra I.	Senior Vice President 21st Century Project and management Control
(6) Rafael Ferrada M.	Senior Vice President Administration & Finance
(7) Héctor Arancibia S.	Senior Vice President Shipmanagement
(8) Fernando Bustamante F.	Senior Vice President Operations & Logistics
(9) Cristóbal Rollán R.	Senior Vice President Reefers & Car Carriers
(10) Alejandro Pattillo M.	Senior Vice President Asia Region
(11) Mario Da-Bove A.	Executive Director of CSAV Group Asia
(12) Francisco Subiabre V.	Senior Vice President Marketing & Commercial
(13) Andrés Kulka K.	Senior Vice President North America Region
(14) Santiago Bieleberg	Senior Vice President Chartering & Bulk
(15) Enrique Arteaga C.	Senior Vice President Libra and Libra Uruguay Lines
(16) Eugenio Cruz N.	Regional Manager West Coast South America
(17) Gonzalo Baeza S.	Senior Vice President East Coast Lines
(18) Arturo Ricke G.	Senior Vice President Europe Region

C.- Monetary Relationship

CH\$	: Chilean peso	\$Bol	: Bolivian peso
US\$	: United States dollar	\$Col	: Colombian peso
\$Arg	: Argentine peso	\$Urug	: Uruguayan peso
ECS	: Ecuador	M\$	: Mexican peso
N/S	: Nuevo Sol (Peru)	GTQ	: Quetzal (Guatemala)
R\$	: Brazilian real	NOK	: Norwegian krona
HK\$	: Hong Kong dollar	GBP	: Pound sterling
SFR	: Swiss franc	SGD	: Singapore dollar
NT\$	: Taiwanese dollar	RPS	: Indian rupee
EUR	: Euro		

### Summarized Ownership Structure of Subsidiaries

	C.S.A.V. S.A.	S.A.A.M. S.A.	COSEN LTD	MV ALABRA S.A.	MV HARBORER S.A.	INVIEMETI S.A PERU	TRANSARPA PERU S.A.	S.A.A.M. INTERNAC. S.A.	CHP HOLDING PANAMA	SEA LION SHIPPING CO S.A	CSAV INVERSIONES NAWARRAS S.A	HARBORO S.A. BRASIL	SUDAMERICANA AUSTRAL LTD. CHILE	SERV. AEREOPORTUARIOS AEROCAN S.A.	AEROSAN AIRPORT SERVICES S.A	INMOBILIARIA SAN MARCO S.A	INVERSIONES SAN MARCO LTD	SAAM FIDUCIA INC USA	LITEL S.A.	S.A.T.L S.A.	CLZ S.A.	ATI S.A	LENI S.A.	AGUNGA S.A	REXWOOD INVESTMENT INC.	SERV.PORTUARIOS RELCONCHI LTD	SAAM REMEDIQUES SA DE CV	TRANSEDER AUSTRAL BROOK	COMERCIAL CORDON S.A.	GLOBAL COMMODITY INTL INC.	OTHERS	TOTAL
ISSUING COMPANIES																																
CSA SUD AMERICANA DE VAPORES																																
CEBERG GERMANY	100.00																															100.00
CSAV AGENT Y LLC																																
LLCA	99.78																															0.21
CSAV GROUP (CHINA) SHIPPING CO LTD																																
SHANGHAI CHINA	99.00										1.00																					
NORISTICS SHENZHEN LTD	99.00										1.00																					
CHINA																																
TOLID SHIPPING CO S.A.																																
PANAMA	99.998									0.001																						
COFINYA SHIPPING CO S.A.																																
PANAMA	99.998																															
INVERSIONES PLAN FUTURO S.A.										0.002																						
PANAMA	99.997									0.003																						
INVERSIONES NUEVO TIEMPO S.A.																																
PANAMA	99.990									0.01																						
SUDAMERICANA AGENCIAS AEREAS Y MARTINAS S.A. (SAAM) CHILE	99.999																														0.001	
EMPRESA DE TRANSPORTES SUD AMERICANA AUSTRAL LTD CHILE	99.00																														1.00	
COPIELI Y VAPORES S.A.																																
CHILE	51.00																															49.00
EMPRESA DE TRANSPORTE SUDAMERICANA AUSTRAL CIA. CHILE	50.00	49.91																														0.09
SUD AMERICANA DE TRANSPORTES LIQUIDOS (SUTRAL) LTD. CHILE	50.00																															50.00
INMOBILIARIA AFIN S.A.																																
CHILE	16.30	10.80																														58.12
COMPAÑIA CHILENA DE NAVEGACION INTEROCEANICA S.A. (COIN) CHILE	13.008																															86.99
LOGISTICA INTEGRAL S.A. (COSAN S.A.) CHILE	0.01	99.99																														
CSAV INVERSIONES NAVARRAS S.A. CHILE	99.993																															
SAAM INTERNACIONAL S.A. CHILE		99.99																														
SAAM SERVICIOS I BIOLOGICOS SALMONES LTDA	99.00																															
MARSHO ARMARENS GERAS LTDA BRAZIL																																
SERVICIOS DE PERSONAL PORTUALES S.A. (SEPSA CHILE)	99.90																															
INMOBILIARIA MARTINA PORTUARIA LTDA. CHILE (MPSA)																																
INMOBILIARIA BAXON LTDA CHILE																																
INMOBILIARIA CARREL LTDA CHILE																																
TERMINAL BARRANCOS S.A. CHILE	99.00																															
TERMINAL CHINCORRO S.A. CHILE	99.00																															
TERMINAL EL COLORADO S.A. CHILE	99.00																															
TERMINAL PENUELAS S.A. CHILE	99.00																															
TERMINAL CAUCES S.A. CHILE	99.00																															
TERMINAL GOLONDRINAS S.A. CHILE	99.00																															
INVERSIONES SAN MARCO LTDA CHILE	1.00	99.00																														
INMOBILIARIA SAN MARCO LTDA CHILE	1.00	99.00																														
INMOBILIARIA REHEU LTDA CHILE																																
TERMINAL RENCA S.A. CHILE	99.00																															

INVESTING COMPANIES	C.S.A.V. S.A.	S.A.A.M. S.A.	COZUM LTDA	INV ALABRA S.A.	INV HABSBURGO S.A.	INVUMETI S.A. PERU	TRANAFESA PERU S.A.	S.A.A.M. INTERMAC S.A.	OP HOLDING PANAMA	SEA LION SHIPPING C.O. S.A.	CSAV INVERSIONES MARIÑEROS S.A.	MARUJO S.A. BRASIL	SUDAMERICANA AUSTRIAL LTDA CHILE	SERV. AEROPORTUARIOS AEROSAN S.A.	AEROSAN AIRPORT SERVICES S.A.	INNOVILABRA SAN MARCO S.A.	INVERSIONES SAN MARCO LTDA	SAHNI FLORIDA INC. USA	S.V.T.L. S.A.	S.A.T.I. S.A.	ITEL S.A.	A.T.I. S.A.	CON S.A.	AGENCIA S.A.	REXWOOD INVESTMENT INC.	SERV. PORTUARIOS RECONCANT LTDA	SAHNI REMOLQUES SA DE CV	TRANSBORO AUSTRIAL BROOK	COMERCIAL CORON S.A.	GLOBAL COMMODITY INC. INC.	OTHERS	TOTAL	
EMPRESA SORION SERVICIOS MERCANTILES INTEGRADOS S.A. (BROM S.A.) CHILE		33,33																													66,67	100,00	
INVERSIONES Y SERVICIOS RIEZ S.A. CHILE		33,33																													66,67	100,00	
TRANSBORADORIA AUSTRIAL BROM S.A. CHILE		25,00																													75,00	100,00	
AGENCIAS UNIVERSALES S.A. (INGUNSA) CHILE		24,71																													75,29	100,00	
INVERSIONES ALABRA S.A. PANAMA		15,50						84,50																								100,00	
SERVICIOS DE AVIACION S.A. (SERVISA) CHILE		99,90															0,10															100,00	
INVERSIONES HABSBURGOS S.A. PANAMA		0,004						99,074																								100,00	
MUELLE AETI S.A. CHILE		0,50																			99,50											100,00	
MUELLE A ESQUA SA		0,50																			99,50											100,00	
MUELLE A SVI S.A. CHILE		0,50																	99,50													100,00	
MUELLE A STI S.A. CHILE		0,50																		99,50												100,00	
MUELLE A TIS S.A. CHILE		0,50																				99,50										100,00	
MUELLE A DEL LTDA S.A.																								99,00								1,00	100,00
ECUADOR S.A. ECUADOR		0,045		99,955																												100,00	
EURO ATLANTIC CONTAINER LINE S.A. CHILE													99,99																		0,01	100,00	
PORTUARIA CORRAL S.A.		50,00																														50,00	100,00
SAHNI DO BRASIL LTDA BRASIL				99,99972	0,00028																											100,00	
LOBA TERMINAL MISTURABA S.A. BRASIL				33,33																												66,67	100,00
SAHNI EXTRA PORTUARIOS S.A. CHILE		99,90															0,10															100,00	
MUELLE A DEL MAPPO S.A. CHILE			50,00																													50,00	100,00
MUC S.A. URUGUAY				49,000																						51,00							100,00
INVERSIONES MISTY S.A. PERU				99,38	0,62																												100,00
CEVIL S.A. URUGUAY				49,00																						51,00							100,00
SERVICIOS MARITIMOS Y PORTUARIOS MARUJO SA BRASIL				80,00																												20,00	100,00
CAVALIER S.A. URUGUAY				70,00																												30,00	100,00
MOS S.A. URUGUAY				49,00																												51,00	100,00
REGISTRACION MARITIMA PORTUARIA S.A. PERU				1,00		99,00																											100,00
FLORIDA INTERNACIONAL TERMINAL LLC. USA																		70,00														30,00	100,00
ELEQUIP S.A. COLOMBIA					50,00																											50,00	100,00
EDUINAC S.A. COLOMBIA					50,00																											50,00	100,00
EDUARDO S.A. COLOMBIA					50,00																											50,00	100,00
TIG BRASIL APORO MARITIMO S.A. BRASIL				50,00																												50,00	100,00
MUELLE A ROLAND LTDA CHILE																			99,50													0,50	100,00
COMERCIAL E INVERSIONES CORON S.A. ARGENTINA								50,00																								50,00	100,00
CAH NAVIERA RIO BLANCO S.A. CHILE													51,00																			49,00	100,00
TRABAJOS MARITIMOS S.A. TRANAFESA PERU						50,00																										50,00	100,00
CONSTRUCCIONES MODULARES S.A. PERU						50,00																										50,00	100,00
SAHNI FLORIDA INC. USA																											100,00						100,00
SERVICIOS DE AVIACION LTDA (SERVIAIR)		1,00												98,00																		1,00	100,00
SERVICIOS LOGISTICOS LTDA (SERVIDOC)		1,00													98,00																	1,00	100,00
RECURSOS PORTUARIOS Y ESTIBOS LTDA (REPORT) LTDA. CHILE																								99,00								1,00	100,00
MODAL TRADE S.A. CHILE																								99,00								1,00	100,00
TERMINALES Y SERVICIOS DE CONTENEDORES S.A. (TESCO) CHILE																								99,00								1,00	100,00
INVERSIONES MARITIMAS UNIVERSALES S.A. (IMC) SA PANAMA																								99,00								1,00	100,00
PETROMAR S.A. CHILE																								99,00								1,00	100,00
INNOVILABRA LA UNIVISA S.A. CHILE																								85,00								15,00	100,00
PORTUARIA PRONCH S.A. CHILE																								50,00								50,00	100,00
OPTI AGENCIA MARITIMA S.A. CHILE																								50,00								50,00	100,00
EL TITRAL SERVICIOS PORTUARIOS S.A. CHILE																								50,00								50,00	100,00
TRANSUNIVERSAL ESTIBOS S.A. CHILE																								50,00								50,00	100,00
SCL TERMINAL AEREO SANTIAGO S.A. CHILE																								47,02								52,98	100,00
MARCO PORT																								35,00								65,00	100,00
VALPARAISO TERMINAL DE PESQUEROS CHILE																								99,31								0,69	100,00
AGENCIA EUROPA																								48,00								40,00	100,00
TELVE EN PARAGUAY TURISMO S.A. ARGENTINA																												99,00				1,00	100,00
ATLANTIS MARINE S.A. ARGENTINA																													50,00			50,00	100,00

INVESTING COMPANIES	TOLU Co S.A.	COYINVA Co S.A.	CSAV AGENCY LLC USA	COP HOLDINGS PANAMA	INVER STONES COP	WELLINGTON HOLDING GROUP	TAHARA INTERNATIONAL SRL	TAHARA PARTICIPACIONES LTDA-BRASIL	LIBRA NAVEGACION URGUAY	COMPANHIA LIBRA DE NAV-BRASIL	TORSEKEY SA URGUAY	CSAV GROUP AGENCIES HONG-KONG	NORASKA CONTAINER L. MARIT	BRUNOVICA INVESTMENT BAHAMAS	PANTLE HOLDING CO ISLA OF MAN	RODGE HOLDING CO ISLA OF MAN	GLOBE 1 HOLDING SHIFF GAMBIA & CO NG	GLOBE 11 HOLDING SHIFF GAMBIA & CO NG	HEMPLE 101 HOLDING CO PANAMA	HEMPLE HOLDING CO PANAMA	PICTON MARITIME PANAMA	SEA LION Co S.A. INY PANAMA	GLOBAL COMMODITY INTEROCEANICA	C CHILENA NAVEGACION INTEROCEANICA	NAVERA ANTIOGASTA PANAMA	SSM CO S.A PANAMA	CSAV INVERSIONES CHILE	SUDAMERICANA AUSTRAL LTDA CHILE	COP HOLDING S.A PANAMA	AGENCIAS GRUPO CSAV MEXICO	OTHERS	TOTAL		
ISSUING COMPANIES																																		
MAULE SHIPPING CO S.A. PANAMA	100.00																																100.00	
MAULECO SHIPPING CO S.A. PANAMA	100.00																																100.00	
LEMONO OCEAN SHIPPING CO S.A. PANAMA	100.00																																100.00	
RAHRE INVESTMENT CO S.A. PANAMA	100.00																																100.00	
COP HOLDINGS S.A. PANAMA	100.00																																100.00	
VILLUAS INVESTMENTS CO S.A. PANAMA	100.00																																100.00	
BRUNOVICA INVESTMENT CO INC. BAHAMAS	100.00																																100.00	
CSAV SUDAMERICANA DE NAVOPRES S.A. PANAMA	100.00																																100.00	
COSELL & VAPORES (BVI) LTD. BERMUDAS	50.00																																50.00	
GLOBAL COMMODITY INVESTMENT INC. PANAMA	100.00																																100.00	
PICTON MARITIME CO S.A. PANAMA	100.00																																100.00	
SEA LION SHIPPING CO S.A. PANAMA	100.00																																100.00	
BURGOS SHIPPING CO S.A. MARSHALL ISLANDS	100.00																																100.00	
LANDCO INVESTMENT CO S.A. PANAMA	100.00																																100.00	
HEMPLE HOLDING CO LTD PANAMA	50.00																																50.00	
FIVE CONTINENTS NAVIGATION S.A. PANAMA	40.00																																40.00	
PACIFIC ROSE SHIPPING CO S.A. MARSHALL ISLANDS	100.00																																100.00	
PACIFIC WINNERS SHIPPING CO S.A. MARSHALL ISLANDS	100.00																																100.00	
LONG STAR SHIPPING S.A. MARSHALL ISLANDS	100.00																																100.00	
DRY BULK HARVEY HOLDING INC. MONACO	50.00																																50.00	
DREN CORPORATION PANAMA	50.00																																50.00	
CSAV EL DADOR S.A. EL DADOR				100.00																													100.00	
WELLINGTON HOLDINGS GROUP SA RM				49.72																													49.72	
CSAV GROUP (INDIA) PRIVATE LTD INDIA	1.00			99.00																													100.00	
CSAV GROUP AGENCIES (INDIA ) PRIVATE LTD				80.00																													80.00	
CSAV GROUP HONG-KONG LTD HONG-KONG				100.00																													100.00	
CSAV AGENCY LTD CANADA				100.00																													100.00	
TORSEKEY S.A. URGUAY				100.00																													100.00	
NORASKA CONTAINERS LINES LTD. MARIT.	0.00			99.99																													99.99	
CSAV GROUP AGENCIES LTD HONG-KONG	0.00			99.99																													99.99	
INVERSIONES COP S.A. PERU	0.02			99.98																													99.98	
VOCI & MAGUIRE SHIPPING LTD UK				50.00																													50.00	
LIBRA NAVEGACION URGUAY						100.00																											-	100.00
COMPANHIA LIBRA DE NAVEGACION BRASIL					2.00			97.00																									-	100.00
CSAV GROUP AGENCIES LTD UK				50.00																														50.00
MARITIMA TRADING PANAMA				50.00																														50.00
MARITIMA TRADING MARSHALL ISLANDS				50.00																														50.00
CONSORCIO NAVERO PERUANO S.A. PERU					40.00																												50.00	
TAHARA PARTICIPACIONES LTDA BRASIL						1.00		99.00																										100.00
TAHARA INTERNATIONAL SRL URGUAY						99.00				0.00																								100.00
NAVERAS LTDA BRASIL								0.00		99.99																								100.00
NORCEOTIC BRASIL LTDA									20.00	40.00	40.00																							100.00
NORCEOTIC LTDA HONG-KONG												100.00																						100.00
CSAV GROUP AGENCIES LTD TAHARA												100.00																						100.00
NORASKA NORTH AMERICA LLC USA													100.00																					100.00



INVESTING COMPANIES	TOLDO Co. S.A.	COPIVIA Co. S.A.	CSAV AGENCY LLC USA	CIP HOLDINGS PANAMA	INVER STONES CIP	WELLINGTON HOLDING GROUP	PANAMAR INTERMEX SRL	PANAMAR PARTICIPAC. LTDA-BRASIL	LIBRA NAVEGACAO	COMPANHIA LIBRA DE NAV. BRASIL	TORSEKEY SA URUGUAY	CSAV GROUP AGENCIES HONGKONG	NORRAGA CONTAINER L. MEXICO	BROOKWICK INVESTMENT BAHAMAS	PANTILE HOLDING CO ISLA OF MAN	ROGE HOLDING CO ISLA OF MAN	GLOBE I HOLDING SHIFF GAMBIA & CO KEG	GLOBE II HOLDING SHIFF GAMBIA & CO KEG	HEMPLE (BVI) HOLDING CO PANAMA	KEPPE HOLDING CO PANAMA	PECTON MARITIME PANAMA	SEA LION Co. S.A.	GLOBAL COMMODITY INC PANAMA	C OBLENA NAVEGACION INTEROCEANICA	NAVERA ANTIOGASTA PANAMA	SSM CO S.A. PANAMA	CSAV INVERSIONES S.A CHILE	SUDAMERICANA AUSTRAL LTDA CHILE	CIP HOLDING S.A PANAMA	AGENCIAS GRUPO CSAV MEXICO	OTHERS	TOTAL		
ISSUING COMPANIES																																		
ROGE HOLDING CO. LTD. ISLA DE MAN														50.00																		50.00	100.00	
PANTILE HOLDING CO. INC. ISLA DE MAN														50.00																		50.00	100.00	
CYRELL NAVIGATION CO. LTD. ANTIGUA																100.00																	100.00	
CLEOPATRA NAVIGATION CO. LTD. ANTIGUA																100.00																	100.00	
CARMEN NAVIGATION CO. LTD. ANTI & BERMUDA															100.00																		100.00	
CHAVITA NAVIGATION CO. LTD. ANTI & BERMUDA															100.00																		100.00	
CRYSTAL NAVIGATION CO. LTD. ANTI & BERMUDA															100.00																		100.00	
CECEP NAVIGATION CO. LTD. ANTI & BERMUDA															100.00																		100.00	
CYNTHIA NAVIGATION CO. LTD. ANTI & BERMUDA															100.00																		100.00	
GLOBE I HOLDING SHIFFHARTS GAMBIA LTD KEG														50.00																		50.00	100.00	
GLOBE II HOLDING SHIFFHARTS GAMBIA LTD KEG														50.00																		50.00	100.00	
CORC B&B HULL LTD ISLA DE MAN														100.00																			100.00	
CORC B&B HULL LTD ISLA DE MAN														100.00																			100.00	
CORC B&B HULL LTD ISLA DE MAN														100.00																			100.00	
CORC B&B HULL LTD ISLA DE MAN														100.00																			100.00	
MS ARADENA GERMANY																	100.00																100.00	
MS ARDA GERMANY																	100.00																100.00	
MS ARDENA GERMANY																	100.00																100.00	
MS ARDA GERMANY																	100.00																100.00	
MS ARDENA GERMANY																	100.00																100.00	
NAVERA ARCA PANAMA																		100.00															100.00	
NAVERA ANTIOGASTA PANAMA																									100.00								100.00	
KEY BRICKLINE PANAMA																										100.00							100.00	
SOUTH TRADE SHIPPING CO. INC. MARSHALL ISLANDS																					100.00												100.00	
NORTH TRADE SHIPPING CO. INC. MARSHALL ISLANDS																										100.00							100.00	
CHICABUO SHIPPING LTD MARSHALL ISLANDS																											100.00						100.00	
CHODAPA SHIPPING LTD MARSHALL ISLANDS																											100.00						100.00	
LONGHAI SHIPPING LTD MARSHALL ISLANDS																											100.00						100.00	
PIREO SHIPPING LTD MARSHALL ISLANDS																											100.00						100.00	
PRINE SHIPPING LTD MARSHALL ISLANDS																											100.00						100.00	
SOUTHERN SHIPMANAGEMENT CO. S.A. PANAMA																																	50.00	100.00
SOUTHERN SHIPMANAGEMENT COA CHILE																																		100.00
CSAV GROUP AGENCIES BRASIL																																		100.00
AGENCIAS GRUPO CSAV MEXICO																																		100.00
PRESIDENCIA DE SERVICIOS INTEGRADO DE PERSONAS MEXICO																																		100.00
CSAV ARGENTINA SA																																		100.00
CSAV GROUP AGENCIES NORRAGA LTD																																		100.00
CSAV GROUP AGENCIES GAMBIA																																		100.00
CSAV GROUP AGENCIES BRASIL																																		100.00
CSAV GROUP AGENCIES HOLLAND																																		100.00
TOLSA FEMINA FRUIT INC USA				100.00																														100.00

### *Investments as a Percentage of the Total Assets*

INVESTING COMPANIES	CSA Y S.A.	S.A.A.M. S.A.	S.AUTRAL LTDA	CSAV INVER NAVIERA SA	INVERSIONES SAN MARCO LTDA	INMOBILIARIA SAN MARCO LTDA	REINWOOD INVESTMENT INC	AGENCIA S.A.	AEROSAN AIRPORT SERVICES SA	HABES BURGO SA	ALABRA S.A.	LTZ S.A.	ATO S.A.	STL S.A.	SXTL S.A.	INTEI S.A.	SHAM INTEL S.A.	TRANSA AUSTRAL BROOK	COSEM S.A.	TRANAFESA SA	SEMI MAR PORTUARIOS NAVIGAD	SHAM REINOLDES SA DE CV
ISSUNG COMPANIES																						
TELO SHIPPING COS S.A. PANAMA	12,67%																					
COFINA SHIPPING COS S.A. PANAMA	12,72%																					
SUDAMERICANA AGENCIAS AEREA Y MARTIMAS S.A. (SAAM) CHILE	18,86%																					
INVERSIONES PLAN FUTURO S.A. PANAMA	8,65%																					
LOGISTICA INTEGRAL S.A. (LOGSA) SGO - CHILE	0,00%	0,07%																				
OPREIT & VAPORS S.A. CHILE	0,45%																					
CSAV AGENT NORTH AMERICAN LTDA	0,57%																					
COMPANIA CHILENA DE NAVIGACION INTEROCEANICA S.A. (CON) CHILE	0,46%																					
CSA SUD AMERICANA DE VAPORES (CSAV) GERMANY	0,04%																					
INVERSIONES NUEVO TIEMPO S.A. PANAMA	0,14%																					
CSAV GROUP CHINA (CHINA) LIMITED	0,24%			0,22%																		
NOROSIC (CHINA) LIMITED (CHINA)	0,06%			0,06%																		
EMPRESA DE TRANSPORTES SUDAMERICANA AUSTRAL LTDA. CHILE	0,06%																					
CSAV INVERSIONES NAVIERA S.A. CHILE	0,27%		0,07%																			
INVERSIONES SAN MARCO LTDA. CHILE	0,00%	0,02%																				
INMOBILIARIA SAN MARCO LTDA. CHILE	0,04%	14,68%																				
INMOBILIARIA MARTINA PORTUARIA LIMITADA - CHILE		0,00%			42,03%	61,13%																
INMOBILIARIA CABRE LTDA. CHILE		0,00%				0,90%																
INMOBILIARIA REALE LTDA. CHILE					16,24%	23,61%																
PORTUARIA CORRAL S.A. CHILE		1,06%																				
TERMINAL BARBANCOS S.A. CHILE		0,05%			0,20%																	
TERMINAL CHINCHERRO S.A. CHILE		0,02%			0,26%																	
TERMINAL EL COLORADO S.A. CHILE		0,02%			0,39%																	
TERMINAL GAUCHES S.A. CHILE		0,07%			0,09%																	
TERMINAL RENCA S.A. CHILE		0,02%			0,25%																	
TERMINAL LAS GOLONDRINAS S.A. CHILE		0,07%			0,15%																	
SHAM SERVICIOS A LA INDUSTRIA HIDROLOGICA LTDA. CHILE		0,02%			0,34%																	
SERVICIOS LOGISTICOS LTDA. CHILE		0,00%						0,65%														
INMOBILIARIA BAHON LTDA. CHILE		0,00%			9,26%	13,47%																
TERMINAL POUDEAS S.A. CHILE		0,02%			0,46%																	
CSA DE SERVICIOS DE MONITOREO COSEM LTDA. CHILE		0,05%	0,08%																			
SERVICIOS DE PERSONAL PORTUALES S.A. (SPSA) CHILE		0,02%			0,04%																	
EMPRESA DE SERVICIOS MARTIMOS Y PORTUARIOS HUMAPEN LTDA. CHILE		0,07%																				
SERVICIOS AEROPORTUARIOS PERSONAL S.A. CHILE		0,24%																				
PERSONAL HUMAPEN SERVICIOS S.A. CHILE		0,67%																				
SERVICIOS PORTUARIOS RELONCHI LTDA. CHILE		0,94%																				
SERVICIOS MARTIMOS PRELLOS S.A. (SEMAPRO) CHILE		0,10%																				
TERMINAL PORTUARIO ARICA SA CHILE		0,25%																				
INMOBILIARIA TOMBES LTDA. CHILE		0,00%																				
ORION SERVICIOS MERCANTILES INTEGRADOS S.A. (ORION) SA CHILE		0,04%																				
INVERSONEY SERVICIOS PIREL S.A. CHILE		0,05%																				
SAV ANTONOTERMINAL INTERNACIONAL S.A. CHILE		6,85%																				
SAVICHENTE TERMINAL INTERNACIONAL S.A. CHILE		3,08%																				
QUIQUE TERMINAL INTERNACIONAL S.A. CHILE		2,38%																				
ANTERGASTA TERMINAL INTERNACIONAL S.A. CHILE		1,37%																				
INDELARE ITI S.A. CHILE		0,00%									0,83%											
INDELARE STI S.A. CHILE		0,00%											0,07%									
INDELARE SYTI S.A. CHILE		0,00%												0,26%								
INDELARE ATL CHILE		0,00%											0,20%									
INDELARE OSGA S.A. CHILE		0,00%									0,20%											
SERVICIOS PORTUARIOS Y ESTERPORTUARIOS BUI BU LTDA. CHILE					3,45%										0,01%							
INDELARE DEL LCA S.A. CHILE		0,00%											0,20%						0,00%			
INDELARE DEL MAPO S.A. CHILE																						
CARGO PRAN S.A. CHILE		2,03%																				
SHAM INTERNACIONAL S.A. CHILE		19,59%			0,47%																	
AGENCIAS UNIVERSALES S.A. CHILE		5,34%																				

INVESTING COMPANIES	CSA V S.A.	S.A.A.H.L. S.A.	S.AUSTRAL LTD.	CSW INVEST NAVEIRA SA	INVERSOES SAN MARCO LTDA	INMOBILIARIA SAN MARCO LTDA	REEMWOOD INVESTMENT INC	AGUACA S.A.	AEROSAN AIRPORT SERVICES SA	HABES BURGO S.A.	ALABIA S.A.	LTCL S.A.	A.T.O S.A.	S.T.L. S.A.	S.T.L. S.A.	INOTI S.A.	SHAM INTER S.A.	TRAFICO AUSTRAL BROOM	COSEN S.A.	TRAMARCA SA	SEMI INVER PORTUARIOS MARSDO	SHAM REMOLQUES SA DE CV
ISSUE COMPANIES																						
ALBA SHAM S.A.																						
CHILE		0,00%																				
TRANSPORTES PUJOLANES																						
COPIAC S.A. CHILE		0,20%																				
TRANSPORTES AUSTRAL BROOM S.A. CHILE		0,00%																				
SHAM INVEST PORTUARIOS S.A. CHILE		0,00%			0,70%																	
SERVICIOS DE AGUACALIDAD, GERENCIA LTDA. CHILE		0,00%						0,45%														
INVERSIONES ALABIA S.A. PANAMA		1,20%															37,31%					
INVERSIONES HABESBURGO S.A. PANAMA		0,00%															41,40%					
SERVICIOS DE AGUACALIDAD, CHILE		0,00%			1,20%																	
SHAM REMOLQUES S.A. DE CV MEXICO		0,00%																				
SHAM REMOLQUES MEXICO S.A. DE CV MEXICO		9,40%																				
SHAM CONTENEDORES S.A. CHILE		0,60%			9,30%																	
RECURSOS PORTUARIOS S.A. DE CV MEXICO		0,10%																				
SHAM GUATEMALA S.A. GUATEMALA		0,00%								0,01%												
CONCEPCION SHAM COSA RICA S.A. COSA RICA		0,40%								1,90%												
MUELLER ROLAND S.A. CHILE																	0,77%					
EUROALANTIC CONTAINERLINE S.A. CHILE			10,30%												0,10%							
CIA. NAVIERA ROBLAND S.A. CHILE			70,30%																			
AGENCIAS GRUPO CSAV MEXICO		0,40%																				
CSAV ARGENTINA S.A. ARGENTINA		0,00%																				
CSAV GROUP AGENCIAS BELGIUM N.V.				2,40%																		
CSAV AGENT NETHERLANDS B.V. HOLANDA				2,20%																		
SCL TERMINAL AEROSISTO S.A. CHILE								7,91%														
MAG AIRPORTS LIMITED MALACCA								3,20%														
OPT EMPRESA MARTINA S.A. CHILE								11,20%														
TERMINAL DE PASAJEROS VALPARISO S.A. CHILE								0,70%														
INVERSIONES MARTINAS UNIVERSALES S.A. CHILE								13,60%														
TERMINALES Y SERVICIOS DE CONTENEDORES S.A. CHILE								2,20%														
AGENCIAS UNIVERSALES EUROPA S.A. EUROPA								0,21%														
FLORIDA TERMINAL INTERNACIONAL USA																						1,72%
INMOBILIARIA LA DIVESA S.A. CHILE								1,70%														
RECURSOS PORTUARIOS Y ESTIMOS LTDA. CHILE								0,00%														
PELOMAN S.A. CHILE								0,60%														
PORTUARIA PRACHIE S.A. CHILE								0,60%														
MODAL TRADE S.A. CHILE								0,10%														
TRANSUNIVERSAL ESTIMOS S.A. CHILE								0,00%														
EL LITORAL, SERVICIOS PORTUARIOS S.A. CHILE								0,00%														
ESQUIP S.A. COLOMBIA										5,62%												
ESQUIMAC S.A. COLOMBIA										2,11%												
ESQUIP S.A. COLOMBIA										1,20%												
INVERSIONES MISTO S.A. PERU										0,00%	10,20%											
ECUATORIAS S.A. ECUADOR		0,000%									11,40%											
PRUC S.A. URUGUAY							0,00%				0,00%											
SHAM DO BRASIL LTDA. BRAZIL										0,00%	2,20%											
MARSDO LTDA. BRAZIL											0,00%											
KIDS S.A. URUGUAY											1,70%											
CARLOS S.A. URUGUAY											1,30%											
TUG BRASIL APDO MARTINO PORTUARIOS S.A. BRAZIL											24,70%											
LIBRA TERMINAL MARITIMA SA BRAZIL											5,50%											
REEMWOOD INVESTMENT CO PANAMA											0,00%											
TRAMARCA S.A. PERU																80,40%						
AEROSAN PERU S.A. PERU									0,00%							0,00%						
CONSTRUCCIONES MODULARES S.A. PERU																0,00%			0,00%			
NEGOCACION MARTINA PERUANA S.A. PERU																0,30%						
GETTI S.A. URUGUAY							33,20%				4,50%											
MARSDO ARMAZEN GERMS LTDA. BRAZIL																					80,20%	
TOLENTIN PROAGNIA TURISMO S.A. ARGENTINA																		16,90%				
COMERCIAL E INVERSIONES CORON S.A. ARGENTINA																0,50%						

INVESTING COMPANIES	TOLLO Co. S.A.	CORRYNA Co. S.A.	COP HOLDING PANAMA	BRUNSWICK INVEST BAHAMAS	GLOBE I HOLDING SHRETHITS	GLOBE II HOLDING SHRETHITS	PICTON Co. S.A.	SEA LEON Co. S.A.	GLOBAL INVERS	KEMPE (BVI) HOLDING LIMITED	KEMPE HOLDING LIMITED	INVER SONES CIP	CSAV GROUP AGENCIES HONGK	CSAV INK NAVIERAS SA CHILE	PRINTEL HOLDING KOLAJERMAN	TAMARM PARTICIPA COES	TAMARM INTERVAC BRIGADAY	RODGE HOLDING KOLAJERMAN	WELLINGTON HOLDING GROUP SA	CSAV AGENCY, LLC (NEW JERSEY) LLC (LL)
YOUNG COMPANIES			0.01%																	
CORINA SHIPPING CO. S.A. PANAMA																				
TOLLO SHIPPING CO. S.A. PANAMA								0.02%												
INVERSONES PLAN FUTURO S.A. PANAMA								0.04%												
INVERSONES NUEVO TIEMPO S.A. PANAMA			0.00%																	
WALLEE SHIPPING CO. S.A. PANAMA	0.03%																			
WALLEE SHIPPING CO. S.A. PANAMA	0.02%																			
LENNIX OCEAN SHIPPING CO. S.A. PANAMA	0.01%																			
PAHLE INVESTMENT CO. S.A. PANAMA	5.36%																			
WILLIAMS INVESTMENTS CO. S.A. PANAMA	3.25%																			
BRUNSWICK INVESTMENT CO. INC. BAHAMAS	7.81%																			
COZZEL & IMPORES (BVI) LTD. BERMUDAS	0.23%																			
CSAV SUDAMERICANA DE IMPORES S.A. PANAMA	2.81%																			
COP HOLDINGS S.A. PANAMA	0.00%																			
PACIFIC WINNER SHIPPING CO. S.A. ISLAS MARSHALL	0.45%																			
LOHSE SHIP SHIPPING CO. S.A. ISLAS MARSHALL	0.12%																			
PICTON MARITIME CO. S.A. PANAMA	5.02%																			
SEA LEON SHIPPING CO. S.A. PANAMA	4.37%																			
LANTO INVESTMENT CO. S.A. PANAMA	0.17%																			
BREN CORPORATION PANAMA	0.09%																			
GLOBAL COMMODITY INVESTMENT INC. PANAMA	0.01%																			
SOUTH TRADE SHIPPING CO. MARSHALL ISLAND							34.88%													
EURO ATLANTIC CONTAINER LINE S.A. CHILE								0.22%												
INVERSONES COP S.A. PERU	0.00%		2.26%																	
CONCORDIO NAVIERO PERUANO S.A. PERU												51.00%								
SUDAMERICANA AGENCIAS AEREAS Y MARITIMAS S.A. (SAAM) CHILE								6.92%												
EMPRESA DE TRANSPORTES SUDAMERICANA AUSTRAL LTDA. CHILE								47.01%												
CSAV GROUP AGENCIES (UK) UKRA			1.11%																	
DRY BULK HANDY HOLDING INC. MONACO	1.65%																			
FIVE CONTINENTS NAVIGATIONS S.A. PANAMA	0.22%																			
AGENCIAS GROUP CSAV S.A. MEXICO														6.38%						
CSAV GROUP AGENCIES BRAZIL BRAZIL														1.89%						
KEMPE HOLDING LIMITED PANAMA	9.22%																			
CHADRA SHIPPING LTD MARSHALL ISLANDS											0.00%									
LONGHAI SHIPPING LTD MARSHALL ISLANDS											11.92%									
CHOLUJAN SHIPPING LTD MARSHALL ISLANDS											0.00%									
PRELINA SHIPPING LTD MARSHALL ISLANDS									0.14%											
LONGHAI SHIPPING LTD MARSHALL ISLANDS										0.12%										
PILOD SHIPPING LTD MARSHALL ISLANDS									0.67%											
PAHLE SHIPPING LTD MARSHALL ISLANDS									2.11%											
CHACABECO SHIPPING LTD MARSHALL ISLANDS										1.46%										
CSAV GROUP AGENCIES GAMBIA														5.86%						



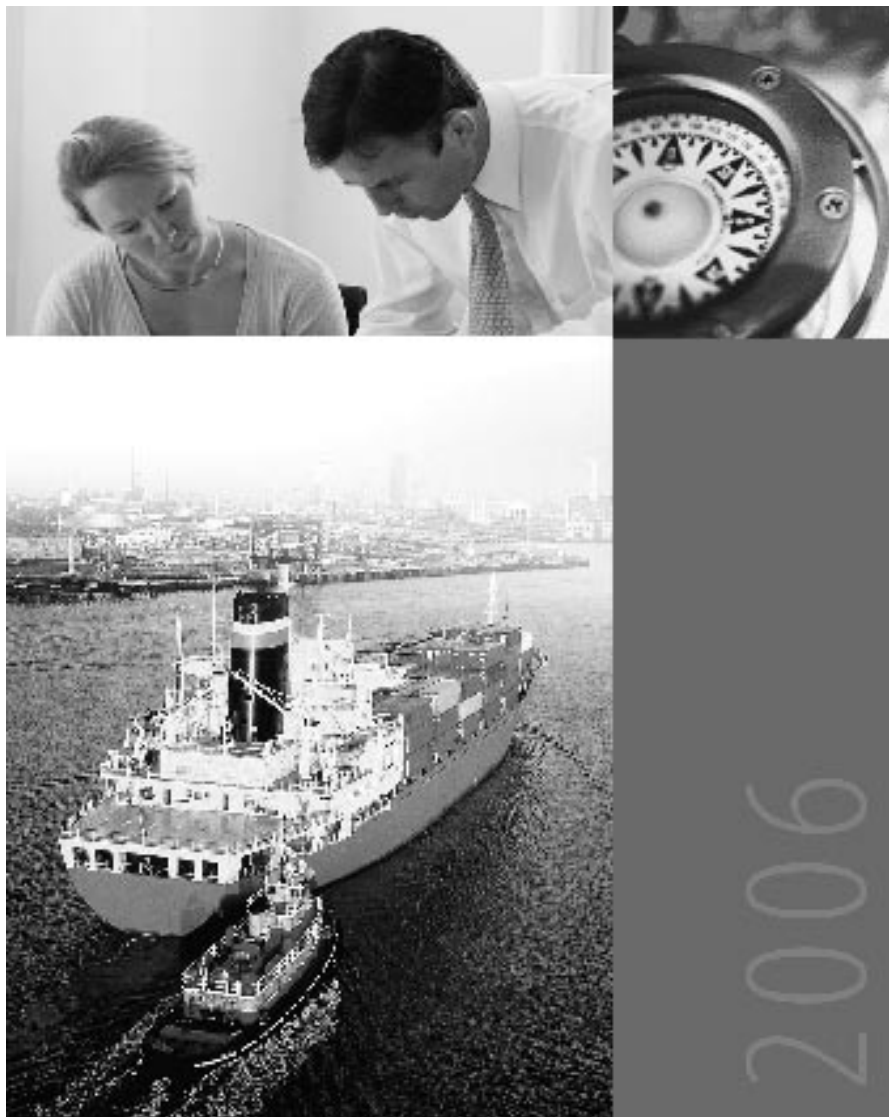
INVESTING COMPANIES	TOLDO Co S.A.	CORONA Co S.A.	CNP HOLDING PANAMA	BRUNSWICK INVEST BARBADOS	GLOBE I HOLDING SHEFFARS	GLOBE II HOLDING SHEFFARS	PICTON Co S.A.	SEA LOON Co S.A.	GLOBAL INVERSES	KEMPE (BU) HOLDING LIMITED	KEMPE HOLDING LIMITED	INVER SORES CNP	CSAV GROUP AGENCIES HONGKONG	CSAV INC. NAVIERAS SA CHILE	PANTLE HOLDING ISLA DE MAN	TAMARAI PARTICIPACIONES	TAMARAI INTERNAC. URUGUAY	RIDEZ HOLDING ISLA MAN	WELLINGTON HOLDING GROUP SA	CSAV AGENCY NEW JERSEY LLC
ISSUING COMPANIES														0.00%						
CSAV GROUP AGENCIES KOREA														0.00%						
CSAV ARGENTINA S.A.														1.17%						
GLOBET HOLDING SHEFFARS GERMANY				4.22%																
GLOBET II HOLDING SHEFFARS GERMANY				7.28%																
COC 1 HELL ISLA DE MAN				4.69%																
COC 2 HELL ISLA DE MAN				4.69%																
COC 3 HELL ISLA DE MAN				4.69%																
PANTLE HOLDING ISLA DE MAN				0.00%																
RIDEZ HOLDING ISLA DE MAN				0.00%																
MC ARIZONA GERMANY						25.67%														
MC ARIZONA GERMANY					1.21%															
MC ARIZONA GERMANY					3.16%															
MC ARIZONA GERMANY					0.54%															
MS IRISA GERMANY					2.72%															
MS AREOLA GERMANY					3.16%															
WELLINGTON HOLDING GROUP ISLAS VERDES			0.00%																	
MONTENARRI MARIANA S.A. URUGUAY																				0.00%
TAMARAI INTERNACIONAL URUGUAY																				0.00%
COMPANIA LIBRA DE NAVEGACAO BRAZIL																12.55%				0.00%
TAMARAI PARTICIPACIONES LODA BRAZIL																	0.00%			0.00%
VICTIM MAGNIFIC SHIPPING ENGLAND			0.25%															0.00%		
CSAV GROUP INDIA PRIVATE LTD INDIA	0.00%		2.67%																	
MARTIME TRADING MARSHALL ISLANDS			1.95%																	
MARTIMA TRADING PANAMA PANAMA			0.50%																	
SOUTHERN SHIPMANAGEMENT CO. S.A. PANAMA								1.02%												
SOUTHERN SHIPMANAGEMENT CO. S.A. CHILE									0.00%											
NORASA CONTAINERS LINE LTD MACAU	0.00%		0.00%																	
CSAV ECUADOR ECUADOR			0.00%																	
NORASA (CHINA) LTD CHINA	0.00%																			
CSAV GROUP AGENCIES LTD HONG KONG				6.22%																
TORSKEY S.A. URUGUAY			0.00%																	
CSAV AGENCY LTD CANADA			0.74%																	
CSAV GROUP AGENCY INDIA			4.21%																	
CSAV GROUP AGENCY KOREA													0.00%							
CRILL NAVIGATION LTD ANTIGUA																			0.00%	
CELESTRA NAVIGATION LTD ANTIGUA																			0.00%	
RIDEZ HOLDING ISLA DE MAN															0.00%					
CARMEN NAVIGATION LTD BERMUDAS															0.00%					
CRYSTAL NAVIGATION LTD AHT N BARBADO															0.00%					
CENTRAL NAVIGATION LTD AHT N BARBADO															0.00%					
CSAV AGENCY LLC USA															0.00%					
																				7.00%





## Consolidated Financial Statements

December 31, 2006



CSAV's financial statements are prepared in accordance with generally accepted accounting principles in Chile. This is a free translation, from the original in Spanish. Therefore, the Company accepts no responsibility for any errors, omissions or incorrect meanings contained in this translation.

## CONSOLIDATED BALANCE SHEET

ASSETS	At December 31,	
	2006 ThUS\$	2005 ThUS\$
<b>CURRENT ASSETS</b>		
Cash and banks	28,312	48,818
Time deposits	587,832	588,344
Marketable securities (net)	1,570	9,132
Accounts receivable (net)	174,775	172,504
Notes receivable (net)	6,143	6,026
Sundry debtors (net)	56,026	56,609
Receivables from related companies	15,236	16,515
Inventories (net)	12,981	9,045
Recoverable taxes	31,491	13,598
Prepaid expenses	124,058	136,058
Deferred taxes	9,178	8,445
Other current assets	40,973	35,863
<b>Total current assets</b>	<b>1,088,575</b>	<b>1,100,957</b>
<b>FIXED ASSETS</b>		
Land	47,323	48,505
Buildings and infrastructure	76,092	73,480
Machinery and equipment	280,202	288,857
Other fixed assets	55,184	43,063
Depreciation	(180,549)	(181,819)
<b>Total fixed assets</b>	<b>278,252</b>	<b>272,086</b>
<b>OTHER ASSETS</b>		
Investments in related companies	187,281	131,715
Investments in other companies	13,821	30,432
Goodwill	10,475	12,211
Negative goodwill	(2,857)	(3,443)
Long-term receivables	23,851	21,965
Long-term receivables from related companies	5,330	12,182
Long-term deferred taxes	11,453	-
Intangible assets	89,443	85,120
Amortization	(40,798)	(37,051)
Others	36,476	152,097
<b>Total other assets</b>	<b>334,475</b>	<b>405,228</b>
<b>TOTAL ASSETS</b>	<b>1,701,302</b>	<b>1,778,271</b>

The attached explanatory notes numbers 1 to 33 are an integral part of these financial statements.

	At December 31,	
	2006	2005
	ThUS\$	ThUS\$
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Short-term loans from financial institutions	1,198	633
Current portion of long-term loans from financial institutions	12,602	8,685
Current portion of long-term obligations (bonds)	1,058	1,077
Current portion of long-term liabilities	2,406	1,552
Dividends payable	3,650	3,844
Accounts payable	359,476	313,157
Notes payable	296	1,759
Sundry creditors	10,155	9,144
Notes and accounts payable to related companies	14,277	9,047
Provisions	65,260	52,609
Withholdings	4,601	5,214
Income tax	5,717	11,520
Unearned income	103,323	140,584
Other current liabilities	3,610	3,461
<b>Total current liabilities</b>	<b>587,629</b>	<b>562,286</b>
<b>LONG-TERM LIABILITIES</b>		
Loans from financial institutions	246,176	248,204
Bonds payable	67,161	68,392
Sundry creditors	2,312	3,014
Notes and accounts payable to related companies	264	800
Provisions	20,356	22,950
Deferred taxes	-	3,445
Other liabilities	17,553	13,849
<b>Total long-term liabilities</b>	<b>353,822</b>	<b>360,654</b>
Minority interest	11,638	28,317
<b>SHAREHOLDERS' EQUITY</b>		
Paid-in capital	170,000	170,000
Other reserves	20,259	22,677
Retained earnings	557,954	634,337
Reserve for future dividends	28,347	28,347
Retained earnings	587,850	505,061
Net income for the year	(58,241)	132,303
Interim dividends	-	(31,374)
(Deficit) surplus from development period	(2)	-
<b>Total shareholders' equity</b>	<b>748,213</b>	<b>827,014</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>1,701,302</b>	<b>1,778,271</b>

The attached explanatory notes numbers 1 to 33 are an integral part of these financial statements.



## CONSOLIDATED STATEMENT OF INCOME

	For the years ended December 31,	
	2006	2005
	ThUS\$	ThUS\$
<b>OPERATING INCOME</b>		
Operating revenues	3,839,176	3,901,974
Operating expenses	(3,784,565)	(3,424,509)
Gross operating income	54,611	477,465
Sales and administration expenses	(290,859)	(318,387)
<b>Operating income</b>	<b>(236,248)</b>	<b>159,078</b>
Financial income	26,271	22,221
Profits from investments in related companies	105,400	26,571
Other non-operating income	71,830	25,345
Losses from investment in related companies	(3,487)	(2,829)
Goodwill amortization	(1,012)	(1,018)
Financial expenses	(33,591)	(35,223)
Other non-operating expenses	(12,369)	(14,020)
Price-level restatements	45	(132)
Foreign exchange rate differences	5,088	(13,201)
<b>Non-operating income</b>	<b>158,175</b>	<b>7,714</b>
Net income (loss) before income tax and extraordinary items	(78,073)	166,792
Income tax	7,955	(21,458)
<b>Net income before minority interest</b>	<b>(70,118)</b>	<b>145,334</b>
Minority interest	11,291	(13,617)
Net profit	(58,827)	131,717
Amortization of negative goodwill	586	586
<b>NET INCOME (LOSS) FOR THE YEAR</b>	<b>(58,241)</b>	<b>132,303</b>

The attached explanatory notes numbers 1 to 33 are an integral part of these financial statements.

## CONSOLIDATED STATEMENT OF CASH FLOWS

	For the years ended December 31,	
	2006	2005
	ThUS\$	ThUS\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income (loss) for the year	(58,241)	132,303
Profit (loss) from sales of fixed assets	(4,711)	(4,076)
Profit from sales of investments	(22,031)	-
Loss from sales of investments	-	76
(Profit) loss from sales of other assets	-	35
<b>Debits (credits) to income not affecting cash flow:</b>		
Depreciation	30,676	26,053
Intangible asset amortization	3,744	3,603
Write-offs and provisions	7,744	9,553
Profit accrued from investments in related companies	(105,400)	(26,571)
Loss accrued from investments in related companies	3,487	2,829
Goodwill amortization	1,012	1,018
Amortization of negative goodwill	(586)	(586)
Price-level restatements	(45)	132
Foreign exchange differences	(5,088)	13,201
Other credits to income that do not represent cash flow	(9,506)	(3,917)
Other debits to income that do not represent cash flow	17,802	30,100
<b>(Increase) decrease in assets that affect cash flow:</b>		
Accounts receivable	(1,682)	57,723
Inventories	(4,159)	(204)
Other assets	8,646	(67,295)
<b>Increase (decrease) in liabilities that affect cash flow:</b>		
Accounts payable related to operating results	15,000	40,971
Interests payable	(12)	(4,317)
Income tax payable (net)	(34,497)	(2,871)
Other accounts payable related to non-operating results	(6,368)	2,080
Net Value-added Tax and other similar payable taxes	1,950	3,387
Minority interest (profit/loss)	(11,291)	13,617
<b>Net cash flows from operating activities</b>	<b>(173,556)</b>	<b>226,844</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Capital increase	439	900
Loans Obtained	6,768	39,518
Loans obtained from related companies	9,200	-
Other financing sources	-	262
Dividends paid	(21,720)	(78,200)
Loans paid	(6,254)	(25,849)
Loans payment to related companies	(6,265)	(4,232)
Other financing disbursements	(240)	(30)
<b>Net cash flows from financing activities</b>	<b>(18,072)</b>	<b>(67,631)</b>

The attached explanatory notes numbers 1 to 33 are an integral part of these financial statements.

## CONSOLIDATED STATEMENT OF CASH FLOWS

	For the years ended December 31,	
	2006	2005
	ThUS\$	ThUS\$
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Sales of fixed assets	19,814	6,954
Sales of permanent investments	27,490	-
Sales of other investments	267,085	37,500
Collection of loans made to related companies	6,578	4,727
Collection of other loans made to related companies	-	6,159
Other investment income	93,939	33,231
Investment in fixed assets	(53,416)	(39,726)
Payment of capitalized interests	-	(209)
Permanent investments	(37,978)	(15,258)
Loans made to related companies	(5,944)	(30,637)
Others loans made to related companies	-	(11,498)
Other investment disbursements	(153,446)	(48,852)
<b>Nest cash flow from investment activities</b>	<b>164,122</b>	<b>(57,609)</b>
<b>Net cash flow for the period</b>	<b>(27,506)</b>	<b>101,604</b>
<b>Price level restatement of cash and cash equivalent</b>	<b>158</b>	<b>(4,002)</b>
<b>Net increase (decrease) of cash and cash equivalent</b>	<b>(27,348)</b>	<b>97,602</b>
<b>Initial balance of cash and cash equivalent</b>	<b>654,783</b>	<b>557,543</b>
<b>Final balance of cash and cash equivalent</b>	<b>627,435</b>	<b>655,145</b>

The attached explanatory notes numbers 1 to 33 are an integral part of these financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(In thousands of United States dollars)

For the years ended December 31, 2006 and 2005

### 1. - Recording under the Securities register

The Parent Company (Tax ID number 90.160.000-7) is a publicly-held company which authorized, subscribed and paid-in capital amounts to ThUS\$ 170,000, represented by 735,844,521 no-par value shares distributed among 3,541 shareholders. It is registered in the Securities Register under number 76 and is subject to the supervision of the Superintendence of Securities and Insurance (S.V.S.)

The South American subsidiary, Agencias Aéreas y Marítimas S.A. includes in its consolidated financial statements Iquique Terminal Internacional S.A., listed in the Securities Register under number 714.

### 2. - Accounting Policies Applied

#### a) Accounting period

The financial statements cover the twelve-month period from January 1 to December 31, 2006 and are shown as compared to the same period of 2005.

#### b) Preparation guidelines

The financial statements have been prepared in conformity with accounting principles generally accepted in Chile and the regulations of the Superintendence of Securities and Insurance. Should any difference exist the latter will prevail.

#### c) Presentation basis

For comparison purposes, certain minor reclassifications have been made to the financial statements of December 2005.

#### d) Consolidation basis

Included in these financial statements are assets, liabilities, profits (and losses) and cash flows from the Parent Company and Subsidiaries. All significant inter-company transactions have been eliminated in consolidation. Likewise, the interest of minority investors has been recognized, which is shown under minority Interest.

#### e) Price-level restatement

Effective January 1, 1984, the Company was authorized to keep accounting in United States dollars and, consequently, the price-level restatement standards are not applied.

The financial statements of certain local subsidiaries that keep accounting in Chilean pesos are subject to the price-level restatement standards and, therefore, they were restated by 2.1% in 2006 and by 3.6% in the previous period.

#### f) Foreign exchange differences

The operations carried out in a currency other than the dollar are controlled in their currency of origin and denominated in United States dollars at the exchange rate effective as of the date of the respective transaction. At the closing of the financial statements, the balances derived from such transactions are expressed in United States dollars according to the exchange rate of each currency prevailing as of that date, and the differences in the exchange rates produced in both dates are recorded in income with a charge or credit to Foreign exchange gains (losses), except the Fixed assets, Shareholders' equity and Profit and loss accounts, which are valued in dollars in accordance with the exchange rate of each currency prevailing as of the date of each transaction.

With the exception of Empresa de Transporte Sudamericana Austral Ltda., Odfjell y Vapores S.A., and CSAV Inversiones Navieras S.A. which present the financial statements in United States dollars, the local direct subsidiaries submit the financial statements in Chilean pesos. Such statements are re-denominated in dollars in accordance with the exchange rate prevailing at the closing of the financial statements, which was Ch\$ 532.39 at December 31, 2006 (Ch\$ 512.50 in 2005).

The foreign direct subsidiaries submit the financial statements in United States dollars, with the exception of Compañía Sud Americana de Vapores GmbH, Germany, which present them in euro, being re-denominated to dollars, according to the exchange rate of the euro prevailing at the closing of the financial statements, which was EUR 0.7583 per United States dollar as of December 31, 2006 (EUR 0.8456 in 2005).

The financial statements of foreign indirect subsidiaries keeping accounting in a currency other than the dollar are re-denominated to United States dollars at the year-end exchange rate.

#### **g) Marketable securities and time deposits**

Time deposits are shown at investment value plus accrued interest.

Deposits given as collateral have been classified in Other current assets.

Investments in bonds are accounted for at the lower value between the market quotation and the historic cost of the investment.

#### **h) Inventories**

Inventories are shown at acquisition cost and, the resulting amounts do not exceed the realizable value.

#### **i) Allowance for doubtful accounts receivable**

Allowances for accounts receivable eventually irrecoverable are maintained, determined on the basis of the respective aging and an evaluation of cases.

#### **j) Fixed assets**

Fixed assets are valued at acquisition cost. Fixed assets acquired under leasing contracts are presented under Fixed assets at the present value of such contract.

#### **k) Fixed assets depreciation**

Depreciation has been calculated on the basis of the straight-line method and in accordance with the estimated useful life of assets.

#### **l) Intangibles**

Refer to rights of traffic and port concessions valued at acquisition cost, which are amortized over the effectiveness and/or recovery period of the investment of such rights and concessions.



**m) Investments in related companies**

Investments in related companies, both local and foreign that are permanent are valued according to the Proportional Equity Method for those investments acquired before January 1, 2004, and to the Equity Method for those acquired after that date, as set forth in Technical Bulletins No. 64 and 72 of the Chilean Institute of Accountants. Investment in local subsidiaries, which keep accounting in Chilean pesos are controlled in the said currency and denominated in United States dollars at the period end, and the valuation differences not coming from income are adjusted to Other reserves.

Unrealized income between related parties are eliminated and recognized in income as they are realized.

Investments in companies in development stage are recorded pursuant to the proportional equity value, directly recognizing the accumulated deficit in the shareholders' equity.

**n) Negative goodwill and goodwill**

Negative goodwill and goodwill resulting from these investments are controlled in the same currency of the investment, and are amortized with a credit or charge to income considering the recovery period of the investment (between 10 and 20 years).

**o) Operations under resale agreements**

Financial instruments acquired under resale agreement are shown at acquisition value plus the difference accrued between the acquisition price and sale price agreed, and are classified under Other current assets.

**p) Bonds payable**

The obligation for bond issue is presented under Liabilities at the par value of the subscribed bonds. The difference between the par and placement values and the costs associated to such placement and to the respective cash reserve, is deferred over the funding term to recognize the real interest originated in the transaction, and shown under Other assets - Other.

**q) Income tax and deferred taxes**

Income tax is charged to income considering the net taxable income determined for tax purposes.

The effects of deferred taxes arising from differences between tax and financial balances are recorded for all temporary differences on the basis of the current tax rate on the estimated date of reversal, in conformity with Technical Bulletin No. 60 issued by the Chilean Institute of Accountants. Previously unrecorded deferred taxes are recognized under income only as temporary differences reverse.

**r) Severance indemnity**

Provisions have been made to comply with the obligations derived from this benefit, using the method of present value of the benefit's accrued cost, as set forth in Technical Bulletin No. 8 of the Chilean Institute of Accountants. For these purposes, a 6% discount rate annually and an average of 15-year staff permanence have been considered.

#### **s) Operating income**

To determine operational results, the Company follows the voyage progress. Income and expenses of in-course voyages are deferred at the closing of the accounting period under Unearned income or Prepaid expenses as appropriate. Allowances for potential estimated losses are debited to the results.

The Company has made non-monetary transactions related to the exchange of vessel spaces, which have been valued using rates similar to the sale of equivalent spaces. The amount of these exchanges reached ThUS\$ 141,160 in 2006 (ThUS\$ 264,150 in 2005). These represent net costs under operating expenses in the statement of income. These transactions had no impact on the net results.

#### **t) Derivatives contracts**

The Company holds forward contracts and options to hedge against adverse exchange and interest rate fluctuations, which have been adjusted at fair market values defined at each period end.

The Company holds freight forward contracts to hedge against adverse freight rate changes, which have been adjusted at fair market values at each period end.

The results of these instruments are recorded according to the hedge developments.

In addition, the Company holds fuel hedge (swap and cap) contracts in order to cover the risk of fluctuation in fuel prices.

Additionally, the Company holds call options considered as investment contracts, which are rated at their fair market value. The increase (decrease) experienced by this value is recognized in the results of the accounting period.

These options are recognized and classified in the financial statements pursuant to Technical Bulletin No 57 of the Chilean Institute of Accountants.

#### **u) Computer software**

Computer software registered under fixed assets were purchased as software packages and debited to income within three or four years, as appropriate.

#### **v) Research and development expenses**

These expenses are debited to income at the time they are incurred.

#### **w) Cash flow statement**

In order to prepare the cash flow statement pursuant to Technical Bulletin No. 50 issued by the Chilean Institute of Accountants, and as set out in Circular No. 1501 of the S.V.S., CSAV regards as cash equivalents share investments made in fixed income mutual funds, time deposits and bonds, maturity of which does not exceed three months, and repurchase investment agreements classified under Other current assets.

Cash flows from operating activities include all business-related cash flows, paid interest, financial income earned, dividends earned, and others not defined as investments or financing activities.

## x) Unearned income

Profits obtained from the sale of vessels subject to charter contract, listed under Unearned income and Other long-term liabilities, are deferred and recognized in the results during the contract period, proportional to the charter cost.

## y) Consolidated companies

TAX NUMBER	Company	Percentage holding			
			31/12/2006	31/12/2005	
		Direct	Indirect	Total	Total
0-E	COMPAÑIA SUD AMERICANA DE VAPORES GMBH	100,0000	0,000	100,000	100,000
0-E	CORVINA SHIPPING CO. S.A. AND SUBSIDIARIES	99,9980	0,0020	100,000	100,000
0-E	CSAV AGENCY, LLC. AND SUBSIDIARY	99,7900	0,2100	100,000	100,000
0-E	CSAV GROUP (CHINA) SHIPPING CO. LIMITED	99,0000	1,0000	100,000	100,000
99588400-3	CSAV INVERSIONES NAVIERAS S.A. AND SUBSIDIARIES	99,9930	0,0070	100,000	100,000
89602300-4	EMPRESA DE TRANSPORTE SUDAMERICANA AUSTRAL LTDA. AND SUBSIDIARIES	99,0000	1,0000	100,000	100,000
0-E	INVERSIONES NUEVO TIEMPO S.A.	99,0000	1,0000	100,000	100,000
0-E	INVERSIONES PLAN FUTURO S.A.	99,0000	1,0000	100,000	100,000
0-E	NORGISTIC (CHINA) LIMITED	99,9970	0,0030	100,000	100,000
0-E	NORTH TRADE SHIPPING CO. INC	0,0000	0,0000	0,0000	56,5050
96840950-6	ODFJELL Y VAPORES S.A	51,0000	0,0000	51,0000	51,0000
0-E	SOUTH TRADE SHIPPING CO. INC.	0,0000	0,0000	0,0000	56,5050
92048000-4	SUDAMERICANA, AGENCIAS AÉREAS Y MARÍTIMAS S.A	99,9995	0,0005	100,000	100,000
0-E	TOLLO SHIPPING CO. S.A. AND SUBSIDIARIES	99,9990	0,0010	100,000	100,000

## 3. - Accounting Changes

There are no accounting changes in relation to the prior year which could significantly affect the interpretation of the Financial Statements.

## 4. - Marketable Securities

Financial instruments	Book value	
	31/12/2006	31/12/2005
U.S. Treasury bonds	46	42
Bonds Celulosa Arauco S.A.	1,053	38
Bonds Enersis S.A.	471	9,052
<b>Total marketable securities</b>	<b>1,570</b>	<b>9,132</b>

## 5. - Short and Long-term Debtors

ITEM	CURRENT								Long term
	Up to 90 days		Over 90 days up to 1 year		Subtotal	Total Current (net)			
	31/12/2006	31/12/2005	31/12/2006	31/12/2005		31/12/2006	31/12/2005		
Accounts receivable	185,113	166,717	4,938	5,787	190,051	174,775	172,504	-	-
Provision for uncollectible debts	-	-	-	-	15,276	-	-	-	-
Notes receivable	5,972	5,902	282	124	6,254	6,143	6,026	-	-
Provision for uncollectible debts	-	-	-	-	111	-	-	-	-
Sundry debtors	54,546	54,930	1,948	1,679	56,494	56,026	56,609	23,851	21,965
Provision for uncollectible debts	-	-	-	-	468	-	-	-	-
<b>Total long-term receivables</b>								<b>23,851</b>	<b>21,965</b>

## 6. - Balances and Transactions with Related Companies

Balances with related companies include:

### Short term

1) Short-term transactions with related companies include business-related operations and are carried out in market conditions as to price and terms of payment.

2) The account receivable from Five Continents Navigation S.A. refers to a loan granted by the subsidiary Corvina Shipping Co. S.A., with a 4.52% annual rate, and quarterly amortization of capital and interest, and maturing on December 31, 2006.

### Long term

1) In January 2001, Jaco Invest As, LCI Shipholding Inc. and the subsidiary Williams Investment Co. Inc. agreed to provide, in equal percentage, funds of ThUS\$ 8,001 to Belden Cement Holding Inc. at a 6% annual interest rate, with monthly interest amortization and no maturity date. Consequently, the account receivable amounting to ThUS\$ 2,843 in 2004 was generated, which was paid during 2005.

In December 2003, Sudamericana, Agencias Aéreas y Marítimas S.A. and the Sociedad de Inversiones Portuarias Limitada agreed to grant a loan, in equal percentage, to Inmobiliaria Tumbes S.A. The loan includes no interests, and is without a defined period for refund, thus generating the account receivable.

2) The account receivable from TUG Brasil Apoio Portuario Ltda. refers to funds granted by the subsidiary SAAM S.A., with no interests and without a defined period for refund.

3) The balances of accounts payable refer to loans granted to the subsidiary Odfjell y Vapores S.A. (Chile) for the purchases of vessels Bow Andes and Bow Pacifico acquired from Odfjell & Vapores Ltda. (Bermudas), which are paid in semiannually installments and accrue a 7.5% annual interest.

Further, there are compensation indemnity payments made to ex-employees of Sudamericana Agencias Aéreas y Marítimas S.A. who were transferred to San Antonio Terminal Internacional S.A. and San Vicente Terminal Internacional S.A, benefits which were kept pursuant to the terms of the workers' contracts.

The Company's materiality policy is to disclose every balances and transactions with related parties.

# Notes and Accounts Receivable from Related Parties.

Tax ID	Companies	Short term		Long term	
		31/12/2006	31/12/2005	31/12/2006	31/12/2005
96885450-K	AEROSAN AIRPORT SERVICES S.A.	-	508	-	-
96566940-K	AGENCIAS UNIVERSALES S.A.	90	220	-	-
0-E	ATLANTIS MARINE	40	-	-	-
0-E	CHACABUCO SHIPPING LIMITED	307	-	-	-
0-E	CHOAPA SHIPPING LTDA.	529	552	-	-
0-E	CHOLGUAN SHIPPING LIMITED	957	-	-	-
90596000-8	COMPAÑIA CHILENA DE NAVEGACIÓN INTEROCÉANICA	800	2,096	-	-
90331000-6	CRISTALERIAS DE CHLIE S.A.	1	-	-	-
0-E	CSAV AGENCIES – NETHERLANDS B.V	369	-	-	-
0-E	CSAV GROUP AGENCIES – BELGIUM N.V	61	-	-	-
0-E	CSAV GROUP AGENCIES – (UK) LIMITED	1,686	6,977	-	-
0-E	DBCN CORPORATIONS.	-	-	-	-
0-E	PETER DHOLE (IOM) LIMITED	-	20	-	-
76344250-0	DISTRIBUIDORA SANTA RITA LTDA	22	-	-	-
88482300-5	COMPANY DE SERVICIOS MARITIMOS Y PORTUARIOS HUALPÉN LTDA	2	-	-	-
96591040-9	COMPANY CARROZZI S.A	73	64	-	-
0-E	EQUIMAC S.A.	1	-	-	-
0-E	FIVE CONTINENTS NAVIGATIONS S.A.	-	581	-	167
0-E	GERTIL S.A.	9	9	-	-
0-E	GLEN HELEN LTD	32	-	-	-
78465520-2	INMOBILIARIA TUMBES	-	-	-	2,267
0-E	ISOLDE SHIPPING.	62	-	-	-
0-E	KEMPE HOLDING LIMITED	-	-	-	5,748
0-E	LIBRA TERMINAL IMBITURA S.A.	615	-	-	-
0-E	LONGAVI SHIPPING LIMITED	565	-	-	-
94660000-8	MARITIMA DE INVERSIONES S.A.	6	-	-	-
0-E	NAVIERA ANTOFAGASTA S.A.	-	1,294	-	-
0-E	NAVIERA ARICA S.A.	-	1,147	-	-
0-E	NORTH TRADE SHIPPING CO.INC.	734	-	-	-
0-E	ODFJELL & VAPORES LIMITED	-	85	-	4,000
94620000-K	ORIÓN SERVICIOS MERCANTILES INTEGRADOS S.A.	151	154	-	-
0-E	PAINE SHIPPING LTD.	66	-	-	-
0-E	PALENA SHIPPING LIMITED	843	-	-	-
0-E	PETER DHOLE SCHIFHARTR-KG	76	72	-	-
96610780-4	PORTUARIA CORRAL S.A.	24	2	-	-
0-E	PUELO SHIPPING LIMITED	423	-	-	-
0-E	RILUC S.A	92	-	-	-
0-E	SAAM COSTA RICA S.A	-	23	-	-
0-E	SAAM REMOLCADORES S.A. DE C.V.	2,373	1,567	-	-
78353000-7	SERVICIOS PORTUARIOS RELONCAVÍ LTDA.	187	-	-	-
86547900-K	SOCIEDAD ANÓNIMA VIÑA SANTA RITA LTDA.	-	8	-	-
99567620-6	TRABAJOS MARITIMOS S.A. (TRAMARSA)	176	-	-	-
96657210-8	TRANSPORTES FLUVIALES CORRAL S.A.	59	60	-	-
0-E	TRISTÁN SHIPPING	65	-	-	-
0-E	TUG BRASIL APOIO PORTUARIO	871	567	5,330	-
0-E	WALEM SHIPMANAGMENT LTD.	-	39	-	-
0-E	DRY BULK HANDY HOLDING INC.	2,869	400	-	-
0-E	GLEN MAYE LIMITED	-	23	-	-
0-E	GLEN MOOAR LLIMITED	-	32	-	-
0-E	VOGTH & MAGUIRE SHIPBROKING LIMITED (UK)	-	15	-	-
<b>TOTAL</b>		<b>15,236</b>	<b>16,515</b>	<b>5,330</b>	<b>12,182</b>



## Notes and Accounts Payable to Related Parties

TAX ID	Companies	Short term		Long term	
		31/12/2006	31/12/2005	31/12/2006	31/12/2005
79689550-0	ADMINISTRADORA DE ESTACIONES DE SERVICIO SERCO LTDA.	1,697	-	-	-
96885450-K	AEROSAN AIRPORT SERVICES S.A.	-	5	-	-
99511240-K	ANTOFAGASTA TERMINAL INTERNACIONAL S.A.	733	59	63	60
99520000-7	COMPAÑÍA DE PETRÓLEOS DE CHILE COPEC S.A.	4,113	1,728	-	-
0-E	CONSORCIO NAVIERO PERUANO S.A.	552	930	-	-
0-E	PETER DÖHLE SCHIFHARTR-KG	29	-	-	-
0-E	DOUAT FHILO Y OTRO	-	126	70	609
96539380-3	EDICIONES FINANCIERAS S.A.	2	1	-	-
0-E	ELEQUIP S.A.	62	69	-	-
88482300-5	EMPRESA DE SERVICIOS MARÍTIMOS Y PORTUARIOS HUALPÉN LTDA.	-	6	-	-
0-E	GLEN MAYE LTD.	9	-	-	-
96674780-3	INVERSIONES Y SERVICIOS RIGEL S.A.	325	336	-	-
94660000-8	MARÍTIMA DE INVERSIONES S.A.	-	2,928	-	-
99512090-9	MUELLAJE ATI S.A.	2	3	-	-
99506030-2	MUELLAJE DEL MAIPO S.A.	98	7	85	86
96566900-0	NAVARINO S.A.	-	44	-	-
0-E	NAVIERA ARICA S.A.	175	-	-	-
0-E	ODFJELL & VAPORES LTD.	4,289	1,007	-	-
0-E	PETER DÖHLE SCHIFHARTR-KG	-	-	-	-
99545650-8	SAAM SALMONES LTD.	92	-	-	-
96908970-K	SAN ANTONIO TERMINAL INTERNACIONAL S.A.	1,095	205	1	2
96908930-0	SAN VICENTE TERMINAL INTERNACIONAL S.A.	488	179	45	43
83032100-4	SERVICIOS DE CONSULTORÍA HENDAYA S.A.	-	125	-	-
76457830-9	SERVICIOS LOGÍSTICOS LTDA.	1	-	-	-
96721040-4	SERVICIOS MARÍTIMOS PATILLOS S.A.	216	144	-	-
78353000-7	SERVICIOS PORTUARIOS RELONCAVÍ LTDA.	-	291	-	-
0-E	SKYRING MARITIME CORP.	-	12	-	-
86547900-K	SOCIEDAD ANÓNIMA VIÑA SANTA RITA	5	-	-	-
99567620-6	TERMINAL PORTUARIO DE ARICA S.A.	32	41	-	-
82074900-6	TRANSBORDADORA AUSTRAL BROOM S.A.	51	39	-	-
0-E	VOGT MAGUIRE SHIPPING	-	-	-	-
0-E	WALEM CARIBBEAN AGENCIES	2	2	-	-
0-E	WALEM SHIPMANAGEMENT LIMITED	37	-	-	-
0-E	WALEM SHIPPING AGENCY HONG KONG	15	24	-	-
0-E	GLEN HELEN LTD.	-	2	-	-
0-E	INVERSIONES COIRON S.A.	151	160	-	-
0-E	LIMARI SHIPPING LIMITED	6	531	-	-
0-E	TRABAJOS MARITIMOS	-	43	-	-
<b>TOTAL</b>		<b>14,277</b>	<b>9,047</b>	<b>264</b>	<b>800</b>

## Significant Transactions with Related Companies

TAX ID	Companies	Relationship	Transaction	31/12/2006		31/12/2005	
				Amount	Effect on results (debit/credit)	Amount	Effect on results (debit/credit)
81151500-0	ABC COMERCIAL LIMITED	SHAREHOLDER AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED	-	-	23	23
79689550-0	ADMINISTRADORA DE ESTACIONES DE SERVICIO SERCO LIMITADA	SHAREHOLDER AND/OR DIRECTOR IN COMMON	FUEL	20,427	(20,427)	13,290	(13,290)
96885450-K	AEROSAN AIRPORT SERVICES	ASSOCIATE	SERVICES	-	-	1	1
		ASSOCIATE	PORT OPERATIONS	44	(44)	63	(63)
96566940-K	AGENCIAS UNIVERSALES	ASSOCIATE	PORT SERVICES RENDERED	504	504	664	664
96566940-K	AGENCIAS UNIVERSALES	ASSOCIATE	PORT SERVICES RECEIVED	590	(590)	732	(732)
96635340-6	ANAGRE S.A.	DIRECTOR IN COMMON	PORT OPERATIONS	784	784	695	695
99511240-K	ANTOFAGASTA TERMINAL INTERNACIONAL S.A.	ASSOCIATE	PORT SERVICES RENDERED	618	618	707	707
99511240-K	ANTOFAGASTA TERMINAL INTERNACIONAL S.A.	ASSOCIATE	PORT SERVICES RECEIVED	3,581	(3,581)	1,939	(1,939)
96663560-6	ASERRADERO ARAUCO S.A.	SHAREHOLDER AND/OR DIRECTOR IN COMMON	FLEETS	3,548	3,548	1,386	1,386
86251900-0	AZUFRES LANDIA S.A.	SHAREHOLDER AND/OR DIRECTOR IN COMMON	BULKS AND WAREHOUSES	4	4	158	158
0-E	BRUNSWICK INVESMENTCO S.A.	SHAREHOLDER AND/OR DIRECTOR IN COMMON	OTHER SERVICES RENDERED	1,220	1,220	436	436
0-E	BRUNSWICK INVESMENTCO S.A.	SHAREHOLDER AND/OR DIRECTOR IN COMMON	EXPENSE REIMBURSEMENT	12	(12)	473	(473)
93458000-1	CELULOSA ARAUCO Y CONSTITUCIÓN	SHAREHOLDER AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED	1,599	1,599	271	271
0-E	CHACABUCO SHIPPING LIMITED	SHAREHOLDER AND/OR DIRECTOR IN COMMON	VESSEL SERVICE	2,313	2,313	-	-
0-E	CHOAPA SHIPPING LIMITED	SHAREHOLDER AND/OR DIRECTOR IN COMMON	VESSEL SERVICE	2,128	2,128	2,271	2,271
0-E	CHOLGUAN SHIPPING LIMITED	SHAREHOLDER AND/OR DIRECTOR IN COMMON	VESSEL SERVICE	2,371	2,371	-	-

TAX ID	Companies	Relationship	Transaction	31/12/2006		31/12/2005	
				Amount	Effect on results (debit/credit)	Amount	Effect on results (debit/credit)
77869900-1	COMERCIALIZADORA ICB LIMITADA	MAJORITY SHAREHOLDER	MARITIME SERVICES RENDERED	-	-	13	13
90596000-8	COMPAÑIA CHILENA DE NAVEGACION INTEROCEANICA S.A	ASSOCIATE	MARITIME SERVICES RENDERED	40,341	40,341	43,157	43,157
90596000-8	COMPAÑIA CHILENA DE NAVEGACION INTEROCEANICA S.A	ASSOCIATE	MARITIME SERVICES RECEIVED	30,001	(30,001)	30,656	(30,656)
99520000-7	COMPAÑIA DE PETROLEOS DE CHILE COPEC S.A.	SHAREHOLDER AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED	260	260	278	278
99520000-7	COMPAÑIA DE PETROLEOS DE CHILE COPEC S.A.	SHAREHOLDER AND/OR DIRECTOR IN COMMON	FUEL	27,057	(27,057)	23,375	(23,375)
9032000-6	COMPAÑIA ELECTROMETALURGICA S.A.	SHAREHOLDER AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED	33	33	6	6
0-E	CONSORCIO NAVIERO S.A.	ASSOCIATE	OTHER SERVICES RENDERED	7	7	-	-
0-E	CONSORCIO NAVIERO PERUANO S.A.	ASSOCIATE	AGENCYING SERVICES RECEIVED	2,609	(2,609)	3,469	(3,469)
91643000-0	CORPESCA S.A.	SHAREHOLDER AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED	392	392	2,378	2,378
90331000-6	CRISTALERIAS DE CHILE	SHAREHOLDER AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED	1,797	1,797	1,000	1,000
0-E	CSAV GROUP (UK) LIMITED	ASSOCIATE	COMMISSIONS	913	(913)	841	(841)
0-E	DOHLE (IOM) LTDA	SHAREHOLDER AND/OR DIRECTOR IN COMMON	OTHER SERVICES RENDERED	189	189	54	54
0-E	DOHLE (IOM) LTDA	SHAREHOLDER AND/OR DIRECTOR IN COMMON	OTHER SERVICES RECEIVED	3,540	(3,540)	1,081	(1,081)
0-E	DOHLE ASSEKURANZKONTOR	SHAREHOLDER AND/OR DIRECTOR IN COMMON	OTHER SERVICES RECEIVED	24	(24)	5	(5)
96539380-3	EDICIONES FINANCIERAS S.A	SHAREHOLDER AND/OR DIRECTOR IN COMMON	ADVERTISING	49	(49)	80	(80)
88482300-5	EMPRESA SERVICIOS MARITIMOS PORTUARIOS HUALPEN LTDA	ASSOCIATE	PERSONAL SERVICES	48	(48)	66	(66)
96591040-9	EMPRESAS CAROZZI	SHAREHOLDER AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED	2,072	2,072	1,387	1,387
86881400-4	ENVASES CMF S.A.	SHAREHOLDER AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED	46	46	132	132
79753810-8	ESTUDIO CLARO Y COMPAÑIA	CHAIRMAN	LEGAL COUNSELING	103	(103)	58	(58)
0-E	FIVE CONTINENTS NAVEGATIONS S.A	ASSOCIATE	INTERESTS ON GRANTED LOAN	54	54	-	-
96755490-1	FANALOZA	DIRECTOR IN COMMON	MARITIME SERVICES RENDERED	679	679	321	321
0-E	GLEN HELEN LTDA	SHAREHOLDER AND/OR DIRECTOR IN COMMON	VESSEL SERVICES	930	930	1,376	1,376
0-E	GLEN MAYE LTDA	SHAREHOLDER AND/OR DIRECTOR IN COMMON	VESSEL SERVICES	837	837	1,333	1,333
0-E	GLEN MOOAR LTDA	SHAREHOLDER AND/OR DIRECTOR IN COMMON	VESSEL SERVICES	6	6	1,134	1,134
78465520-2	INMOBILIARIA TUMBES LTDA	ASSOCIATE	PORT OPERATIONS	-	-	3	3
0-E	LIMARI SHIPPING LIMITED	MAJORITY SHAREHOLDER	VESSEL SERVICE	2,058	2,058	1,856	1,856
0-E	LONGAVI SHIPPING LIMITED	SHAREHOLDER AND/OR DIRECTOR IN COMMON	VESSEL SERVICE	2,312	2,312	-	-
94660000-8	MARITIMA DE INVERSIONES	MAJORITY SHAREHOLDER	ADMINISTRATIVE SERVICES	79	55	104	73
0-E	MARITIMA SHIPPING & TRADING INTERNATIONAL INC	MAJORITY SHAREHOLDER	OTHER SERVICES RENDERED	1,902	1,902	1,929	1,929
99512090-9	MUELLAJE ATT S.A	ASSOCIATE	PERSONNEL SERVICES	15	(15)	28	(28)
99506030-2	MUELLAGE DEL MAIPO	INDIRECT SUBSIDIARY	WAREHOUSE AND MACHINE SHOP	4	4	3	3
99506030-2	MUELLAGE DEL MAIPO	INDIRECT SUBSIDIARY	PERSONNEL SERVICES	239	(239)	167	(167)
0-E	ODFJELL & VAPORES LTDA	ASSOCIATE	VESSEL SERVICE	1,735	1,735	774	774
0-E	ODFJELL & VAPORES LTDA	ASSOCIATE	LOAN	-	-	164	(164)
0-E	PETER DHOLE SCHIFFHARTSKONTOR	INDIRECT	VESSEL CHARTER	144,894	(144,894)	151,195	(151,195)
0-E	PAINE SHIPPING LIMITED	SHAREHOLDERS AND/OR DIRECTOR IN COMMON	VESSEL SERVICE	2,043	2,043	-	-
96510970-6	PANELES ARAUCO	SHAREHOLDERS AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED	1,719	1,719	583	583
87001500-3	QUIMETAL INDUSTRIAL S.A.	SHAREHOLDERS AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED	117	117	256	256
0-E	SAAM REMOLCADORES	ASSOCIATE	PORT SERVICES RENDERED	6,714	6,714	7,409	7,409
96908970-K	SAN ANTONIO INTERNATIONAL S.A.	ASSOCIATE	PORT OPERATIONS	5,709	5,709	4,378	4,378
96908970-K	SAN ANTONIO INTERNATIONAL S.A.	ASSOCIATE	PORT SERVICES RECEIVED	12,686	(12,686)	12,024	(12,024)
96908930-0	SAN VICENTE TERMINAL INTERNATIONAL S.A	ASSOCIATE	PORT SERVICES RENDERED	5,406	(5,406)	656	656
96908930-0	SAN VICENTE TERMINAL INTERNATIONAL S.A	ASSOCIATE	PORT OPERATIONS	711	711	2,674	(2,674)
83032100-4	SERVICIOS CONSULTORIAS HENDAYA	SHAREHOLDERS AND/OR DIRECTOR IN COMMON	SERVICES RECEIVED	27	(27)	-	-
96721040-4	SERVICIOS MARITIMOS PATILLOS S.A.	ASSOCIATE	PORT OPERATIONS	533	533	571	571
78353000-7	SERVICIOS PORTUARIOS RELONCABI LTDA	ASSOCIATE	PORT OPERATIONS	8	8	23	23
78353000-7	SERVICIOS PORTUARIOS RELONCABI LTDA	ASSOCIATE	STOW AND RE-STOW	2,836	(2,836)	2,984	(2,984)
0-E	SKYRING MARITIME CORPORATIONS	SHAREHOLDERS AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED	-	-	22	22
86547900-K	SOCIEDAD ANONIMA VIÑA SANTA RITA	SHAREHOLDERS AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED	560	560	611	611
86547900-K	SOCIEDAD ANONIMA VIÑA SANTA RITA	SHAREHOLDERS AND/OR DIRECTOR IN COMMON	PRODUCTS BUYING	26	(26)	35	(35)
99567620-6	TERMINAL PORTUARIO DE ARICA S.A.	ASSOCIATE	PORT SERVICES RENDERED	246	246	251	251
99567620-6	TERMINAL PORTUARIO DE ARICA S.A.	ASSOCIATE	PORT SERVICES RECEIVED	122	(122)	81	(81)
82074900-6	TRANSBORDADORA AUSTRAL BROOM S.A	ASSOCIATE	AGENCYING SERVICES	32	32	42	42
82074900-6	TRANSBORDADORA AUSTRAL BROOM S.A	ASSOCIATE	PORT OPERATIONS RECEIVED	63	(63)	64	(64)
96657210-8	TRANSPORTES FLUVIALES CORAL S.A.	ASSOCIATE	PORT SERVICES RECEIVED	4	(4)	40	(40)
89150900-6	VIÑA LOS VASCOS	SHAREHOLDERS AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED	6	6	13	13
96512200-1	VIÑA SANTA EMILIANA S.A	SHAREHOLDERS AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED	-	-	36	36
0-E	WALLEN SHIPMANAGEMENT LIMITED	SHAREHOLDERS AND/OR DIRECTOR IN COMMON	OTHER SERVICES RENDERED	9,741	9,741	27,180	27,180
0-E	WALLEN SHIPMANAGEMENT LIMITED	SHAREHOLDERS AND/OR DIRECTOR IN COMMON	OTHER SERVICES RECEIVED	1	(1)	4	(4)
0-E	JAHRE WALLEM S.A	SHAREHOLDERS AND/OR DIRECTOR IN COMMON	OTHER SERVICES RENDERED	18	18	4	(4)
76344250-0	DISTRIBUIDORA SANTA RITA	SHAREHOLDERS AND/OR DIRECTOR IN COMMON	FREIGHT	126	126	-	-
0-E	CSAV AGENCY NETHERLANDS	ASSOCIATE	COMMISSIONS	189	189	-	-
0-E	CSAV GROUP AGENCIES- BELGIUM	ASSOCIATE	COMMISSIONS	279	279	-	-
0-E	NORTH TRADE SHIPPING INC.	ASSOCIATE	SHIPBUILDING SERVICES	2,758	2,758	-	-
0-E	PALENA SHIPPING LIMITED	ASSOCIATE	SHIPBUILDING SERVICES	944	944	-	-
0-E	PUELO SHIPPING LIMITED	ASSOCIATE	SHIPBUILDING SERVICES	1,464	1,464	-	-
0-E	TRISTAN SHIPPING	ASSOCIATE	SHIPBUILDING SERVICES	653	653	-	-
0-E	ELEQUIP S.A.	ASSOCIATE	AGENCYING SERVICES	431	(431)	-	-

## **7. - Deferred Taxes and Income Tax.**

a) In Chile, the Corporate tax is levied on the profits related to investments in foreign companies in the year they are received. Consequently, since the foreign direct subsidiaries have paid no dividends in the current period, the Company has made no provision for the referred concept.

The retained earnings of foreign subsidiaries total ThUS\$ 458,348 as of December 31, 2006 (ThUS\$ 476,605 in 2005).

b) On December 2, 2002 the Company received a notification from the Chilean Internal Revenue Service relating to the income operation of tax years 2001 and 2002, determining certain differences that have a bearing on the Net Taxable Income, Accumulated Taxable Profit Book (FUT) and determination of loans. The Company answered within the legal term to such notification which, in the opinion of the Management and Counsels, is not according to the rules.

On April 10, 2003 tax assessments numbers 153 to 156 were received from the Chilean Internal Revenue Service amounting to Ch\$ 131,581,581, relating to 2001 and 2002 income operation, for differences in the Net Taxable Income and Resolution No 244, which does not accept a refund of Prepaid Income Taxes for loss absorption of Ch\$ 396,178,277 (historic). The Company and its counsels think that the tax assessments and Resolution are not according to the rules, which have been claimed within the legal terms.

On September 13, 2004, the Tax Judge dictated a judgment in favor of CSAV in terms of returns 153 and 154, but judged in favor of the Chilean Internal Revenue Service in returns 155 and 156 dealing with the application of FUT.

On September 22, 2004 the appeal to the decision was filed, as the referred resolution is not according to the rules, in the opinion of the management and counsels.

In November 2005, an appeal for inapplicability based on unconstitutionality was filed before the Supreme Court. Case IC 3292-2004.

On November 17, 2006, the Supreme Court accepted the Company's appeal for inapplicability based on unconstitutionality. Consequently, the proceeding and judgment rendered by the Tax Court must be nullified by the Regional Director of Valparaíso

At December 31, 2006, no communication changing the current situation has been received from the Chilean Internal Revenue Service.

c) On April 29, 2004, the Company was notified by the Chilean Internal Revenue Service, whereby it was objected Income Tax annual returns corresponding to tax years 2001, 2002 and 2003, respectively, relating to the income treatment of the subsidiaries abroad regarding the Company's Net Taxable Income.

On July 30, 2006, assessments number 168 to 174 were received from the Chilean Internal Revenue Service, amounting to Ch\$ 8,040,916,137, which were claimed within the term. On February 6, 2006, a resolution rejecting the referred claim was received from the tax court.

On February 13, 2006, the decision was appealed, since it is not according to the rules in the opinion of our legal counsels.

In March 2006, an appeal for inapplicability based on unconstitutionality was filed before the Constitutional Court. Case 499-2006.

On March 10, 2006, the Chilean Internal Revenue Service debited the referred taxes according to assessments number 168 to 174.

On March 28, 2006, the Court of Appeals of Valparaiso was requested to suspend the executive proceeding, as it was in the appeal stage. The referred Court, upon consultation to the Regional Treasury of Valparaiso, agreed to postpone the judicial collection for 90 business days, as from April 25, 2006.

In spite of the ruled adjournment, on April 27, the Regional Treasury of Valparaiso proceeded to the attachment of Company's vehicle and property in the amount of Ch\$ 3,077,193,613. The Court of Appeals of Valparaiso dismissed the Company's claim to the attachment levied, a resolution that was not appealed, since the asset attachment does not produce any shareholders' equity impairment.

On September 5, 2006 the Constitutional Court accepted the appeal for inapplicability based on unconstitutionality filed by the Parent company. Consequently, the proceeding and judgment pronounced by the Tax Court must be nullified by de Regional Director of Valparaiso and, hence, the steps referred in the previous paragraph will remain null.

In the opinion of the Company's external advisors, the assessments referred to above are not according to the law and, consequently, no provision was made.

As of December 31, 2006, no communication changing the current situation has been received from the Chilean Internal Revenue Service.

d) On December 27, 2005, the Parent company was notified by the Chilean Internal Revenue Service, whereby it was objected Income Tax annual returns corresponding to tax years 2003, 2004 and 2005, respectively, relating to the income treatment of the subsidiaries abroad regarding the Company's Net Taxable Income.

On April 18, 2006 assessments number 121 and 122 were received from the Chilean Internal Revenue Service, amounting to Ch\$ 62,744,890 (historic), which were claimed within the term.

As of December 31, 2006, no communication changing the current situation has been received from the Chilean Internal Revenue Service.

e) The Parent company and its subsidiaries made no provisions for income tax, since it recorded tax losses. The tax loss declared as of December 31, 2006 was debited against accumulated taxable profits as of December 2005 and against dividends earned in 2006. This generated an income provision for losses absorption of ThUS\$ 1,072 classified in Other non-operating income. (In 2005, the Parent company made provisions for income tax of ThUS\$ 23,169).

f) As of December 31, 2006, there are no Accumulated Taxable Profits balances in the Parent company (this balance was ThUS\$ 47,418 in 2005).

g) The Parent company debited ThUS\$ 221 and ThUS\$ 303 to income in the period ended December 31, 2006 and 2005, respectively, for Disallowable taxes.

## Deferred Taxes

ITEM	31/12/2006				31/12/2005			
	Deferred tax asset		Deferred tax liability		Deferred tax asset		Deferred tax liability	
	Short term	Long term	Short term	Long term	Short term	Long term	Short term	Long term
<b>Temporary differences</b>								
Provision for uncollectible accounts	2,057	-	-	-	2,153	-	-	-
Unearned income	7	-	-	-	-	110	-	-
Vacation allowance	1,570	-	-	-	1,398	-	-	-
Amortization of intangibles								
Leasing assets	-	168	-	146	-	173	-	123
Manufacturing expenses								
Depreciation fixed assets	-	1	51	5,212	-	1	707	4,549
Severance indemnity	-	-	27	647	-	-	15	448
Other events	-	-	-	-	723	38	483	482
Provision for cargo claims	1,420	597	-	-	1,206	26	-	-
Deferred income	140	81	-	-	27	114	-	-
Tax losses	289	15,762	-	-	440	872	15	-
Provision for fleet maintenance & others	593	866	-	-	556	199	-	-
Eurobonds, UF bonds and loan expenses	-	-	-	89	-	-	-	95
Provision for negative results from vessels	1,448	-	-	-	1,601	-	-	-
Port concession	-	-	-	438	-	-	-	453
Container expenses allowance	2,259	-	-	-	1,998	-	-	-
Derivative contract premium	-	-	-	-	-	-	316	-
Intangible	-	-	-	-	-	-	-	-
Other	239	-	644	406	-	-	-	-
<b>Other</b>	-	-	-	-	-	-	-	-
Supplementary Accts - Net amortization	129	319	7	1,235	130	340	9	1,512
Valuation allowance	-	-	-	-	-	-	-	-
<b>Total</b>	<b>9,893</b>	<b>17,156</b>	<b>715</b>	<b>5,703</b>	<b>9,972</b>	<b>1,193</b>	<b>1,527</b>	<b>4,638</b>

## Income Tax

Item	31/12/2006	31/12/2005
Current tax expenditures (tax provision)	(7,684)	(23,169)
Tax expenditures adjustment (prior year)	146	(64)
Effect on assets or liabilities due to year's deferred tax	960	1,998
Unused tax losses	14,768	(3)
Amortization effect of complementary deferred assets and liabilities	(235)	(219)
Deferred tax assets of liabilities from changes in the valuation allowance	-	-
Other debits or credits to the account	-	(1)
<b>Total</b>	<b>7,955</b>	<b>(21,458)</b>



## 8. - Fixed Assets

2006	Book value	Accumulated depreciation	Net fixed assets	Depreciation for the year	Deferred depreciation /accrued
	ThUS\$	ThUS\$	ThUS\$	(1) ThUS\$	(2) ThUS\$
Land	47,323	-	47,323	-	-
Buildings and infrastructure	76,092	(12,893)	63,199	(2,913)	64
Machinery and equipment	280,202	(148,231)	131,971	(24,286)	372
Other fixed assets	55,184	(19,425)	35,759	(3,477)	5
<b>Total</b>	<b>408,801</b>	<b>(180,549)</b>	<b>278,252</b>	<b>(30,676)</b>	<b>441</b>

2005	Book value	Accumulated depreciation	Net fixed assets	Depreciation for the year	Deferred depreciation /accrued
	ThUS\$	ThUS\$	ThUS\$	(1) ThUS\$	(2) ThUS\$
Land	48,505	-	48,505	-	-
Buildings and infrastructure	73,480	(11,642)	61,838	(2,224)	-
Machinery and equipment	288,857	(156,587)	132,270	(21,692)	5
Other fixed assets	43,063	(13,590)	29,473	(2,137)	-
<b>Total</b>	<b>453,905</b>	<b>(181,819)</b>	<b>272,086</b>	<b>(26,053)</b>	<b>5</b>

.(1) Depreciation for the period, is presented in Operating expenses for 2006, amounting to ThUS\$ 26,204 (ThUS\$ 22,353 in 2005) and in Sales and administration expenses of ThUS\$ 4,472 (ThUS\$ 3,700 in 2005).

.(2) Deferred/(accrued) depreciation refers to the adjustment of depreciation for the vessels in operation at the year end.

## 9. - Investments in Related Companies

### A) Year 2006

#### A.1 Inversiones Alaria S.A.

On January 4, 2006 Inversiones Alaria S.A. made a capital contribution of US\$ 330,000, equivalent to R\$ 773,000 to the subsidiary, SAAM Brasil Ltda., increasing its shareholding in the referred subsidiary to 99.9997%

On January 19, 2006 Inversiones Alaria S.A. cedes 2,065,278 subscribed and unpaid shares in Libra Terminal Imbituba S.A. to Brasportos Operadora Portuaria S.A. On January 20, 2006, Inversiones Alaria S.A. takes part in 50% of the capital increase in Libra Terminal Imbituba through the underwriting and payment of 145,837 shares from a total of 291,674 with par value of R\$ 1 each. With these operations, Inversiones Alaria reduced its shareholding in Libra Terminal Imbituba S.A. to 33.33%, a profit of ThUS\$ 52 being generated for assignment of rights.

On April 20, 2006 the capitalization of retained earnings of Th\$ 8,181 (Uruguayan pesos) was agreed through the issue of 8,180,666 shares certificates, with 4,008,526 corresponding to Inversiones Alaria.

## **A.2 Servicios Portuarios y Extraportuarios Bío Bío Ltda..**

On January 20, 2006 Servicios Portuarios y Extraportuarios Bío Bío was created, with Inversiones San Marco Ltda. holding ThCh\$ 5,000, equivalent to 50% ownership.

## **A.3 SAAM Guatemala S.A.**

On February 16, 2006 SAAM Guatemala S.A. was incorporated by the Panamanian subsidiary Inversiones Habsburgo S.A., with a capital of Q\$ 12,000,000, each share valued at Q\$ 1, of which 10,402,700 shares (equivalent to ThUS\$ 1,351) were subscribed through the cession of the RA Amazona I. This transaction originated a deferred profit of US\$ 535 in Inversiones Habsburgo S.A.

## **A.4. San Antonio Terminal Internacional S.A.**

On April 7, 2006 a total of 91 shares in the associate San Antonio Terminal Internacional S.A., amounting to ThUS\$ 3,085, were acquired from SSA Holding Chile Ltda., with SAAM increasing its shareholding in such associate from 39.99% to 45.51%. This transaction originated in SAAM an increase in the investment value of ThCh\$ 193,675, for adjustment to fair value of the shareholders' equity of the issuer.

## **A.5 SAAM Salmones Ltda.**

On April 28, 2006 the subsidiary SAAM Salmones Ltda. was created with a share capital of Ch\$ 50,000,000, with 99% and 1% being contributed by SAAM and its subsidiary Inversiones San Marco S.A., respectively. The referred company has not been consolidated because it is in development stage.

## **A.6 Inmobiliaria Tumbes Ltda.**

On May 2, 2006 the capital in the associate Inmobiliaria Tumbes Ltda. was increased by the amount of ThCh\$ 2,323,490, being ThCh\$ 1,161,745 of that amount contributed by SAAM through the capitalization of the long-term account receivable it held with the said associate as of the date of the capital increase. Further, and through the same act, the transformation of Inmobiliaria Tumbes Ltda. into a stock corporation was agreed, being its name changed to Inmobiliaria Tumbes S.A.

## **A.7. Portuaria Corral S.A.**

On May 2, 2006 the Extraordinary Shareholders' meeting held by the associate Portuaria Corral S.A. agreed to increase its capital ThCh\$ 1,300,035. SAAM paid ThCh\$ 650,018 of that amount, thus increasing its shareholding in the referred associate from 0.002% to 11.1512%.

On June 30, 2006 Portuaria Corral S.A. merges with Inmobiliaria Tubes S.A., through exchange of assets and liabilities of the absorbed company for shares issued by the continuator. As a result of the merger, since Portuaria Corral S.A. is a subsidiary of Inmobiliaria Tumbes S.A., a capital decrease amounting to ThCh\$ 4,167,434 is produced as a matter of law, with the merged final equity of Portuaria Corral S.A. remaining at ThCh\$ 4,467,729 and the shareholding of SAAM at 50%.

## **A.8 Inversiones San Marco S.A.**

On October 24, 2006 the transformation of Sociedad Inversiones San Marco S.A. into a limited liability company was agreed.

Effective October 30, 2006 the split of the subsidiary Inversión San Marco Ltda. was agreed. From the referred split Inmobiliaria San Marco Limitada is born. Assets assigned to the emerging company correspond to cash amounting to ThCh 3,000.

#### **A.9 Inmobiliaria San Marco Ltda.**

On October 31, 2006 the capital increase of Inmobiliaria San Marco Ltda. by ThCh\$ 28,940,946 was agreed. SAAM participated in this transaction contributing the following investments:

99.695% capital and rights of IMPSA Ltda.  
 99.695% capital and rights of Inmobiliaria Barón Ltda.  
 50% capital and rights of Inmobiliaria Carriel Ltda.

The contribution of investments was made based on tax values, but then the book values were reestablished in conformity with the principles applicable to a restructuring of companies.

#### **A.10 Inmobiliaria Marítima Portuaria Ltda.**

On October 31, 2006 the split of Inmobiliaria Marítima Portuaria Ltda. was agreed. The company Inmobiliaria Rehue Ltda. is born from that split. Assets assigned to the emerging company are land and constructions amounting to ThCh\$ 7,744,634. The percentage of assets transferred from the split company represents 22.52% of its assets prior to the split.

#### **A.11 SAAM Internacional S.A.**

On November 28, SAAM S.A. and the subsidiary SAAM Internacional S.A. paid the total subscribed shares of Concesionaria SAAM Costa Rica S.A., amounting to ThUS\$ 2.500. Contributions were recorded as cash flow once the order to start the concession was confirmed by the competent authorities.

### **B) Year 2005**

#### **B.1 Inversiones Habsburgo S.A.**

On January 6, 2005 Inversiones Habsburgo S.A. sold its total shares in its subsidiary Serviagencial S.A. to Inversiones Alaria S.A. in the amount of ThUS\$ 1,700, which was later merged with Ecuaestibas S.A.

#### **B.2 Cosan Brasil Ltda.**

In January 2005, Cosán Brasil Ltda., a subsidiary of Logística Integral S.A., was closed.

#### **B.3 SAAM Contenedores S.A.**

On February 1, 2005, the payment of 9,800 subscribed and unpaid shares of Saam Contenedores S.A. was made, the paid-in capital remaining at US\$ 2,000,000 divided into 20,000 shares, equivalent to 99% of the ownership in SAAM S.A. and 1% in its subsidiary Impsa Ltda. The company started operations from January 1, 2005.

#### **B.4 SAAM Florida Inc.**

On June 27, 2005 the subsidiary Saam Remolques S.A. de C.V. contributed US\$ 2,100,000 to Saam Florida Inc., equivalent to 100% of its ownership. On the same date, SAAM Florida Inc. contributed US\$ 2,100,000 to Florida Terminal Internacional LLC, equivalent to 70% shareholding.

### **B.5 Inversiones Alaria S.A.**

On July 19, 2005 Inversiones Alaria S.A. paid ThUS\$ 10,707 for 25,000,000 original issue shares in Tugbrasil Apoio Portuario S.A., acquiring 50% ownership in the referred company. This company acquired a tug-boat business and adjustment at fair value were directly reflected at that level.

On July 20, 2005, Inversiones Alaria S.A. paid ThUS\$ 2,007 for the acquisition of 4,675,510 shares equivalent to 42.5% ownership of Libra Terminal Imbituba S.A. This company was incorporated in 2005 and there are no significant differences between the book value and fair value.

On August 3, 2005, Inversiones Alaria S.A. made a capital contribution of ThUS\$ 690 to the subsidiary SAAM Brasil Ltda., remaining with 99.9% ownership.

On December 16, 2005, the subsidiary Inversiones Alaria S.A. paid ThUS\$ 98 for the purchase of 49% of Riluc S.A., an Uruguayan company.

On December 29, 2005, the subsidiary Inversiones Alaria S.A. acquired 1% of the shares in Negociación Marítima Portuaria S.A. from Inversiones Misti S.A.

### **B.6 Logística Integral S.A.**

On November 8, 2005, the shareholder's general meeting held by Logística Integral S.A. agreed to reduce the share capital to ThUS\$ 20,000.

On November 23, 2005, the winding-up of Transcar S.A. was approved, since all shares were held by Logística Integral S.A. after buying the 200 remaining shares held by Empresa de Transportes Sudamericana Austral Ltda. on November 3, 2005.

### **B.7 CSAV Inversiones Navieras S.A.**

On February 7, 2005 CSAV Inversiones Navieras S.A. was incorporated as a closely-held corporation with a share capital of ThUS\$ 20 divided into 2,000 no-par value shares, SAAM Internacional S.A. subscribing and paying 20 shares amounting to US\$ 200, equivalent to 1% ownership.

On March 23, 2005, the 20 shares in CSAV Inversiones Navieras S.A. held by Saam International S.A. were transferred to Empresa de Transporte Sudamericana Austral Limitada in the amount of US\$ 200.

On April 24, 2005, CSAV Inversiones Navieras S.A. increased its capital to US\$ 3,000,000, by subscribing and paying US\$ 450,000 on the same date, its paid-in capital remaining at US\$ 470,000.

On December 16, 2005 CSAV Inversiones Navieras S.A. subscribed and paid ThUS\$ 2,530, its share capital of ThUS\$ 3,000 being paid.

### **B.8 Saam Remolques S.A.**

On June 27, 2005 the subsidiary Saam Remolques S.A. de C.A. contributed ThUS\$ 2,100 to Saam Florida Inc., equivalent to 100% ownership.

### **B.9 Servicios Logísticos Ltda.**

On December 28, 2005 Servicios Logísticos Ltda., a subsidiary of Aerosan Airport Services S.A. was created, with SAAM contributing ThCh\$ 700, equivalent to 1% ownership.

### C) Information over investments abroad

#### C.1 Potentially remittable earnings from investments made in foreign related companies

Potentially remittable earnings are not considered due to the constant investment of the Company and its subsidiaries in their own line of business.

C.2 There are no liabilities incurred, specially assigned or accounted as hedge for investment made in foreign companies.

#### D) Rationale for investment rating where equity percentage is lower than 20 percent.

D.1 Investment in Compañía Chilena de Navegación Interoceánica S.A. is included in this item, for having representation on its Board.

In addition, both companies perform joint operations and have associates with a 50% shareholding.

D.2 Investment in Terminal Portuario Arica S.A., is included in this item, for having representation on its Board.

D.3 The following companies are included in this item, as the direct and indirect percentage in the investment is higher than 20%.

	% Direct	% Indirect	% Total
Muellaje STI S.A.	0.50%	39.79%	40.29%
Muellaje SVTI S.A.	0.50%	49.75%	50.25%
Muellaje ATI S.A.	0.50%	34.83%	35.33%
Portuaria Corral S.A.	0.002%	49.999%	50.00%
Serviair Ltda.	1.00%	40.00%	41.00%
Aerosan Perú S.A.	1.00%	49.00%	50.00%
Reenwood Investment Inc.	0.25%	49.88%	50.13%
Servicios Logísticos Ltda.	1.00%	49.00%	50.00%

The only investments generating adjustments at fair value during 2006 were those made in San Antonio Terminal Internacional S.A. and Tug Brasil Apoio Portuario Ltda.

E) There are no differences between the book value and fair value of the companies acquired during periods 2005 and 2006.

F) SAAM Contenedores S.A., Muellaje Isluga S.A. and Reenwood Investment Inc. are in the pre-operating stage and, consequently, have not been included in the consolidation.

In turn, SVTI S.A. has not been included in the consolidation as there is no control over this company.

#### G) Dividends received

On January 19, 2005 a dividend of ThUS\$ 2,550 was received from Odfjell y Vapores S.A.

On May 25, 2005 and October 26, 2005, dividends of ThUS\$ 785 and ThUS\$ 711, respectively, were received from Compañía Chilena de Navegación Interoceánica S.A.

On May 8, 2006, a dividend of ThUS 1,422 was received from Compañía Chilena de Navegación Interoceánica S.A.

TAX ID	Companies	Country	Currency	Share stocks	Percentage holding	Shareholders' equity	Result for the period	Shareholders' equity at fair value	Results for the period at fair value	Accrued result	Proportional equity value	Unrealized results	Book value of the investment
				31/12/2006	31/12/2005	31/12/2006	31/12/2005	31/12/2006	31/12/2005	31/12/2006	31/12/2005	31/12/2006	31/12/2005
9608970-K	SAN ANTONIO TERMINAL INTERNACIONAL S.A.	CHILE	DOLLAR	750	45,5000	39,9900	60,905	55,874	5,033	6,336	61,259	55,874	5,014
940800-5	AEROSAN S.A.	CHILE	PESOS	15,000	50,0000	50,0000	1,940	1,212	1,542	1,236	-	-	-
9656940-K	AGENCIAS UNIVERSALES	CHILE	PESOS	211,311,092	24,71190	24,71190	88,731	78,794	16,957	17,570	-	-	-
0-E	TUG BRASIL APOIO PORTUARIO.	BRAZIL	DOLLAR	29,127,318	50,0000	50,0000	25,992	24,904	1,088	(196)	25,992	24,904	1,088
9608930-0	SAN VICENTE TERMINAL INTERNACIONAL	CHILE	DOLLAR	500	50,0000	50,0000	25,418	18,921	6,499	1,500	-	-	-
9698000-8	COMPANIA CHILENA DE NAVEGACION INTEROCEANICA S.A	CHILE	DOLLAR	35,564,604	13,00768	13,00768	61,402	91,789	(19,450)	35,401	-	-	-
96667590-K	CARGO PARK S.A.	CHILE	PESOS	394,608	50,0000	50,0000	16,663	15,931	1,587	1,226	-	-	-
99511240-K	ANTOFAGASTA TERMINAL INTERNACIONAL S.A.	CHILE	DOLLAR	3,500	35,0000	35,0000	16,092	13,872	3,087	2,086	-	-	-
0-E	BELDEN SHIP HOLDING LTD.	SINGAPORE	DOLLAR	-	00,0000	26,0900	-	3,079	3,757	2,849	-	-	-
0-E	TRABAJO MARITIMOS S.A.	PERU	DOLLAR	4,348,750	50,0000	49,0000	9,861	9,935	5,227	4,926	-	-	-
96610780-4	PORTUARIA CORRAL S.A.	CHILE	PESOS	26,180	50,0000	0,02000	8,750	8,861	173	419	8,750	8,861	187
78353000-7	SERVICIOS PORTUARIOS RELONCAV LTDA.	CHILE	PESOS	-	50,0000	50,0000	7,726	7,106	314	299	-	-	-
82074900-6	TRANSBORDADORA AUSTRAL BROOM S.A.	CHILE	PESOS	250,000	25,0000	25,0000	15,314	12,632	5,441	3,394	-	-	-
0-E	KEMPE (BV) HOLDING LTD.	VIRGIN ISLANDS	DOLLAR	-	50,0000	-	30,034	-	878	-	-	-	-
0-E	KEMPE HOLDING LTD.	PANAMA	DOLLAR	-	50,0000	50,0000	19,219	3,830	75,029	3,819	-	-	-
0-E	ELEVADORES Y EQUIPOS ELEQUIP S.A.	COLOMBIA	DOLLAR	4,963,373	50,0000	50,0000	6,571	5,270	1,101	1,421	-	-	-
0-E	LIBRA TERMINAL LIMITADA S.A.	BRAZIL	DOLLAR	6,913,003	33,3000	42,5000	8,671	5,337	(544)	(573)	8,671	5,337	(544)
9685450-K	AEROSAN AIRPORT SERVICES S.A.	CHILE	PESOS	15,000	50,0000	50,0000	5,510	5,916	395	464	-	-	-
0-E	GERTIL S.A.	URUGUAY	DOLLAR	48,335,682	49,0000	49,0000	4,819	4,186	646	4,819	4,186	646	627
0-E	ODFELL & VAPORES LTD.	BERMUDA	DOLLAR	-	50,0000	50,0000	4,154	2,478	1,678	(33)	-	-	-
0-E	DRY BULK HANDY HOLDING INC.	MONACO	DOLLAR	-	50,0000	50,0000	1,422	840	2,112	(148)	-	-	-
0-E	CONSORCIO NAVIERO PERUANO S.A.	PERU	DOLLAR	5,746,425	49,0000	49,0000	1,613	1,276	1,838	2,005	-	-	-
0-E	CSAV GROUP AGENCIES (UK) LIMITED	ENGLAND	DOLLAR	-	50,0000	50,0000	1,468	541	927	382	-	-	-
0-E	EQUIMAC S.A.	COLOMBIA	DOLLAR	48,649,300	50,0000	50,0000	2,395	1,975	422	453	-	-	-
0-E	CSAV AGENCY NETHERLANDS B.V.	HOLLAND	DOLLAR	-	50,0000	-	834	-	205	-	-	-	-
9667210-8	TRANSPORTES FLUVIALES CORRAL S.A.	CHILE	PESOS	600	50,0000	50,0000	2,121	2,111	46	(86)	-	-	-
96967020-6	TERMINAL PORTUARIO ARICA S.A.	CHILE	DOLLAR	750	15,0000	15,0000	6,817	4,965	1,852	2,255	6,817	4,965	1,852
0-E	EQUITYARD S.A.	COLOMBIA	DOLLAR	425,000	50,0000	50,0000	1,396	1,105	287	286	-	-	-
76140270-6	INMOBILIARIA CARRIEL LIMITADA	CHILE	PESOS	-	50,0000	50,0000	1,101	2,089	189	(50)	1,101	2,089	189
0-E	COMERCIAL E INVERSIONES COIRON S.A.	ARGENTINA	DOLLAR	6,000	50,0000	50,0000	949	817	132	201	-	-	-
0-E	FIVE CONTINENTS NAVIGATION S.A	PANAMA	DOLLAR	5,000	49,0000	49,0000	1,193	(116)	1,308	(568)	-	-	-
0-E	SAAM REMOLCADORES S.A. DE C.V.	MEXICO	DOLLAR	24,500	49,0000	49,0000	215	578	206	533	-	-	-
0-E	CSAV GROUP AGENCIES BELGIUM N.V.	BELGIUM	DOLLAR	-	50,0000	-	379	-	(258)	-	-	-	-
88482300-5	EMPRESA DE SERVICIOS MARITIMOS Y PORTUARIOS HUAPEN LTDA.	CHILE	PESOS	-	50,0000	50,0000	601	1,940	34	146	-	-	-
0-E	CONSTRUCCIONES MODULARES S.A.	PERU	DOLLAR	328,300	50,0000	49,0000	(343)	588	(931)	32	-	-	-
96721040-4	SERVICIOS MARITIMOS PATILLOS S.A.	CHILE	PESOS	500	50,0000	50,0000	796	1,216	646	1,059	-	-	-
96674780-3	INVERSIONES Y SERVICIOS RIGEL S.A.	CHILE	PESOS	10,000	33,3300	33,3300	585	607	(12)	(22)	-	-	-
0-E	VOGT & MAQUIRE SHIPBROKING LTD.	ENGLAND	LIBRA	-	50,0000	50,0000	337	1,179	212	1,235	-	-	-
0-E	DBCN CORPORATION	PANAMA	DOLLAR	100	50,0000	50,0000	-	2,470	-	(3,990)	-	-	-
94620000-K	ORION SERVICIOS MERCANTILES INTEGRADOS S.A.	CHILE	PESOS	53,820	33,3300	33,3300	446	460	(7)	(33)	-	-	-
76722300-5	SAAM SALMONES LTDA.	CHILE	PESOS	-	100,0000	-	94	-	-	94	-	-	-
0-E	AEROSAN PERU S.A.	PERU	DOLLAR	6,000	1,0000	1,0000	170	170	-	-	-	-	-
96915770-5	MUELLAJE STI S.A.	CHILE	PESOS	20	0,5000	0,5000	118	117	3	(7)	-	-	-
9698170-9	MUELLAJE STI S.A.	CHILE	PESOS	40	0,5000	0,5000	215	212	26	22	-	-	-
0-E	BELDEN CEMENT HOLDING INC.	PANAMA	DOLLAR	60	26,0900	26,0870	-	23,308	-	6,632	-	-	-
78465300-2	INMOBILIARIA TUMBES S.A.	CHILE	PESOS	-	0,0000	50,0000	-	2,118	-	386	-	-	-
99512090-9	MUELLAJE ATT S.A.	CHILE	PESOS	20	0,5000	0,5000	68	78	(9)	(26)	68	-	-
99500030-2	MUELLAJE DEL MAIPO S.A.	CHILE	PESOS	5,000	50,0000	49,5000	(4)	88	(91)	(72)	-	-	-
0-E	REENWOOD INVESTMENT INC.	PANAMA	DOLLAR	25	0,02000	0,2500	1,224	677	562	30	1,224	677	562
0-E	RIDGE HOLDING LIMITED	BERMUDAS	DOLLAR	-	-	50,0000	-	(8)	-	-	-	-	-
0-E	RILUC S.A.	URUGUAY	DOLLAR	2,421,408	49,0000	49,0000	(102)	197	(82)	(3)	197	(82)	(3)
0-E	SAAM GUATEMALA S.A.	GUATEMALA	DOLLAR	4,050	90,0000	90,0000	1	1	-	-	-	-	-
76540160-7	SERVICIOS PORTUARIOS Y EXTRAPORTUARIOS BIO BIO LTDA.	CHILE	PESOS	-	50,0000	-	19	-	-	19	-	-	-
0-E	GLOBE II HOLDING SCHIFFARTS GMBH & CO. KG	GERMANY	EURO	-	50,0000	-	30,967	-	81,999	-	-	-	-
0-E	GLOBE II HOLDING SCHIFFARTS GMBH & CO. KG	GERMANY	EURO	-	50,0000	-	16,903	-	4,770	-	-	-	-
78763410-9	SERVIAIR LTDA.	CHILE	PESOS	-	1,0000	1,0000	29	53	(23)	(19)	-	-	-
99575200-8	MUELLAJE INLUGA S.A.	CHILE	-	20	-	0,5000	-	86	-	8	-	-	-
99545650-8	SAAM CONTENEDORES S.A.	CHILE	-	10,098	-	99,9000	-	2,227	-	538	-	-	-
0-E	PANTILE HOLDING LIMITED	BERMUDA	DOLLAR	-	-	50,0000	-	(14)	-	-	-	-	-
76457830-9	SERVICIOS LOGISTICOS LTDA.	CHILE	PESOS	-	1,0000	-	42	-	(92)	-	-	-	-
TOTAL											187,307	131,793	26
											78	187,281	131,715



## 10. - Goodwill and Negative Goodwill

### Goodwill

TAX ID	Company	31/12/2006		31/12/2005	
		Amortization	Goodwill balance	Amortization	Goodwill value
0-E	SAAM REMOLQUES S.A. DE C.V.	5	45	5	50
0-E	BELDEN CEMENT HOLDING INC.	55	-	60	810
0-E	MONTEMAR MARÍTIMA S.A.	805	9,988	805	10,792
0-E	FIVE CONTINENTS NAVIGATION S.A.	10	-	24	10
77246540-8	AQUASAAM INGENIERÍA LTDA.	12	179	13	194
96566940-K	TRANSPORTES FLUVIALES CORRAL S.A.	25	58	25	85
0-E	COMERCIAL E INVERSIONES COIRON S.A.	16	77	16	93
77628160-3	AQUASAAM S.A.	27	22	28	51
0-E	KIOS S.A.	46	81	40	126
0-E	SAAM GUATEMALA S.A.	11	25	-	-
96701080-4	TRANSCAR S.A.	-	-	2	-
<b>TOTAL</b>		<b>1,012</b>	<b>10,475</b>	<b>1,018</b>	<b>12,211</b>

### Negative Goodwill

TAX ID	Company	31/12/2006		31/12/2005	
		Amortization	Negative Goodwill	Amortization	Negative Goodwill
90596000-8	COMPAÑIA CHILENA DE NAVEGACIÓN INTEROCEANICA S.A	562	2,530	562	3,092
0-E	CSAV GROUP (HONG KONG)	5	71	5	76
0-E	CSAV GROUP (HONG KONG) LTDA	19	256	19	275
<b>TOTAL</b>		<b>586</b>	<b>2,857</b>	<b>586</b>	<b>3,443</b>

## 11. - Intangibles

Tax ID	Company	Item	31/12/2006		31/12/2005	
			Amortization for the period ThUS\$	Intangible balance ThUS\$	Amortization for the period ThUS\$	Intangible balance ThUS\$
Foreign	Saam Remolques S.A. de C.V.	Port concession	(1,256)	11,588	(1,135)	12,845
96.915.330-0	Iquique Terminal Internacional S.A.	Port concession	(93)	1,420	(90)	1,513
Foreign	Norasia Container Lines Ltda.	Traffic right	(1,867)	25,051	(1,867)	26,921
Foreign	Companhia Libra de Navegacao	Traffic right	(502)	6,147	(502)	6,649
Foreign	NL Shipping Services S.A.	Traffic right	(3)	41	(3)	42
Foreign	CSAV Group Agencies (Hong Kong) Ltd.	Traffic right	(17)	4,307	-	-
96.690.270-4	Inmobiliaria Marítima Portuaria S.A.	Easement	(6)	91	(6)	99
<b>Totals</b>			<b>(3,744)</b>	<b>48,645</b>	<b>(3,603)</b>	<b>48,069</b>

## 12. - Others (Assets)

Item	31/12/2006 ThUS\$	31/12/2005 ThUS\$
Treasury bonds	108	1,089
Celulosa Arauco S.A. bonds	-	1,000
Collective bargaining bonus		168
Costs of positioning containers and vessels	2,539	2,771
Costs of issuing UF bonds	2,165	2,311
Time deposits as collateral	132	2,641
Advance in vessel hull contracts	26,572	139,835
AFLAC credit costs	1,552	1,612
Projects	1,076	17
Container purchase contract	900	-
Other	1,432	653
<b>Total</b>	<b>36,476</b>	<b>152,097</b>

## 13. - Short-term Liabilities with Banks and Financial Institutions

### Short-term

CURRENCY AND ADJUSTMENT INDEX									
TAX ID	Bank or financial institution	Dollar		UF		Non-indexed Ch\$		Total	
		31/12/2006	31/12/2005	31/12/2006	31/12/2005	31/12/2006	31/12/2005	31/12/2006	31/12/2005
96568550-2	BANCO SCOTIABANK	-	-	808	-	-	-	808	-
97004000-5	BANCO DE CHILE	-	-	-	-	-	41	-	41
97949000-3	BANCO HNS	-	-	-	-	9	98	9	98
0-E	BANCO SANTANDER NY	-	-	-	-	-	-	-	-
97070030-7	BANCO ESTADO	3	9	-	-	-	-	3	9
97015000-5	BANCO SANTANDER SANTIAGO	-	-	-	-	27	35	27	35
0-E	BANCO SANTANDER URUGUAY	351	450	-	-	-	-	351	450
	<b>TOTAL</b>	<b>354</b>	<b>459</b>	<b>808</b>	<b>-</b>	<b>36</b>	<b>174</b>	<b>1,198</b>	<b>633</b>
	PRINCIPAL OUTSTANDING	354	459	808	-	36	174	1,198	633
	AVERAGE ANNUAL INTEREST RATE %	7,665	7,665	-	-	-	-	-	-
Liabilities in foreign currency (%)		89,7100							
Liabilities in local currency (%)		10,2900							

### Current portion of long term

CURRENCY AND ADJUSTMENT INDEX											
TAX ID	Bank or financial institution	Dollar		Other foreign currency		UF		Non-indexed Ch\$		Total	
		2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
0-E	Deutsche Schiffsbank	1,345	1,360	-	-	-	-	-	-	1,345	1,360
0-E	Hipoverin Shanc	-	398	-	-	-	-	-	-	-	398
0-E	American Family Life Assurance	3,475	3,335	-	-	-	-	-	-	3,475	3,335
0-E	DNB Nor Bank Asa	1,080	1,075	-	-	-	-	-	-	1,080	1,075
0-E	Banco Safra	-	-	-	123	-	-	-	-	-	123
0-E	Rabobank International London Branch	871	-	-	-	-	-	-	-	871	-
97004000-5	Banco de Chile	-	-	-	-	264	353	44	-	308	353
97070030-7	Banco Estado	2,629	1,365	-	-	-	-	403	398	3,032	1,763
97949000-3	Banco HSN	-	-	-	-	-	34	15	-	15	34
0-E	Banco Santander N.Y.	2,433	242	-	-	-	-	-	-	2,433	242
0-E	ABN AMRO Bank	-	-	-	2	-	-	-	-	-	2
0-E	Banco Santander Overseas	43	-	-	-	-	-	-	-	43	-
	<b>TOTAL</b>	<b>11,876</b>	<b>7,775</b>	<b>-</b>	<b>125</b>	<b>264</b>	<b>387</b>	<b>462</b>	<b>398</b>	<b>12,602</b>	<b>8,685</b>
	Principal Outstanding	9,631	6,328	-	125	264	387	462	398	10,357	7,238
	Average annual interest rate %	4,51	4,66	-	-	-	-	-	-	-	-
Liabilities in foreign currency (%)		89,7100									
Liabilities in local currency (%)		10,2900									

## 14. - Long-term Obligations with Banks and Financial Institutions

TAX NUMBER	Bank or financial institution	Currency or restatement unit	Años de vencimiento				Over 10 años	Total long term at the closing of the financial statements (closing date current period)	Average annual interest rate	Total long term at the closing of the financial statements (closing date previous period)
			Over 1 up to 2	Over 2 up to 3	Over 3 up to 5	Over 5 up to 10				
						Amount	Maturity			
0-E	DNB NOR BANK ASA	Dollar	1,020	1,020	2,040	3,830		7,910	3.92	8,930
97004000-5	BANCO DE CHILE	Dollar	-	-	-	-	-	-	-	-
		UF	279	411	365	-	-	1,055	5.73	1,375
		Non-indexed Ch\$	31	-	-	-	-	31	-	-
0-E	BANCO SANTANDER MEXICO	Dollar	-	-	2,500	2,500	-	5,000	LIBOR + 0.5%	0
0-E	DEUTSCHE SHIFFSBANK	Dollar	1,120	1,120	2,240	6,095	-	10,575	2.24	11,695
0-E	AMERICAN FAMILY LIFE ASSURANCE CO. OF COLUMBUS	Dollar	-	-	-	-	-	-	-	-
		Yen	-	-	-	-	201,850	2,033	4.16	201,850
0-E	BANCO SANTANDER S.A. NY	Dollar	2,109	2,109	2,109	7,164	0	13,491	4.51	15,600
97030000-7	BANCO ESTADO	Dollar	2,500	2,500	1,250	-	-	6,250	6.5	0
0-E	ABN AMRO BANK	Dollar	-	-	-	-	-	-	-	4
0-E	HYPOVEREINSBANK	Dollar	-	-	-	-	-	-	-	8,750
97940000-3	BANCO HNS	Dollar	-	-	-	-	-	-	-	-
		Non-indexed Ch\$	14	-	-	-	-	14	-	-
TOTALES			7,073	7,160	10,504	19,589	201,850	246,176		248,204

Porcentaje obligaciones moneda extranjera (%) 99.5600

Porcentaje obligaciones moneda nacional (%) 0.4400

## 15. - Bonds Payable

### a) Bonds

Refers to indexed inflated UF non-physical bonds placed in Chile.

	Series A 1	Series A 2
Amount of bonds issued	190	100
Nominal value of each bond	UF5,000	UF 10,000
Nominal value of the Series	UF950,000	UF 1,000,000
Placement value (100% of issue)	UF908,096	UF 955,891

Date of issue	1.10.2001
Date of placement	14.11.2001 (100% placed)
Annual interest rate	6.40%
Interest payment	Semi-annually, due
Initial date of interest accrual	1.10.2001
Maturity	1.10.2022
Amortization of principal	Semi-annual payment as of 1.04.2009

### Rating:

Registration

Rating Agency

Underwriters

Bond holders representatives

Use of funds

S.V.S No 274 on 12.10.2001

A+ Clasificadora de Riesgo Humphreys Ltda.

A+ Fitch Chile Clasificadora de Riesgo Ltda.

Salomon Smith Barney S.A., Corredores de Bolsa

Banco de Chile

Payment of liabilities maturing in 2002 and

2003 and funding of future acquisition

of shareholdings in companies which line of

business is related to that of the Issuer

and/or the financing of other investment or development of

projects linked to such corporate purpose.

Instrument	Series	Nominal amount placed outstanding	Indexation unit	Interest rate	Final maturity	Periodical interest payment	Amortization payment	Par value		Placement in Chile or abroad
								2006	2005	
Current portion of long-term obligations (bonds)										
274	A-1	950	UF	6.4	01/10/2022	SEMESTER	SEMESTER	515	525	LOCAL
274	A-2	1,000	UF	6.4	01/10/2022	SEMESTER	SEMESTER	543	552	LOCAL
Total short-term portion								1,058	1,077	
Long-term bonds										
274	A-1	950	UF	6.4	01/10/2022	SEMESTER	SEMESTER	32,719	33,319	LOCAL
274	A-2	1,000	UF	6.4	01/10/2022	SEMESTER	SEMESTER	34,442	35,073	LOCAL
Total long term								67,161	68,392	

## 16. - Provisions and Write-off

Short-term provisions	31/12/2006	31/12/2005
	ThUS\$	ThUS\$
Cargo claims	14,320	10,125
Profit sharing	2,142	4,587
Vacation	9,549	7,689
Severance indemnity	442	649
Vessel, equipment and dry-dock repairs	8,219	4,365
Operating and administrative expenses	7,770	2,392
Negative shareholders' equity - subsidiaries	11	62
Logistics and containers	13,293	11,750
Labor obligations in Brazil	587	609
Other	8,927	10,381
<b>Total</b>	<b>65,260</b>	<b>52,609</b>
Long-term provisions	31/12/2006	31/12/2005
	ThUS\$	ThUS\$
Severance indemnity	18,130	20,817
Vessel, equipment and dry-dock repairs	1,265	1,170
Other	961	963
<b>Total</b>	<b>20,356</b>	<b>22,950</b>

## 17. - Severance Indemnity

In 2006, ThUS\$ 2,997 were charged to income results for compensation indemnities (includes foreign exchange difference) and payments of ThUS\$ 5,637 were made. A debit to income of ThUS\$ 5,560 and payments of ThUS\$ 2,959 were made in 2005.

## 18. - Minority Interest

Detail	31/12/2006		31/12/2005	
	Liabilities ThUS\$	Income (loss) for the period ThUS\$	Liabilities ThUS\$	Income (loss) for the period ThUS\$
Agencias Grupo CSAV (México) S.A. de C.V	-	-	219	(60)
Agunsa Miami	555	177	731	169
Compañía Naviera Río Blanco S.A.	1,861	(46)	1,815	(214)
CSAV Argentina S.A.	92	27	-	-
CSAV Group Agencies				
Brazil Agenciamiento de Transporte	-	-	(1)	3
CSAV Group Agencies Korea Co. Ltd.	(38)	63	-	-
CSAV Group Agencies (Germany) GmbH	944	(643)	-	-
Giraldir S.A. y Kios S.A.	710	(127)	583	(40)
Iquique Terminal Internacional S.A.	6,510	(1,246)	5,368	(1,366)
Marsud Armazens Gerais Ltda.	662	(19)	350	82
Marsud Ltda.	126	(11)	116	23
North Trade Shipping Co. Inc.	-	-	2,083	(2,077)
Odffjell y Vapores S.A.	4,364	(2,790)	4,710	(2,308)
SAAM Remolques S.A.	403	(69)	334	(84)
South Trade Shipping Co. Inc.	-	-	1,954	(1,950)
Southern Shipmanagement CO. S.A.	126	(116)	4	31
Wellington Holding Group S.A.	(4,677)	16,099	10,051	(5,826)
Other	-	(8)	-	-
<b>Total</b>	<b>11,638</b>	<b>11,291</b>	<b>28,317</b>	<b>(13,617)</b>

## 19. - Equity Changes

### a) Dividends

The Corporate By-laws envisage no restrictions to the dividend payment, which should be paid in Chilean pesos anyway.

### b) Shareholders' Annual Meeting

The meeting held on April 19, 2006 unanimously approved the Annual Report and Financial Statements for fiscal year 2005. The following appropriation of profits was agreed:

Cover Dividends:	ThUS\$
Interim No. 316	6,977
Interim No. 317	18,076
Interim No. 318	6,321
Final No. 319	18,141
Retained earnings	82,788
<b>Total</b>	<b>132,303</b>

Similarly, as dividend policy and appropriation of future profits for 2006, the referred meeting approved to pay the equivalent of 30% of such profits, the Board being authorized to define the timing and amount of the interim dividends payable, which will be subject to the income obtained during the year. Further, the Board is empowered, when appropriate, to pay dividends chargeable to the Future Dividends Fund without the need of authorization by a Shareholders' Annual Meeting.

### c) Other reserves

As of December 31, 2006, the difference resulting from the application of the Proportional Equity Value method to record the investment in subsidiaries that keep accounting in a currency other than the dollar, has been adjusted with a credit to Other reserves. As of December 31, 2006 this adjustment generated a debit of ThUS\$ 2,418 (credit of ThUS\$ 16,034 in 2005). This adjustment refers mostly to the investment held in the subsidiary Sudamericana, Agencias Aéreas y Marítimas S.A.

### Changes in shareholders' equity

Item movements	31/12/2006							31/12/2005						
	Paid-in capital	Other reserves	Reserve for future dividends	Retained earnings	Interim dividends	Deficit in development stage	Income (loss) for the period	Paid-in capital	Other reserves	Reserve for future dividends	Retained earnings	Interim dividends	Deficit in development stage	Income (loss) for the period
Original balance	170,000	22,677	28,347	505,061	(31,374)	-	132,303	170,000	6,643	28,347	360,438	(25,793)	(363)	207,124
Result distribution previous period	-	-	-	82,789	49,515	-	(132,303)	-	-	-	144,623	62,138	363	(207,124)
Final dividend - previous year	-	-	-	-	(18,141)	-	-	-	-	-	-	(36,345)	-	-
Capital increase														
Capitalization reserves and/or profits														
Accumulated deficit in development stage	-	-	-	-	-	(2)	-	-	-	-	-	-	-	-
Adjustment from investment	-	(2,418)	-	-	-	-	-	-	16,034	-	-	-	-	-
Eventual final dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reserve for equity restatement	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(Loss) income for the year	-	-	-	-	-	-	(58,241)	-	-	-	-	-	-	132,303
Interim dividends	-	-	-	-	-	-	-	-	-	-	-	(31,374)	-	-
<b>Final balance</b>	<b>170,000</b>	<b>20,259</b>	<b>28,347</b>	<b>587,850</b>	<b>-</b>	<b>(2)</b>	<b>(58,241)</b>	<b>170,000</b>	<b>22,677</b>	<b>28,347</b>	<b>505,061</b>	<b>(31,374)</b>	<b>-</b>	<b>132,303</b>
Restated balances								170,000	22,677	28,347	505,061	(31,374)	-	132,303

### Number of shares

Series	N° of subscribed capital stock	N° of called up shares	N° of voting stock
Single	735,844,521	735,844,521	735,844,521

### Capital

Serie	Subscribed capital	Paid capital
Single	170,000	170,000

### Accumulated deficit in development stage, subsidiary

Tax number	Company	Amount for the year	Accumulated amount
76572320-5	SAAM SALMONES LTDA	2	2

### Adjustments from foreign exchange differences

Item	31/12/2006 ThUS\$	31/12/2005 ThUS\$
Initial balance other reserves	22,677	6,643
Sudamericana, Agencias Aéreas y Marítimas S.A.	(2,725)	16,071
Other	307	(37)
<b>Total accumulated</b>	<b>20,259</b>	<b>22,677</b>



## 20. - Other Non-operating Income and Non-operating Expenses

Other non-operating income	31/12/2006 ThUS\$	31/12/2005 ThUS\$
Deferred profit amortization	292	187
Profit in sales of fixed assets	3,893	4,075
Profit in sale of other assets	11,367	1,951
Profit in other investments	23,646	5,808
Profit in options and derivatives contracts	16,335	6,202
Loss absorption income	1,072	-
Real estate lease	368	273
Vessel charter compensation	2,528	-
Commissions	879	860
Technical support	864	821
Other	10,586	5,168
<b>Total</b>	<b>71,830</b>	<b>25,345</b>

Other non-operating expenses	31/12/2006 ThUS\$	31/12/2005 ThUS\$
Loss in sale of other assets	1,225	45
Loss in derivatives contracts	7,648	6,918
Expenditures related to hull-building contracts	-	473
Expenditures related to cargo claims	-	299
Intangibles amortization	2,372	2,372
Indemnity	-	2,174
Other	1,124	1,739
<b>Total</b>	<b>12,369</b>	<b>14,020</b>

## 21. - Price-level Restatement

ASSETS (DEBIT)/CREDIT	Adjustment index	31/12/2006	31/12/2005
INVENTORIES	CPI	-	3,982
FIXED ASSETS	CPI	2,405	6,391
INVESTMENTS IN RELATED COMPANIES	CPI	4,111	17
OTHER NON-MONETARY ASSETS	CPI	333	684
EXPENDITURE ACCOUNTS	CPI	1,365	3,363
TOTAL (DEBIT) CREDIT		8,214	14,437
LIABILITIES (DEBIT)/CREDIT			
SHAREHOLDERS' EQUITY	CPI	(5,903)	(9,439)
ACCOUNTS PAYABLE TO RELATED COMPANIES	CPI	(759)	(1,538)
SUNDRY CREDITORS	CPI	(21)	(120)
MINORITY INTEREST	CPI	-	-
NON-MONETARY LIABILITIES	CPI	(14)	(16)
INCOME ACCOUNTS	CPI	(1,472)	(3,456)
TOTAL (DEBIT) CREDIT		(8,169)	(14,569)
<b>(LOSS) PROFIT PRICE-LEVEL RESTATEMENT</b>		<b>45</b>	<b>(132)</b>

## 22. - Exchange Rate Differences

ASSETS (DEBIT)/CREDIT	CURRENCY	31/12/2006	31/12/2005
CASH AND BANKS	CHILEAN PESO	(333)	(168)
CASH AND BANKS	US DOLLAR	(32)	39
CASH AND BANKS	EURO	(1,054)	(1,008)
CASH AND BANKS	POUND STERLING	-	(3,131)
CASH AND BANKS	YEN	(9)	(23)
CASH AND BANKS	BRAZILIAN REAIS	5	(4,677)
CASH AND BANKS	OTHER CURRENCIES	7,842	445
TIME DEPOSITS	CHILEAN PESO	395	(1,708)
TIME DEPOSITS	US DOLLAR	143	106
TIME DEPOSITS	EURO	6,389	(3,674)
TIME DEPOSITS	BRAZILIAN REAIS	-	1,125
TIME DEPOSITS	OTHER CURRENCIES	(1,651)	(4,645)
MARKETABLE SECURITIES	OTHER CURRENCIES	-	-
ACCOUNTS RECEIVABLES	CHILEAN PESO	(91)	298
ACCOUNTS RECEIVABLES	US DOLLAR	-	(1)
ACCOUNTS RECEIVABLES	EURO	2,431	(3,644)
ACCOUNTS RECEIVABLES	POUND STERLING	-	(94)
ACCOUNTS RECEIVABLES	YEN	33	(15)
ACCOUNTS RECEIVABLES	BRAZILIAN REAIS	351	(3,233)
ACCOUNTS RECEIVABLES	OTHER CURRENCIES	5,932	2,448
NOTES RECEIVABLES	CHILEAN PESO	(13)	(28)
NOTES RECEIVABLES	EURO	1	-
SUNDRY DEBTORS	CHILEAN PESO	(301)	343
SUNDRY DEBTORS	US DOLLAR	(9)	141
SUNDRY DEBTORS	EURO	1,275	(1,647)
SUNDRY DEBTORS	POUND STERLING	-	(34)
SUNDRY DEBTORS	YEN	4	(42)
SUNDRY DEBTORS	BRAZILIAN REAIS	349	600
SUNDRY DEBTORS	OTHER CURRENCIES	(2,994)	455
RECEIVABLES RELATED COMPANIES	CHILEAN PESO	(99)	304
RECEIVABLES RELATED COMPANIES	US DOLLAR	76	(107)
RECEIVABLES RELATED COMPANIES	EURO	157	110
RECEIVABLES RELATED COMPANIES	POUND STERLING	-	(42)
RECEIVABLES RELATED COMPANIES	BRAZILIAN REAIS	461	(874)
RECEIVABLES RELATED COMPANIES	OTHER CURRENCIES	906	43
RECOVERABLE TAXES	CHILEAN PESO	(149)	1,249
RECOVERABLE TAXES	US DOLLAR	4	-
RECOVERABLE TAXES	BRAZILIAN REAIS	309	57
RECOVERABLE TAXES	OTHER CURRENCIES	-	2
OTHER CURRENT ASSETS	CHILEAN PESO	-	7,544
OTHER CURRENT ASSETS	BRAZILIAN REAIS	-	80
OTHER CURRENT ASSETS	OTHER CURRENCIES	(18,258)	10
INVESTMENTS IN OTHER COMPANIES	CHILEAN PESO	38	(81)
LONG-TERM DEBTORS	CHILEAN PESO	(90)	207
LONG-TERM DEBTORS	US DOLLAR	78	(536)
RECEIVABLES RELATED COMPANIES - LONG TERM	CHILEAN PESO	-	(4)
RECEIVABLES RELATED COMPANIES - LONG TERM	BRAZILIAN REAIS	-	121
OTHER LONG-TERM ASSETS	CHILEAN PESO	(3,456)	-
OTHER LONG-TERM ASSETS	US DOLLAR	8	(316)
OTHER LONG-TERM ASSETS	EURO	-	438
OTHER LONG-TERM ASSETS	OTHER CURRENCIES	279	(852)
<b>Total (Debit) Credit</b>		<b>(1,073)</b>	<b>(14,419)</b>

LIABILITIES (DEBIT)/CREDIT	Currency	31/12/2006	31/12/2005
SHORT-TERM BANK BORROWINGS	OTHER CURRENCIES	-	(1)
DIVIDENDS PAYABLE	CHILEAN PESO	299	79
ACCOUNTS PAYABLE	CHILEAN PESO	516	(145)
ACCOUNTS PAYABLE	US DOLLAR	73	(220)
ACCOUNTS PAYABLE	EURO	(4,112)	3,861
ACCOUNTS PAYABLE	POUND STERLING	-	273
ACCOUNTS PAYABLE	YEN	(11)	158
ACCOUNTS PAYABLE	BRAZILIAN REAIS	(283)	258
ACCOUNTS PAYABLE	OTHER CURRENCIES	8,742	1,935
SUNDRY CREDITORS	CHILEAN PESO	11	(27)
SUNDRY CREDITORS	US DOLLAR	(2)	2
SUNDRY CREDITORS	OTHER CURRENCIES	15	-
NOTES AND ACCOUNTS PAYABLE TO RELATED COMPANIES	CHILEAN PESO	90	247
NOTES AND ACCOUNTS PAYABLE TO RELATED COMPANIES	US DOLLAR	(294)	(52)
NOTES AND ACCOUNTS PAYABLE TO RELATED COMPANIES	EURO	(2)	9
NOTES AND ACCOUNTS PAYABLE TO RELATED COMPANIES	POUND STERLING	-	7
NOTES AND ACCOUNTS PAYABLE TO RELATED COMPANIES	BRAZILIAN REAIS	8	(8)
NOTES AND ACCOUNTS PAYABLE TO RELATED COMPANIES	OTHER CURRENCIES	(12)	18
PROVISIONS	CHILEAN PESO	55	(1,416)
PROVISIONS	EURO	43	(26)
PROVISIONS	BRAZILIAN REAIS	-	2
PROVISIONS	OTHER CURRENCIES	(138)	(11)
WITHHOLDINGS	CHILEAN PESO	45	(74)
WITHHOLDINGS	BRAZILIAN REAIS	(8)	6
WITHHOLDINGS	OTHER CURRENCIES	1	(1)
INCOME TAX	CHILEAN PESO	(8)	25
INCOME TAX	BRAZILIAN REAIS	(181)	4
INCOME TAX	OTHER CURRENCIES	-	-
OTHER CURRENT LIABILITIES	US DOLLAR	(19)	(84)
OTHER CURRENT LIABILITIES	EURO	-	-
OTHER CURRENT LIABILITIES	BRAZILIAN REAIS	-	(60)
OTHER CURRENT LIABILITIES	OTHER CURRENCIES	(595)	-
LIABILITIES WITH PUBLIC – LONG TERM	CHILEAN PESO	2,594	(5,271)
PAYABLES RELATED COMPANIES – LONG TERM	US DOLLAR	(1,208)	1,803
LONG-TERM PROVISIONS	CHILEAN PESO	542	-
OTHER LONG-TERM LIABILITIES	BRAZILIAN REAIS	-	(73)
OTHER LONG-TERM LIABILITIES	OTHER CURRENCIES	-	-
<b>Total (Debit) Credit</b>		<b>6,161</b>	<b>1,218</b>
(Loss) profit exchange difference		5,088	(13,201)

## 23. - Statement of Cash Flow

### a) Financing activities

a.1- During 2006, loans of ThUS\$ 796, ThUS\$ 5,350 and ThUS\$ 622 were taken by the subsidiary SAAM with Banco Estado, Banco Santander NY and Banco Chile, respectively. The difference of ThUS\$ 32,750 with the prior year refers to several short-term loans subscribed which were used to fund specific operations of the subsidiary SAAM S.A. and which are amortized in the short term.

a.2- During the same year, loans amortizations amounting to ThUS\$ 6,254 were made; to Deutsche Shiffsbank (ThUS\$ 1,120), Banco Estado (ThUS\$ 1,643), Banco Chile (ThUS\$ 1,147) and several minor amortizations (ThUS\$ 2,344).

### b) Investment activities

b.1- The sale of Fixed assets basically refers to the sale of M/V Bow Andes amounting to ThUS\$ 3,986, to sale of containers by Lennox Ocean Shipping CO. S.A., and several other minor transactions.

b.2- The sale of Other investments basically refers to sale of vessel's hulls and amounts to ThUS\$ 266,940.

b.3- The purchase of fixed assets amounts to ThUS\$ 53,416, which main additions refer to: the acquisition of Bow Cóndor by Odfjell y Vapores S.A. (ThUS\$ 10,547), machinery and equipment such as cranes, parts and pieces for tug boats in the subsidiary SAAM S.A. (ThUS\$ 27,832), and buildings and infrastructure by SAAM S.A. (ThUS\$ 6,004).

b.4- Investments in related companies basically refer to investments made by the subsidiaries SAAM S.A. (ThUS\$ 2,071) and CSAV Inversiones Navieras S.A. (ThUS\$ 634), and by Corvina Shipping CO.S.A. (ThUS\$ 22,501), and Tollo Shipping CO.S.A. (ThUS\$ 12,757)..

b.5- The other investment disbursements mostly refer to payments for vessel's hulls made to shipyards (ThUS\$ 152,546).

c.) The future cash flows committed by the Company basically refer to purchase of vessels as described in Note 25.

## 24. - Derivatives Contract

Type of derivative	Type of contract	Contract value	Maturity	Description of the transaction				Value of hedged transaction	Account affected			
				Specific item	Position purchase / sale	Transaction hedged Name	Amount		Asset - Liabilities		Effect on income	
									Name	Amount	Realized	Unrealized
FR	CCPE	29,000	III 2007	EXCHANGE RATE US\$/CLP	C	FOREIGN EXCHANGE EXPOSURE	29,000	29,000	OTHER CURRENT LIABILITIES	151	-	(151)
FR	CCPE	20,000	III 2007	EXCHANGE RATE US\$/CLP	C	FOREIGN EXCHANGE EXPOSURE	20,000	20,000	OTHER CURRENT LIABILITIES	80	-	(80)
FR	CCPE	20,000	III 2007	EXCHANGE RATE US\$/CLP	C	FOREIGN EXCHANGE EXPOSURE	20,000	20,000	OTHER CURRENT LIABILITIES	107	-	(107)
C	CCPE	100,000	IV 2014	INTEREST RATE %	C	OBLIGATIONS WITH BANKS	85,000	85,000	OTHER CURRENT ASSETS	2,497	-	2,497
C	CCPE	50,000	IV 2014	INTEREST RATE %	C	OBLIGATIONS WITH BANKS	42,500	42,500	OTHER CURRENT ASSETS	1,249	-	1,249
C	CCPE	201,850	III 2033	EXCHANGE RATE US\$/JPY	C	LOAN IN JPY	201,850	201,850	ACCOUNTS PAYABLE	-	-	-
C	CCPE	201,850	III 2033	EXCHANGE RATE US\$/JPY	C	LOAN IN JPY	201,850	201,850	ACCOUNTS PAYABLE	-	-	-
C	CCTE	7,275	III 2011	INTEREST RATE %	C	LOAN IN USD	7,050	7,050	OTHER CURRENT LIABILITIES	161	-	161
C	CCTE	12,125	III 2011	INTEREST RATE %	C	LOAN IN USD	11,750	11,750	OTHER CURRENT ASSETS	268	-	268
C	CCTE	13,211	I 2012	INTEREST RATE %	C	LOAN IN USD	11,705	11,705	OTHER CURRENT ASSETS	306	-	306
C	CCTE	21,187	I 2010	INTEREST RATE %	C	LOAN IN USD	19,365	19,365	OTHER CURRENT ASSETS	320	-	320
C	CCTE	30,000	II 2007	JPY CALL	C	LOAN IN JPY (AFLAC)	30,000	30,000		332	-	332
C	CCTE	30,000	II 2007	JPY CALL	C	LOAN IN JPY (AFLAC)	30,000	30,000		332	-	332
C	CCTE	40,000	II 2007	JPY CALL	C	LOAN IN JPY (AFLAC)	40,000	40,000		442	-	442
C	CCTE	25,000	II 2007	JPY CALL	C	LOAN IN JPY (AFLAC)	25,000	25,000		276	-	276
C	CCTE	30,000	II 2007	JPY CALL	C	LOAN IN JPY (AFLAC)	30,000	30,000		328	-	327
C	CCTE	8,604	II 2007	FUEL PRICE	C	FUEL PURCHASE	8,061	8,061	PREPAID EXPENSES	751	-	(751)
C	CCTE	1,446	II 2007	FUEL PRICE	C	FUEL PURCHASE	1,293	1,293	PREPAID EXPENSES	162	-	(161)
C	CCTE	7,110	II 2007	FUEL PRICE	C	FUEL PURCHASE	6,169	6,169	PREPAID EXPENSES	722	-	(722)
C	CCTE	7,204	I 2007	FUEL PRICE	C	FUEL PURCHASE	7,204	7,204	PREPAID EXPENSES	113	-	(113)
C	CCTE	2,565	II 2007	FUEL PRICE	C	FUEL PURCHASE	2,372	2,372	PREPAID EXPENSES	272	-	(272)
C	CCTE	748	II 2007	FUEL PRICE	C	FUEL PURCHASE	748	748	PREPAID EXPENSES	44	-	(44)
C	CCTE	2,384	II 2007	FUEL PRICE	C	FUEL PURCHASE	2,313	2,313	PREPAID EXPENSES	173	-	(173)
C	CCTE	7,278	II 2007	FUEL PRICE	C	FUEL PURCHASE	7,278	7,278	PREPAID EXPENSES	459	-	(459)
FR	CCTE	2,190	IV 2007	FREIGHT PRICE	V	FREIGHT SALE	2,190	2,190	PREPAID EXPENSES	-	-	-
FR	CCPE	14,000	I 2007	EXCHANGE RATE	C	ACC. PAYABLE REL. COMPANIES	14,000	14,000	OTHER CURRENT LIABILITIES	-	-	-
FR	CCPE	4,000	I 2007	EXCHANGE RATE	V	ACC. PAYABLE REL. COMPANIES	4,000	4,000	OTHER CURRENT LIABILITIES	-	-	-
S	CCTE	11,600	I 2012	INTEREST RATE	C	US\$ LOAN IN MEXICO	11,600	11,600		-	-	-

## 25. - Contingencies and Restrictions

### A) Compañía SudAmericana de Vapores S.A.

#### a.1) Guarantees

##### a.1.1) Bank of America - Guarantee of ThUS\$ 600

Pursuant to new regulation of the US Customs, in its security policy, Compañía SudAmericana de Vapores S.A. granted on May 7, 2004, a bank guarantee through Bank of America, in favor of XL Specialty Insurance Company, in order for the US Customs to accept the access of the vessels consigned to the Company. The guarantee amounts to ThUS\$ 600, maturing on April 12, 2007.

##### a.1.2) Bank of America - Guarantee of ThUS\$ 100

On June 4, 2004, Compañía SudAmericana de Vapores S.A. granted a bank guarantee through Bank of America in favor of the Board of County Commissioners Miami, in order to secure its port operations in Miami. The guarantee amounts to ThUS\$ 100, maturing on May 31, 2007.

##### a.1.3) Scotiabank – Performance Bond ThCh\$ 16,000

In order to guarantee due compliance with the obligations and liabilities incurred in the agreement between the Chilean Navy and Compañía SudAmericana de Vapores S.A., the Company has delivered a Performance Bond of ThCh\$ 16,000 in favor of the referred institution, outstanding until December 31, 2007.

#### a.1.4) Deutsche Schiffsbank - Loan M/N Mapocho

On February 14, 2003, Compañía SudAmericana de Vapores S.A. entered into a credit contract with Deutsche Schiffsbank in the amount of ThUS\$ 15,615, which was totally disbursed on that date. Such loan was taken out in order to finance the acquisition price of M/V Mapocho. As of December 31, 2006, the outstanding amount is ThUS\$ 12,255. As of December 31, 2006, the vessel's book value amounts to ThUS\$ 12,364.

The Company put up ship mortgage on the vessel guaranteeing the payment of the obligations incurred with Deutsche Schiffsbank up to ThUS\$ 15,615 by way of capital. Further, on the same date, a promissory note issued to the creditor was signed, certain income and insurance contracts relating to the vessel were conditionally transferred, and a commercial chattel mortgage over certain rights, credits, accounts receivable and income related to the vessel was pledged.

#### a.1.5) DnB Nor Bank ASA- Loan M/N Pacific Winner

On May 22, 2003, Compañía SudAmericana de Vapores S.A., furnished a guarantee in favor of Pacific Winner Shipping Co. S.A., Republic of Panama, to ensure a loan contract with DnB Nor Bank ASA amounting to ThUS\$ 12,500 by way of capital, to be disbursed on the same date. This loan was taken out to finance the acquisition price of the M/V Pacific Winner by the referred subsidiary. Later on, the M/V was purchased by Compañía SudAmericana de Vapores S.A. from its subsidiary, putting up a mortgage on such vessel for guaranteeing the loan granted by DnB Nor Bank ASA to the subsidiary Pacific Winner Shipping Co. S.A. As of December 31, 2006, the outstanding amount is ThUS\$ 8,930. At December 31, 2006, the vessel's book value is ThUS\$ 5,713.

#### a.1.6) American Family Life Assurance Company of Columbus (AFLAC)

On August 1, 2003 Compañía SudAmericana de Vapores S.A., acted as guarantor and several joint debtor of its subsidiary Tollo Shipping Co. S.A., of Panama, before American Family Life Assurance Company of Columbus (AFLAC), agency in Japan, concerning a loan of JPY 24,000,000,000, equivalent to US\$ 201,850,294, legal currency of the United States of America. The loan was allocated to the payment of outstanding debts, as well as investments of public knowledge, and to project complementing the business of the Company or its subsidiaries. The 30-year obligation will be totally paid upon maturity, in yen, and the interests will be paid in US dollars on a semi-annually basis. The loan can be paid in advance, either totally or in part, from the fifteenth year at the time of the interest payments.

On July 18, 2003, Compañía SudAmericana de Vapores S.A. acted as guarantor and several joint debtor of its subsidiary Tollo Shipping Co. S.A., of Panama, before Goldman Sachs & Co., in one or several contracts to hedge fluctuations in the exchange rate between the Yen and Dollar, during the term of the loan described in the previous paragraph, in the event that the Yen appreciates with regard its current quotation up to an agreed margin, through the payment of an annual rate, payable on a semi-annually basis as of the payment date of the loan's interest. The interest and cost of the referred exchange hedge, for this funding, reaches an annual 6.3%.

#### a.1.7) HSBC - Stand by Credit Letter

On August 30, 2006, Compañía SudAmericana de Vapores S.A. granted a bank guarantee through HSBC Chile in favor of Petroleo Brasileiro SA (Petrobras), Rio de Janeiro – Brazil for guaranteeing its payments for fuel purchases in that country. The guarantee amounts to ThUS\$ 2,200 maturing on August 27, 2007.



### a.1.8) Shipbuilding Project

#### Project Description

The Company, through the subsidiary Brunswick Investment Co. Inc. of Bahamas, and with its joint and several bond, has agreed with the shipyard China Shipbuilding Corporation (CSBC), of Taiwan, construction contracts regarding two kinds of vessels:

- a) 4,050-TEU vessels, to be delivered in stages between May 2005 and December 2006. Three of these vessels were ordered by Brunswick Investment Co. and other three by subsidiaries of Peter Döhle Schiffahrts KG.
- b) 5,500-TEU vessels, to be delivered in stages between February 2005 and October 2006. Three of these vessels were ordered by Brunswick Investment Co. and other three by subsidiaries of Peter Döhle Schiffahrts KG.

Further, on October 7, 2003, the Company approved a project for the acquisition with Peter Döhle Schiffahrts KG., share and share alike, of three 6,500-TEU vessels, which construction was commissioned to the Hyundai Shipyard of Korea (Hyundai Heavy Industries Co. Ltd.). The vessels' delivery is scheduled as follows: a) The two first vessels during the fourth quarter of 2006; b) The third vessel, during the first quarter of 2007. The contract contained options for the purchase of up to 3 other vessels, for delivery during the first quarter of 2007, which were exerted by the buyers. The investment for each sharer, for the 3 vessels, is ThUS\$ 206,450 which, in the case of this Company, will be acquired by a subsidiary of the Company with a joint surety. In turn, Peter Döhle Schiffahrts KG has entered into a similar contract with the same Shipyard.

The purchased vessels will be contributed to companies in which the Company and Peter Döhle Schiffahrts KG or their subsidiaries will participate, on an equal basis and, therefore, they will be associates of both sharers.

#### CSBC vessel financing

The financing for the acquisitions with the shipyard China Shipbuilding Corporation (CSBC), of Taiwan, was negotiated with HSH Nordbank AG for long-term loans, which will be drawn upon delivery of each vessel, up to 90% of the value of these investments, being a total of ThUS\$ 562,500. Thus, the Company, which will act through related companies and subsidiaries, and Peter Döhle Schiffahrts-KG, which in turn will also act through one of its subsidiaries, are financing 10% of this investment with their own resources. Such loans will be secured with mortgages on the respective vessel.

In addition to the mortgages, and for guaranteeing the payment of such funding, the Company obtained, through Extraordinary Shareholders' Meeting held on June 27, 2003, the approval to grant joint sureties that will guarantee, in each case, the equivalent to 10% of the value of each vessel, percentage that will be increased by 20% by way of interest and expenses, thus reaching 12% of the value of each vessel. In some of these vessels, this percentage could reach 15%, which would be increased to 18% of its value, due to interest and expenses.

The guarantees referred to above were changed as agreed in the Extraordinary General Meeting held on last April 15, 2005, in a sense that instead of agreeing both guarantors to securing 12% of the construction price in every contract, only one of them did it for 24% of such price, thus securing alternately only one in every two vessels. Thus, the granting of surety bonds by the Company can be done, securing alternately (i) up to 12% of the construction price of each vessel, or (ii) up to 24% of the construction price of one half of the vessels considered within the project.

#### Financing of Hyundai Heavy Industries Co., Ltd. (HHI) vessels

For the financing of the acquisitions from the Hyundai Shipyard of Korea, long-term loans to be paid upon delivery of each vessel have been negotiated with HSH Nordbank AG, for up to 90% of the value of these investments.

Ninety percent of the value of these vessels financed by the Bank will be secured with a mortgage on the respective vessel and, additionally, with the respective parent companies, Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts-KG acting as guarantors and several joint debtors, in favor of HSH Nordbank AG of Hamburg. This will be done alternately for up to 10% of the value of each vessel or for up to 20% of one half of the vessels included in the project. These percentages are increased by 20% for interest and expenses, reaching 12% or 24% of the value of each vessel, respectively.

#### Project percentage completion

On October 18, 2004, the first 5,500-TEU vessel ordered by Peter Döhle Schiffahrts-KG was delivered, which was added to a joint company between subsidiaries of Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG, under the name of “Copiapó”.

On February 25, 2005, the second 5,500-TEU vessel ordered by Compañía SudAmericana de Vapores S.A. was delivered, which was added to a joint company between subsidiaries of Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG and received the name of “Choapa”. For this vessel, Compañía SudAmericana de Vapores S.A. granted a joint and several bond for ThUS\$ 12,456 in favor of HSH Nordbank.

On March 11, 2005, the first 4,050-TEU vessel ordered by Peter Döhle Schiffahrts-KG was delivered, which was added to a joint company between subsidiaries of Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG and received the name of “Loa”.

On May 12, 2005, the third 5,500-TEU vessel ordered by Peter Döhle Schiffahrts-KG was delivered, which was added to a joint company between subsidiaries of Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG and received the name of “Chillán”.

On May 31, 2005, the second 4,050-TEU vessel ordered by Compañía SudAmericana de Vapores S.A. was delivered, which was added to a joint company between subsidiaries of Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG and received the name of “Limarí”. For this vessel, Compañía SudAmericana de Vapores S.A. granted a joint and several bond for ThUS\$ 10,044 in favor of HSH Nordbank.

On February 17, 2006 the fourth 5,500-TEU vessel ordered by Compañía SudAmericana de Vapores S.A. was delivered, which was added to a joint company between subsidiaries of Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG and received the name of “Choulguan”. For this vessel, Compañía SudAmericana de Vapores S.A. granted a joint and several bond for ThUS\$ 12,456 in favor of HSH Nordbank.

On February 27, 2006, the third 4,050-TEU vessel ordered by Peter Döhle Schiffahrts KG was delivered, which was added to a joint company between subsidiaries of Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG and received the name of “Lircay”.

On April 20, 2006, the fifth 5,500-TEU vessel ordered by Peter Döhle Schiffahrts KG was delivered, which was added to a joint company between subsidiaries of Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG and received the name of “Chaitén”.

On May 10, 2006, the fourth 4,050-TEU vessel ordered by Compañía SudAmericana de Vapores S.A. was delivered, which was added to a joint company between subsidiaries of Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG and received the name of “Longavi”. For this vessel, Compañía SudAmericana de Vapores S.A. granted a joint and several bond for ThUS\$ 10,044 in favor of HSH Nordbank.

On July 7, 2006, the sixth 5,500-TEU vessel ordered by Compañía SudAmericana de Vapores S.A. was delivered, which was added to a joint company between subsidiaries of Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG and received the name of “Chacabuco”. For this vessel, Compañía SudAmericana de Vapores S.A. granted a joint and several bond for ThUS\$ 12,456 in favor of HSH Nordbank.

On August 11, 2006, the first 6,500-TEU vessel ordered by Compañía SudAmericana de Vapores S.A. was delivered, which was added to a joint company between subsidiaries of Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG and received the name of “Pucon”. For this vessel, Compañía SudAmericana de Vapores S.A. granted a joint and several bond for ThUS\$ 16,500 in favor of HSH Nordbank.

During July 2004, Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG committed each the sale of two 4,050-TEU vessels, which construction is commissioned to CSBC and which delivery was scheduled for the second half of 2006. Both vessels were received and sold as scheduled.

On November 7, 2006, the second 6,500-TEU vessel ordered by Compañía SudAmericana de Vapores S.A. was delivered, which was added to a joint company between subsidiaries of Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG and received the name of “Puelo”. For this vessel, Compañía SudAmericana de Vapores S.A. granted a joint and several bond for ThUS\$ 16,500 in favor of HSH Nordbank.

On November 14, 2006, the third 6,500-TEU vessel ordered by Peter Döhle Schiffahrts KG was delivered, which was added to a company of Peter Döhle Schiffahrts KG and received the name of “Pangal”.

On November 27, 2006, the fourth 6,500-TEU vessel ordered by Peter Döhle Schiffahrts KG was delivered, which was added to a company of Peter Döhle Schiffahrts KG and received the name of “Petrohue”.

On December 18, 2006, the fifth 6,500-TEU vessel ordered by Compañía SudAmericana de Vapores S.A. was delivered, which was added to a joint company between subsidiaries of Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG and received the name of “Palena”. For this vessel, Compañía SudAmericana de Vapores S.A. granted a joint and several bond for ThUS\$ 16,500 in favor of HSH Nordbank.

#### a.1.9) Stocznia Szczecinska Nowa Sp.Z.

The Company approved a project for the acquisition of 50% of four 3,100-TEU vessels, which construction was ordered to the shipyard Stocznia Szczecinska Nowa Sp. Z., of Poland. The remaining 50% will be held by its German partner Peter Döhle Schiffahrts KG. In 2003, before delivery, the option for the first vessel was ceded. The second vessel was delivered in February 2004. CSAV decided to transfer the equity ownership rights of the two remaining vessels to Peter Döhle Schiffahrts KG. An additional option was obtained for the acquisition of a fifth vessel, to be delivered in July 2007, which value will be ThUS\$ 40,150. This investment will be assumed by each partner in equal percentage.

#### a.1.10) HSH – Revolving Credit Line

On December 19, 2005, the Panamanian subsidiary Inversiones Nuevo Tiempo S.A. entered into a framework agreement with the HSH Norbank AG of Germany, relating to a revolving credit line of up to US\$ 250,000,000. The line will be used through one or more subsidiaries of Compañía SudAmericana de Vapores S.A., and to the purpose of relying on the financial resources necessary for the eventual acquisition of vessels in the future, according to the growth needs of its fleet. Once each vessel has been acquired, the acquiring subsidiary shall guarantee the respective money order with a mortgage over the vessel and surety bond and several joint debt of Compañía SudAmericana de Vapores S.A. for up to the equivalent of 50% of the initial amount of the respective disbursement debited to the referred credit line. Amortization of each money order will be made on a quarterly basis and over a period of up to 15 years, depending on the respective vessel. The terms and conditions of this line will allow finance up to 70% of the market value of each vessel, at most, and interest will be that equivalent to the Libor rate + 1% or 1.15% annually, depending on the price of each vessel acquired.

#### a.1.11) BNP Paribas – Revolving Credit Line

On December 20, 2006, the Panamanian subsidiary Inversiones Nuevo Tiempo S.A. entered into a frame agreement relating to a revolving credit line for up to US\$ 450,000,000 with the BNP Paribas bank of France. The line will be used through one or more subsidiaries of Compañía SudAmericana de Vapores S.A., and to the purpose of relying on the financial resources necessary for the eventual acquisition of vessels in the future, according to the growth needs of its fleet. Once each vessel has been acquired, the acquiring subsidiary shall guarantee the respective money order with a mortgage over the vessel and surety bond and several joint debt of Compañía SudAmericana de Vapores S.A. for up to the equivalent of 50% of the amount outstanding in each credit incurred. Amortization of each money order will be made on a quarterly basis and over a period of up to 10 years, depending on the respective vessel. The terms and conditions of this line will allow finance up to 70% of the market value of each vessel, at most, and interest will be that equivalent to the Libor rate + 0.90%.

#### a.2) Guarantee notes

As of December 31, 2006 and 2005, the Company has no guarantee notes.

There are other minor guarantees which detail is not necessary for the interpretation of these financial statements.

#### a.3) Collateral

The Company has guaranteed an insurance policy that will enable it to obtain guarantees required by the U.S. government for the domestic transportation of merchandise of its subsidiaries Companhia Libra Navegação, Montemar Marítima S.A. and Norasia Container Lines Ltd.

#### a.4) Other legal contingencies

The Company is a defendant in certain lawsuits and arbitrations relating to the cargo transport and damages, and its eventual loss contingencies are covered by insurance policies taken out. There are enough provisions to cover the amounts under the deductible.

In connection with the loans outstanding with private banks, both in local and foreign currency, the Company is subject to standard commitments and obligations for these kinds of operations.

#### a.5) Restrictions and financial indicators required

a.5.1) Indexed Bonds UF 1,950,000 - a) Maintain assets exempt from any kind of encumbrances of, at least, 1.3 times the unpaid amount of the total financial liabilities without guarantees held by the issuer b) Maintain a leverage, at an individual level, in which the total debt-to-equity ratio is not higher than 1.0 times. Similarly, maintain a leverage, at a consolidated level, in which the consolidated financial debt / (total equity + minority interest) ratio is not higher than 1.2 times c) Maintain a minimum individual and consolidated equity of ThUS\$ 350,000.

a.5.2) Credit contract with American Family Life Assurance Company of Columbus (AFLAC) ThUS\$ 201,850 - a) Maintain financial expense coverage (EBITDA / Net Interest) not lower than 2.5 b). The debt-to-equity ratio should not be higher than 1.0 c) Maintain a minimum balance of ThUS\$ 50,000 for Cash and banks, Time deposits and Marketable securities.

a.5.3) Credit contract with DnB Nor Bank ASA of ThUS\$ 12,500 - a) the Net Equity of Intangibles should not be lower than ThUS\$ 350,000 and will increase on a quarterly basis with an amount equal to 50% of the net income for the year b) the borrowing level to shareholders' equity net of Intangibles ratio should be lower than 1.0 c) Maintain a minimum balance of ThUS\$ 50,000 for Cash and banks, Time deposits and Marketable securities.

Further, credits and bonds oblige the Company to observe certain positive restrictions, such as compliance with the law, tax payment, maintenance of insurance, and other similar restrictions, and also to observe certain negative restrictions, such as not to furnish chattel mortgages, except those authorized by the contract, not to perform corporate mergers, except those authorized, or not to sell fixed assets.

The financial expense coverage to be maintained by the Company under the guarantee delivered for the loan granted by AFLAC to the Company's subsidiary, Tollo Shipping Co., at a level higher than 2.5 times, has not been reached according to the consolidated financial statements of the Company at December 31, 2005. The foregoing is not a cause for non-compliance and does not give the creditor the right to speed up such loan, but once the period of grace stated in the respective contract has elapsed.

The Company has complied with all these restrictions or covenants.

#### B) Odfjell y Vapores S.A.

b.1) In order to guarantee due fulfillment of the obligations and liabilities incurred in the sulphuric acid shipping agreement between the Corporación Nacional del Cobre (Codelco) and Odfjell y Vapores S.A., the latter has furnished a Performance Bond of ThUS\$ 250 issued to Codelco-Chile, with maturity up to January 31, 2008.

#### C) Tollo Shipping Co. S.A.

c.1 The following guarantees have been recorded in favor of subsidiaries and associates:

c.1.1. Tollo Shipping Co. S.A. maintains a guarantee dated January 29, 2001 with the DvB Group Merchant Bank (Asia) Ltd., to secure the obligations incurred by its associate Tilbury Shipping Inc. up to the amount of ThUS\$ 250, relating to the acquisition of the vessel Alcem Lugait.

c.1.2. In addition, it maintains a guarantee dated January 29, 2001 with the DvB Group Merchant Bank (Asia) Ltd., to secure the obligations incurred by its associate Emblem Shipping Inc., with the DvB Group Merchant Bank (Asia) Ltd. up to the amount of ThUS\$ 250 in connection with the acquisition of the vessel Alcem Calaca.

c.1.3. Tollo Shipping Co. S.A. maintains a guarantee dated July 20, 2001 with the Nordea Bank Norge ASA, to secure the obligations incurred by its associate Mattea Shipping Inc., relating to the acquisition of the vessel Glory Sun, amounting to ThUS\$ 300.

#### D) CSAV Agencies LLC,

Maintains the following letter of credit outstanding for the development of its operations:

d.1. Of ThUS\$ 61.48, for guaranteeing compliance with lease contract for the offices in New Jersey.

#### E) Sudamericana, Agencias Aéreas y Marítimas S.A.

As of December 31, 2006 this Company's contingencies and commitments are as follows:

##### Guarantees granted

- Bank performance bonds issued to Empresas Portuarias, National Customs Service, Labor Board, Directemar, Enap Refinerías S.A., Customs-free Area of Iquique and Sociedad Punta de Lobos (2006); Empresas Portuarias, National Customs Service, Labor Board, Directemar, Refinería de Petróleo Con Con (2005), amounting to ThUS\$ 297,669 in 2006 period (ThUS\$ 298,880 in 2005).

- Performance bonds in dollars issued to Empresas Portuarias (2006), Empresas Portuarias of Valparaiso, Arica and San Antonio, Instituto Costarricense de Puertos del Pacífico and CEPA (2005) amounting to ThUS\$ 5,430 in 2006 period (ThUS\$ 1,152 in 2005).

- Performance bonds issued by the Scotiabank, taken on account of the subsidiary Cosem Ltda. in the name of the Labor Board of Arica, Iquique, Antofagasta, Coquimbo, Valparaíso, San Antonio, Chacabuco and Punta Arenas, for guaranteeing obligations as a wharfage company, in the total amount of UF 19,997, maturing on March 31, 2007, and in favor of National Customs Director for guaranteeing obligations as Stow and Re-stow Agent, amounting to Ch\$ 387 with maturity on November 24, 2007.

- Performance bonds issued by the Scotiabank, taken on account of the subsidiary Saam Extraportuarios S.A. in the name of the National Customs Service, for guaranteeing obligations as authorized storekeeper, in the amount of UF 18,000, maturing on March 31, 2007.

- Performance bonds issued by the Scotiabank, taken on account of the subsidiary Servicios de Aviación S.A. in the name of Concesionaria Aeropuerto El Tepual S.A., for guaranteeing obligations arising from the sub-concession and lease contract, in the amount of UF 33 and maturing on August 30, 2007 and, also, in the name of the Dirección General de Aeronáutica Civil, for guaranteeing the monthly aeronautic rights in the amounts of UF 23, maturing on July 31, 2007 and UF 48, maturing on October 31, 2007, and UF 15 maturing on August 31, 2007.

- Performance bonds issued by the Scotiabank, taken on account of the subsidiary Terminal Colorado S.A. in the name of the Labor Board of Iquique, in the amount of UF 530.02, maturing on March 31, 2007.

- Performance bonds issued by the Scotiabank, taken on account of the subsidiary Inmobiliaria Marítima Portuaria Ltda. in the name of the Esval S.A. in the amount of UF 20, maturing on May 30, 2007.

- Guarantee issued to Corpbanca and International Finance Corporation (IFC), granted to secure long-term credit facilities of San Vicente Terminal Internacional S.A. (SVTI):

a) Support Agreement: includes the obligation of SAAM to contribute funds up to ThUS\$ 4,000 to SVTI in the event of liquidity shortfall. In addition, restricts the transfer of SVTI shares.

b) Pledge on shares: includes commercial guarantee over shares issued by SVTI owned by, or which could be acquired by SAAM S.A. in the future.

- Guarantee issued to BCI and Corpbanca, consisting of a commercial chattel mortgage on the shares issued by STI, either owned or which could be acquired by SAAM S.A. in the future, granted to guarantee long-term credit facilities of San Antonio Terminal Internacional S.A. (STI) up to a total of ThUS\$ 100,000, from which ThUS\$ 90,000 have already been drawn.

- Guarantee issued to Citibank, N.A., with SAAM acting as special endorser, guarantor and several joint debtor up to ThUS\$ 2,550 for credit facilities granted to the subsidiary Inversiones Alaria S.A., expiring on August 31, 2008.

- Guarantee issued to Citibank, N.A. New York Branch, with SAAM acting as special endorser, guarantor and several joint debtor up to ThUS\$ 1,500 for the issue of a standby letter of credit by Inversiones Alaria S.A. to Afianzadora Sofimex S.A., expiring on June 30, 2007.

- Guarantee issued to Santander Central Hispano N.Y., with SAA; acting as special endorser, guarantor and several joint debtor up to ThUS\$ 11,600 maturing on February 1, 2012, relating to the loan granted to the subsidiary Saam Remolques S.A. de C.V.

- Guarantee issued to Santander Overseas Bank, Inc., with SAAM acting as special endorser, guarantor and several joint debtor up to ThUS\$ 10,000 maturing on October 12, 2012, relating to the loan granted to the subsidiary Inversiones Habsburgo S.A.

- Guarantee issued to the Santander Serfin Bank, with SAAM acting as special endorser, guarantor and several joint debtor up to ThUS\$ 8,500 maturing on October 30, 2013, relating to a leaseback contract granted to the subsidiary Saam Remolques S.A. de C.V.



- Guarantee issued to the Banco Santander Central Hispano S.A. New York Branch, with SAAM acting as special endorser, guarantor and several joint debtor up to ThUS\$ 4,000, supporting loan granted to the subsidiary Florida International Terminal LLC and maturing on July 12, 2012, with a 2-year grace period.

- Standby letter of credit issued by Citibank, N.A. in favor of Citibank (Ecuador) S.A. amounting ThUS\$ 100,000 with maturity on January 22, 2007. This guarantee is pursuant to point 15 of the Pre-qualification Regulations for the Container Terminals and Multipurpose (TMC) Concession Process of the Port of Guayaquil in favor of the Port Authority of Guayaquil.

#### F) IMPSA LTDA.

Guarantee granted:

- Mortgage of UF 17,612 placed on September 30, 2002 and maturing in 2007 on a property located in Valdivia, Chumpullo area, in favor MASISA S.A., to guarantee full and due payment of the purchase price.

#### G) SAAM EXTRAPORTUARIOS S.A.

Lawsuit:

- Case N° 3870-2004, 1st Labor Court of Valparaíso. Complaint filed against Saam Extraportuarios S.A. and Sepsa S.A. for liability in injuries suffered by Mr. Claudio Navarro Herrera, in an accident occurred during unloading,. The amount claimed is ThCh\$ 205,566. The case is in process and if a judgment in pronounces, liabilities should not exceed ThCh\$ 50,000.

#### H) SEPSA S.A.

Lawsuit:

- Case N° 3870-2004, 1st Labor Court of Valparaíso. Complaint filed against Saam Extraportuarios and Sepsa S.A. for liability in injuries suffered by Mr. Claudio Navarro Herrera, in an accident occurred during unloading. The amount claimed is ThCh\$ 205,566. The case is in process and if a judgment is pronounced, liabilities should not exceed ThCh\$ 50,000.

#### I) SAAM CONTENEDORES S.A.

Guarantees granted:

- Two performance bonds for ThUS\$ 382 each and expiring on May 31, 2007, annually renewable, issued by Banco de Crédito e Inversiones in favor of Empresa Portuaria San Antonio, to ensure due fulfillment of the obligations contracted, specially payment of liabilities established in the leasing contract.

#### J) COSEM LTDA

Lawsuits:

A summary of litigations and lawsuits in which the Company is involved is as follows:

- Cepeda and others vs. SAAM S.A., Cossem Ltda. and CSAV S.A., the amount claimed is ThCh\$ 163,600. The case, filed before the 5th Civil Court of Valparaíso, is in the Supreme Court.

- C. Vinnen & Co, (GMBH) vs. Cossem Ltda. Amount claimed: ThCh\$ 105,000 filed before the 5<sup>th</sup> Civil Court of Valparaíso. The plaintiff has requested to come to an agreement for ThCh\$ 25,000. The case is in the sentence state.

#### K) IQUIQUE TERMINAL INTERNACIONAL S.A.

##### Guarantees extended:

- Performance bonds issued by the Banco de Chile in favor of Empresa Portuaria de Iquique, to guarantee the payment of a concession contract, in a total amount of ThUS\$ 2,900, expiring on October 30, 2007.
- Performance bond for U.F. 6,000 issued by Corpbanca in favor of the Chilean Customs Service, to guarantee full payment of a fitted warehouse, expiring on March 31, 2007.

#### L) MUELLAJE ISLUGA S.A.

- Performance bond for U.F. 2,020 issued by Banco Crédito Inversiones in favor of the Provincial Labor Board of Iquique, to guarantee full payment of labor and social security liabilities, expiring on March 31, 2007.

#### M) MUELLAJE I.T.I. S.A.

- Performance bond for UF 4,770 issued by Banco Crédito e Inversiones in favor of the Provincial Labor Board of Iquique, to guarantee due payment of labor and social security liabilities, expiring on March 31, 2007.

#### N) AQUASAAM S.A.

##### Guarantees extended:

- Chattel mortgage placed on August 28, 2002 on a tenement located in the Quinched sector, no number, in favor of Banco de Chile, to guarantee due payment of all financial commitments made in the future. The book value of the property amounts to ThCh\$ 297,746.
- Chattel mortgage without conveyance of movable (Shed, netting workshop, netting washing machine, waste treatment plant) and/or detachable property issued to the Banco Chile, to guarantee due payment of the loans of UF 27,406 and interest, granted by the bank in various items to the Company. The book value of the pledged property amounts to ThCh\$ 750,496.

#### O) INVERSIONES ALARIA S.A.

##### Guarantees extended:

- Stand-by letter of credit issued by Citibank N.A. in favor of Citibank N.A. New York Branch, to guarantee obligations incurred with the BBVA Banco Continental of Peru, in the amount of ThUS\$ 800, expiring on August 18, 2008.
- Stand-by letter of credit for ThUS\$ 1,000 issued by Citibank N.A. in favor of Citibank N.A. New York Branch, to guarantee obligations incurred with the BBVA Banco Continental of Peru, expiring on August 31, 2008.
- Stand-by letter of credit for ThUS\$ 1,500 issued by Citibank N.A. in favor of Afanzadora Sofimex S.A, to back contractual obligations incurred by Saam Remolques S.A. de C.V. with Pemex Exploración y Producción, expiring on November 30, 2006.

#### P) ECUAESTIBAS S.A.

##### Guarantees extended:

- Guarantees for a total of ThUS\$ 1,875 issued by Memoser, Colón, Seg. Oriente and in favor of the Corporación Aduanera Ecuatoriana, to guarantee temporary importation of tug boats, lighters, cranes and containers ships, with different maturities, being December 5, 2007 the last expiry.
- Guarantees for ThUS\$ 920 issued by Memoser and Colón in favor of the Corporación Aduanera Ecuatoriana and the Port Authority of Guayaquil, to guarantee the payments of customs duties, with expiries from January 3, 2007 to January 31, 2007.
- Guarantees for ThUS\$ 365 issued by Colón in favor of the Corporación Aduanera Ecuatoriana, to guarantee the payment of the import duties for a Gottwald crane, temporarily admitted into Ecuador as a re-exportable asset, as well as port operations, expiring on September 27, 2007.

##### Lawsuits:

- Lawsuit for ThUS\$ 250 for liability in solidum for the death of an ex worker who provided services for Ecuastibas S.A. through the company Roclamesej Cía. Ltda. (main defendant). In September 2005, the complainant was notified by the judge to send a reply for the official notices required and furnished in time.
- Lawsuit for overtime liquidation and final discharge settlements of ThUS\$ 227 for two ex employees. Plaintiffs have appealed the judgment from first instance and the action will go into second instance.
- An action has been filed against the company by the Empresa Navegación Caribe, a Cuban company, where a compensation for damages related to unreasonable accusation by Serviagencial S.A. against such company, for the document forgery relating to the alleged importation of two of its tugboats ("R22" and "Triton"). To date, the process is in the Principal Judges' room of the Supreme Court for decision. The amount claimed is ThUS\$ 314.
- Non-opposition complaint for the objections submitted before the Corporación Aduanera Ecuatoriana, for the import of the tugboats referred to above. Such demand was accepted and it is being substantiated without final resolution. The amount claimed for both tugboats is ThUS\$ 240.

#### Q) SAAM REMOLQUES S.A. de C.V.

##### Guarantees extended:

- Surety bonds in Mexican pesos issued to the Administradoras Portuarias Integrales of Veracruz, Altamira, Tampico, Lázaro Cárdenas and Tuxpan, to guarantee payment of the concession contracts, in a total amount of ThUS\$ 706.

#### R) SAAM DO BRASIL LTDA.

##### Lawsuits:

- In 1999, the Company lodged an appeal against the Fazenda Nacional in order to suspend payment of the PIS/COFINS taxes calculated over the financial income, the restated value of which is ThUS\$ 320 to date. The legal counsels who conduct the said case have estimated as likely the existence of a contingency in the final resolution of the referred suspension.
- At present, the Company is involved in 2 active litigations with ex employees, which cases represent a total amount of ThUS\$ 41.

## S) MARSUD LTDA.

### Lawsuits:

- Active lawsuit with “Los Trabajadores Portuarios de Itajaí”, pursuant to Article 14 issued by the Instituto Nacional de Riesgo (Chilean Risk Rating Institute), which compels a 40 percent extra remuneration for working under risk conditions. This lawsuit was filed in September 2001 against a number of companies, under which 200 port workers were sheltered. In the opinion of attorneys, there is a good prospect for success, although we do not have access to information that allows us to ascribe any merit to these proceedings.

## T) KIOS S.A.

### Guarantees granted:

- Treasury bonds for nominal value of ThUS\$ 105 extended in favor of the Chilean port authority, to guarantee obligations as a port operator in Uruguay, pursuant to Decree N°413 dated September 1, 1992.

- Marine mortgage in favor of Banco de la República Oriental del Uruguay placed on Tug Boat “Pampero”, for ThUS\$ 180, which has been already amortized. However, the mortgage was not released in order to keep the credit line open, in the event is needed.

## U) FLORIDA TERMINAL INTERNACIONAL, LLC

- The Company has submitted the following documents to the Broward County to guarantee compliance with tender: Two annually renewable credit letters totaling ThUS\$ 490 and cash collateral of ThUS\$ 50 recoverable after the expiry date of contract.

- The Company has mortgaged two Lop Loader machines with a book value of ThUS\$ 463 to guarantee the new leasing contract entered into with Barloworld Inc. for purchase of machinery.

## Direct guarantees

Guarantee creditor	Debtor		Guarantee type	Committed assets		Unpaid balances as of the closing the financial statements		Guarantee release					
	Name	Relationship		Type	Value Book	31/12/2006	31/12/2005	31/12/2007	Assets	31/12/2008	Assets	31/12/2009	Assets
DEUTSCHE SCHIFFSBANK	COMPANÍA SUD AMERICANA DE VAPORES S.A.	NONE	MORTGAGE	VESSEL	12.690	12.255	12.815	1.120	VESSEL	1.120	VESSEL	1.120	VESSEL

## Indirect Guarantees

Guarantee creditor	Debtor		Guarantee type	Committed assets		Unpaid balances as of the closing the financial statements		Guarantee release					
				Type	Value Book	31/12/2006	31/12/2005	31/12/2007	Assets	31/12/2008	Assets	31/12/2009	Assets
	Name	Relationship		Type	Value Book	31/12/2006	31/12/2005	31/12/2007	Assets	31/12/2008	Assets	31/12/2009	Assets
AMERICAN FAMILY LIFE ASSURANCE COMPANY OF COLUMBUS	TOLLO SHIPPING CO. S.A.	SUBSIDIARY	SURETY BOND			201,850	201,850						
DEN NORSEK BANK	PACIFIC WINNER SHIPPING CO. S.A.	SUBSIDIARY	MORTGAGE	VESSEL	5,713	8,930	9,950	1,020		1,020		1,020	
HSH NORDBANK AG	LIMARI SHIPPING LIMITED	ASSOCIATE	MORTGAGE	VESSEL	39,033	8,789		837		837		837	
HSH NORDBANK AG	LONGAVI SHIPPING LIMITED	ASSOCIATE	MORTGAGE	VESSEL	41,928	9,626		837		837		837	
HSH NORDBANK AG	CHACABU CO SHIPPING LIMITED	ASSOCIATE	MORTGAGE	VESSEL	52,151	12,456		1,038		1,038		1,038	
HSH NORDBANK AG	PAINE SHIPPING LIMITED	ASSOCIATE	MORTGAGE	VESSEL	70,362	16,500		1,375		1,375		1,375	
HSH NORDBANK AG	PUELO SHIPPING LIMITED	ASSOCIATE	MORTGAGE	VESSEL	71,223	16,500		1,375		1,375		1,375	
HSH NORDBANK AG	PALENA SHIPPING LIMITED	ASSOCIATE	MORTGAGE	VESSEL	70,447	16,548		1,379		1,379		1,379	

## 26. - Guarantees Obtained from Third Parties

During 2006 and 2005, the Company has received no guarantees from third parties.

## 27. - Local and Foreign Currencies

### ASSETS

Item	Currency	Amount 31/12/2006	Amount 31/12/2005
<b>Current assets</b>			
CASH AND BANKS	CHILEAN PESO	1,985	2,565
CASH AND BANKS	US DOLLAR	20,195	25,332
CASH AND BANKS	EURO	1,947	2,577
CASH AND BANKS	BRAZILIAN REAIS	636	36
CASH AND BANKS	YEN	-	271
CASH AND BANKS	YUAN	883	539
CASH AND BANKS	OTHER CURRENCIES	2,666	17,498
TIME DEPOSITS	CHILEAN PESO	1,881	6,690
TIME DEPOSITS	US DOLLAR	435,835	500,161
TIME DEPOSITS	EURO	77,652	66,230
TIME DEPOSITS	YEN	47	-
TIME DEPOSITS	YUAN	14,879	10,879
TIME DEPOSITS	OTHER CURRENCIES	57,498	4,384
MARKETABLE SECURITIES	US DOLLAR	1,570	9,132
ACCOUNTS RECEIVABLES	CHILEAN PESO	19,102	16,193
ACCOUNTS RECEIVABLES	US DOLLAR	137,702	134,688
ACCOUNTS RECEIVABLES	EURO	10,627	13,526
ACCOUNTS RECEIVABLES	BRAZILIAN REAIS	2	380
ACCOUNTS RECEIVABLES	YEN	142	210
ACCOUNTS RECEIVABLES	YUAN	339	339
ACCOUNTS RECEIVABLES	OTHER CURRENCIES	6,861	7,168
NOTES RECEIVABLES	CHILEAN PESO	2,515	1,607
NOTES RECEIVABLES	US DOLLAR	3,554	4,374
NOTES RECEIVABLES	EURO	74	-
NOTES RECEIVABLES	OTHER CURRENCIES	-	45
SUNDRY DEBTORS	CHILEAN PESO	6,294	10,314
SUNDRY DEBTORS	US DOLLAR	41,890	35,496
SUNDRY DEBTORS	EURO	5,031	1,223
SUNDRY DEBTORS	BRAZILIAN REAIS	136	148
SUNDRY DEBTORS	YUAN	257	164
SUNDRY DEBTORS	OTHER CURRENCIES	2,418	9,264
RECEIVABLES RELATED COMPANIES	CHILEAN PESO	454	958
RECEIVABLES RELATED COMPANIES	US DOLLAR	4,884	13,284
RECEIVABLES RELATED COMPANIES	EURO	430	107
RECEIVABLES RELATED COMPANIES	BRAZILIAN REAIS	615	567
RECEIVABLES RELATED COMPANIES	OTHER CURRENCIES	8,853	1,599
INVENTORIES	CHILEAN PESO	5,876	6,382
INVENTORIES	US DOLLAR	6,037	1,772
INVENTORIES	OTHER CURRENCIES	1,068	891
RECOVERABLE TAXES	CHILEAN PESO	20,071	5,676
RECOVERABLE TAXES	US DOLLAR	1,968	959
RECOVERABLE TAXES	EURO	34	61
RECOVERABLE TAXES	BRAZILIAN REAIS	4,797	-
RECOVERABLE TAXES	OTHER CURRENCIES	4,621	6,902
PREPAID EXPENSES	CHILEAN PESO	4,644	1,731
PREPAID EXPENSES	US DOLLAR	118,977	130,927
PREPAID EXPENSES	EURO	106	41
PREPAID EXPENSES	BRAZILIAN REAIS	-	2,334
PREPAID EXPENSES	OTHER CURRENCIES	331	1,025
DEFERRED TAXES	CHILEAN PESO	8,555	8,158
DEFERRED TAXES	US DOLLAR	547	287
DEFERRED TAXES	OTHER CURRENCIES	76	-

Item	Currency	Amount 31/12/2006	Amount 31/12/2005
OTHER CURRENT ASSETS	CHILEAN PESO	4,773	15,416
OTHER CURRENT ASSETS	US DOLLAR	35,978	19,974
OTHER CURRENT ASSETS	EURO	78	197
OTHER CURRENT ASSETS	YUAN	-	98
OTHER CURRENT ASSETS	OTHER CURRENCIES	144	178
<b>Fixed assets</b>			
LAND	CHILEAN PESO	43,842	45,009
LAND	US DOLLAR	3,481	3,496
BUILDINGS AND INFRASTRUCTURE	CHILEAN PESO	55,738	54,899
BUILDINGS AND INFRASTRUCTURE	US DOLLAR	20,354	18,581
MACHINERY AND EQUIPMENT	CHILEAN PESO	71,217	65,074
MACHINERY AND EQUIPMENT	US DOLLAR	204,229	220,306
MACHINERY AND EQUIPMENT	EURO	2,438	2,109
MACHINERY AND EQUIPMENT	BRAZILIAN REAIS	-	233
MACHINERY AND EQUIPMENT	YUAN	796	515
MACHINERY AND EQUIPMENT	OTHER CURRENCIES	1,522	620
OTHER FIXED ASSETS	CHILEAN PESO	17,288	20,651
OTHER FIXED ASSETS	US DOLLAR	37,481	22,091
OTHER FIXED ASSETS	YUAN	415	321
ACCUMULATED DEPRECIATION	CHILEAN PESO	(59,622)	(59,713)
ACCUMULATED DEPRECIATION	US DOLLAR	(118,225)	(120,388)
ACCUMULATED DEPRECIATION	EURO	(1,900)	(1,428)
ACCUMULATED DEPRECIATION	BRAZILIAN REAIS	-	(20)
ACCUMULATED DEPRECIATION	YUAN	(380)	(180)
ACCUMULATED DEPRECIATION	OTHER CURRENCIES	(422)	(90)
<b>Other assets</b>			
INVESTMENT IN RELATED COMPANIES	CHILEAN PESO	109,818	42,847
INVESTMENT IN RELATED COMPANIES	US DOLLAR	77,463	88,868
INVESTMENT IN OTHER COMPANIES	CHILEAN PESO	129	121
INVESTMENT IN OTHER COMPANIES	US DOLLAR	13,692	30,311
GOODWILL	CHILEAN PESO	259	330
GOODWILL	US DOLLAR	10,216	11,881
NEGATIVE GOODWILL	US DOLLAR	(2,857)	(3,443)
LONG-TERM RECEIVABLES	CHILEAN PESO	3,587	10,442
LONG-TERM RECEIVABLES	US DOLLAR	20,264	11,009
LONG-TERM RECEIVABLES	OTHER CURRENCIES	-	514
RECEIVABLES RELATED COMPANIES LONG-TERM	CHILEAN PESO	-	2,267
RECEIVABLES RELATED COMPANIES LONG-TERM	US DOLLAR	5,330	9,915
DEFERRED TAXES LONG TERM	CHILEAN PESO	11,453	-
INTANGIBLES	CHILEAN PESO	270	122
INTANGIBLES	US DOLLAR	89,173	84,998
AMORTIZATION	CHILEAN PESO	(28)	(23)
AMORTIZATION	US DOLLAR	(40,770)	(37,028)
OTHER	CHILEAN PESO	737	2,562
OTHER	US DOLLAR	35,739	149,533
OTHER	OTHER CURRENCIES	-	2
<b>Total Assets</b>			
	CHILEAN PESO	330,838	260,278
	US DOLLAR	1,164,747	1,366,516
	EURO	96,517	84,643
	BRAZILIAN REAIS	6,186	3,678
	YEN	189	481
	YUAN	17,189	12,675
	OTHER CURRENCIES	85,636	50,000



## CURRENT LIABILITIES

ITEM	Currency	Up to 90 days				90 days to 1 years			
		31/12/2006		31/12/2005		31/12/2006		31/12/2005	
		Amount	Average annual interest rate	Amount	Average annual interest rate	Amount	Average annual interest rate	Amount	Average annual interest rate
SHORT-TERM BANK BORROWINGS	CHILEAN PESO	36	-	183	9,55	766	-	-	-
SHORT-TERM BANK BORROWINGS	US DOLLAR	353	-	450	8,24	43	-	-	-
LONG-TERM BANK BORROWINGS	CHILEAN PESO	504	-	899	8,02	-	-	-	-
LONG-TERM BANK BORROWINGS	US DOLLAR	9,153	-	6,535	2,9	2,681	-	1,251	5,28
LONG-TERM BANK BORROWINGS	UF	264	-	-	-	-	-	-	-
BONDS PAYABLE SHORT-TERM PORTION	UF	1,058	-	1,077	6,4	-	-	-	-
CURRENT PORTION OF LONG-TERM LIABILITIES	US DOLLAR	602	-	1,552	-	1,804	-	-	-
DIVIDENDS PAYABLE	CHILEAN PESO	514	-	3,844	-	-	-	-	-
DIVIDENDS PAYABLE	US DOLLAR	3,136	-	-	-	-	-	-	-
ACCOUNTS PAYABLE	CHILEAN PESO	19,391	-	15,258	-	6	-	322	-
ACCOUNTS PAYABLE	US DOLLAR	276,349	-	255,389	-	1,023	-	-	-
ACCOUNTS PAYABLE	UF	17	-	46	-	-	-	150	-
ACCOUNTS PAYABLE	EURO	17,707	-	3,858	-	-	-	-	-
ACCOUNTS PAYABLE	BRAZILIAN REAIS	2,500	-	19,367	-	-	-	-	-
ACCOUNTS PAYABLE	YEN	1,508	-	373	-	-	-	-	-
ACCOUNTS PAYABLE	YUAN	2,271	-	4,214	-	-	-	-	-
ACCOUNTS PAYABLE	OTHER CURRENCIES	38,704	-	14,180	-	-	-	-	-
NOTES PAYABLE	CHILEAN PESO	294	-	339	-	-	-	-	-
NOTES PAYABLE	US DOLLAR	2	-	56	-	-	-	-	-
ACCOUNTS PAYABLE	OTHER CURRENCIES	-	-	1,364	-	-	-	-	-
SUNDY CREDITORS	CHILEAN PESO	473	-	2,527	-	-	-	47	-
SUNDY CREDITORS	US DOLLAR	8,343	-	4,613	-	-	-	625	-
SUNDY CREDITORS	UF	-	-	2	-	-	-	-	-
SUNDY CREDITORS	OTHER CURRENCIES	1,339	-	1,330	-	-	-	-	-
NOTES AND ACCOUNTS PAYABLE TO RELATED COMPANIES	CHILEAN PESO	6,483	-	5,950	-	53	-	670	-
NOTES AND ACCOUNTS PAYABLE TO RELATED COMPANIES	US DOLLAR	6,439	-	1,554	-	650	-	132	-
NOTES AND ACCOUNTS PAYABLE TO RELATED COMPANIES	EURO	38	-	-	-	-	-	-	-
NOTES AND ACCOUNTS PAYABLE TO RELATED COMPANIES	OTHER CURRENCIES	614	-	741	-	-	-	-	-
PROVISIONS	CHILEAN PESO	4,328	-	8,770	-	5,506	-	2,613	-
PROVISIONS	US DOLLAR	33,637	-	34,454	-	2,856	-	-	-
PROVISIONS	UF	2	-	-	-	-	-	-	-
PROVISIONS	EURO	1,292	-	1,552	-	-	-	-	-
PROVISIONS	BRAZILIAN REAIS	14,569	-	-	-	-	-	-	-
PROVISIONS	OTHER CURRENCIES	3,024	-	5,220	-	46	-	-	-
WITHHOLDINGS	CHILEAN PESO	2,606	-	3,566	-	-	-	-	-
WITHHOLDINGS	US DOLLAR	943	-	991	-	-	-	-	-
WITHHOLDINGS	EURO	-	-	346	-	-	-	-	-
WITHHOLDINGS	BRAZILIAN REAIS	-	-	88	-	-	-	-	-
WITHHOLDINGS	OTHER CURRENCIES	1,052	-	223	-	-	-	-	-
INCOME TAX	CHILEAN PESO	1,842	-	6,895	-	-	-	-	-
INCOME TAX	US DOLLAR	2,517	-	2,256	-	-	-	-	-
INCOME TAX	BRAZILIAN REAIS	117	-	2,268	-	-	-	-	-
INCOME TAX	YUAN	388	-	7	-	-	-	-	-
INCOME TAX	OTHER CURRENCIES	853	-	94	-	-	-	-	-
UNEARNED INCOME	US DOLLAR	66,941	-	90,154	-	-	-	-	-
UNEARNED INCOME	BRAZILIAN REAIS	-	-	27,826	-	-	-	-	-
UNEARNED INCOME	EURO	27,967	-	-	-	-	-	-	-
UNEARNED INCOME	OTHER CURRENCIES	8,415	-	22,604	-	-	-	-	-
OTHER CURRENT LIABILITIES	CHILEAN PESO	338	-	3,345	-	12	-	3	-
OTHER CURRENT LIABILITIES	US DOLLAR	3,082	-	113	-	3	-	-	-
OTHER CURRENT LIABILITIES	EURO	175	-	-	-	-	-	-	-
<b>TOTAL CURRENT LIABILITIES</b>									
	CHILEAN PESO	36,809		51,576		6,343		3,655	
	US DOLLAR	411,497		398,117		9,060		2,008	
	UF	1,341		1,125		-		150	
	OTHER CURRENCIES	54,001		45,756		46		-	
	EURO	47,179		5,756		-		-	
	BRAZILIAN REAIS	17,186		49,549		-		-	
	YEN	1,508		373		-		-	
	YUAN	2,659		4,221		-		-	

## 2006 Long-term Liabilities

ITEM	Currency	1 to 3 years		3 to 5 years		5 to 10 years		Over 10 years	
		Amount	Average annual interest rate	Amount	Average annual interest rate	Amount	Average annual interest rate	Amount	Average annual interest rate
BANK BORROWINGS	US DOLLAR	12,615	-	2,040	-	22,321	-	-	-
BANK BORROWINGS	UF	279	-	411	-	365	-	-	-
BANK BORROWINGS	CHILEAN PESO	6,295	-	-	-	-	-	-	-
BANK BORROWINGS	YEN	-	-	-	-	-	-	201,850	-
BONDS	UF	-	-	-	-	-	-	67,161	-
SUNDRY CREDITORS	CHILEAN PESO	72	-	-	-	-	-	-	-
SUNDRY CREDITORS	US DOLLAR	2,240	-	-	-	-	-	-	-
NOTES AND ACCOUNTS PAYABLE TO RELATED COMPANIES	US DOLLAR	257	-	-	-	-	-	-	-
NOTES AND ACCOUNTS PAYABLE TO RELATED COMPANIES	CHILEAN PESO	7	-	-	-	-	-	-	-
PROVISIONS	CHILEAN PESO	3,705	-	3,393	-	3,585	-	8,382	-
PROVISIONS	US DOLLAR	1,292	-	-	-	-	-	-	-
OTHER LIABILITIES	US DOLLAR	52	-	-	-	17,272	-	-	-
OTHER LIABILITIES	CHILEAN PESO	229	-	-	-	-	-	-	-
<b>TOTAL LONG-TERM LIABILITIES</b>									
	US DOLLAR	16,456		2,040		39,593		-	-
	UF	279		411		365		67,161	
	CHILEAN PESO	10,308		3,393		3,585		8,382	
	YEN	-		-		-		201,850	

## 2005 Long-term Liabilities

ITEM	Currency	1 to 3 years		3 to 5 years		5 to 10 years		Over 10 years	
		Amount	Average annual interest rate	Amount	Average annual interest rate	Amount	Average annual interest rate	Amount	Average annual interest rate
BANK BORROWINGS	CHILEAN PESO	1,281	-	67	-	-	-	-	-
BANK BORROWINGS	US DOLLAR	24,089	3.22	6,165	3.22	27,408	3.22	-	-
BANK BORROWINGS	YEN	-	-	-	-	-	-	201,850	4.16
BONDS	UF	-	-	-	-	-	-	65,286	6.4
SUNDRY CREDITORS	CHILEAN PESO	132	-	-	-	-	-	-	-
SUNDRY CREDITORS	UF	206	-	-	-	-	-	-	-
SUNDRY CREDITORS	US DOLLAR	326	-	-	-	-	-	-	-
NOTES AND ACCOUNTS PAYABLE TO RELATED COMPANIES	CHILEAN PESO	171	-	-	-	-	-	-	-
NOTES AND ACCOUNTS PAYABLE TO RELATED COMPANIES	US DOLLAR	658	-	-	-	-	-	-	-
PROVISIONS	CHILEAN PESO	6,298	-	3,396	-	3,630	-	6,924	-
PROVISIONS	US DOLLAR	1,469	-	-	-	-	-	-	-
PROVISIONS	OTHER CURRENCIES	144	-	-	-	-	-	-	-
DEFERRED TAXES	CHILEAN PESO	2,112	-	362	-	-	-	-	-
DEFERRED TAXES	US DOLLAR	490	-	-	-	-	-	-	-
OTHER LIABILITIES	US DOLLAR	207	-	-	-	-	-	-	-
OTHER LIABILITIES	CHILEAN PESO	35	-	-	-	-	-	-	-
<b>TOTAL LONG-TERM LIABILITIES</b>									
	CHILEAN PESO	10,029		3,825		3,630		6,924	
	US DOLLAR	27,239		6,165		27,408		-	
	YEN	-		-		-		201,850	
	UF	206		-		-		65,286	
	OTHER CURRENCIES	144		-		-		-	

## 28. - Sanctions

During the periods ended December 31, 2006 and 2005, neither the Company nor its Directors or managers have been penalized by the Chilean Superintendence of Securities and Insurance or other administrative authorities.

## 29. - Subsequent Events

Between December 31, 2006 and the presentation date of this report, there are no facts that could have a significant impact on the appropriate presentation and/or interpretation of the financial statements of the Company.

### 30. - Environment

Due to the nature of its services, the Company and its subsidiaries have not incurred into expenses related to the improvement and/or investment of production processes, control and compliance with regulations and laws relating to the processes and industrial facilities or any other that could directly or indirectly have an impact on the protection of environment.

### 31. – Board of Directors' Remuneration

a) Directors of Compañía Sud Americana de Vapores S.A.

Profit sharing:

During 2006 the following remuneration has been paid for profit sharing of 2005.

2006

ThUS\$ 441.01 to Mr. Ricardo Claro V. and ThUS\$ 220.51 to each of the following directors: Mr. Luis Álvarez M., Mr. Arturo Claro F., Mr. Patricio García D., Mr. Jaime Claro V., Mr. Baltazar Sánchez G., Mr. Christoph Schiess S., Mr. Patricio Valdés P., Mr. Joaquín Barros F. and Mr. Felipe Lamarca C. and Mr. Andrés Camus C.

During 2005 the following remuneration has been paid for profit sharing of 2004.

2005

ThUS\$ 707.49 to Mr. Ricardo Claro V., ThUS\$ 353.74 to each of the following directors: Mr. Luis Álvarez M., Mr. Arturo Claro F., Mr. Patricio García D., Mr. Jaime Claro V., Mr. Baltazar Sánchez G., Mr. Christoph Schiess S., Mr. Patricio Valdés P., Mr. Joaquín Barros F. and Mr. Felipe Lamarca C.; and ThUS\$ 251.29 to Mr. Juan Andrés Camus C.

Directors' fees for attendance at meetings

2006

The following amounts were paid to: Mr. Ricardo Claro V., ThUS\$ 4.45; Mr. Luis Álvarez M., ThUS\$ 2.72; Mr. Arturo Claro F., ThUS\$ 2.23; Mr. Patricio García D., ThUS\$ 2.72; Mr. Jaime Claro V., ThUS\$ 2.47; Mr. Joaquín Barros B., ThUS\$ 2.72; Mr. Baltazar Sánchez G., ThUS\$ 2.48; Mr. Christoph Schiess S., ThUS\$ 2.48; Mr. Patricio Valdés P., ThUS\$ 2.72; Mr. Felipe Lamarca C., ThUS\$ 2.47, and Mr. Juan Andrés Camus C., ThUS\$ 1.98.

2005

The following amounts were paid to: Mr. Ricardo Claro V., ThUS\$ 4.43; Mr. Luis Álvarez M., ThUS\$ 2.45; Mr. Arturo Claro F., ThUS\$ 2.01; Mr. Patricio García D., ThUS\$ 2.45; Mr. Jaime Claro V., ThUS\$ 1.95; Mr. Joaquín Barros B., ThUS\$ 1.98; Mr. Baltazar Sánchez G., ThUS\$ 2.45; Mr. Christoph Schiess S., ThUS\$ 1.77; Mr. Patricio Valdés P., ThUS\$ 2.45; Mr. Felipe Lamarca C., ThUS\$ 2.22, and Mr. Juan Andrés Camus C., ThUS\$ 2.24.

For attendance at Committee meetings

2006

The following amounts were paid to: Mr. Luis Álvarez M., ThUS\$ 3.97; Mr. Patricio García D., ThUS\$ 1.98, and Mr. Juan Andrés Camus C., ThUS\$ 1.98.

2005

The following amounts were paid to: Mr. Luis Álvarez M., ThUS\$ 4.42; Mr. Patricio García D., ThUS\$ 1.80; and Mr. Juan Andrés Camus C., ThUS\$ 2.21.

Fees amounting to ThUS\$ 82.15 for duties other than the position of Director were paid to Mr. Jaime Claro V.; ThUS\$ 75.66 in the previous year.

b) Directors of Sudamericana, Agencias Aéreas y Marítimas S.A.

Payments to Directors are detailed below:

Profit sharing:

During 2006 the following remuneration has been paid for profit sharing of 2005.

2006

Mr. Víctor Pino T., ThUS\$ 65.52; Mr. Ricardo Claro V., ThUS\$ 9.36; Mr. Ricardo De Tezanos Pinto, ThUS\$ 93.59, and ThUS\$ 56.16 to each of the following directors: Mr. Jaime Claro V., Mr. Baltazar Sánchez G., Mr. Patricio Valdés P., Mr. Luis Alvarez M., Mr. Patricio García D., Mr. Arturo Claro F., Joaquín Barros F., Mr. Felipe Lamarca C., and Mr. Alfonso Sweet S.

During 2005 the following remunerations has been paid for profit sharing of 2004:

2005

Mr. Víctor Pino T., ThUS\$ 103.86; ThUS\$ 51.93 to each of the following directors: Mr. Ricardo Claro V., Mr. Jaime Claro V., Mr. Baltazar Sánchez G., Mr. Patricio Valdés P., Mr. Luis Alvarez M., Mr. Patricio García D., Mr. Arturo Claro F. and Mr. Felipe Lamarca C.; to Mr. Cristoph Schiess S., ThUS\$ 17.31; to Mr. Joaquín Barros F., ThUS\$ 34.62 and to Mr. Alfonso Sweet S., ThUS\$ 43.27.

Directors' fees for attendance at meetings

2006

The following amounts were paid to: Mr. Víctor Pino T., ThUS\$ 2.96; Mr. Luis Alvarez M., ThUS\$ 2.96; Mr. Arturo Claro F., ThUS\$ 2.47; Mr. Jaime Claro V., ThUS\$ 5.20; Mr. Patricio García D., ThUS\$ 2.47; Mr. Baltazar Sánchez G., ThUS\$ 2.96; Mr. Patricio Valdés P., ThUS\$ 2.70; Mr. Alfonso Swett S., ThUS\$ 2.23; Mr. Felipe Lamarca C., ThUS\$ 2.70; Mr. Joaquín Barros F., ThUS\$ 1.97; Mr. Ricardo De Tezano Pinto, ThUS\$ 0.96 and Mr. Ricardo Matte E., ThUS\$ 1.52

2005

The following amounts were paid to: Mr. Víctor Pino T., ThUS\$ 15.09; Mr. Luis Álvarez M., ThUS\$ 2.68; Mr. Arturo Claro F., ThUS\$ 8.46; Mr. Jaime Claro V., ThUS\$ 4.44; Mr. Patricio García D., ThUS\$ 2.43; Mr. Baltazar Sánchez G., ThUS\$ 2.66; Mr. Patricio Valdés P., ThUS\$ 2.91; Mr. Alfonso Swett S., ThUS\$ 2.68; Mr. Felipe Lamarca C., ThUS\$ 2.66; Mr. Joaquín Barros F., ThUS\$ 2.18 and Mr. Ricardo De Tezanos Pinto ThUS\$ 5.36.

c) Directors of other companies

The amount of ThUS\$ 4.13 (ThUS\$ 2.25 in 2005) was paid to Mr. Jaime Claro V. through the associate Iquique Terminal Internacional S.A.

### **32. - Time Deposits**

Under this item, the Parent company and its subsidiaries present the following amounts invested in banks and financial institutions, valued as described in Note 2 g):

Item	31/12/2006 ThUS\$	31/12/2005 ThUS\$
Banco Crédito e Inversiones	1,500	507
Banco do Brasil	3	28
Banco Santander Santiago	556	6,682
Banco Nacional de México	1,936	-
Bank of América Londres	-	7,410
Bank of América Nueva York	56,721	31,668
Bank of América Security	2,357	1,709
Bank of China Shanghai Branch	14,456	9,923
Bank of Nova Scotia - USA	67,129	80,287
BNP Paribas EEUU	111,397	1,200
Brown Brothers Harriman - USA (1)	33,228	31,781
China Construction Bank - Zhangjiang Branch	-	3,873
China Merchants Bank - Shanghai Branch	3,133	-
Citibank Nueva York	7,068	12,918
Citibank Hong Kong	6,603	-
Deutsche Bank Nueva York	67,500	70,084
DNB Nor Bank ASA	17,907	50,018
Goldman Sachs	4,400	-
HSBC	45,126	4,569
HSH Nordbank - USA	-	116,867
ING Bank Holand	62,808	54,884
PNC EEUU	9,085	4,558
Rabobank Nueva York	54,300	90,310
Royal Bank - Canada	21	22
Scotiabank Sud Americano	1,873	8
UTI Bank India	7,996	9,038
Santander Brasil	280	-
Santander Mexico	10,320	-
Other	129	-
<b>Total</b>	<b>587,832</b>	<b>588,344</b>

(1) Investments in various financial products rated as AAA.

### 33. - Prepaid Expenses

Item	31/12/2006 ThUS\$	31/12/2005 ThUS\$
Fuel inventories	37,325	42,014
Insurance	3,734	4,475
Vessels charter	51,397	38,324
Positioning of vessels and containers	1,784	2,180
In course operating expenses	26,447	40,355
Fuel hedge premium	1,710	3,555
Office equipment maintenance	-	105
Other	1,661	5,050
<b>Total</b>	<b>124,058</b>	<b>136,058</b>

Pablo Manzi J.  
General Accountant CSAV Group

Juan Antonio Alvarez A.  
General Manager

Rafael Ferrada M.  
Administration and Finance Manager

REPORT OF INDEPENDENT ACCOUNTANTS

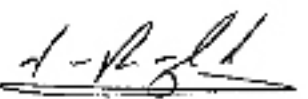
Santiago, February 2, 2007

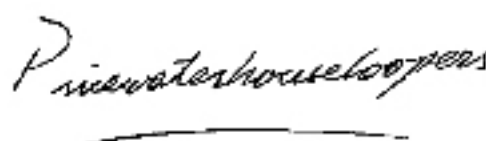
To the Shareholders and Directors  
Compañía Sud Americana de Vapores S.A.

We have audited the accompanying consolidated balance sheets of Compañía Sud Americana de Vapores S.A. and subsidiaries as of December 31, 2006 and 2005 and the related consolidated statements of income and cash flows for the years then ended. These financial statements (including the notes thereto) are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We have not audited the financial statements or certain related companies, which proportional equity values amount to ThUS\$ 60,459 and ThUS\$ 46,713 at December 31, 2006 and 2005, respectively and their proportional results represent profits of ThUS\$ 5,586 and ThUS\$ 11,412 for the years then ended. The referred financial statements were audited by other auditors, whose reports have been furnished to us. Our opinion expressed herein, in which concerns the amount of the financial statements related to the mentioned investments, is solely based on such reports.

We conducted our audits in accordance with auditing standards generally accepted in Chile. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, based on our audits and on the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of Compañía Sudamericana de Vapores S.A. and subsidiaries as of December 31, 2006 and 2005, the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in Chile.

  
Juan Roncagliolo G.  
Taxpayer I.D.: 7.588.369-2





## MANAGEMENT ANALYSIS

### 1 - Analysis of Consolidated Financial Statements

#### BALANCE SHEET

As of December 31, 2006, total assets decreased by ThUS\$ 79,969 compared to December 31, 2005, to ThUS\$ 1,701,302. This was basically due to a reduction of ThUS\$ 12,382 in Current assets and ThUS\$ 70,153 in Other assets, which were partially offset by an increase of ThUS\$ 6,166 in Fixed assets.

The decrease in Current assets is mainly due to a combined decrease by ThUS\$ 28,580 in Cash and banks, Time deposits and Marketable securities, as a consequence of the results for the last twelve months and dividends paid. Accounts receivable and Notes receivable and Sundry Debtors showed a slight increase of ThUS\$ 1,805, as well as Refundable taxes, increasing by ThUS\$ 17,893, which were partially offset by the decrease of ThUS\$ 12,000 in Prepaid expenses.

The increase of ThUS\$ 6,166 in Fixed assets is explained by increases in Buildings and infrastructure and Other fixed assets, partially offset by a reduction in Machinery and equipment and a reduction in Accumulated depreciation due to the respective write-downs. Buildings and infrastructure increased by ThUS\$ 2,612 due to works carried out at mooring sites, new terminal paving and warehouses construction. The increase of ThUS\$ 12,121 in Other fixed assets follows the building of new tugs, terminals and offices. The decrease of ThUS\$ 8,655 in Machinery and equipment is basically due to the sales of M/V Bow Andes and Pacific Explorer, offset with acquisition of tugs, cranes and other equipment necessary in the subsidiary SAAM S.A.

The decrease of ThUS\$ 70,153 in Other assets is basically due to the decrease of ThUS\$ 115,621 in Others, relating to shipbuilding completion, which advance payments were presented in this account, as well as to a decrease of ThUS\$ 16,611 in Investments in other companies. The foregoing was partially offset with increases of ThUS\$ 55,566 in Investments in related companies as a result of the new shipbuilding companies and the increase of ThUS\$ 11,453 in Deferred taxes – long term.

Current liabilities increased by ThUS\$ 25,343 with respect to December 2005 mainly due to increases of ThUS\$ 46,319 in Accounts payable, and an increase of ThUS\$ 13,662 in Provisions and Sundry creditors, both the result of the higher costs faced by the Company in this period, which were partially offset by decreases of ThUS\$ 5,803 and ThUS\$ 37,261 in Income tax payable and Unearned income, respectively.

Long-term liabilities decreased by ThUS\$ 6,832 compared to December 2005. The decrease of ThUS\$ 1,231 in Bonds payable is due to the net effect between the increase in the UF and the revaluation of the Chilean peso against the US dollar on bonds issued in UF. The decrease of ThUS\$ 2,028 in Loans from financial institutions is due to amortization of existing loans and a decrease in loans secured. Finally, a decrease of ThUS\$ 2,594 in Provisions was observed. The aforementioned decreases are partially offset by an increase of ThUS\$ 3,704 in Other long-term liabilities.

The Company's Shareholders' equity declined by ThUS\$ 78,801 compared to December 2005, mainly due to the results between both periods net of dividends paid.

## STATEMENT OF INCOME

The results at December 2006 show a loss of ThUS\$ 58,241, representing a significant decrease compared to a net income of ThUS\$ 132,303 in 2005.

Consolidated revenues of CSAV reached ThUS\$ 3,839,176, representing a decrease of ThUS\$ 62,798 or 1.6% compared to the previous year. This fall is fully explained by the lower average freight rates this year compared to the previous year. This fall in rates meant a fall in revenues much greater than that shown in net terms, but was partially offset by a slight increase in the volume transported and a ship operation restructuring which enabled the Company to operate with a higher proportion of available capacity, increasing the sale of space to third parties.

The line traffics operated by CSAV from the West Coast of South America to Asia and North America showed higher tariffs until the end of the third quarter of 2005, but have since trended downward. Average tariffs in 2006 show a significant fall compared to 2005. The same effect is seen in traffics from the same coast to Europe and in traffics to and from the East Coast of South America, particularly those touching Asia. Among special services, vehicle carriers increased their sales compared to the previous year, and bulk solids continue their focus on the more profitable businesses, slightly improving their results over the 2005 period.

Norasia Container Lines Ltd, the subsidiary that provides services in the East-West traffic between North Europe, Mediterranean, Persian Gulf and the Indian sub-continent, Asia and North America, the same as CSAV, has faced a significant fall in tariffs since the last quarter of 2005 due to the large increase in the offer of container ships. The average tariffs are therefore below those of the same period of 2005.

Companhia Libra de Navegação and Montemar Marítima, the subsidiaries that mainly offer container services from and to the Atlantic Coast of South America, have also seen their tariffs affected in a scenario similar to that described above for the services of CSAV and Norasia.

CSAV Panamá, a subsidiary dedicated to reefer transport, saw volumes down compared to the year before, mainly due to a fruit season affected by weather conditions in northern Chile. There was however a slight improvement in average tariffs.

The subsidiary Sudamericana, Agencias Aéreas y Marítimas S.A. (SAAM S.A.), which offers port services like stevedoring, tugs, shipping agencies and container depots and workshops in various ports in North, Central and South America, showed favorable operating revenues.

Operating expenses reached ThUS\$ 3,784,565, 10.5% higher than during 2005. The main factor behind this increase is the rise in fuel prices, which on average reaches an increase higher than 22%. There was also the effect of the increases in volumes and ship operations by CSAV which, while causing higher operating expenses, enabled increased volumes to be carried and sales of space to be increased to third parties. In addition, part of the operating expenses in Europe, Chile and Brazil was adversely affected by the depreciation of the dollar in those countries.

Selling and administrative expenses for the year were ThUS\$ 290,859, 8.6% lower than in the year before. This reduction was achieved despite the appreciation of the Chilean peso (by 5% on average), Brazilian reais (by 11%, on average) and Euro (4% on average) against the dollar, which produces increases in expenses in dollar terms, and is explained by the implementation of a plan for expense reduction and efficiency increase. The plan includes, among other things, the extension of the network of company-owned agencies and shared services center; it is also explained by the lower expenses in agency commissions as a consequence of the decrease in sales of Line services.

Thus, Operating income therefore resulted in a loss of ThUS\$ 236,248, compared to income of ThUS\$ 159,078 in the previous period. However, the analysis of Operating income should be read together with the analysis of chapters Markets risks and Market conditions reported in the statutory financial statement from September 2005 and in all preceding statutory financial statement forms.

The non-operating result was income of ThUS\$ 158,175, which represented an increase of ThUS\$ 150,461 compared to the previous year. This significant increase is explained by the sale of four vessels of the joint project with Peter Döhle Schiffahrts-kontor KG and belonging to associates of CSAV, representing an income of ThUS\$ 73,210 (recorded in Profit from investment in related companies) and by the sale of the equity interest held by CSAV in the associate Belden Shipholding Pte.Ltd., which generated a profit of ThUS\$ 22,031 (recorded in Other non-operating income). Further, Other non-operating income included higher profits from sale of vessels and derivatives.

Similarly, during 2006 a better result of ThUS\$ 18,289 was obtained from Foreign exchange difference and a higher profit in derivatives contracts. Finally, Income tax and Minority interest showed significant changes as a consequence of the losses obtained during the year.

The principal indicators of year 2006 have shown the following movement:

## **LIQUIDITY**

- Current ratio: It declined with respect to the prior year, basically because the percent increase in Current liabilities is higher than Current assets. However, in both years, Current assets practically cover two times current liabilities.
- Acid test: It declined compared to December 2005, due to an increase in Current liabilities proportionally higher than the decrease in available resources.

## **DEBT**

- Debt ratio: This increased by 0.10 percentage points compared to December 2005 because of an increase in current liabilities (current and long-term) and a decrease in Shareholders' equity due to the loss in the last twelve months.
- Short-term debt: Short-term debt increases slightly compared to December 2005 basically because current liabilities grow in higher proportion than the decrease in total debt.
- Long-term debt: In contrast to the above, this decreased slightly because of a very small decrease in long-term debt compared to the decrease in total debt.
- Financial expense coverage: This ratio is negative because of the loss in the first nine months.

## **PROFITABILITY**

- Return on equity: This is negative because of the loss in 2006.
- Return on assets: This is negative because of the loss in 2006.
- Return on operating assets: This is negative because of the loss in 2006.

- Dividend yield (in US\$, cents): The value decreases with respect to December 2005 due to the decrease in dividends paid in 2006 compared to 2005 (the final dividend for 2005 has been paid only).

- Earnings per share (in US\$, cents): As the number of shares remains constant, this indicator falls according to the negative results of the period concerned.

- Share price (in Ch\$): The share price declined by Ch\$ 105.41 compared to December 2005, remaining at Ch\$ 714.70 in 2006.

## **2 - Difference between the economic and book value of assets.**

The financial statements as of December 31, 2006 have been prepared in accordance with generally accepted accounting principles and the general and specific regulations issued by the Superintendent of Securities and Insurance, the Company's regulatory authority. The book value of the main assets of the Company is lower than their market value.

## **3 - Market conditions.**

As we indicated in the financial statements as of September 30, 2005, in a letter of December 15, 2005 addressed to the Intendent of Securities in answer to his enquiry, and then in all the preceding statutory financial statements forms to date, the increase in the supply of ships has led to a substantial fall in freight rates in the industry, felt since the last quarter of 2005.

As we stated then, "the cause of this fall in tariffs is the increase in the global fleet of container ships. Because the business was successful in 2004 and 2005, most shipping companies ordered the building of new, larger capacity ships from shipyards around the world.

At the same time, demand for container transport has not increased in the same proportion as the supply of ships. There is therefore no alternative to a fall in freight rates."

Another factor that is most adversely affecting the shipping market is the substantial rise in fuel prices, by 22% in twelve months and more than 85% in two years.

At the ordinary shareholders' meeting held last April 19, 2006 it was reported that the most likely result for the Company during 2006 was a loss, mainly due to the fall in freight rates and rise in fuel costs. This has reflected in the results from the first quarter of 2006.

The Company has large liquid reserves for overcoming this difficult situation, which might extend throughout 2007, as there are many ships still to be delivered. The Company is also working on a cost rationalization plan, which partially offset the adverse effects of reduced tariffs and higher fuel costs.

China continues playing a prevailing role in the freight demand, both in supply import and product export with an added value.

In South America, most economies showed strong growth during 2006. However, the valuation of the currencies of the most important economies has affected the competitiveness of some exports in those countries, plus the oversupply of vessels in the East coast of South America.

## **4 - Cash flow analysis.**

The operations of the Company and its subsidiaries generated a negative cash flow of ThUS\$ 173,556 in the period from January to December 2006 compared to a positive flow of ThUS\$ 226,844 in 2005.

Financing activities generated a negative flow of ThUS\$ 18,072, lower than the ThUS\$ 67,631 generated in 2005. During 2006 there were dividend payments of ThUS\$ 21,720, loans drawn of ThUS\$ 15,968 and loan repayments of ThUS\$ 12,519. During 2005, dividends were ThUS\$ 78,200 and loans drawn net of repayments were ThUS\$ 9,437.

Investment activities generated a positive flow of ThUS\$ 164,122, compared to a negative flow of ThUS\$ 57,609 reached during 2005. The most significant inflows in 2006 were sales of vessels, which mostly explain the increase in Other investments of ThUS\$ 267,085. The main outflows were acquisitions of fixed assets of ThUS\$ 53,416 (in vessels, tugboats, cranes and constructions, among others), investments in related companies of ThUS\$ 37,978, loans to related companies of ThUS\$ 5,944 and other investment disbursements of ThUS\$ 153,446, mainly advance payments to shipyards for new buildings.

## 5 - Market risk analysis.

CSAV participates in a highly competitive market in which demand for cargo transport is directly affected by fluctuations in global economic growth. This generates cycles associated with the principal industry variables like ship charter rates, freight rates, fuel prices, exchange rates and cargo volumes. This demands control to maintain a competitive presence in the global shipping market.

In point 3 above (Market Situation), we have referred to the negative signs affecting the shipping business, especially the sharp fall in freight rates and the present high fuel costs.

In the statutory financial statement form at September 30, 2006 we reported a slight upward trend in the freight rates, warning that it was too early to determine whether they would be transitory trends or they would sustain over time, particularly considering the general context of ship oversupply. In addition, there are recent decreases in freight rates in other markets and, in the aggregate, the recovery observed a couple of months ago has come to a standstill. In fact, the rates of late 2006 and early 2007, on average, are lower than those observed in the same months of the prior year. The Company is likely to continue incurring losses as a consequence of these rates, unless during the first months of 2007, all this in spite of the decrease in fuel prices.

With respect to the commodities prices risk, the most significant is that of ship fuels. To cope with this risk, the Company holds no significant inventories and a portion of the freight rates it charges customers is adjusted according to changes in fuel prices. The Company normally takes out fuel futures contracts, but the cost has recently substantially increased and thus limited its use and that which we do have is at higher prices.

Regarding interest rate risks, the Company has issued bonds in UF and has signed loan agreements in dollars and other currencies, for which a combination of hedging operations based on the placement of different currencies and terms, as well as interest rate derivatives, is used.

With respect to exchange risks, the Company has most of its revenues and operating expenses in US dollars, with lesser amounts in Chilean pesos, Brazilian reals, euros, etc.

Its assets and liabilities are generally denominated in US dollars. However, there are assets and liabilities in other currencies, which are itemized under the Chilean and Foreign Currency breakdown report (Note 27) of the financial statements.

## MANAGEMENT ANALYSIS

### Financial Indicators from the Consolidated Balance Sheet 31-12-2006

Current liquidity	=	As of: Current assets Current liabilities	Dec/06 1,852	Dec/05 1,958
Acid test	=	Available Resources Current liabilities	1,051	1,149
Debt	=	Total liabilities Shareholders' equity	1,258	1,116
	=	Short-term debt Total debt	0,624	0,609
	=	Long-term debt Total debt	0,376	0,391
Financial expense coverage	=	Income before taxes Financial expenses	(1,324)	5,735
Net return on equity	=	Result for the year Average shareholders' equity	(0,74)	0,168
Return on assets	=	Result of the year Average assets	(0,033)	0,078
Return on operational assets	=	Operational result for the year Average operational assets (1)	(0,708)	0,480
Return on dividends (In US\$ cents)	=	Dividends paid in last 12 months Market value of shares	2,476	6,279
Earning per share (US\$ cents)	=	Result for the year Number of shares	(7,915)	17,980
Market value of share			714,70	820,11

(1) Considered operational assets Machinery and equipment, and other fixed assets



<b>Total assets</b> (US\$ million)	As of:	Dec/06	Dec/05
Current		1,088,575	1,100,957
Fixed		278,252	272,086
Other assets		334,475	405,228
<b>Total assets</b>		<b>1,701,302</b>	<b>1,778,271</b>
Increases/Decreases	January as of:	Dec/06	Dec/05
Fixed assets:			
Purchase		51,812	39,726
Sales		19,814	6,954
Investments in subsidiaries			
Investments		29,700	15,258
Net results		101,913	23,742
Thousands of paying tons carried		31,879	29,806
Statement of income (US\$ million)			
Operating revenues:		3,841,785	3,901,974
Operating cost:		(3,787,174)	(3,424,509)
Cost of:			
Administration		(290,859)	(318,387)
Finance		(33,591)	(35,223)
Result:			
Operational		(236,248)	159,078
Non-operational		158,175	7,714
RAIIDAIE (2)		(12,794)	229,086
Income tax		5,717	11,520
Profits		(58,241)	132,303

(2) Income before income taxes, interest, depreciation, amortization and extraordinary items

## RELEVANT INFORMATION

### a) General Management letter dated February 28, 2006

In accordance with Circular 1591 of February 6, 2002, I wish to inform you that the board of this Company today was informed of and became responsible for the financial statements for the quarter ended December 31, 2005 which will be sent to the Superintendency. This was recorded in the corresponding minutes, which also authorized the general manager to sign this communication.

### b) General Management letter dated March 21, 2006

The board meeting held on March 21 agreed to propose the ordinary shareholders' meeting, called for April 19, 2006, the distribution of final dividend No.319 for the peso equivalent of US\$ 18,140,652.11, which means a dividend per share of US\$ 0.0246528 payable from April 28, 2006, at its equivalent in Chilean pesos at the exchange rate on the date of the shareholders' meeting.

### c) General Management letter dated April 28, 2006

In accordance with Circular 1591 of February 6, 2002, I wish to inform you that the board of this Company today was informed of and became responsible for the financial statements for the quarter ended March 31, 2006 which will be sent to the Superintendence. This was recorded in the corresponding minutes, which also authorized the general manager to sign this communication.

### d) General Management letter dated June 28, 2006

In accordance with clauses 9 and 10.2 of the Capital Markets Law 18,045 and the pertinent instructions of the Superintendence, we inform you, as material information, of the following matter resolved today by the board of Compañía Sud Americana de Vapores S.A., CSAV.

The board unanimously approved the general terms and conditions for signing a revolving credit facility with BNP Paribas, France, for up to US\$ 300,000,000 (three hundred million dollars) to be used through one or more CSAV subsidiaries in order to have the necessary funds for possible future ship purchases, according to their fleet needs.

When a ship is acquired, the purchasing subsidiary shall cover the respective drawing with a ship mortgage over the ship and obtain the joint and several guarantee of CSAV for up to the equivalent of 50% of the corresponding loan. Repayment of each drawing shall be in quarterly installments over a term of 10 years, depending on the ship in question. The interest rate shall be the equivalent of Libor + 0.9% annually.

It is not reasonably possible to quantify the effects of this operation on the results of CSAV.

The same board meeting classified this matter as material information and resolved to send this communication and that the General Manager should sign it.

Copies of this communication shall be sent to the Santiago Stock Exchange, the Chilean Electronic Exchange and the Valparaiso Stock Exchange.

e) General Management letter dated August 11, 2006

In accordance with Circular 1591 of February 6, 2002, I wish to inform you that the board of this Company today was informed of and became responsible for the financial statements for the quarter ended June 30, 2006 which will be sent to the Superintendence. This was recorded in the corresponding minutes, which also authorized the general manager to sign this communication.

f) General Management letter dated September 29, 2006

The CSAV board session held today unanimously agreed to sell to Peter Döhle Schiffahrts-KG, or certain of its subsidiaries or associates, the 50% held through subsidiaries in four 5,500-TEU vessels. The selling price CSAV will receive for this operation is US\$ 85,000,000 per vessel (US\$ 42,500,000 for the 50 per cent of each vessel), thus generating income of US\$ 170,000,000. The estimated profit in this operation is approx. US\$ 70,000,000. Signing of the final contracts is pending, and the delivery of the respective vessels is scheduled for the coming months.

Similarly, the CSAV board session held today approved the purchase of three 6,300-TEU vessels each (or the equivalent to 50% of 6 vessels of that size), owned by Peter Döhle Schiffahrts-KG or certain of its subsidiaries or associates, at a price of US\$ 85,550,000 per vessel, in a total amount of US\$ 256,650,000. Signing of the final contracts is pending, and the delivery of the respective vessels is scheduled for the period from 2009 to 2010.

The same board meeting classified this matter as material information and resolved to send this communication and that the General Manager should sign it.

g) General Management letter dated October 10, 2006

In accordance with Circular 1591 of February 6, 2002, I wish to inform you that the board of this Company today was informed of and became responsible for the financial statements for the quarter ended September 30, 2006 which will be sent to the Superintendence. This was recorded in the corresponding minutes, which also authorized the general manager to sign this communication.

h) General Management letter dated October 27, 2006

The CSAV board session held on November 24, unanimously agreed to sell to KGJS Cement Holdings AS (the "Buyer"), the 26.09% held through its subsidiary Williams Investment Co. S.A. in Belden Shipholding Pte. Ltd. The selling price the subsidiary of CSAV will receive for this operation is US\$ 28,000,000. The estimated profit in this operation for CSAV is approx. US\$ 22,000,000. The respective sale contract includes clauses typical for operations of this kind.

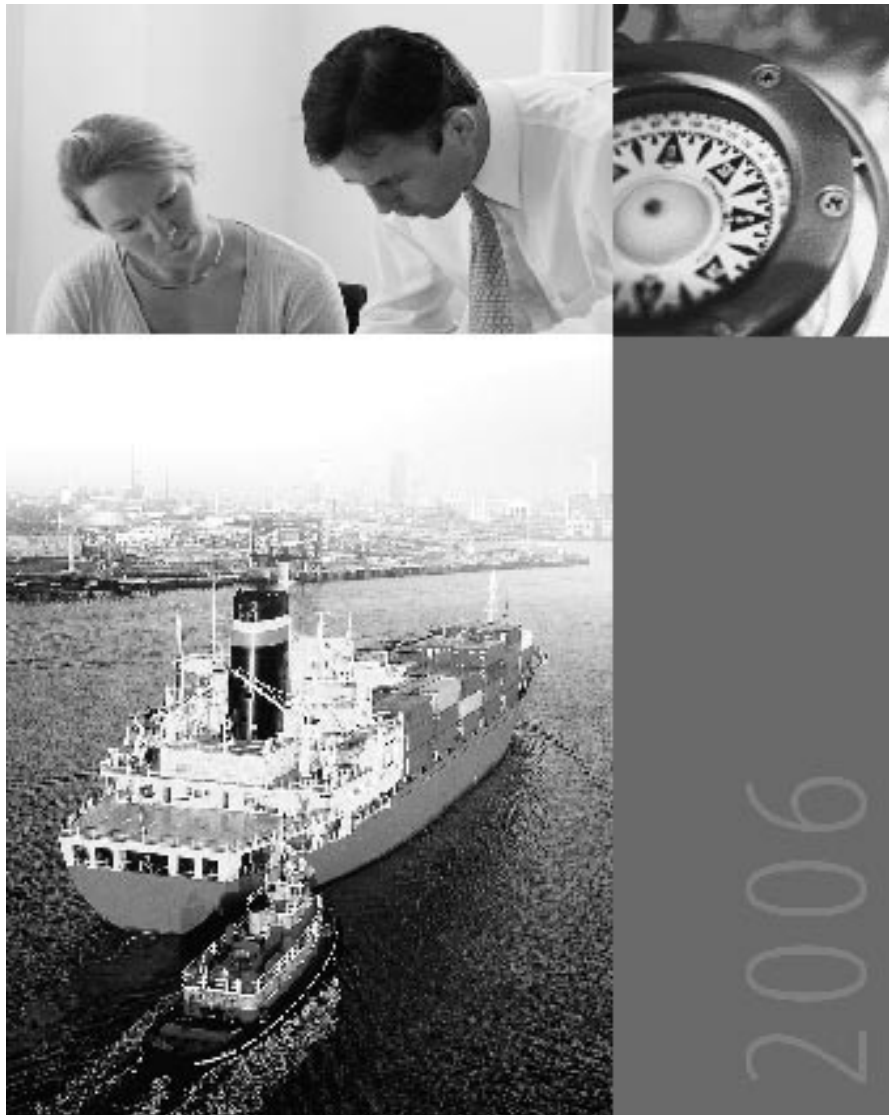
The same board meeting classified this matter as material information and resolved to send this communication and that the General Manager should sign it.





## Financial statements

December 31, 2006



CSAV's financial statements are prepared in accordance with generally accepted accounting principles in Chile. This is a free translation, from the original in Spanish. Therefore, the Company accepts no responsibility for any errors, omissions or incorrect meanings contained in this translation.

## BALANCE SHEET

	At December 31,	
	2006	2005
	ThUS\$	ThUS\$
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and banks	3,103	6,148
Time deposits	15,737	17,361
Accounts receivable (net)	25,667	41,639
Notes receivable (net)	3,257	4,903
Sundry debtors (net)	5,847	10,337
Receivables from related companies	39,510	30,940
Inventories (net)	775	270
Recoverable taxes	18,494	3,434
Prepaid expenses	88,150	89,196
Deferred taxes	7,372	7,406
Other current assets	2,530	11,254
<b>Total current assets</b>	<b>210,442</b>	<b>222,888</b>
<b>FIXED ASSETS</b>		
Land	3,014	3,014
Buildings and infrastructure	16,303	16,303
Machinery and equipment	54,310	53,952
Other fixed assets	2,922	1,272
Depreciation	(34,271)	(29,116)
<b>Total fixed assets</b>	<b>42,278</b>	<b>45,425</b>
<b>OTHER ASSETS</b>		
Investments in related companies	989,925	967,074
Investments in other companies	173	177
Negative goodwill	(2,530)	(3,092)
Long-term receivables	2,529	3,640
Long-term receivables from related companies	2,305	1,398
Long-term deferred taxes	14,661	-
Others	4,704	5,222
<b>Total Other Assets</b>	<b>1,011,767</b>	<b>974,419</b>
<b>TOTAL ASSETS</b>	<b>1,264,487</b>	<b>1,242,732</b>

The attached explanatory notes numbers 1 to 27 are an integral part of these financial statements.



LIABILITIES AND SHAREHOLDERS' EQUITY	At December 31,	
	2006 ThUS\$	2005 ThUS\$
<b>CURRENT LIABILITIES</b>		
Current portion of long-term loans from financial institutions	1,345	1,360
Current portion of long-term obligations (bonds)	1,058	1,077
Dividends payable	514	3,844
Accounts payable	167,308	150,689
Notes payable	-	1,680
Sundry creditors	45	229
Notes and accounts payable to related companies	159,198	59,826
Provisions	28,368	26,843
Withholdings	397	1,029
Income tax	222	5,946
Unearned income	66,841	67,217
Other current liabilities	338	-
<b>Total current liabilities</b>	<b>425,634</b>	<b>319,740</b>
<b>LONG-TERM LIABILITIES</b>		
Loans from financial institutions	10,575	11,695
Bonds payable	67,161	68,392
Sundry creditors	398	471
Provisions	12,506	14,920
Deferred taxes	-	451
Other liabilities	-	49
<b>Total long-term liabilities</b>	<b>90,640</b>	<b>95,978</b>
<b>SHAREHOLDERS' EQUITY</b>		
Paid-in capital	170,000	170,000
Other reserves	20,259	22,677
Retained earnings	557,954	634,337
Reserve for future dividends	28,347	28,347
Retained earnings	587,850	505,061
Net income for the year	(58,241)	132,303
Interim dividends	-	(31,374)
(Deficit) surplus from development period	(2)	-
<b>Total shareholders' equity</b>	<b>748,213</b>	<b>827,014</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>1,264,487</b>	<b>1,242,732</b>

The attached explanatory notes numbers 1 to 27 are an integral part of these financial statements

## STATEMENT OF INCOME

	For the years ended December 31,	
	2006 ThUS\$	2005 ThUS\$
Operating revenues	1,834,924	1,865,938
Operating expenses	(1,790,173)	(1,636,850)
Gross operating income	44,751	229,088
Sales and administration expenses	(136,240)	(155,071)
<b>Operating income (loss)</b>	<b>(91,489)</b>	<b>74,017</b>
Financial income	592	1,727
Profits from investments in related companies	94,498	71,394
Other non-operating income	5,343	9,123
Losses from investment in related companies	(70,642)	(1,942)
Gastos financieros	7,349	8,298
Other non-operating expenses	(4,689)	(45)
Foreign exchange rate differences	88	(1,236)
<b>Non-operating income</b>	<b>17,841</b>	<b>70,723</b>
Net income (loss) before income tax and extraordinary items	(73,648)	144,740
Income tax	14,845	(12,999)
<b>Net income (loss) before amortization of negative goodwill</b>	<b>(58,803)</b>	<b>131,741</b>
Amortization of negative goodwill	562	562
<b>Net Income (Loss) For The Year</b>	<b>(58,241)</b>	<b>132,303</b>

The attached explanatory notes numbers 1 to 27 are an integral part of these financial statements.

## STATEMENT OF CASH FLOWS

	For the years ended December 31,	
	2006	2005
	ThUS\$	ThUS\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income (loss) for the year	(58,241)	132,303
Profit (loss) from sales of fixed assets	(60)	(42)
<b>Debits (Credits) to income not affecting cash flow:</b>		
Depreciation	5,337	5,384
Write-offs and provisions	(219)	2,702
Profit accrued from investments in related companies	(94,498)	(71,394)
Loss accrued from investments in related companies	70,642	1,942
Amortization negative goodwill	(562)	(562)
Foreign exchange differences	(88)	1,236
Other credits to income that do not represent cash flow	(1,094)	(34)
Other debits to income that do not represent cash flow	13,956	23,943
<b>(Increase) decrease in assets that affect cash flow:</b>		
Accounts receivable	15,908	10,885
Inventories	(505)	54
Other assets	1,688	(10,694)
<b>Increase (decrease) in liabilities that affect cash flow:</b>		
Accounts payable related to operating results	103,593	15,494
Interests payable	(1,077)	(954)
Income tax payable (net)	(34,844)	(5,380)
Net Value-added Tax and other similar payable taxes	54	(926)
<b>Net cash flows from operating activities</b>	<b>19,990</b>	<b>103,957</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid	(21,470)	(73,637)
Loans paid	(1,120)	(1,120)
Other financing disbursements	(240)	-
<b>Net cash flows from financing activities</b>	<b>(22,830)</b>	<b>(74,757)</b>

The attached explanatory notes numbers 1 to 27 are an integral part of these financial statements

## STATEMENT OF CASH FLOWS

	For the years ended December 31,	
	2006 ThUS\$	2005 ThUS\$
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Sales of fixed assets	92	71
Sales of investments in related companies	37	-
Collection of loans made to related companies	133	137
Investment in fixed assets	(2,142)	(805)
Investments in related companies	(6,706)	(3,975)
Loans made to related companies	(1,035)	-
Others loans made to related companies	-	(114)
<b>Nest cash flow from investment activities</b>	<b>(9,621)</b>	<b>(4,686)</b>
<b>Net cash flow for the period</b>	<b>(12,461)</b>	<b>24,514</b>
<b>Price Level Restatement Of Cash And Cash Equivalent</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) of cash and cash equivalent</b>	<b>(12,461)</b>	<b>24,514</b>
<b>Initial balance of cash and cash equivalent</b>	<b>31,714</b>	<b>7,200</b>
<b>Final balance of cash and cash equivalent</b>	<b>19,253</b>	<b>31,714</b>

The attached explanatory notes numbers 1 to 27 are an integral part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

(In thousands of United States dollars)

For the years ended December 31, 2006 and 2005

### 1. - Recording under the Securities Register

The Company (Tax ID number 90.160.000-7) is a publicly-held company which authorized, subscribed and paid-in capital amounts to ThUS\$ 170,000, represented by 735,844,521 no-par value shares distributed among 3,541 shareholders. It is registered in the Securities Register under number 76 and is subject to the supervision of the Superintendence of Securities and Insurance (S.V.S.)

### 2. - Accounting Policies Applied

#### a) Accounting period

The financial statements cover the twelve-month period from January 1 to December 31, 2006 and are shown as compared to the same period of 2005.

#### b) Preparation guidelines

The financial statements have been prepared in conformity with accounting principles generally accepted in Chile and the regulations of the Superintendence of Securities and Insurance. Should any difference exist the latter will prevail.

Investments in subsidiaries have been recorded on a single line of the balance sheet at proportional equity value and, consequently, have not been consolidated on a line-by-line basis, a situation that differs from generally accepted accounting principles. This treatment does not change the net income for the year or the shareholders' equity of the Company, either.

The financial statements have been prepared to reflect the individual financial position of the Company and, consequently, they should be read together with the consolidated financial statements, as required by accounting principles generally accepted in Chile.

#### c) Presentation basis

For comparison purposes, certain minor reclassifications have been made to the financial statements of December 2005.

#### d) Price-level restatement

Effective January 1, 1984, the Company was authorized to keep accounting in United States dollars and, consequently, the price-level restatement standards are not applied.

#### e) Foreign exchange differences

The operations carried out in a currency other than the dollar are controlled in their currency of origin and denominated in United States dollars at the exchange rate effective as of the date of the respective transaction. At the closing of the financial statements, the balances derived from such transactions are expressed in United States dollars according to the exchange rate of each currency prevailing as of that date, and the differences in the exchange rates produced in both dates are recorded in income with a charge or credit to Foreign exchange gains (losses), except the Fixed assets, Shareholders' equity and Profit and loss accounts, which are valued in dollars in accordance with the exchange rate of each currency prevailing as of the date of each transaction.

The exchange rate of the Chilean peso against the United States dollar was Ch\$ 532,3939 and 512,50 as of December 31, 2006 and 2005, respectively.

**f) Time deposits**

Time deposits are shown at investment value plus accrued interest.

**g) Inventories**

Inventories are shown at acquisition cost and, the resulting amounts do not exceed the realizable value.

**h) Allowance for doubtful accounts receivable**

Allowances for accounts receivable eventually irrecoverable are maintained, determined on the basis of the respective aging and an evaluation of cases.

**i) Other current assets**

Other current assets include container spares valued at replacement cost.

**j) Fixed assets**

Fixed assets are valued at acquisition cost.

**k) Fixed assets depreciation**

Depreciation has been calculated on the basis of the straight-line method and in accordance with the estimated useful life of assets.

**l) Investments in related companies**

Investments in related companies, both local and foreign that are permanent are valued according to the Proportional Equity Method for those investments acquired before January 1, 2004, and to the Equity Method for those acquired after that date, as set forth in Technical Bulletins No. 64 and 72 of the Chilean Institute of Accountants. Investment in local subsidiaries, which keep accounting in Chilean pesos are controlled in the said currency and denominated in United States dollars at the period end, and the valuation differences not coming from income are adjusted to Other reserves.

To the purposes of the application of the Proportional Equity Method, investments of the direct foreign subsidiaries are controlled in United States dollars, (except for the investment in CSAV GmbH, which is controlled in euros) and investments in the subsidiaries and investees of those foreign subsidiaries, as appropriate, are denominated in dollars.

Unrealized income between related parties are eliminated and recognized in income as they are realized.

**m) Negative goodwill**

The difference between the cost of investments as of the purchase date and their Proportional Equity Value (PEV) at that date, is recognized under Negative goodwill, being amortized recording a credit to income over a maximum period of 10 years.

**n) Operations under resale agreements**

Financial instruments acquired under resale agreement are shown at acquisition value plus the difference accrued between the acquisition price and sale price agreed, and are classified under Other current assets.



**o) Bonds payable**

The obligation for bond issue is presented under Liabilities at the par value of the subscribed bonds. The difference between the par and placement values and the costs associated to such placement and to the respective cash reserve, is deferred over the funding term to recognize the real interest originated in the transaction, and shown under Other assets - Other.

**p) Income tax and deferred taxes**

Income tax is charged to income considering the net taxable income determined for tax purposes.

The effects of deferred taxes arising from differences between tax and financial balances are recorded for all temporary differences on the basis of the current tax rate on the estimated date of reversal, in conformity with Technical Bulletin No. 60 issued by the Chilean Institute of Accountants. Previously unrecorded deferred taxes are recognized under income only as temporary differences reverse.

**q) Severance indemnity**

Provisions have been made to comply with the obligations derived from this benefit, using the method of present value of the benefit's accrued cost, as set forth in Technical Bulletin No. 8 of the Chilean Institute of Accountants. For these purposes, a 6% discount rate annually and an average of 15-year staff permanence have been considered.

**r) Operating income**

To determine operational results, the Company follows the voyage progress. Income and expenses of in-course voyages are deferred at the closing of the accounting period under Unearned income or Prepaid expenses as appropriate. Allowances for potential estimated losses are debited to the results.

**s) Derivatives contracts**

The Company holds fuel hedge (swap and cap) contracts in order to cover the risk of fluctuation in fuel prices and forward contracts to hedge against the fluctuation of the United States dollar against the unidad de fomento and Chilean pesos. These contracts are recognized and classified in the financial statements pursuant to Technical Bulletin No 57 of the Chilean Institute of Accountants.

The Company holds freight forward contracts to hedge against adverse freight rate changes, which have been adjusted at fair market values at each period end.

**t) Computer software**

Computer software registered under fixed assets were purchased as software packages and debited to income within three years.

**u) Research and development expenses**

These expenses are debited to income at the time they are incurred.

#### v) Cash flow statement

In order to prepare the cash flow statement pursuant to Technical Bulletin No. 50 issued by the Chilean Institute of Accountants, and as set out in Circular No. 1501 of the S.V.S., CSAV regards as cash equivalents share investments made in fixed income mutual funds, time deposits and repurchase investment agreements classified under Other current assets maturity of which does not exceed three months.

Cash flows from operating activities include all business-related cash flows, paid interest, financial income earned, dividends earned, and others not defined as from investments or financing activities.

#### w) Unearned income

Profits obtained from the sale of vessels and from the sale of shipbuilding contracts of the subsidiary of Tollo Shipping Co. S.A., subject to leaseback by CSAV, are deferred and recognized in the results during the contract period, proportional to the charter cost.

### 3. - Accounting Changes

There are no accounting changes in relation to the prior year which could significantly affect the interpretation of the Financial Statements.

### 4. - Short and Long-term Debtors

ITEM	CURRENT								
	Over 90 days		Up to 90 days up to 1 year		Subtotal	Total Current (net)		Long term	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005	31/12/2006	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Accounts receivable	35,509	50,412	-	-	35,509	25,667	41,639	-	-
Provision for uncollectible debts	-	-	-	-	9,842	-	-	-	-
Notes receivable	3,262	4,921	-	-	3,262	3,257	4,903	-	-
Provision for uncollectible debts	-	-	-	-	5	-	-	-	-
Sundry debtors	6,315	12,279	-	-	6,315	5,847	10,337	2,529	3,640
Provision for uncollectible debts	-	-	-	-	468	-	-	-	-
<b>Total long-term receivables</b>								<b>2,529</b>	<b>3,640</b>

### 5 - Balances and Transactions with Related Companies

Balances with related companies include:

#### Short term

Short-term transactions with related companies include business-related operations and are carried out in market conditions as to price and terms of payment.

#### Long term

1) Loan in UF granted to Southern Shipmanagement (Chile) Limitada, at a 5% annual interest rate and monthly amortization.

2) Loan in dollars granted to Agencias Grupo CSAV (Mexico) S.A. de C.V., amounting to ThUS\$ 1,000, at libor +2, semi-annually payments.

The Company's materiality policy is to disclose every balances and transactions with related parties.

# Notes and accounts receivable from related parties.

Tax ID	Companies	Short term		Long term	
		31/12/2006	31/12/2005	31/12/2006	31/12/2005
96566940-K	AGENCIAS UNIVERSALES S.A.	-	10	-	-
0-E	AGENCIA GRUPO CSAV (MÉXICO) S.A. DE C.V.	-	-	1,000	-
0-E	BRUNSWICK INVESTMENT	291	-	-	-
0-E	CHACABUCO SHIPPING LIMITED	1	-	-	-
0-E	CHOLGUAN SHIPPING LTDA	377	-	-	-
0-E	CHOAPA SHIPPING LTDA.	312	66	-	-
0-E	CÍA. LIBRA DE NAVEGACAO	8,994	-	-	-
0-E	CÍA. LIBRA DE NAVEGACAO (URUGUAY) S.A.	9,368	-	-	-
90596000-8	CÍA. CHILENA DE NAVEGACIÓN INTEROCÉANICA S.A.	154	1,897	-	-
96838090-7	COMPAÑÍA NAVIERA RÍO BLANO S.A.	5	8	-	-
0-E	CSAV SUDAMERICANA DE VAPORES S.A.	342	-	-	-
0-E	CSAV ARGENTINA S.A.	811	-	-	-
0-E	CSAV GROUP AGENCIES (UK) LIMITED	1,627	-	-	-
0-E	CSAV GROUP AGENCIES BELGIUM	37	-	-	-
0-E	CSAV AGENCY NETHERLANDS B.V.	324	-	-	-
0-E	CSAV GROUP AGENCIES BRASIL	236	-	-	-
0-E	CSAV GROUP (CHINA) SHIPPING CO. LTD.	2,268	2,834	-	-
0-E	CSAV GROUP (HONG KONG) LIMITED	12	3	-	-
0-E	CSAV GROUP (INDIA) PRIVATE LIMITED	-	232	-	-
0-E	CSAV GROUP AGENCIES (HONG KONG) LIMITED	557	5,339	-	-
0-E	CSAV GROUP AGENCY (INDIA) PRIVATE LIMITED	930	45	-	-
0-E	CSAV GROUP AGENCIES (GERMANY) GMBH	230	-	-	-
0-E	CSAV GROUP AGENCIES (TAIWAN) LTD	-	159	-	-
76344250-0	DISTRIBUIDORA SANTA RITA LIMITADA	22	-	-	-
89602300-4	EMPRESA DE TRANSPORTE SUDAMERICANA AUSTRAL LTDA.	-	-	987	987
96591040-9	EMPRESAS CAROZZI S.A.	73	64	-	-
96838110-5	EUROATLANTIC CONTAINER LINE S.A.	1	-	-	-
96696270-4	INMOBILIARIA MARÍTIMA PORTUARIA S.A.	8	-	-	-
0-E	LIMARÍ SHIPPING LTD.	-	54	-	-
0-E	LONE STAR SHIPPING CO. S.A.	108	-	-	-
94660000-8	MARÍTIMA DE INVERSIONES S.A.	6	-	-	-
0-E	MARITIME SHIPPING & TRADING CO.	3	214	-	-
0-E	NORASIA CONTAINER LINE LTD.	8,332	13,300	-	-
0-E	NORGISTICS (BRASIL) LTD.	350	-	-	-
0-E	NORGISTICS LIMITED (HK)	24	-	-	-
0-E	NORGISTICS (CHINA) LTD.	9	-	-	-
0-E	ODFJELL & VAPORES LTD.	3	1	-	-
0-E	PAINE SHIPPING LTD.	9	-	-	-
0-E	PALENA SHIPPING LTD.	100	-	-	-
0-E	PETER DÖHLE SCHIFFHART	75	71	-	-
0-E	PUELO SHIPPING LTD.	17	-	-	-
78353000-7	SERVICIOS PORTUARIOS RELONCAVÍ LTDA.	2	2	-	-
86547900-K	SOCIEDAD ANÓNIMA VIÑA SANTA RITA.	-	11	-	-
0-E	SOUTHERN SHIPMANAGEMENT (PANAMA)	118	-	-	-
87987300-2	SOUTHERN SHIPMANAGEMENT (CHILE) LTDA.	109	763	318	411
0-E	WELLINGTON HOLDINGS GROUP S.A. (BVI)	-	5,867	-	-
90331000-6	CRISTALERÍAS DE CHILE S.A.	1	-	-	-
0-E	ODFJELL & VAPORES S.A.	3,264	-	-	-
TOTAL		39,510	30,940	2,305	1,398

## Notes nd Accounts Payable to Related Parties

Tax ID	Companies	Short term		Long term	
		31/12/2006	31/12/2005	31/12/2006	31/12/2005
0-E	AGENCIAS GRUPO CSAV (MEXICO) S.A. DE C.V.	440	61	-	-
96566940-K	AGENCIAS UNIVERSALES S.A.	93	-	-	-
99511240-K	ANTOFAGASTA TERMINAL INTERNACIONAL S.A.	707	26	-	-
0-E	COMPANHIA LIBRA DE NAVEGACAO	-	5,821	-	-
90690000-9	COMPAÑÍA DE PETRÓLEOS DE CHILE COPEC S.A.	4,113	1,346	-	-
0-E	COMPAÑÍASUDAMERICANA DE VAPORES GMBH	122	335	-	-
0-E	CONSORCIO NAVIERO PERUANO S.A.	559	1,160	-	-
0-E	CORVINA SHIPPING CO. S.A.	148	-	-	-
0-E	CSAV AGENCY, LLC	1,104	764	-	-
0-E	CSAV GROUP AGENCY LTD. VANCOUVER (CANADA)	15	-	-	-
0-E	CSAV GROUP (INDIA) PRIVATE LIMITED	193	-	-	-
0-E	CSAV GROUP AGENCIES (TAIWAN) LIMITED	219	-	-	-
0-E	CSAV GROUP AGENCIES (UK) LTD.	-	58	-	-
0-E	CSAV GROUP AGENCIES KOREA CO. LTD.	411	-	-	-
0-E	CSAV SUDAMERICANA DE VAPORES S.A.	-	7,270	-	-
0-E	ECUAESTIBAS S.A.	498	383	-	-
96539380-3	EDICIONES FINANCIERAS S.A.	-	1	-	-
0-E	ELEQUIP S.A.	62	69	-	-
89602300-4	EMPRESA DE TRANSPORTE SUDAMERICANA AUSTRAL LTDA.	71	190	-	-
0-E	FLORIDA INTERNACIONAL TERMINAL, LLC	372	483	-	-
96915330-0	IQUIQUE TERMINAL INTERNACIONAL S.A.	250	550	-	-
0-E	LENNOX OCEAN SHIPPING CO. S.A.	33,276	32,143	-	-
94660000-8	MARÍTIMA DE INVERSIONES S.A.	-	2,928	-	-
0-E	COMPAÑÍA LIBRA NAVEGACIÓN URUGUAY S.A.	-	275	-	-
96566900-0	NAVARINO S.A.	-	44	-	-
0-E	ODFJELL & VAPORES LTD.	-	7	-	-
0-E	RAHUE INVESTMENT CO. S.A.	105,252	55	-	-
96798520-1	SAAM EXTRAPORTUARIO S.A.	57	86	-	-
96908970-K	SAN ANTONIO TERMINAL INTERNACIONAL S.A.	1,203	1,000	-	-
96908930-0	SAN VICENTE TERMINAL INTERNACIONAL S.A.	503	275	-	-
83032100-4	SERVICIOS DE CONSULTORÍA HENDAYA S.A.	-	125	-	-
96556920-0	SERVICIOS DE PERSONAL PORTALES S.A. (SEPSA)	2	2	-	-
86547900-K	SOCIEDAD ANÓNIMA VIÑA SANTA RITA	5	-	-	-
0-E	SOUTH TRADE SHIPPING CO. INC.	3,254	-	-	-
0-E	SOUTHERN SHIPMANAGEMENT CO. S.A.	-	849	-	-
0-E	SUDAMERICANA AGENCIAS MARÍTIMAS DO BRAZIL (BRASIL)	309	-	-	-
92048000-4	SUDAMERICANA, AGENCIAS AÉREAS Y MARÍTIMAS S.A.	5,825	3,330	-	-
0-E	TOLLO SHIPPING CO. S.A.	-	-	-	-
0-E	TRABAJOS MARÍTIMOS S.A.	91	180	-	-
82074900-6	TRANSBORDADORA AUSTRAL BROOM Y CÍA LTDA.	-	10	-	-
0-E	WELLINGTON HOLDINGS GROUP S.A. (BVI)	3	-	-	-
99567620-6	TERMINAL PUERTO ARICA S.A.	39	-	-	-
96539380-3	EDICIONES FINANCIERAS S.A.	2	-	-	-
<b>TOTAL</b>		<b>159,198</b>	<b>59,826</b>	<b>-</b>	<b>-</b>

## Significant Transactions with Related Companies

TAX ID	Companies	Relationship	Transaction	31/12/2006		31/12/2005	
				Amount	Effect on results (debit)/Credit	Amount	Effect on results (debit)/Credit
81151500-0	ABC COMERCIAL LTDA.	SHAREHOLDER AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED	-	23	23	-
0-E	AGENCIAS GRUPO CSAV (MEXICO) S.A. DE C.V.	SUBSIDIARY	COMMISSIONS	2,970	(2,656)	1,950	(1,950)
96566940-K	AGENCIAS UNIVERSALES S.A.	ASSOCIATE	MARITIME SERVICES RENDERED	141	141	87	87
96566940-K	AGENCIAS UNIVERSALES S.A.	ASSOCIATE	PORT SERVICES RECEIVED	359	(359)	158	(158)
99511240-K	ANTOFAGASTA TERMINAL INTERNACIONAL S.A	ASSOCIATE	SERVICES RENDERED	9	9	4	4
99511240-K	ANTOFAGASTA TERMINAL INTERNACIONAL S.A	ASSOCIATE	PORT SERVICES RECEIVED	3,567	(3,567)	956	(956)
96663560-6	ASERRADERO ARAUCO S.A	SHAREHOLDER AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED	3,548	3,548	1,386	1,386
0-E	BRUNSWICK INVESTMENT	SUBSIDIARY	ADVISORY ASSISTANCE	300	300		
93480000-1	CELULOSA ARAUCO Y CONSTITUCIÓN S.A.	SHAREHOLDER AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED	1,599	1,599	252	252
0-E	CHACABUCO SHIPPING LTD.	SUBSIDIARY	ADVISORY ASSISTANCE	252	252		
0-E	CCHOLGUAN SHIPPING LLTD.	SUBSIDIARY	ADVISORY ASSISTANCE	163	163		
0-E	CNP HOLDING S.A.	SUBSIDIARY	ADMINISTRATIVE SERVICES	2,353	2,353	4,090	4,090
77869900-1	COMERCIALIZADORA ICB LIMITADA	SHAREHOLDER AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED			13	13
0-E	COMPANHIA LLIBRA DE NAVEGACAO (BRASIL)	SUBSIDIARY	VESSEL CHARTER	124,054	105,443	115,863	90,461
0-E	COMPANHIA LIBRA DE NAVEGACAO (BRASIL)	SUBSIDIARY	CONTAINER LEASE	19,967	19,967	22,185	22,185
0-E	COMPANHIA LIBRA DE NAVEGACAO (BRASIL)	SUBSIDIARY	VESSEL CHARTER	84,056	(77,712)	65,117	(63,028)
0-E	COMPANHIA LIBRA DE NAVEGACAO (BRASIL)	SUBSIDIARY	COMMISSIONS	2,804	(2,804)		
90596000-8	COMPAÑIA CHILENA DE NAVEGACIÓN INTEROCEÁNICA S.A.	ASSOCIATE	MARITIME SERVICES RENDERED	30,934	30,934	32,692	32,692
90596000-8	COMPAÑIA CHILENA DE NAVEGACIÓN INTEROCEÁNICA S.A.	ASSOCIATE	MARITIME SERVICES RECEIVED	29,999	(29,999)	30,656	(30,656)
90690000-9	COMPAÑIA DE PETRÓLEOS DE CHILE COPEC S.A	SHAREHOLDER AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED	260	260	254	254
90690000-9	COMPAÑIA DE PETRÓLEOS DE CHILE COPEC S.A	SHAREHOLDER AND/OR DIRECTOR IN COMMON	FUEL	26,848	(26,848)	22,748	(22,748)
90320000-6	COMPAÑIA ELECTRO METALÚRGICA S.A.	SHAREHOLDER AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED	28	28	5	5
96838090-7	COMPAÑIA NAVIERA RÍO BLANCO S.A.	SUBSIDIARY	ADMINISTRATIVE SERVICES	36	36	36	36
96838090-7	COMPAÑIA NAVIERA RÍO BLANCO S.A.	SUBSIDIARY	VESSEL CHARTER	3,431	(3,380)	3,336	(2,989)
0-E	COMPAÑIA SUD AMERICANA DE VAPORES GMBH	SUBSIDIARY	COMMERCIAL SERVICES	13,109	(13,109)	14,049	(14,049)
0-E	CONSORCIO NAVIERO PERUANO S.A	ASSOCIATE	AGENCYING SERVICES	2,609	(2,609)	3,469	(3,469)
91643000-0	CORPESCA S.A.	SHAREHOLDER AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED	392	392	2,378	2,378
0-E	CORVINA SHIPPING CO. S.A.	ASSOCIATE	ADMINISTRATIVE SERVICES	16	16	14	14
90331000-6	RISTALERÍAS DE CHILE S.A.	SHAREHOLDER AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED	685	685	5	5
0-E	CSAV AGENCY, LLC	SUBSIDIARY	FREIGHT	49	49		
0-E	CSAV AGENCY, LLC	SUBSIDIARY	AGENCYING SERVICES	18,049	(17,491)	19,311	(18,610)
0-E	CSAV ARGENTINA S.A.	SUBSIDIARY	COMMISSIONS	1,008	(975)		
0-E	CSAV GROUP (CHINA) SHIPPING CO. LTD.	SUBSIDIARY	COMMISSIONS	2,540	(1,093)	1,283	(959)
0-E	CSAV GROUP (GERMANY) GMBH	SUBSIDIARY	COMMISSIONS	2,539	(2,539)	354	(354)
0-E	CSAV GROUP (INDIA) PRIVATE LIMITED	SUBSIDIARY	COMMISSIONS	1,576	(1,576)	1,403	(1,403)
0-E	CSAV GROUP AGENCIES (HONG KONG) LIMITED	SUBSIDIARY	COMMISSIONS	2,539	(2,508)	3,463	(3,463)
0-E	CSAV GROUP AGENCIES (INDIA) PRIVATE LIMITED	SUBSIDIARY	COMMISSIONS	378	(270)	125	(125)
0-E	CSAV GROUP AGENCIES (TAIWAN) LIMITED	SUBSIDIARY	COMMISSIONS	612	(612)	1,129	(798)
0-E	CSAV GROUP AGENCIES (UK) LTD	SUBSIDIARY	COMMISSIONS	913	(913)	808	(808)
0-E	CSAV GROUP AGENCIES BRAZIL AGENCIAMIENTO DE TRANSPORTE LTDA.	SUBSIDIARY	COMMISSIONS	8,632	(8,525)	3,610	(3,254)
0-E	CSAV GROUP AGENCIES KOREA CO. LTD.	SUBSIDIARY	COMMISSIONS	596	(531)		
0-E	CSAV SUDAMERICANA DE VAPORES S.A	SUBSIDIARY	ADMINISTRATIVE SERVICES	1,500	1,500	1,500	1,500
0-E	CSAV SUDAMERICANA DE VAPORES S.A	SUBSIDIARY	CONTAINER SERVICE	3,414	3,414	3,197	3,197
0-E	CSAV SUDAMERICANA DE VAPORES S.A	SUBSIDIARY	COMMISSIONS	8,772	(8,772)	4,747	(4,381)
0-E	CSAV SUDAMERICANA DE VAPORES S.A	SUBSIDIARY	MARITIME SERVICES RECEIVED	2,333	(2,165)	4,751	(4,615)
76344250-0	DISTRIBUIDORA SANTA RITA LIMITADA	SHAREHOLDER AND/OR DIRECTOR IN COMMON	FREIGHT	126	126		
0-E	ECUAESTIBAS S.A. (ECUADOR)	SUBSIDIARY	AGENCYING SERVICES	4,154	(4,154)	3,944	(3,944)
96539380-3	EDICIONES FINANCIERAS S.A	SHAREHOLDER AND/OR DIRECTOR IN COMMON	ADVERTISING	43	(43)	80	(80)
89602300-4	EMPRESA DE TRANSPORTE SUDAMERICANA AUSTRAL LTDA.	SUBSIDIARY	INTERESTS			61	61
89602300-4	EMPRESA DE TRANSPORTE SUDAMERICANA AUSTRAL LTDA.	SUBSIDIARY	ADMINISTRATIVE SERVICES			1,391	(1,391)
96591040-9	EMPRESAS CAROZZI S.A	SHAREHOLDER AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED	1,153	1,153	1,416	1,416
86881400-4	ENVASES CMF S.A	SHAREHOLDER AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED	45	45	132	132
79753810-8	ESTUDIO CLARO Y COMPAÑIA	CHAIRMAN	LEGAL COUNSELING	66	(66)	58	(58)
96755490-1	FANALOZA S.A.	SHAREHOLDER AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED	676	676	321	321
0-E	FLORIDA TERMINAL INTERNATIONAL, LLC	SHAREHOLDER AND/OR DIRECTOR IN COMMON	PORT SERVICES RECEIVED	2,797	(2,797)		
96696270-4	INMOBILIARIA MARITIMA PORTUARIA S.A.	SHAREHOLDER AND/OR DIRECTOR IN COMMON	OFFICE RENTAL	95	95		
0-E	INVERSIONES NUEVO TIEMPO S.A.	SUBSIDIARY	ADMINISTRATIVE SERVICES	2	2	2	2
0-E	INVERSIONES PLAN FUTUROS.A	SUBSIDIARY	ADMINISTRATIVE SERVICES	2	2	2	2
96915330-0	IQUIQUE TERMINAL INTERNACIONAL S.A	SUBSIDIARY	ADMINISTRATIVE SERVICES	40	40	11	11
96915330-0	IQUIQUE TERMINAL INTERNACIONAL S.A.	SUBSIDIARY	PORT SERVICES RECEIVED	3,699	(3,699)	3,823	(3,813)
0-E	LLENNOX OCEAN SHIPPING CO. S.A.	SUBSIDIARY	CONTAINER SELLING	66	66		
0-E	LENNOX OCEAN SHIPPING CO. S.A.	SUBSIDIARY	CONTAINER LEASE	661	(661)	2,773	(2,773)
0-E	LLONE STAR SHIPPING CO	SUBSIDIARY	VESSEL CHARTER	332	332		
0-E	LONE SAR SHIPPING CO.	SUBSIDIARY	VESSEL CHARTER RECEIVED	2,120	(2,120)		
0-E	LONGAVI SHIPPING LTD.	SUBSIDIARY	ADVISORY ASSISTANCE	174	174		

TAX ID	Companies	Relationship	Transaction	31/12/2006		31/12/2005	
				Amount	Effect on results (debit)/ Credit	Amount	Effect on results (debit)/ Credit
9466000-8	MARÍTIMA DE INVERSIONES S.A.	MAJORITY SHAREHOLDER	ADMINISTRATIVE SERVICES	79	55	104	104
0-E	MARSUD LTDA.	SUBSIDIARY	AGENCYING SERVICES			643	(643)
0-E	COMPANÍA LIBRA DE NAVEGACION (URUGUAY)	SUBSIDIARY	CONTAINER LEASE	7,715	7,715	9,526	9,526
0-E	COMPANÍA LIBRA DE NAVEGACION (URUGUAY)	SUBSIDIARY	VESSEL CHARTER	33,355	33,355	48,782	45,015
0-E	COMPANÍA LIBRA DE NAVEGACION (URUGUAY)	SUBSIDIARY	MARITIME SERVICES RENDERED	46,609	(23,045)	29,655	(27,647)
0-E	NORASIA CONTAINER LINES LIMITED	SUBSIDIARY	CONTAINER LEASE	64,857	64,857	65,590	65,590
0-E	NORASIA CONTAINER LINES LIMITED	SUBSIDIARY	VESSEL CHARTER	108,284	103,090	153,009	151,310
0-E	NORASIA CONTAINER LINES LIMITED	SUBSIDIARY	ADVISORY ASSISTANCE	11,953	11,953	11,676	11,676
0-E	NORASIA CONTAINER LINES LIMITED	SUBSIDIARY	SPACE LEASE	9,507	(6,632)	4,983	(4,284)
0-E	NORTH TRADE SHIPPING CO. INC.	ASSOCIATE	ADMINISTRATIVE SERVICES	30	30		
96840950-6	ODFJELL Y VAPORES S.A.	SUBSIDIARY	ADMINISTRATIVE SERVICES	73	73	72	72
96840950-6	ODFJELL Y VAPORES S.A.	SUBSIDIARY	COMMISSIONS			83	83
96840950-6	ODFJELL L.L.L. Y VAPORES S.A.	SUBSIDIARY	VESSEL LEASE			886	(886)
0-E	PAINE SHIPPING LLTD.	SUBSIDIARY	ADVISORY ASSISTANCE	29	29		
96510970-6	PANELES ARAUCO S.A.	SHAREHOLDER AND/OR DIRECTOR IN COMMON	FREIGHT	1,719	1,719	583	583
0-E	PETER DOHLE SCHIFFFAHRTS-KG (GMBH + CO)	INDIRECT	VESSEL CHARTER	112,998	(112,998)	151,195	(151,195)
87001500-3	QUIMETAL INDUSTRIAL S.A.	SHAREHOLDER AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED	100	100	164	164
0-E	RAHUE INVESTMENT CO. S.A.	SUBSIDIARY	REMITTANCES RECEIVED	962,947	0	1,064,970	
0-E	RAHUE INVESTMENT CO. S.A.	SUBSIDIARY	REMITTANCES RECEIVED	821,750	0	992,590	
0-E	SAAM DO BRASIL	SUBSIDIARY	AGENCYING SERVICES	2,324	(2,324)	179	(179)
96798520-1	SAAM EXTRAPORTUARIO S.A.	SUBSIDIARY	PORT SERVICES RECEIVED	891	(891)	540	(540)
96908970-K	SAN ANTONIO TERMINAL INTERNACIONAL S.A.	ASSOCIATE	CONTAINER SERVICE	255	255	157	157
96908970-K	SAN ANTONIO TERMINAL INTERNACIONAL S.A.	ASSOCIATE	PORT SERVICES RECEIVED	11,674	(11,674)	11,966	(11,966)
96908930-0	SAN VICENTE TERMINAL INTERNACIONAL S.A.	ASSOCIATE	ADMINISTRATIVE SERVICES	76	76	19	19
96908930-0	SAN VICENTE TERMINAL INTERNACIONAL S.A.	ASSOCIATE	PORT SERVICES RECEIVED	5,169	(5,169)	2,577	(2,557)
83032100-4	SERVICIOS DE CONSULTORIA HENDAYA S.A.	SHAREHOLDER AND/OR DIRECTOR IN COMMON	SERVICES RECEIVED	27	(27)		
96556920-0	SERVICIOS DE PERSONAL PORTALES S.A. (SEPSA)	SUBSIDIARY	SERVICES RECEIVED			6	(6)
86547900-K	SOCIEDAD ANÓNIMA VIÑA SANTA RITA	SHAREHOLDER AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED			124	124
86547900-K	SOCIEDAD ANÓNIMA VIÑA SANTA RITA	SHAREHOLDER AND/OR DIRECTOR IN COMMON	PRODUCT BUYING	20	(20)	22	(22)
0-E	SOUTH TRADE SHIPPING CO. INC.	SUBSIDIARY	ADMINISTRATIVE SERVICES	36	36		
0-E	SOUTH TRADE SHIPPING CO. INC.	SUBSIDIARY	VESSEL CHARTER RECEIVED	3,254	(3,254)	3,619	(3,619)
87987300-2	SOUTHERN SHIPMANAGEMENT (CHILE) LLTDA.	SUBSIDIARY	INTERESTS	1,255	1,255	637	637
87987300-2	SOUTHERN SHIPMANAGEMENT (CHILE) LLTDA.	SUBSIDIARY	SHIPBUILDING SERVICES	8,624	(8,624)	9,687	(9,687)
0-E	SOUTHERN SHIPMANAGEMENT CO. S.A.	ASSOCIATE	SHIPBUILDING SERVICES			3,883	(3,883)
0-E	SOUTHERN SHIPMANAGEMENT CO. S.A.	ASSOCIATE	OTHER SERVICES RECEIVED	5	5	15	15
92048000-4	SUDAMERICANA AGENCIAS AÉREAS Y MARÍTIMAS S.A.	SUBSIDIARY	CONTAINER SERV. AND ADV.ASSIST.	3,541	3,541	4,847	4,847
92048000-4	SUDAMERICANA AGENCIAS AÉREAS Y MARÍTIMAS S.A.	SUBSIDIARY	AGENCYING SERVICES	17,402	(17,402)	17,928	(17,928)
0-E	TOLLO SHIPPING CO. S.A.	SUBSIDIARY	ADMINISTRATIVE SERVICES	16	16	14	14
89150900-6	VÑA LOS VASCOS S.A.	SHAREHOLDER AND/OR DIRECTOR IN COMMON	MARITIME SERVICES RENDERED			13	13
0-E	ELEQUIP S.A.	ASSOCIATE	AGENCYING SERVICES	431	(431)		

## 6. - Deferred Taxes and Income Tax.

a) In Chile, the Corporate tax is levied on the profits related to investments in foreign companies in the year they are received. Consequently, since the foreign direct subsidiaries have paid no dividends in the current period, the Company has made no provision for the referred concept.

The retained earnings of foreign subsidiaries total ThUS\$ 458,348 as of December 31, 2006 (ThUS\$ 476,605 in 2005).

b) On December 2, 2002 the Company received a notification from the Chilean Internal Revenue Service relating to the income operation of tax years 2001 and 2002, determining certain differences that have a bearing on the Net Taxable Income, Accumulated Taxable Profit Book (FUT) and determination of loans. The Company answered within the legal term to such notification which, in the opinion of the Management and Counsels, is not according to the rules.

On April 10, 2003 tax assessments numbers 153 to 156 were received from the Chilean Internal Revenue Service amounting to Ch\$ 131,581,581, relating to 2001 and 2002 income operation, for differences in the Net Taxable Income and Resolution No 244, which does not accept a refund of Prepaid Income Taxes for loss absorption of Ch\$ 396,178,277 (historic). The Company and its counsels think that the tax assessments and Resolution are not according to the rules, which have been claimed within the legal terms.



On September 13, 2004, the Tax Judge dictated a judgment in favor of CSAV in terms of returns 153 and 154, but judged in favor of the Chilean Internal Revenue Service in returns 155 and 156 dealing with the application of FUT.

On September 22, 2004 the appeal to the decision was filed, as the referred resolution is not according to the rules, in the opinion of the management and counsels.

In November 2005, an appeal for inapplicability based on unconstitutionality was filed before the Supreme Court. Case IC 3292-2004.

On November 17, 2006, the Supreme Court accepted the Company's appeal for inapplicability based on unconstitutionality. Consequently, the proceeding and judgment rendered by the Tax Court must be nullified by the Regional Director of Valparaíso

At December 31, 2006, no communication changing the current situation has been received from the Chilean Internal Revenue Service.

c) On April 29, 2004, the Company was notified by the Chilean Internal Revenue Service, whereby it was objected Income Tax annual returns corresponding to tax years 2001, 2002 and 2003, respectively, relating to the income treatment of the subsidiaries abroad regarding the Company's Net Taxable Income.

On July 30, 2006, assessments number 168 to 174 were received from the Chilean Internal Revenue Service, amounting to Ch\$ 8,040,916,137, which were claimed within the term. On February 6, 2006, a resolution rejecting the referred claim was received from the tax court was received.

On February 13, 2006, the decision was appealed, since it is not according to the rules in the opinion of our legal counsels.

In March 2006, an appeal for inapplicability based on unconstitutionality was filed before the Constitutional Court. Case 499-2006.

On March 10, 2006, the Chilean Internal Revenue Service debited the referred taxes according to assessments number 168 to 174.

On March 28, 2006, the Court of Appeals of Valparaíso was requested to suspend the executive proceeding, as it was in the appeal stage. The referred Court, upon consultation to the Regional Treasury of Valparaíso, agreed to postpone the judicial collection for 90 business days, as from April 25, 2006.

In spite of the ruled adjournment, on April 27, the Regional Treasury of Valparaíso proceeded to the attachment of Company's vehicle and property in the amount of Ch\$ 3,077,193,613. The Court of Appeals of Valparaíso dismissed the Company's claim to the attachment levied, a resolution that was not appealed, since the asset attachment does not produce any shareholders' equity impairment.

On September 5, 2006 the Constitutional Court accepted the appeal for inapplicability based on unconstitutionality filed by the Company. Consequently, the proceeding and judgment pronounced by the Tax Court must be nullified by de Regional Director of Valparaíso and, hence, the steps referred in the previous paragraph will remain null.

In the opinion of the Company's external advisors, the assessments referred to above are not according to the law and, consequently, no provision was made.

As of December 31, 2006, no communication changing the current situation has been received from the Chilean Internal Revenue Service.

d) On December 27, 2005, the Company was notified by the Chilean Internal Revenue Service, whereby it was objected Income Tax annual returns corresponding to tax years 2003, 2004 and 2005, respectively, relating to the income treatment of the subsidiaries abroad regarding the Company's Net Taxable Income.

On April 18, 2006 assessments number 121 and 122 were received from the Chilean Internal Revenue Service, amounting to Ch\$ 62,744,890 (historic), which were claimed within the term.

As of December 31, 2006, no communication changing the current situation has been received from the Chilean Internal Revenue Service.

e) The Company has made provisions for income tax of ThUS\$ 221 in the 2006 period (ThUS\$ 16,781 in 2005) which refer to non-deductible expenses tax of ThUS\$ 221(ThUS\$ 303 in 2005). For 2006, the Company made no provisions for income tax, since it recorded tax losses. The tax loss declared as of December 31, 2006 was debited against accumulated taxable profits as of December 2005 and against dividends earned in 2006. This generated an income provision for losses absorption of ThUS\$ 1,072 classified in Other non-operating income. (In 2005, the Company made provisions for income tax of ThUS\$ 16,478).

f) As of December 31, 2006, there are no Accumulated Taxable Profits balances (this balance was ThUS\$ 47,418 in 2005).

## Deferred taxes

Item	31/12/2006				31/12/2005			
	Deferred tax asset		Deferred tax liability		Deferred tax asset		Deferred tax liability	
	Short Item	Long Item	Short Item	Long Item	Short Item	Long Item	Short Item	Long Item
<b>Temporary differences:</b>								
Provision for uncollectible accounts	1,754	-	-	-	1,825	-	-	-
Unearned income	7	-	-	-	-	110	-	-
Vacation allowance	370	-	-	-	379	-	-	-
Amortization of intangibles	-	-	-	-	-	-	-	-
Leasing assets	-	-	-	-	-	-	-	-
Manufacturing expenses	-	-	-	-	-	-	-	-
Depreciation fixed assets	-	-	-	805	-	-	-	697
Severance indemnity	-	-	-	139	-	-	-	143
Other events	-	-	-	-	250	-	-	-
Provision for cargo claims	1,385	-	-	-	1,181	-	-	-
Provision for fleet maintenance & other	149	-	-	-	201	-	-	-
Provision for negative results from vessels	1,448	-	-	-	1,601	-	-	-
Container expenses allowance	2,259	-	-	-	1,998	-	-	-
UF bonds placement expenses	-	-	-	89	-	-	-	95
Derivative contract premium	-	-	-	-	-	-	316	-
ERP implementations	-	-	-	-	287	-	-	-
Tax losses	-	14,768	-	-	-	-	-	-
Vessel improvement	-	595	-	-	-	-	-	-
Deferred result on sale of assets	-	168	-	-	-	173	-	-
<b>Other</b>								
Supplementary Accts - Net amortization	-	(128)	-	(291)	-	(131)	-	(332)
Valuation allowance	-	-	-	-	-	-	-	-
<b>Total</b>	<b>7,372</b>	<b>15,403</b>	<b>-</b>	<b>742</b>	<b>7,722</b>	<b>152</b>	<b>316</b>	<b>603</b>

## Income tax

Item	31/12/2006	31/12/2005
Current tax expenditures (tax provision)	(232)	(16,781)
Tax expenditures adjustment (prior year)	-	(67)
Effect on assets or liabilities due to year's deferred tax	347	3,887
Unused tax losses	14,768	-
Amortization effect of complementary deferred assets and liabilities	(38)	(38)
<b>Total</b>	<b>14,845</b>	<b>(12,999)</b>

## 7. - Fixed Assets

2006	Book value	Accumulated depreciation	Net fixed assets	Depreciation for the year	Deferred depreciation /accrued
	ThUS\$	ThUS\$	ThUS\$	(1) ThUS\$	(2) ThUS\$
Land	3,014	-	<b>3,014</b>	-	-
Buildings and infrastructure	16,303	(2,063)	<b>14,240</b>	(178)	-
Machinery and equipment	54,310	(32,208)	<b>22,102</b>	(5,159)	81
Other fixed assets	2,922	-	<b>2,922</b>	-	-
<b>Total</b>	<b>76,549</b>	<b>(34,271)</b>	<b>42,278</b>	<b>(5,337)</b>	<b>81</b>

2005	Book value	Accumulated depreciation	Net fixed assets	Depreciation for the year	Deferred depreciation /accrued
	ThUS\$	ThUS\$	ThUS\$	(1) ThUS\$	(2) ThUS\$
Land	3,014	-	<b>3,014</b>	-	-
Buildings and infrastructure	16,303	(1,886)	<b>14,417</b>	(177)	-
Machinery and equipment	53,952	(27,230)	<b>26,722</b>	(5,207)	(37)
Other fixed assets	1,272	-	<b>1,272</b>	-	-
<b>Total</b>	<b>74,541</b>	<b>(29,116)</b>	<b>45,425</b>	<b>(5,384)</b>	<b>(37)</b>

(1) Depreciation for the period, is presented in Operating expenses for 2006, amounting to ThUS\$ 4,490 (ThUS\$ 4,493 in 2005) and in Sales and administration expenses of ThUS\$ 847 (ThUS\$ 891 in 2005).

(2) Deferred/(accrued) depreciation refers to the adjustment of depreciation for the vessels in operation at the year end.

## **8. - Investments in Related Companies**

### **a) Norgistic (China) Limited**

On January 14, 2005 the Company made a capital contribution of ThUS\$ 850 to this subsidiary.

On December 30, 2006 the Company sold 1% shareholding, equivalent to ThCh\$ 26 to CSAV Inversiones Navieras S.A.

### **b) Inversiones San Marco S.A.**

On March 31, 2005 the Company acquired 100 shares (1% equity ownership) at Ch\$ 12,418.07 each

On October 24, 2006 the company is transformed into a limited company.

On October 30, 2006 the company's split was agreed, giving rise to Inmobiliaria San Marco Limitada.

### **c) Inversiones Nuevo Tiempo S.A.**

On September 27, 2006 the Company made a capital contribution of ThUS\$ 6,159 to this subsidiary.

### **d) CSAV Group (China) Shipping CO.S.A.**

On December 30, 2006 the Company sold 1% shareholding, equivalent to ThUS\$ 11, to CSAV Inversiones Naviera S.A.

### **e) Inmobiliaria San Marco Ltda.**

On October 31, 2006 a capital contribution of US\$ 567 equivalent to 1% was made.

f) This caption includes the investment in Compañía Chilena de Navegación Interoceánica S.A., for having representation on its Board.

In addition, both companies perform joint operations and have associates with a 50% shareholding.

Also, investments in Logística Integral S.A., Inversiones San Marco Ltda. an Inmobiliaria San Marco Ltda. are included, because the respective direct and indirect percentage is higher than 20%.

### **g) Unrealized income**

PEVs of Tollo Shipping Co. S.A. and Sudamericana Agencias Aéreas y Marítimas S.A. have been adjusted for deferred profits from sale of vessel to subsidiary of CSAV and from sales of assets, respectively.

### **h) Information on foreign investment**

#### **h.1. Potentially remittable earnings from investments made in foreign related companies**

Potentially remittable earnings are not considered due to the constant investment of the Company and its subsidiaries in their own line of business.

h.2. There are no liabilities incurred, specially assigned or accounted as hedge for investment made in foreign companies.

### **i) Dividends received**

On January 19, 2005 a dividend of ThUS\$ 2,550 was received from Odfjell & Vapores S.A.

On May 25, 2005 and October 26, 2005 dividends of ThUS\$ 785 and ThUS\$ 711, respectively, were received from Compañía Chilena de Navegación Interoceánica S.A.

On May 8, 2006, a dividend of ThUS 1,422 was received from Compañía Chilena de Navegación Interoceánica S.A.

Tax ID	Companies	Country	Currency	Share stocks	Percentage holding		Shareholders' equity		Result for the period		Accrued result		Proportional equity value		Unrealized results		Book value of the investment	
					31/12/2006	31/12/2005	31/12/2006	31/12/2005	31/12/2006	31/12/2005	31/12/2006	31/12/2005	31/12/2006	31/12/2005	31/12/2006	31/12/2005	31/12/2006	31/12/2005
92048000-4	SUDAMERICANA, AGENCIAS AÉREAS Y MARÍTIMAS S.A.	CHILE	PESOS	53,144,074	99,99950	99,99947	330,504	292,883	40,349	35,002	40,348	35,001	330,502	292,881	984	1,020	329,518	291,861
0-E	CORVINA SHIPPING S.A.	PANAMA	DOLLAR	40,599	99,99800	99,99800	238,267	192,729	45,524	3,636	45,523	3,636	238,261	192,722	-	-	238,261	192,722
0-E	TOLLO SHIPPING CO. S.A.	PANAMA	DOLLAR	91,839	99,99900	99,99900	219,744	284,027	(64,283)	17,823	(64,282)	17,823	219,742	284,024	631	-	219,111	284,024
0-E	INVERSIONES PLAN FUTURO S.A.	PANAMA	DOLLAR	37,499	99,99700	99,99700	167,559	167,557	2	33	2	33	167,553	167,552	-	-	167,553	167,552
0-E	CSAV AGENCY, LLC	USA	DOLLAR	10,000	99,79050	99,79000	9,269	6,076	3,193	4,644	3,186	4,635	9,250	6,064	-	-	9,250	6,064
90596000-8	COMPAÑÍA CHILENA DE NAVEGACIÓN INTEROCEÁNICA S.A.	CHILE	DOLLAR	35,564,604	13,00768	13,01000	61,402	91,789	(19,450)	35,401	(2,530)	4,606	7,987	11,942	-	-	7,987	11,942
96840930-6	ODFELL Y VAPORES S.A.	CHILE	DOLLAR	510,000	51,00000	51,00000	8,907	9,613	5,694	4,711	2,904	2,403	4,542	4,903	-	-	4,542	4,903
0-E	INVERSIONES NUEVO TIEMPO S.A.	PANAMA	DOLLAR	99	99,99000	99,00000	2,360	(610)	(3,191)	(1,677)	(3,190)	(1,671)	2,360	-	-	-	2,360	-
99588400-3	CSAV INVERSIONES NAVIERAS S.A.	CHILE	DOLLAR	46,980	99,99300	99,99300	3,668	2,729	939	(271)	939	(271)	3,668	2,729	-	-	3,668	2,729
0-E	CSAV GROUP (CHINA) SHIPPING CO. LTD.	CHINA	DOLLAR	-	99,00000	100,00000	4,141	2,535	1,463	979	1,448	979	4,100	2,535	-	-	4,100	2,535
89602300-4	EMPRESA DE TRANSPORTE SUDAMERICANA AUSTRAL LTDA	CHILE	DOLLAR	-	99,00000	99,00000	1,138	1,143	(9)	1,395	(9)	1,381	1,127	1,132	-	-	1,127	1,132
0-E	NORGISTIC (CHINA) LIMITED	CHINA	DOLLAR	-	99,00000	100,00000	1,126	1,077	19	99	19	99	1,115	1,077	-	-	1,115	1,077
0-E	COMPAÑÍA SUDAMERICANA DE VAPORES GMBH	GERMANY	EURO	-	100,00000	100,00000	719	532	125	21	125	21	719	532	-	-	719	532
96720220-7	INVERSIONES SAN MARCO LTDA.	CHILE	PESOS	-	1,00000	1,00000	77	82	-	6	-	-	1	1	-	-	1	1
76708840-K	INMOBILIARIA SAN MARCO LTDA	CHILE	PESOS	-	1,00000	-	61,255	-	361	-	4	-	613	-	-	-	613	-
95303000-1	LOGÍSTICA INTEGRAL S.A.	CHILE	PESOS	1	0,01000	0,01000	37	129	(89)	(176)	-	-	-	-	-	-	-	-
TOTAL													991,540	968,094	1,615	1,020	989,925	967,074

## 9. - Negative Goodwill

Tax Id	Company	31/12/2006		31/12/2005	
		Amortization	Negative Goodwill	Amortization	Negative Goodwill
90596000-8	Compañía Chilena de Navegación Interoceánica S.A.	562	2,530	562	3,092
TOTAL		562	2,530	562	3,092

## 10. - Others (Assets)

Item	31/12/2006	31/12/2005
	ThUS\$	ThUS\$
Costs of positioning containers	2,539	2,771
Costs of issuing UF bonds	2,165	2,311
Other	-	140
<b>Total</b>	<b>4,704</b>	<b>5,222</b>

## 11. - Short-term Liabilities with Banks and Financial Institutions

Current portion of long term:

CURRENCY AND ADJUSTMENT INDEX								
Tax Id	Bank or financial institution	Dollar		UF		Non-indexed Ch\$		Total
		31/12/2006	31/12/2005	31/12/2006	31/12/2005	31/12/2006	31/12/2005	31/12/2006 31/12/2005
0-E	DEUTSCHE SHIFFSBANK	1,345	1,360	-	-	-	-	1,345 1,360
	<b>TOTAL</b>	<b>1,345</b>	<b>1,360</b>	-	-	-	-	<b>1,345 1,360</b>
	Principal outstanding	1,120	1,120	-	-	-	-	1,120 1,120
	Average annual interest rate %	2,24	2,24	-	-	-	-	- -
	Liabilities in foreign currency (%)	100,0000						
	Liabilities in local currency (%)	-						

## 12. - Long-term Obligations with Banks and Financial Institutions

Tax Number	Bank or financial institution	Currency or restatement restatement unit	Years to maturity					Closing date current period		Closing date previous period
			Over 1 up to 2	Over 2 up to 3	Over 3 up to 5	Over 5 up to 10	Over 10 years	Total long term at the closing of the financial statements	Average annual interest rate	Total long term at the closing of the financial statements
			Amount					Maturity		
0-E	DEUTSCHE SCHIFSBANK	Dollar	1,120	1,120	2,240	6,095		10,575	2,24	11,695
TOTAL			1,120	1,120	2,240	6,095		10,575		11,695
Liabilities foreign currency (%)		100,0000								
Liabilities local currency (%)		0,0000								

## 13. - Bonds Payable

### a) Bonds

Refers to indexed inflated UF non-physical bonds placed in Chile.

	Series A 1	Series A 2
Amount of bonds issued	190	100
Nominal value of each bond	UF5,000	UF10,000
Nominal value of the Series	UF950,000	UF 1,000,000
Placement value (100% of issue)	UF908,096	UF 955,891
Date of issue	1/10/2001	
Date of placement	14/11/2001 (100% placed)	
Annual interest rate	6.40%	
Interest payment	Semi-annually, due	
Initial date of interest accrual	1/10/2001	
Maturity	1/10/2022	
Amortization of principal	Semi-annual payment as of 1.04.2009	
Rating:		
Registration	S.V.S. No 274 on 12.10.2001	
Rating Agency	A+ Clasificadora de Riesgo Humphreys Ltda. A+ Fitch Chile Clasificadora de Riesgo Ltda.	
Underwriters	Salomon Smith Barney S.A., Corredores de Bolsa	
Bond holders representatives	Banco de Chile	
Use of funds	Payment of liabilities maturing in 2002 and 2003 and funding of future acquisition of shareholdings in companies which line of business is related to that of the Issuer and/or the financing of other investment or development of projects linked to such corporate purpose.	

Instrument	Series	Nominal amount  placed outstanding	Indexation unit	Interest rate	Final maturity	Periodical		Par value		Placement in Chile or abroad
						Interest payment	Amortization payment	31/12/2006	31/12/2005	
274	A-1	950	UF	6.4	01/10/2022	SEMESTER	SEMESTER	515	525	LOCAL
274	A-2	1,000	UF	6.4	01/10/2022	SEMESTER	SEMESTER	543	552	LOCAL
<b>Total short-term portion</b>								<b>1,058</b>	<b>1,077</b>	
Long-term bonds										
274	A-1	950	UF	6.4	01/10/2022	SEMESTER	SEMESTER	32,719	33,319	LOCAL
274	A-2	1,000	UF	6.4	01/10/2022	SEMESTER	SEMESTER	34,442	35,073	LOCAL
<b>Total long term</b>								<b>67,161</b>	<b>68,392</b>	

#### 14. - Provisions and Write-off

Short-term provisions	31/12/2006 ThUS\$	31/12/2005 ThUS\$
Cargo claims	8,149	6,946
Fleet maintenance & other	880	1,193
Profit sharing	-	2,646
Vacation	2,175	2,231
Negative shareholders' equity - subsidiaries	-	604
Logistics and containers	13,293	11,750
Vessel betterment	3,500	-
Other	371	1,473
<b>Total</b>	<b>28,368</b>	<b>26,843</b>

Long-term provisions	31/12/2006 ThUS\$	31/12/2005 ThUS\$
Severance indemnity	12,506	14,920
<b>Total</b>	<b>12,506</b>	<b>14,920</b>

Doubtful accounts write-offs at December 31, 2006 amounted to ThCh\$200 (ThCh\$ 496 in 2005)

#### 15. - Severance Indemnity

In 2006, ThUS\$ 1,095 were charged to income results for compensation indemnities (includes foreign exchange difference) and payments of ThUS\$ 3,510 were made. A charge to income of ThUS\$ 3,292 and payments of ThUS\$ 1,801 were made in 2005.

#### 16. - Equity Changes

##### a) Dividends

The Corporate By-laws envisage no restrictions to the dividend payment, which should be paid in Chilean pesos anyway.



## b) Shareholders' Annual Meeting

The meeting held on April 19, 2006 unanimously approved the Annual Report and Financial Statements for fiscal year 2005. The following appropriation of profits was agreed:

Cover Dividends:	ThUS\$
Interim No. 316	6,977
Interim No. 317	18,076
Interim No. 318	6,321
Final No. 319	18,141
Retained earnings	82,788
<b>Total</b>	<b>132,303</b>

Similarly, as dividend policy and appropriation of future profits for 2006, the referred meeting approved to pay the equivalent of 30% of such profits, the Board being authorized to define the timing and amount of the interim dividends payable, which will be subject to the income obtained during the year. Further, the Board is empowered, when appropriate, to pay dividends chargeable to the Future Dividends Fund without the need of authorization by a Shareholders' Annual Meeting.

## c) Other reserves

As of December 31, 2006, the difference resulting from the application of the Proportional Equity Value method to record the investment in subsidiaries that keep accounting in a currency other than the dollar, has been adjusted with a credit to Other reserves. As of December 31, 2006 this adjustment generated a debit of ThUS\$ 2,418 (credit of ThUS\$ 16,034 in 2005). This adjustment refers mostly to the investment held in the subsidiary Sudamericana, Agencias Aéreas y Marítimas S.A.

## Changes in shareholders' equity

Item movements	31/12/2006							31/12/2005						
	Paid-in capital	Other reserves	Reserve for future dividends	Retained earnings	Interim dividends	Deficit in development stage	Income (loss) for the period	Paid-in capital	Other reserves	Reserve for future dividends	Retained earnings	Interim dividends	Deficit in development stage	Income (loss) for the period
Original balance	170,000	22,677	28,347	505,061	(31,374)	-	132,303	170,000	6,643	28,347	360,438	(25,793)	(363)	207,124
Result distribution previous period	-	-	-	82,789	49,515	-	(132,303)	-	-	-	144,623	62,138	363	(207,124)
Final dividend - previous year	-	-	-	-	(18,141)	-	-	-	-	-	-	(36,345)	-	-
Capital increase	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capitalization reserves and/or profits	-	-	-	-	-	(2)	-	-	-	-	-	-	-	-
Accumulated deficit in development stage	-	-	-	-	-	(2)	-	-	-	-	-	-	-	-
Adjustment from investment	-	(2,418)	-	-	-	-	-	-	16,034	-	-	-	-	-
Eventual final dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reserve for equity restatement	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(Loss) income for the year	-	-	-	-	-	-	(58,241)	-	-	-	-	-	-	132,303
Interim dividends	-	-	-	-	-	-	-	-	-	-	-	(31,374)	-	-
<b>Final balance</b>	<b>170,000</b>	<b>20,259</b>	<b>28,347</b>	<b>587,850</b>	<b>-</b>	<b>(2)</b>	<b>(58,241)</b>	<b>170,000</b>	<b>22,677</b>	<b>28,347</b>	<b>505,061</b>	<b>(31,374)</b>	<b>-</b>	<b>132,303</b>
Restated balances	-	-	-	-	-	-	-	170,000	22,677	28,347	505,061	(31,374)	-	132,303

**Number of shares**

Serie	Nº of subscribed capital stock	Nº of called up shares	Nº of voting stock
Single	735,844,521	735,844,521	735,844,521

**Capital**

Serie	Subscribed capital	Paid capital
Single	170,000	170,000

**Accumulated deficit in development stage, subsidiary**

Tax number	Company	Amount for the year	Accumulated amount
76572320-5	SAAM SALMONES LTDA	2	2

**Adjustments from foreign exchange differences**

Item	31/12/2006 ThUS\$	31/12/2005 ThUS\$
Initial balance other reserves	22,677	6,643
Sudamericana, Agencias Aéreas y Marítimas S.A.	(2,725)	16,071
Other	307	(37)
<b>Total accumulated</b>	<b>20,259</b>	<b>22,677</b>

**17. - Other Non-operating Income and Non-operating Expenses**

Other non-operating income	31/12/2006 ThUS\$	31/12/2005 ThUS\$
Amortization on deferred results for vessel's sales and vessel's building contract	18	52
Profit in sales of fixed assets	60	42
Profit in sale of other assets	1,395	1,951
Loss absorption income	1,072	-
Real estate lease	335	231
Profit in derivatives contract	-	5,499
Readjustment	190	270
Power Pack lease	1,045	459
Other	1,228	619
<b>Total</b>	<b>5,343</b>	<b>9,123</b>

Other non-operating expenses	31/12/2006 ThUS\$	31/12/2005 ThUS\$
Loss in sale of other assets	-	(45)
Loss in derivatives contracts	(4,689)	-
<b>Total</b>	<b>(4,689)</b>	<b>(45)</b>

## 18. - Exchange Rate Differences

ASSETS (DEBIT)/CREDIT	CURRENCY	Amount	
		31/12/2006	31/12/2005
CASH AND BANKS	CHILEAN PESO	(307)	(215)
CASH AND BANKS	EURO	482	(1,008)
CASH AND BANKS	YEN	(9)	(23)
CASH AND BANKS	POUND STERLING	-	(182)
CASH AND BANKS	MEXICAN PESO	41	-
CASH AND BANKS	OTHER CURRENCIES	361	(138)
TIME DEPOSITS	CHILEAN PESO	381	(1,664)
TIME DEPOSITS	EURO	-	-
TIME DEPOSITS	YEN	-	-
ACCOUNTS RECEIVABLES	CHILEAN PESO	(43)	300
ACCOUNTS RECEIVABLES	EURO	1,071	(1,525)
ACCOUNTS RECEIVABLES	YEN	33	(15)
ACCOUNTS RECEIVABLES	POUND STERLING	-	(94)
ACCOUNTS RECEIVABLES	BRASILIAN REAIS	351	633
ACCOUNTS RECEIVABLES	MEXICAN PESO	(45)	-
ACCOUNTS RECEIVABLES	OTHER CURRENCIES	(479)	(633)
NOTES RECEIVABLES	CHILEAN PESO	(13)	(28)
NOTES RECEIVABLES	EURO	1	-
SUNDRY DEBTORS	CHILEAN PESO	(194)	332
SUNDRY DEBTORS	EURO	990	(1,248)
SUNDRY DEBTORS	YEN	4	(42)
SUNDRY DEBTORS	POUND STERLING	-	(34)
SUNDRY DEBTORS	BRAZILIAN REAIS	351	(292)
SUNDRY DEBTORS	MEXICAN PESO	16	-
SUNDRY DEBTORS	OTHER CURRENCIES	186	981
RECEIVABLES RELATED COMPANIES	CHILEAN PESO	(94)	237
RECEIVABLES RELATED COMPANIES	EURO	(46)	(764)
RECEIVABLES RELATED COMPANIES	POUND STERLING	-	(42)
RECEIVABLES RELATED COMPANIES	BRAZILIAN REAIS	(292)	(69)
RECEIVABLES RELATED COMPANIES	MEXICAN PESO	-	-
RECEIVABLES RELATED COMPANIES	OTHER CURRENCIES	11	(3)
RECOVERABLE TAXES	CHILEAN PESO	(126)	1,166
INVESTMENTS IN OTHER COMPANIES	CHILEAN PESO	38	(81)
LONG-TERM DEBTORS	CHILEAN PESO	(90)	207
NOTES AND ACCOUNTS RECEIVABLE FROM RELATED COMPANIES - LONG TERM	CHILEAN PESO	-	(4)
OTHER CURRENT ASSETS	CHILEAN PESO	(3,456)	7,544
<b>Total (Debit) Credit</b>		<b>(877)</b>	<b>3,296</b>
LIABILITIES (DEBIT)/CREDIT			
DIVIDENDS PAYABLE	CHILEAN PESO	299	79
ACCOUNTS PAYABLE	CHILEAN PESO	543	-
ACCOUNTS PAYABLE	EURO	(2,077)	2,946
ACCOUNTS PAYABLE	YEN	(11)	158
ACCOUNTS PAYABLE	POUND STERLING	-	273
ACCOUNTS PAYABLE	MEXICAN PESO	(43)	-
ACCOUNTS PAYABLE	BRAZILIAN REAIS	(281)	(579)
ACCOUNTS PAYABLE	HONG KONG DOLLAR	(45)	-
ACCOUNTS PAYABLE	OTHER CURRENCIES	(686)	(772)
SUNDRY CREDITORS	CHILEAN PESO	11	(27)
NOTES AND ACCOUNTS PAYABLE TO RELATED COMPANIES	CHILEAN PESO	43	72
NOTES AND ACCOUNTS PAYABLE TO RELATED COMPANIES	EURO	(2)	4
NOTES AND ACCOUNTS PAYABLE TO RELATED COMPANIES	POUND STERLING	-	7
NOTES AND ACCOUNTS PAYABLE TO RELATED COMPANIES	MEXICAN PESO	(2)	-
NOTES AND ACCOUNTS PAYABLE TO RELATED COMPANIES	BRAZILIAN REAIS	8	(8)
NOTES AND ACCOUNTS PAYABLE TO RELATED COMPANIES	OTHER CURRENCIES	(3)	19
PROVISIONS	CHILEAN PESO	57	(1,421)
WITHHOLDINGS	CHILEAN PESO	18	(12)
BONDS	CHILEAN PESO	2,594	(5,271)
LONG-TERM PROVISIONS	CHILEAN PESO	542	-
<b>Total (Debit) Credit</b>		<b>965</b>	<b>(4,532)</b>
<b>(Loss) Profit Exchange Difference</b>		<b>88</b>	<b>(1,236)</b>

## 19. - Statement of Cash Flow

As set forth in Circular No 1501 of the Superintendence of Securities and Insurance, the main financing activities which involve future cash flows for the Company are summarized below:

### Financing activities

In connection with old dividends (ThUS\$ 529) available to shareholders, the respective collection is not known and, in the event it does not happen within 5 years, the instructions of Article 85 of Law 18046 over Stock Corporations shall be applied, that is, dividends shall be allocated to the Chilean Fire Department.

Composition of opening and ending balance of cash equivalents:

	2006	2005
	ThCh\$	ThCh\$
Cash and banks	3,103	6,148
Time deposits	15,737	17,361
Purchase resale agreement	413	8,205
<b>Total</b>	<b>19,253</b>	<b>31,714</b>

## 20. - Derivatives Contract

Type of derivative	Type of contract	Description of the transaction						Account affected				
		Contract value	Maturity	Specific item	Position purchase / sale	Transaction hedged Name	Amount	Value of hedged transaction	Asset - Liabilities		Effect on income	
									Name	Amount	Realized	Unrealized
FR	CCPE	29,000	III 2007	EXCHANGE RATE US\$/CLP	P	FOREIGN EXCHANGE EXPOSURE	29,000	29,000	OTHER CURRENT LIABILITIES	151		(151)
FR	CCPE	20,000	III 2007	EXCHANGE RATE US\$/CLP	P	FOREIGN EXCHANGE EXPOSURE	20,000	20,000	OTHER CURRENT LIABILITIES	80		(80)
FR	CCPE	20,000	III 2007	EXCHANGE RATE US\$/CLP	P	FOREIGN EXCHANGE EXPOSURE	20,000	20,000	OTHER CURRENT LIABILITIES	107		(107)
C	CCPE	7,204	I 2007	FUEL PRICE	P	FUEL PURCHASE	7,204	7,204	PREPAID EXPENSES	113		(113)
C	CCPE	748	II 2007	FUEL PRICE	P	FUEL PURCHASE	748	748	PREPAID EXPENSES	44		(44)
FR	CCPE	2,190	IV 2007	FREIGHT PRICE	S	FREIGHT SALE	2,191	2,191	PREPAID EXPENSES			

## 21. - Contingencies and Restrictions

### a.1) Guarantees

#### a.1.1) Bank of America - Guarantee of ThUS\$ 600

Pursuant to new regulation of the US Customs, in its security policy, Compañía SudAmericana de Vapores S.A. granted on May 7, 2004, a bank guarantee through Bank of America, in favor of XL Specialty Insurance Company, in order for the US Customs to accept the access of the vessels consigned to the Company. The guarantee amounts to ThUS\$ 600, maturing on April 12, 2007.

#### a.1.2) Bank of America - Guarantee of ThUS\$ 100

On June 4, 2004, Compañía SudAmericana de Vapores S.A. granted a bank guarantee through Bank of America in favor of the Board of County Commissioners Miami, in order to secure its port operations in Miami. The guarantee amounts to ThUS\$ 100, maturing on May 31, 2007.

#### a. 1.3) Scotiabank – Performance Bond ThCh\$ 16,000

In order to guarantee due compliance with the obligations and liabilities incurred in the agreement between the Chilean Navy and Compañía SudAmericana de Vapores S.A., the Company has delivered a Performance Bond of ThCh\$ 16,000 in favor of the referred Chilean Navy, outstanding until December 31, 2007.

#### a.1.4) Deutsche Schiffsbank - Loan M/N Mapocho

On February 14, 2003, Compañía SudAmericana de Vapores S.A. entered into a credit contract with Deutsche Schiffsbank in the amount of ThUS\$ 15,615, which was totally disbursed on that date. Such loan was taken out in order to finance the acquisition price of M/V Mapocho. As of December 31, 2006, the outstanding amount is ThUS\$ 11,695. As of December 31, 2006, the vessel's book value amounts to ThUS\$ 12,364.

The Company put up ship mortgage on the vessel guaranteeing the payment of the obligations incurred with Deutsche Schiffsbank up to ThUS\$ 15,615 by way of capital. Further, on the same date, a promissory note issued to the creditor was signed, certain income and insurance contracts relating to the vessel were conditionally transferred, and a commercial chattel mortgage over certain rights, credits, accounts receivable and income related to the vessel was pledged.

#### a.1.5) DnB Nor Bank ASA- Loan M/N Pacific Winner

On May 22, 2003, Compañía SudAmericana de Vapores S.A., furnished a guarantee in favor of Pacific Winner Shipping Co. S.A., Republic of Panama, to ensure a loan contract with DnB Nor Bank ASA amounting to ThUS\$ 12,500 by way of capital, to be disbursed on the same date. This loan was taken out to finance the acquisition price of the M/V Pacific Winner by the referred subsidiary. Later on, the M/V was purchased by Compañía SudAmericana de Vapores S.A. from its subsidiary, putting up a mortgage on such vessel for guaranteeing the loan granted by DnB Nor Bank ASA to the subsidiary Pacific Winner Shipping Co. S.A. As of December 31, 2006, the outstanding amount is ThUS\$ 8,930. At December 31, 2006, the vessel's book value is ThUS\$ 5,713.

#### a.1.6) American Family Life Assurance Company of Columbus (AFLAC)

On August 1, 2003 Compañía SudAmericana de Vapores S.A., acted as guarantor and several joint debtor of its subsidiary Tollo Shipping Co. S.A., of Panama, before American Family Life Assurance Company of Columbus (AFLAC), agency in Japan, concerning a loan of JPY 24,000,000,000, equivalent to US\$ 201,850,294, legal currency of the United States of America. The loan was allocated to the payment of outstanding debts, as well as investments of public knowledge, and to project complementing the business of the Company or its subsidiaries. The 30-year obligation will be totally paid upon maturity, in yen, and the interests will be paid in US dollars on a semi-annually basis. The loan can be paid in advance, either totally or in part, from the fifteenth year at the time of the interest payments.

On July 18, 2003, Compañía SudAmericana de Vapores S.A. acted as guarantor and several joint debtor of its subsidiary Tollo Shipping Co. S.A., of Panama, before Goldman Sachs & Co., in one or several contracts to hedge fluctuations in the exchange rate between the Yen and Dollar, during the term of the loan described in the previous paragraph, in the event that the Yen appreciates with regard its current quotation up to an agreed margin, through the payment of an annual rate, payable on a semi-annually basis as of the payment date of the loan's interest. The interest and cost of the referred exchange hedge, for this funding, reaches an annual 6.3%.

#### a.1.7) HSBC - Stand by Credit Letter

On August 30, 2006, Compañía SudAmericana de Vapores S.A. granted a bank guarantee through HSBC Chile in favor of Petroleo Brasileiro SA (Petrobras), Rio de Janeiro – Brazil for guaranteeing its payments for fuel purchases in that country. The guarantee amounts to ThUS\$ 2,200 maturing on August 27, 2007.

#### a.1.8) Shipbuilding Project

##### Project Description

The Company, through the subsidiary Brunswick Investment Co. Inc. of Bahamas, and with its joint and several bond, has agreed with the shipyard China Shipbuilding Corporation (CSBC), of Taiwan, construction contracts regarding two kinds of vessels:

a) 4,050-TEU vessels, to be delivered in stages between May 2005 and December 2006. Three of these vessels were ordered by Brunswick Investment Co. and other three by subsidiaries of Peter Döhle Schiffahrts KG.

b) 5,500-TEU vessels, to be delivered in stages between February 2005 and October 2006. Three of these vessels were ordered by Brunswick Investment Co. and other three by subsidiaries of Peter Döhle Schiffahrts KG.

Further, on October 7, 2003, the Company approved a project for the acquisition with Peter Döhle Schiffahrts KG., share and share alike, of three 6,500-TEU vessels, which construction was commissioned to the Hyundai Shipyard of Korea (Hyundai Heavy Industries Co. Ltd.). The vessels' delivery is scheduled as follows: a) The two first vessels during the fourth quarter of 2006; b) The third vessel, during the first quarter of 2007. The contract contained options for the purchase of up to 3 other vessels, for delivery during the first quarter of 2007, which were exerted by the buyers. The investment for each sharer, for the 3 vessels, is ThUS\$ 206,450 which, in the case of this Company, will be acquired by a subsidiary of the Company with a joint surety. In turn, Peter Döhle Schiffahrts KG has entered into a similar contract with the same Shipyard.

The purchased vessels will be contributed to companies in which the Company and Peter Döhle Schiffahrts KG or their subsidiaries will participate, on an equal basis and, therefore, they will be associates of both sharers.

#### CSBC vessel financing

The financing for the acquisitions with the shipyard China Shipbuilding Corporation (CSBC), of Taiwan, was negotiated with HSH Nordbank AG for long-term loans, which will be drawn upon delivery of each vessel, up to 90% of the value of these investments, being a total of ThUS\$ 562,500. Thus, the Company, which will act through related companies and subsidiaries, and Peter Döhle Schiffahrts-KG, which in turn will also act through one of its subsidiaries, are financing 10% of this investment with their own resources. Such loans will be secured with mortgages on the respective vessel.

In addition to the mortgages, and for guaranteeing the payment of such funding, the Company obtained, through Extraordinary Shareholders' Meeting held on June 27, 2003, the approval to grant joint sureties that will guarantee, in each case, the equivalent to 10% of the value of each vessel, percentage that will be increased by 20% by way of interest and expenses, thus reaching 12% of the value of each vessel. In some of these vessels, this percentage could reach 15%, which would be increased to 18% of its value, due to interest and expenses.

The guarantees referred to above were changed as agreed in the Extraordinary General Meeting held on last April 15, 2005, in a sense that instead of agreeing both guarantors to securing 12% of the construction price in every contract, only one of them did it for 24% of such price, thus securing alternately only one in every two vessels. Thus, the granting of surety bonds by the Company can be done, securing alternately (i) up to 12% of the construction price of each vessel, or (ii) up to 24% of the construction price of one half of the vessels considered within the project.

#### Financing of Hyundai Heavy Industries Co., Ltd. (HHI) vessels

For the financing of the acquisitions from the Hyundai Shipyard of Korea, long-term loans to be paid upon delivery of each vessel have been negotiated with HSH Nordbank AG, for up to 90% of the value of these investments.

Ninety percent of the value of these vessels financed by the Bank will be secured with a mortgage on the respective vessel and, additionally, with the respective parent companies, Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts-KG acting as guarantors and several joint debtors, in favor of HSH Nordbank AG of Hamburg. This will be done alternately for up to 10% of the value of each vessel or for up to 20% of one half of the vessels included in the project. These percentages are increased by 20% for interest and expenses, reaching 12% or 24% of the value of each vessel, respectively.

#### Project percentage completion

On October 18, 2004, the first 5,500-TEU vessel ordered by Peter Döhle Schiffahrts-KG was delivered, which was added to a joint company between subsidiaries of Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG, under the name of “Copiapó”.

On February 25, 2005, the second 5,500-TEU vessel ordered by Compañía SudAmericana de Vapores S.A. was delivered, which was added to a joint company between subsidiaries of Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG and received the name of “Choapa”. For this vessel, Compañía SudAmericana de Vapores S.A. granted a joint and several bond for ThUS\$ 12,456 in favor of HSH Nordbank, which was liquidated on November 6, 2006 for the respective sale.

On March 11, 2005, the first 4,050-TEU vessel ordered by Peter Döhle Schiffahrts-KG was delivered, which was added to a joint company between subsidiaries of Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG and received the name of “Loa”.

On May 12, 2005, the third 5,500-TEU vessel ordered by Peter Döhle Schiffahrts-KG was delivered, which was added to a joint company between subsidiaries of Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG and received the name of “Chillán”.

On May 31, 2005, the second 4,050-TEU vessel ordered by Compañía SudAmericana de Vapores S.A. was delivered, which was added to a joint company between subsidiaries of Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG and received the name of “Limarí”. For this vessel, Compañía SudAmericana de Vapores S.A. granted a joint and several bond for ThUS\$ 8,789 in favor of HSH Nordbank.

On February 17, 2006 the fourth 5,500-TEU vessel ordered by Compañía SudAmericana de Vapores S.A. was delivered, which was added to a joint company between subsidiaries of Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG and received the name of “Choulguan”. For this vessel, Compañía SudAmericana de Vapores S.A. granted a joint and several bond for ThUS\$ 12,456 in favor of HSH Nordbank, which was liquidated on October 23, 2006 for the respective sale.

On February 27, 2006, the third 4,050-TEU vessel ordered by Peter Döhle Schiffahrts KG was delivered, which was added to a joint company between subsidiaries of Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG and received the name of “Lircay”.

On April 20, 2006, the fifth 5,500-TEU vessel ordered by Peter Döhle Schiffahrts KG was delivered, which was added to a joint company between subsidiaries of Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG and received the name of “Chaiten”.

On May 10, 2006, the fourth 4,050-TEU vessel ordered by Compañía SudAmericana de Vapores S.A. was delivered, which was added to a joint company between subsidiaries of Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG and received the name of “Longavi”. For this vessel, Compañía SudAmericana de Vapores S.A. granted a joint and several bond for ThUS\$ 9,626 in favor of HSH Nordbank.

On July 7, 2006, the sixth 5,500-TEU vessel ordered by Compañía SudAmericana de Vapores S.A. was delivered, which was added to a joint company between subsidiaries of Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG and received the name of “Chacabuco”. For this vessel, Compañía SudAmericana de Vapores S.A. granted a joint and several bond for ThUS\$ 12,456 in favor of HSH Nordbank.



On August 11, 2006, the first 6,500-TEU vessel ordered by Compañía SudAmericana de Vapores S.A. was delivered, which was added to a joint company between subsidiaries of Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG and received the name of “Pucon”. For this vessel, Compañía SudAmericana de Vapores S.A. granted a joint and several bond for ThUS\$ 16,500 in favor of HSH Nordbank.

During July 2004, Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG committed each the sale of two 4,050-TEU vessels, which construction is commissioned to CSBC and which delivery was scheduled for the second half of 2006. Both vessels were received and sold as scheduled.

On November 7, 2006, the second 6,500-TEU vessel ordered by Compañía SudAmericana de Vapores S.A. was delivered, which was added to a joint company between subsidiaries of Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG and received the name of “Puelo”. For this vessel, Compañía SudAmericana de Vapores S.A. granted a joint and several bond for ThUS\$ 16,500 in favor of HSH Nordbank.

On November 14, 2006, the third 6,500-TEU vessel ordered by Peter Döhle Schiffahrts KG was delivered, which was added to a company of Peter Döhle Schiffahrts KG and received the name of “Pangal”.

On November 27, 2006, the fourth 6,500-TEU vessel ordered by Peter Döhle Schiffahrts KG was delivered, which was added to a company of Peter Döhle Schiffahrts KG and received the name of “Petrohue”.

On December 18, 2006, the fifth 6,500-TEU vessel ordered by Compañía SudAmericana de Vapores S.A. was delivered, which was added to a joint company between subsidiaries of Compañía SudAmericana de Vapores S.A. and Peter Döhle Schiffahrts KG and received the name of “Palena”. For this vessel, Compañía SudAmericana de Vapores S.A. granted a joint and several bond for ThUS\$ 16,500 in favor of HSH Nordbank.

#### a.1.9) Stocznia Szczecinska Nowa Sp.Z.

The Company approved a project for the acquisition of 50% of four 3,100-TEU vessels, which construction was ordered to the shipyard Stocznia Szczecinska Nowa Sp. Z., of Poland. The remaining 50% will be held by its German partner Peter Döhle Schiffahrts KG. In 2003, before delivery, the option for the first vessel was ceded. The second vessel was delivered in February 2004. CSAV decided to transfer the equity ownership rights of the two remaining vessels to Peter Döhle Schiffahrts KG. An additional option was obtained for the acquisition of a fifth vessel, to be delivered in July 2007, which value will be ThUS\$ 40,150. This investment will be assumed by each partner in equal percentage.

#### a.1.10) HSH - Revolving Credit Line

On December 19, 2005, the Panamanian subsidiary Inversiones Nuevo Tiempo S.A. entered into a framework agreement with the HSH Norbank AG of Germany, relating to a revolving credit line of up to US\$ 250,000,000. The line will be used through one or more subsidiaries of Compañía SudAmericana de Vapores S.A., and to the purpose of relying on the financial resources necessary for the eventual acquisition of vessels in the future, according to the growth needs of its fleet. Once each vessel has been acquired, the acquiring subsidiary shall guarantee the respective money order with a mortgage over the vessel and surety bond and several joint debt of Compañía SudAmericana de Vapores S.A. for up to the equivalent of 50% of the initial amount of the respective disbursement debited to the referred credit line. Amortization of each money order will be made on a quarterly basis and over a period of up to 15 years, depending on the respective vessel. The terms and conditions of this line will allow finance up to 70% of the market value of each vessel, at most, and interest will be that equivalent to the Libor rate + 1% or 1.15% annually, depending on the price of each vessel acquired.

#### a.1.11) BNP Paribas – Revolving Credit Line

On December 20, 2006, the Panamanian subsidiary Inversiones Nuevo Tiempo S.A. entered into a frame agreement relating to a revolving credit line for up to US\$ 450,000,000 with the BNP Paribas bank of France. The line will be used through one or more subsidiaries of Compañía SudAmericana de Vapores S.A., and to the purpose of relying on the financial resources necessary for the eventual acquisition of vessels in the future, according to the growth needs of its fleet. Once each vessel has been acquired, the acquiring subsidiary shall guarantee the respective money order with a mortgage over the vessel and surety bond and several joint debt of Compañía SudAmericana de Vapores S.A. for up to the equivalent of 50% of the amount outstanding in each credit incurred. Amortization of each money order will be made on a quarterly basis and over a period of up to 10 years, depending on the respective vessel. The terms and conditions of this line will allow finance up to 70% of the market value of each vessel, at most, and interest will be that equivalent to the Libor rate + 0.90%.

#### a.2) Guarantee notes

As of December 31, 2006 and 2005, the Company has no guarantee notes.

There are other minor guarantees which detail is not necessary for the interpretation of these financial statements.

#### a.3) Collateral

The Company has guaranteed an insurance policy that will enable it to obtain guarantees required by the U.S. government for the domestic transportation of merchandise of its subsidiaries Companhia Libra Navegação, Montemar Marítima S.A. and Norasia Container Lines Ltd.

#### a.4) Other legal contingencies

The Company is a defendant in certain lawsuits and arbitrations relating to the cargo transport and damages, and its eventual loss contingencies are covered by insurance policies taken out. There are enough provisions to cover the amounts under the deductible.

In connection with the loans outstanding with private banks, both in local and foreign currency, the Company is subject to standard commitments and obligations for these kinds of operations.

#### a.5) Restrictions and financial indicators required

a.5.1) Indexed Bonds UF 1,950,000 - a) Maintain assets exempt from any kind of encumbrances of, at least, 1.3 times the unpaid amount of the total financial liabilities without guarantees held by the issuer b) Maintain a leverage, at an individual level, in which the total debt-to-equity ratio is not higher than 1.0 times. Similarly, maintain a leverage, at a consolidated level, in which the consolidated financial debt / (total equity + minority interest) ratio is not higher than 1.2 times c) Maintain a minimum individual and consolidated equity of ThUS\$ 350,000.

a.5.2) Credit contract with American Family Life Assurance Company of Columbus (AFLAC) ThUS\$ 201,850 - a) Maintain financial expense coverage (EBITDA / Net Interest) not lower than 2.5 b). The debt-to-equity ratio should not be higher than 1.0 c) Maintain a minimum balance of ThUS\$ 50,000 for Cash and banks, Time deposits and Marketable securities.

a.5.3) Credit contract with DnB Nor Bank ASA of ThUS\$ 12,500 - a) the Net Equity of Intangibles should not be lower than ThUS\$ 350,000 and will increase on a quarterly basis with an amount equal to 50% of the net income for the year b) the borrowing level to shareholders' equity net of Intangibles ratio should be lower than 1.0 c) Maintain a minimum balance of ThUS\$ 50,000 for Cash and banks, Time deposits and Marketable securities.

Further, credits and bonds oblige the Company to observe certain positive restrictions, such as compliance with the law, tax payment, maintenance of insurance, and other similar restrictions, and also to observe certain negative restrictions, such as not to furnish chattel mortgages, except those authorized by the contract, not to perform corporate mergers, except those authorized, or not to sell fixed assets.

The financial expense coverage to be maintained by the Company under the guarantee delivered for the loan granted by AFLAC to the Company's subsidiary, Tollo Shipping Co., at a level higher than 2.5 times, has not been reached according to the consolidated financial statements of the Company at December 31, 2005. The foregoing is not a cause for non-compliance and does not give the creditor the right to speed up such loan, but once the period of grace stated in the respective contract has elapsed.

#### Direct guarantees:

Guarantee creditor	Debtor		Guarantee type	Committed assets		Unpaid balances as of the closing the financial statements		Guarantee release					
						31/12/2006	31/12/2005	31/12/2007	Assets	31/12/2008	Assets	31/12/2009	Assets
	Name	Relationship		Type	Value Book								
DEUTSCHE SCHIFFSBANK	COMPANIA SUD AMERICANA DE VAPORES S.A.	NONE	MORTGAGE	VESSEL	12.364	11.695	12.815	1.120	VESSEL	1.120	VESSEL	1.120	VESSEL

#### Indirect Guarantees

Guarantee creditor	Debtor		Guarantee type	Committed assets		Unpaid balances as of the closing the financial statements		Guarantee release					
						31/12/2006	31/12/2005	31/12/2007	Assets	31/12/2008	Assets	31/12/2009	Assets
	Name	Relationship		Type	Value Book								
AMERICAN FAMILY LIFE ASSURANCE COMPANY OF COLUMBUS	TOLLO SHIPPING CO. S.A.	SUBSIDIARY	SURETY BOND			201,850	201,850						
DEN NORSKE BANK	PACIFIC WINNER SHIPPING CO. S.A.	SUBSIDIARY	MORTGAGE	VESSEL	5,713	8,930	9,950	1,020		1,020		1,020	
HSB NORDBANK AG	LIMARI SHIPPING LIMITED	ASSOCIATE	MORTGAGE	VESSEL	39,033	8,789		837		837		837	
HSB NORDBANK AG	LONGAVI SHIPPING LIMITED	ASSOCIATE	MORTGAGE	VESSEL	41,928	9,626		837		837		837	
HSB NORDBANK AG	CHACABUO SHIPPING LIMITED	ASSOCIATE	MORTGAGE	VESSEL	52,151	12,456		1,038		1,038		1,038	
HSB NORDBANK AG	PAINE SHIPPING LIMITED	ASSOCIATE	MORTGAGE	VESSEL	70,362	16,500		1,375		1,375		1,375	
HSB NORDBANK AG	PUELO SHIPPING LIMITED	ASSOCIATE	MORTGAGE	VESSEL	71,223	16,500		1,375		1,375		1,375	
HSB NORDBANK AG	PALENA SHIPPING LIMITED	ASSOCIATE	MORTGAGE	VESSEL	70,447	16,548		1,379		1,379		1,379	

## 22. - Guarantees Obtained from Third Parties

During 2006 and 2005, the Company has received no guarantees from third parties.

## 23. - Local and Foreign Currencies

### Assets

Item	Currency	Amount 31/12/2006	Amount 31/12/2005
<b>Current assets:</b>			
CASH AND BANKS	CHILEAN PESO	476	651
CASH AND BANKS	US DOLLAR	2,322	4,435
CASH AND BANKS	EURO	305	78
CASH AND BANKS	YEN	-	271
CASH AND BANKS	OTHER CURRENCIES	-	713
TIME DEPOSITS	CHILEAN PESO	-	6,682
TIME DEPOSITS	US DOLLAR	7,046	3,691
TIME DEPOSITS	EURO	5,787	6,087
TIME DEPOSITS	YEN	47	-
TIME DEPOSITS	OTHER CURRENCIES	2,857	901
ACCOUNTS RECEIVABLES	CHILEAN PESO	2,082	2,153
ACCOUNTS RECEIVABLES	US DOLLAR	12,306	26,722
ACCOUNTS RECEIVABLES	EURO	8,102	9,274
ACCOUNTS RECEIVABLES	YEN	142	210
ACCOUNTS RECEIVABLES	OTHER CURRENCIES	3,035	3,280
NOTES RECEIVABLES	CHILEAN PESO	697	813
NOTES RECEIVABLES	US DOLLAR	2,486	4,045
NOTES RECEIVABLES	EURO	74	45
SUNDRY DEBTORS	CHILEAN PESO	1,259	3,358
SUNDRY DEBTORS	US DOLLAR	4,013	5,732
SUNDRY DEBTORS	EURO	99	304
SUNDRY DEBTORS	YEN	-	152
SUNDRY DEBTORS	OTHER CURRENCIES	476	791
RECEIVABLES RELATED COMPANIES	CHILEAN PESO	429	857
RECEIVABLES RELATED COMPANIES	EURO	230	-
RECEIVABLES RELATED COMPANIES	US DOLLAR	38,851	30,083
INVENTORIES	CHILEAN PESO	107	13
INVENTORIES	US DOLLAR	668	257
RECOVERABLE TAXES	CHILEAN PESO	18,494	3,434
PREPAID EXPENSES	CHILEAN PESO	2,771	505
PREPAID EXPENSES	US DOLLAR	85,379	88,691
DEFERRED TAXES	CHILEAN PESO	7,372	7,406
OTHER CURRENT ASSETS	CHILEAN PESO	150	8,355
OTHER CURRENT ASSETS	US DOLLAR	2,380	2,899
<b>Fixed assets</b>			
LAND	US DOLLAR	3,014	3,014
BUILDINGS AND INFRASTRUCTURE	US DOLLAR	16,303	16,303
MACHINERY AND EQUIPMENT	US DOLLAR	54,310	53,952
OTHER FIXED ASSETS	US DOLLAR	2,922	1,272
DEPRECIATION	US DOLLAR	(34,271)	(29,116)
<b>Other assets</b>			
INVESTMENT IN RELATED COMPANIES	CHILEAN PESO	329,518	291,862
INVESTMENT IN RELATED COMPANIES	US DOLLAR	659,688	674,680
INVESTMENT IN RELATED COMPANIES	EURO	719	532
INVESTMENT IN OTHER COMPANIES	CHILEAN PESO	48	49
INVESTMENT IN OTHER COMPANIES	US DOLLAR	125	128
NEGATIVE GOODWILL	US DOLLAR	(2,530)	(3,092)
LONG-TERM RECEIVABLES	CHILEAN PESO	2,528	3,638
LONG-TERM RECEIVABLES	US DOLLAR	1	2
RECEIVABLES RELATED COMPANIES LONG-TERM	CHILEAN PESO	318	411
RECEIVABLES RELATED COMPANIES LONG-TERM	US DOLLAR	1,987	987
DEFERRED TAXES	CHILEAN PESO	14,661	-
OTHER	CHILEAN PESO	561	2,312
OTHER	US DOLLAR	4,143	2,910
<b>Total assets</b>			
	CHILEAN PESO	381,471	332,499
	US DOLLAR	861,143	887,595
	EURO	15,316	16,320
	YEN	189	633
	OTHER CURRENCIES	6,368	5,685

## Current Liabilities

ITEM	Currency	Up to 90 days		90 days to 1 years		Average annual interest rate	Average annual interest rate	Average annual interest rate
		31/12/2006	31/12/2005	31/12/2006	31/12/2005			
		Amount	rate	Amount	rate			
CURRENT PORTION OF LONG-TERM LIABILITIES	US DOLLAR	1,345	2.24	1,360	2.24	-	-	-
DIVIDENDS PAYABLE	CHILEAN PESO	514	-	3,844	-	-	-	-
ACCOUNTS PAYABLE	CHILEAN PESO	7,630	-	3,026	-	-	-	-
ACCOUNTS PAYABLE	US DOLLAR	114,068	-	135,558	-	-	-	-
ACCOUNTS PAYABLE	EURO	17,465	-	3,815	-	-	-	-
ACCOUNTS PAYABLE	YEN	1,508	-	373	-	-	-	-
ACCOUNTS PAYABLE	OTHER CURRENCIES	26,637	-	7,917	-	-	-	-
SUNDRY CREDITORS	CHILEAN PESO	43	-	227	-	-	-	-
SUNDRY CREDITORS	US DOLLAR	2	-	2	-	-	-	-
NOTES AND ACCOUNTS PAYABLE TO RELATED COMPANIES	CHILEAN PESO	12,798	-	8,049	-	-	-	-
NOTES AND ACCOUNTS PAYABLE TO RELATED COMPANIES	US DOLLAR	146,282	-	51,773	-	-	-	-
NOTES AND ACCOUNTS PAYABLE TO RELATED COMPANIES	EURO	118	-	4	-	-	-	-
PROVISIONS	CHILEAN PESO	2,175	-	6,351	-	-	-	-
PROVISIONS	US DOLLAR	26,193	-	20,492	-	-	-	-
WITHHOLDINGS	CHILEAN PESO	397	-	1,029	-	-	-	-
INCOME TAX	CHILEAN PESO	222	-	5,946	-	-	-	-
UNEARNED INCOME	US DOLLAR	66,841	-	67,217	-	-	-	-
OTHER CURRENT LIABILITIES	CHILEAN PESO	338	-	-	-	-	-	-
BONDS - SHORT-TERM PORTION	CHILEAN PESO	1,058	-	1,077	6.4	-	-	-
NOTES PAYABLE	CHILEAN PESO	-	-	260	-	-	-	-
NOTES PAYABLE	US DOLLAR	-	-	56	-	-	-	-
NOTES PAYABLE	EURO	-	-	-	-	-	-	-
NOTES PAYABLE	YEN	-	-	409	-	-	-	-
NOTES PAYABLE	OTHER CURRENCIES	-	-	955	-	-	-	-
<b>TOTAL CURRENT LIABILITIES</b>								
	US DOLLAR	354,731	-	276,458	-	-	-	-
	CHILEAN PESO	25,175	-	29,809	-	-	-	-
	EURO	17,583	-	3,819	-	-	-	-
	YEN	1,508	-	782	-	-	-	-
	OTHER CURRENCIES	26,637	-	8,872	-	-	-	-

## 2006 Long-term Liabilities

ITEM	Currency	1 to 3 years		3 to 5 years		5 to 10 years		Over 10 years	
		Amount	Average annual interest rate	Amount	Average annual interest rate	Amount	Average annual interest rate	Amount	Average annual interest rate
BANK BORROWINGS	US DOLLAR	10,575	224						
BONDS	CHILEAN PESO							67,161	64
SUNDRY CREDITORS	CHILEAN PESO	1							
SUNDRY CREDITORS	US DOLLAR	397							
PROVISIONS CURRENT LIABILITIES	CHILEAN PESO	3,255		3,001		3,003		3,247	
<b>TOTAL CURRENT LIABILITIES</b>									
	US DOLLAR	10,972							
	CHILEAN PESO	3,256		3,001		3,003		70,408	

## 2005 Long-term Liabilities

ITEM	Currency	1 to 3 years		3 to 5 years		5 to 10 years		Over 10 years	
		Amount	Average annual interest rate	Amount	Average annual interest rate	Amount	Average annual interest rate	Amount	Average annual interest rate
BANK BORROWINGS	US DOLLAR	11,695	2.24						
BONDS	CHILEAN PESO							68,392	6.4
SUNDRY CREDITORS	CHILEAN PESO	147							
SUNDRY CREDITORS	US DOLLAR	324							
PROVISIONS	CHILEAN PESO	3,882		3,579		3,582		3,877	
DEFERRED TAXES	CHILEAN PESO	451							
OTHER LIABILITIES	US DOLLAR	49							
<b>TOTAL LONG-TERM LIABILITIES</b>									
	US DOLLAR	12,068							
	CHILEAN PESO	4,480		3,579		3,582		72,269	

## 24. - Sanctions

During the periods ended December 2006 and 2005, neither the Company and its subsidiaries nor its Directors or managers have been penalized by the Chilean Superintendence of Securities and Insurance or other administrative authorities.

## 25. - Subsequent Events

Between December 31, 2006 and the presentation date of this report, there are no facts that could have a significant impact on the appropriate presentation and/or interpretation of the financial statements of the Company.

## 26. - Environment

Due to the nature of its services, the Company have not incurred into expenses related to the improvement and/or investment of production processes, control and compliance with regulations and laws relating to the processes and industrial facilities or any other that could directly or indirectly have an impact on the protection of environment.

## 27. - Prepaid Expenses

Item	31/12/2006	31/12/2005
	ThUS\$	ThUS\$
Fuel inventories	28,254	29,472
Insurance	1,758	1,729
Vessels charter	35,107	27,516
Positioning of vessels and containers	1,784	2,180
In-course vessel expenses	20,360	26,202
Fuel hedge premium	-	1,857
Other	887	240
<b>Total</b>	<b>88,150</b>	<b>89,196</b>

Carlos Perfetti A.  
Chief Accountant

Juan Antonio Alvarez A.  
General Manager

Rafael Ferrada M.  
Administration and Finance Manager

REPORT OF INDEPENDENT ACCOUNTANTS

Santiago, February 2, 2007

To the Shareholders and Directors  
Compañía Sud Americana de Vapores S.A.

- 1 We have audited the accompanying balance sheets of Compañía Sud Americana de Vapores S.A. as of December 31, 2006 and 2005 and the related statements of income and cash flows for the years then ended. These financial statements (including the notes thereto) are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We have not audited the financial statements or certain related companies, which proportional equity values amount to ThUS\$ 60,549 and ThUS\$ 46,713 at December 31, 2006 and 2005, respectively and their proportional results represent profits of ThUS\$ 5,586 and ThUS\$ 11,412 for the years then ended. The referred financial statements were audited by other auditors, whose reports have been furnished to us. Our opinion expressed herein, in which concerns the amount of the financial statements related to the mentioned investments, is solely based on such reports.
- 2 We conducted our audits in accordance with auditing standards generally accepted in Chile. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.
- 3 The financial statements have been prepared to reflect the individual financial position of Compañía Sud Americana de Vapores S.A., based on the accounting criteria described in Note 2, before proceeding to a line-by-line consolidation with the financial statements of the subsidiaries listed in Note 9. Consequently, for an adequate interpretation, these individual financial statements should be read and discussed together with the consolidated financial statements of Compañía Sud Americana de Vapores S.A. and subsidiaries, as required by accounting principles generally accepted in Chile.

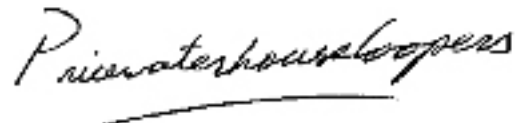


Santiago, February 2, 2007  
Compañía Sud Americana de Vapores S.A.  
2

- 4 In our opinion, based on our audits and on the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of Compañía Sudamericana de Vapores S.A. as of December 31, 2006 and 2005, the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in Chile.



Juan Roncagliolo G.  
Taxpayer I.D.: 7.588.369 2



## Management Analysis

### 1. - Analysis of Financial Statements

#### BALANCE SHEET

As of December 31, 2006, total assets increased by ThUS\$ 21,755 compared to December 2005, to ThUS\$ 1,264,487. Fixed assets decreased by ThUS\$ 3,147, Current assets by ThUS\$ 12,446, while Other assets increased by ThUS\$ 37,347.

The decrease in Current assets is mainly due to the decrease in Accounts receivable by ThUS\$ 15,972, Other current assets by ThUS\$ 8,724 and Sundry debtors by ThUS\$ 4,490. They were partially offset by increases in Receivables from related companies and Refundable taxes, ThUS\$ 8,570 and ThUS\$ 15,060, respectively.

Fixed assets decreased by ThUS\$ 3,147, due to depreciation of vessels and equipment, as well as to amortization of projects considered in other fixed assets.

Other assets mainly increased for the results of ThUS\$ 22,851 obtained by Related Companies in 2006 and the increase of ThUS\$ 14,661 in Deferred assets due to tax losses at December 2006.

Current assets increased by ThUS\$ 105,894, mainly due to the increase of ThUS\$ 99,732 and ThUS\$ 16,619 in Notes and accounts payable to related companies and Accounts payable, respectively. They are partially offset by a decrease of ThUS\$ 5,724 in Income tax, because in 2006 the Company recorded Tax losses and Dividends payable of ThUS\$ 3,330, given that there are no interim dividends during 2006.

Long-term liabilities decreased by ThUS\$ 5,338 basically due to amortization of Loans from financial institutions amounting to ThUS\$ 1,120, and the decrease in Long-term provisions as a result of the payment of Severance indemnities.

The Company's Shareholders' equity declined by ThUS\$ 78,801 compared to the prior year, mainly due to the results between both periods, net of paid dividends.

#### STATEMENT OF INCOME

The results at December 2006 show a loss of ThUS\$ 58,241 compared to a net income of ThUS\$ 132,303 in 2005.

Revenues of CSAV reached ThUS\$ 1,834,924, representing a decrease of 1.7% compared to the previous year. This fall is fully explained by the lower average freight rates this year compared to the previous year. This fall in rates meant a fall in revenues much greater than that shown in net terms, but was partially offset by a slight increase in the volume transported and a ship operation restructuring which enabled the Company to operate with a higher proportion of available capacity, increasing the sale of space to third parties.

The line traffics operated by CSAV from the West Coast of South America to Asia and North America showed higher tariffs until the end of the third quarter of 2005, but have since trended downward. Average tariffs in 2006 show a significant fall compared to 2005. The same effect is seen in traffics from the same coast to Europe and in traffics to and from the East Coast of South America, particularly those touching Asia. Among special services, vehicle carriers increased their sales compared to the previous year, and bulk solids continue their focus on the more profitable businesses, slightly improving their results over the 2005 period.

Operating expenses increased by ThUS\$ 153,323 or 9.4%. The main factor behind this increase is the rise in fuel prices, which on average reached an increase over 22%. There was also the effect of the increases in volumes and ship operations by CSAV which, while causing higher operating expenses, enabled increased volumes to be carried and sales of space to be increased to third parties. In addition, part of the operating expenses in Chile and Brazil was adversely affected by the depreciation of the dollar in those countries.

Sales and administration expenses for the year were ThUS\$ 136,240, which represents a decrease of ThUS\$ 18,831 compared to 2005. This fall, despite the depreciation of the dollar in Chile (5% on average) which produces increases in expenses in dollar terms, is explained by the implementation of a plan for expense reduction and efficiency increase. The plan includes, among other things, the extension of the network of company-owned agencies and shared services center; it is also explained by the lower expenses in agency commissions as a consequence of the decrease in sales of Line services.

Thus, Operating income therefore resulted in a loss of ThUS\$ 91,489, compared to income of ThUS\$ 74,017 in 2005. However, the analysis of Operating income should be read together with the analysis of chapters Markets risks and Market conditions reported in the statutory financial statement from September 2005 and in all preceding statutory financial statement forms.

The non-operating result was income of ThUS\$ 17,841, which represented a decrease of ThUS\$ 70,723 obtained in 2005. This significant decrease is mainly explained by the increase in the Loss in Related Companies of US\$ 68,700.

The principal indicators of year 2006 have shown the following movement:

#### LIQUIDITY

- Current ratio: It declined with respect to December 2005, due to a decrease in Current assets and an increase in Current liabilities.
- Acid test: It declined compared to December 2005, due to a decrease in available resources and an increase in Current liabilities.

#### DEBT

- Debt ratio: Higher than in December 2005, due to an increase in total Current liabilities and a decrease in Shareholders' equity.
- Short-term debt: Short-term debt is higher than at December 2005, due to an increase in total debt proportionally higher than the increase in Short-term debt.
- Long-term debt: Lower than at December 2005, because of the increase in total debt.
- Financial expense coverage: It decreased compared to December 2005, and even became negative for the income before income taxes.

#### PROFITABILITY

- Return on equity: This is negative because of the loss in 2006.
- Return on assets: This is negative because of the loss in 2006.
- Return on operating assets: This is negative because of the loss in 2006.

- Dividend yield (in US\$, cents): The value decreases with respect to December 2005 mainly due to the fall in the share price and lack of dividends during 2006.

- Earnings per share (in US\$, cents): As the number of shares remains constant, this indicator varies according to the results of the period concerned.

- Share price (in Ch\$): The share price declined by Ch\$ 105.41 compared to December 2005, remaining at Ch\$ 714.70 in 2006.

## **2. - Difference between the economic and book value of assets.**

The financial statements as of December 31, 2006 have been prepared in accordance with generally accepted accounting principles and the general and specific regulations issued by the Superintendent of Securities and Insurance, the Company's regulatory authority. The book value of the main assets of the Company is lower than their market value.

## **3. - Market conditions.**

As we indicated in the financial statements as of September 30, 2005, in a letter of December 15, 2005 addressed to the Intendent of Securities in answer to his enquiry, and then in all the preceding statutory financial statements forms to date, the increase in the supply of ships has led to a substantial fall in freight rates in the industry, felt since the last quarter of 2005.

As we stated then, "the cause of this fall in tariffs is the increase in the global fleet of container ships. Because the business was successful in 2004 and 2005, most shipping companies ordered the building of new, larger capacity ships from shipyards around the world.

At the same time, demand for container transport has not increased in the same proportion as the supply of ships. There is therefore no alternative to a fall in freight rates."

Another factor that is most adversely affecting the shipping market is the substantial rise in fuel prices, by 22% in twelve months and more than 85% in two years on average.

At the ordinary shareholders' meeting held last April 19, it was reported that the most likely result for the Company during 2006 was a loss, mainly due to the fall in freight rates and rise in fuel costs. This has reflected in the results from the first quarter of 2006.

The Company has large liquid reserves for overcoming this difficult situation, which might extend throughout 2007, as there are many ships still to be delivered. The Company is also working on a cost rationalization plan, which partially offset the adverse effects of reduced tariffs and higher fuel costs.

China continues playing a prevailing role in the freight demand, both in supply import and product export with an added value.

In South America, most economies showed strong growth during 2006. However, the appreciation in the currencies of the most important economies has affected the competitiveness of some exports in those countries, in addition to the oversupply of vessels in the East coast of South America.

#### **4. - Cash flow analysis.**

The operations of the Company generated a positive cash flow of ThUS\$ 19,990 at December 2006 compared to a cash flow of ThUS\$ 103,957 recorded in 2005. The lower cash flow is mainly explained by the loss during 2006 and the higher Loss on investment in related companies. This was partially offset by the increase in Accounts payable related to operations and the increase in Profit accrued from investment in related companies.

Financing activities generated a negative flow of ThUS\$ 22,830 at December 2006 (negative ThUS\$ 74,757 in December 2005), mainly due to the payment of dividends in agreement to 2004 and 2005 results.

Investment activities generated a net negative flow of ThUS\$ 9,621 compared to a negative flow of ThUS\$ 4,686 in 2005. The increase in 2006 is basically explained by the Capital contribution to the subsidiary Inversiones Nuevo Tiempo.

#### **5. - Market risk analysis.**

CSAV participates in a highly competitive market in which demand for cargo transport is directly affected by fluctuations in global economic growth. This generates cycles associated with the principal industry variables like ship charter rates, freight rates, fuel prices, exchange rates and cargo volumes. This demands control to maintain a competitive presence in the global shipping market.

In point 3 above (Market Situation), we have referred to the negative signs affecting the shipping business, especially the sharp fall in freight rates and the present high fuel costs.

In the statutory financial statement form at September 30, 2006 we reported a slight upward trend in the freight rates, warning that it was too early to determine whether they would be transitory trends or they would sustain over time, particularly considering the general context of ship oversupply. In addition, there are recent decreases in freight rates in other markets and, in the aggregate, the recovery observed a couple of months ago has come to a standstill. In fact, the rates of late 2006 and early 2007 on average are lower than those observed in the same months of the prior year. The Company is likely to continue incurring losses as a consequence of these rates, unless during the first months of 2007, all this in spite of the decrease in fuel prices.

With respect to the commodities prices risk, the most significant is that of ship fuels. To cope with this risk, the Company holds no significant inventories and a portion of the freight rates it charges customers is adjusted according to changes in fuel prices. The Company normally takes out fuel futures contracts, but the cost has recently substantially increased and thus limited its use and that which we do have is at higher prices.

Regarding interest rate risks, the Company has issued bonds amounting to UF 1,950,000 and has granted mortgage loans of ThUS\$ 622.4 to the personnel, which accrue a fixed interest rate. All other assets and liabilities accruing interests are agreed on the basis of a variable interest rate.

With respect to exchange risks, the Company has most of its revenues and operating expenses in US dollars, with lesser amounts in Chilean pesos, Brazilian reais, euros, etc.

Its assets and liabilities are generally denominated in US dollars. However, there are assets and liabilities in other currencies, which are itemized under the Chilean and Foreign Currency breakdown report (Note 23) of the financial statements.

## MANAGEMENT ANALYSIS

Financial Indicators from the Balance Sheet 31/12/2006

	As of:	Dec/06	Dec/05
Current liquidity	= $\frac{\text{Current assets}}{\text{Current liabilities}}$	0,494	0,697
Acid test	= $\frac{\text{Available Resources}}{\text{Current liabilities}}$	0,044	0,074
Debt	= $\frac{\text{Total liabilities}}{\text{Shareholders' equity}}$	0,690	0,503
	= $\frac{\text{Short-term debt}}{\text{Total debt}}$	0,824	0,769
	= $\frac{\text{Long-term debt}}{\text{Total debt}}$	0,176	0,231
Financial expense coverage	= $\frac{\text{Income before taxes}}{\text{Financial expenses}}$	(9,021)	18,443
Net return on equity	= $\frac{\text{Result for the year}}{\text{Average shareholders' equity}}$	(0,074)	0,168
Return on assets	= $\frac{\text{Result of the year}}{\text{Average assets}}$	(0,046)	0,111
Return on operational assets	= $\frac{\text{Operational result for the year}}{\text{Average operational assets (1)}}$	(1,627)	1,395
Return on dividends (In US\$ cents)	= $\frac{\text{Dividends paid in last 12 months}}{\text{Market value of shares}}$	2,476	6,279
Earning per share (US\$ cents)	= $\frac{\text{Result for the year}}{\text{Number of shares}}$	(7,915)	17,980
Market value of share (Chilean pesos)		714,70	820.11

(1) Considered operational assets Machinery and equipment, and other fixed assets

<b>Total Assets</b>	As of:	Dec/06	Dec/05
(In US\$ million)			
Current		210,442	222,888
Fixed		42,278	45,425
Other assets		1,011,767	974,419
<b>Total assets</b>		<b>1,264,487</b>	<b>1,242,732</b>

Increases/Decreases	January as of:	Dec/06	Dec/05
Fixed assets:			
Purchase		2,142	0,805
Sales		0,920	0,071
Investments in subsidiaries			
Investments		6,706	3,975
Net results		23,856	69,452
<b>Thousands of paying tons carried</b>		<b>14,247</b>	<b>11,986</b>

## Statement of Income

(US\$ million)

### Operating Revenues:

Line Services	1,628,610	1,696,445
Special Services	190,186	151,965
Other	16,128	17,528

### Operating cost:

Line Services	(1,625,640)	(1,505,792)
Special Services	(164,533)	(131,058)

### Cost of:

Administration	(136,240)	(155,071)
Finance	(7,349)	(8,298)

### Resultados:

Operational	(91,489)	74,017
Non-operational	17,841	70,723
RAIIDAIE (2)	(60,962)	158,422
Income tax	14,845	(12,999)
Profits	(58,241)	132,303

( 2 ) Income before taxes, interest, depreciation, amortization and extraordinary items.



## RELEVANT INFORMATION

### a) General Management letter dated February 28, 2006

In accordance with Circular 1591 of February 6, 2002, I wish to inform you that the board of this Company today was informed of and became responsible for the financial statements for the quarter ended December 31, 2005 which will be sent to the Superintendency. This was recorded in the corresponding minutes, which also authorized the general manager to sign this communication.

### b) General Management letter dated March 21, 2006

The board meeting held on March 21 agreed to propose the ordinary shareholders' meeting, called for April 19, 2006, the distribution of final dividend No.319 for the peso equivalent of US\$ 18,140,652.11, which means a dividend per share of US\$ 0.0246528 payable from April 28, 2006, at its equivalent in Chilean pesos at the exchange rate on the date of the shareholders' meeting.

### c) General Management letter dated April 28, 2006

In accordance with Circular 1591 of February 6, 2002, I wish to inform you that the board of this Company today was informed of and became responsible for the financial statements for the quarter ended March 31, 2006 which will be sent to the Superintendence. This was recorded in the corresponding minutes, which also authorized the general manager to sign this communication.

### d) General Management letter dated June 28, 2006

In accordance with clauses 9 and 10.2 of the Capital Markets Law 18,045 and the pertinent instructions of the Superintendence, we inform you, as material information, of the following matter resolved today by the board of Compañía Sud Americana de Vapores S.A., CSAV.

The board unanimously approved the general terms and conditions for signing a revolving credit facility with BNP Paribas, France, for up to US\$ 300,000,000 (three hundred million dollars) to be used through one or more CSAV subsidiaries in order to have the necessary funds for possible future ship purchases, according to their fleet needs.

When a ship is acquired, the purchasing subsidiary shall cover the respective drawing with a ship mortgage over the ship and obtain the joint and several guarantee of CSAV for up to the equivalent of 50% of the corresponding loan. Repayment of each drawing shall be in quarterly installments over a term of 10 years, depending on the ship in question. The interest rate shall be the equivalent of Libor + 0.9% annually.

It is not reasonably possible to quantify the effects of this operation on the results of CSAV.

The same board meeting classified this matter as material information and resolved to send this communication and that the General Manager should sign it.

Copies of this communication shall be sent to the Santiago Stock Exchange, the Chilean Electronic Exchange and the Valparaíso Stock Exchange.

e) General Management letter dated August 11, 2006

In accordance with Circular 1591 of February 6, 2002, I wish to inform you that the board of this Company today was informed of and became responsible for the financial statements for the quarter ended June 30, 2006 which will be sent to the Superintendence. This was recorded in the corresponding minutes, which also authorized the general manager to sign this communication.

f) General Management letter dated September 29, 2006

The CSAV board session held today unanimously agreed to sell to Peter Döhle Schiffahrts-KG, or certain of its subsidiaries or associates, the 50% held through subsidiaries in four 5,500-TEU vessels. The selling price CSAV will receive for this operation is US\$ 85,000,000 per vessel (US\$ 42,500,000 for the 50 per cent of each vessel), thus generating income of US\$ 170,000,000. The estimated profit in this operation is approx. US\$ 70,000,000. Signing of the final contracts is pending, and the delivery of the respective vessels is scheduled for the coming months.

Similarly, the CSAV board session held today approved the purchase of three 6,300-TEU vessels each (or the equivalent to 50% of 6 vessels of that size), owned by Peter Döhle Schiffahrts-KG or certain of its subsidiaries or associates, at a price of US\$ 85,550,000 per vessel, in a total amount of US\$ 256,650,000. Signing of the final contracts is pending, and the delivery of the respective vessels is scheduled for the period from 2009 to 2010.

The same board meeting classified this matter as material information and resolved to send this communication and that the General Manager should sign it.

g) General Management letter dated October 10, 2006

In accordance with Circular 1591 of February 6, 2002, I wish to inform you that the board of this Company today was informed of and became responsible for the financial statements for the quarter ended September 30, 2006 which will be sent to the Superintendence. This was recorded in the corresponding minutes, which also authorized the general manager to sign this communication.

h) General Management letter dated October 27, 2006

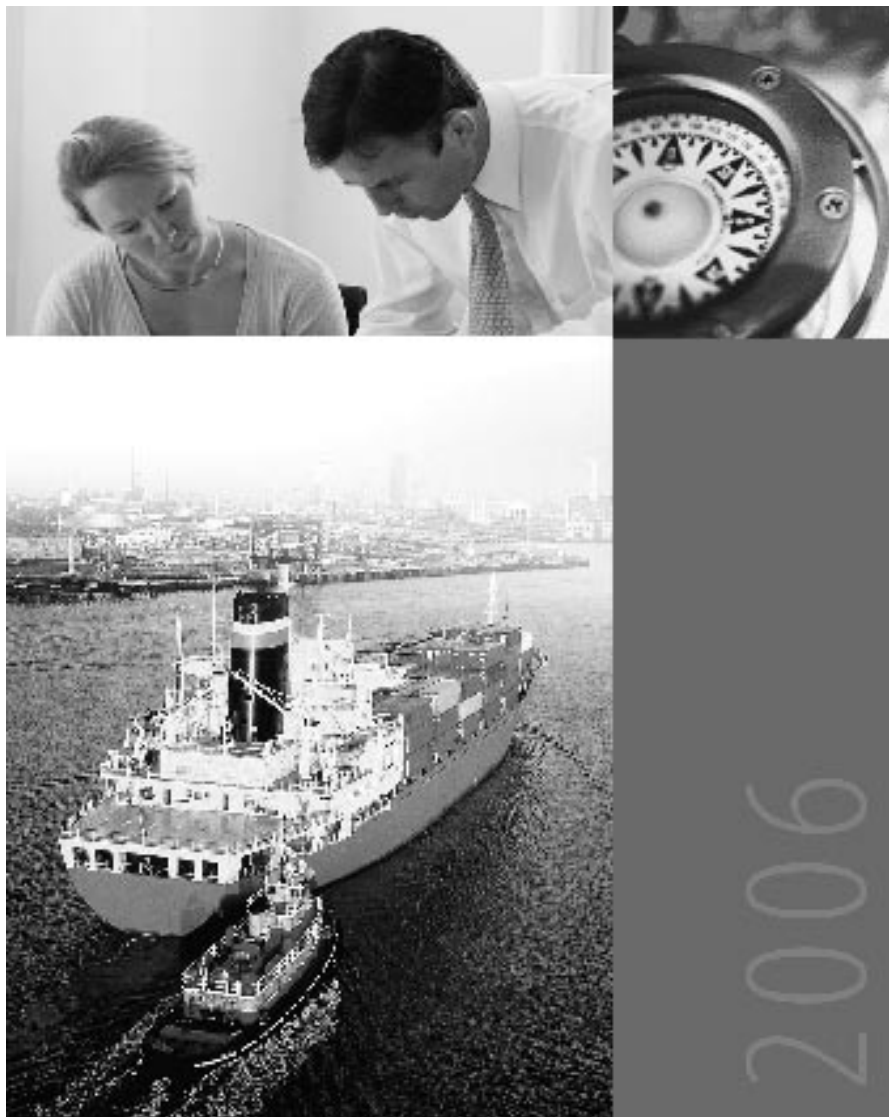
The CSAV board session held on November 24, unanimously agreed to sell to KGJS Cement Holdings AS (the "Buyer"), the 26.09% held through its subsidiary Williams Investment Co. S.A. in Belden Shipholding Pte. Ltd. The selling price the subsidiary of CSAV will receive for this operation is US\$ 28,000,000. The estimated profit in this operation for CSAV is approx. US\$ 22,000,000. The respective sale contract includes clauses typical for operations of this kind.

The same board meeting classified this matter as material information and resolved to send this communication and that the General Manager should sign it.



## Summary Financial Statements Subsidiary Companies

As of December 31, 2006



CSAV's financial statements are prepared in accordance with generally accepted accounting principles in Chile. This is a free translation, from the original in spanish. Therefore, the Company accepts no responsibility for any errors, omissions or incorrect meanings contained in this translation.

## Summary of General Balances of Subsidiaries

As of December 31, 2006 and 2005

	SUDAMERICANA AGENCIAS AEREAS Y MARITIMAS S.A. AND SUBSIDIARIES		EMPRESA DE TRANSPORTE SUDAMERICANA AUSTRAL LTDA. AND SUBSIDIARIES		CSAV INVERSIONES NAVIERAS S.A. AND SUBSIDIARIES		ODFJELL Y VAPORES S.A.		CORVINA SHIPPING CO. S.A. AND SUBSIDIARIES (Panama)	
	2006 M\$	2005 M\$	2006 MUS\$	2005 MUS\$	2006 MUS\$	2005 MUS\$	2006 MUS\$	2005 MUS\$	2006 MUS\$	2005 MUS\$
<b>ASSETS</b>										
Current	54,782,881	48,319,315	3,045	2,188	16,270	5,867	13,484	5,832	224,260	197,862
Fixed	110,140,620	101,920,055	2,318	2,707	1,126	763	13,549	9,816	3,212	640
Other	95,814,540	79,984,796	26	2	977	17			26,297	14,602
<b>Assets Total</b>	<b>260,738,041</b>	<b>230,224,166</b>	<b>5,389</b>	<b>4,897</b>	<b>18,373</b>	<b>6,647</b>	<b>27,033</b>	<b>15,648</b>	<b>253,769</b>	<b>213,104</b>
<b>EQUITY AND LIABILITY</b>										
Current	22,666,759	19,983,445	895	423	12,683	3,699	16,959	4,510	7,157	11,033
Long-term	57,013,306	53,069,730	1,495	1,516	1,000	1	1,167	1,525	8,228	9,341
Minority interest	5,100,922	3,916,361	1,861	1,815	1,022	218			126	4
Capital and Reserves	154,475,794	134,939,656	1,147	(253)	2,729	3,000	3,213	4,902	192,734	189,090
Net Income (Loss) for the period	21,481,260	18,314,974	(9)	1,396	939	(271)	5,694	4,711	45,524	3,636
Interim dividends										
<b>Total liabilities and shareholders equity</b>	<b>260,738,041</b>	<b>230,224,166</b>	<b>5,389</b>	<b>4,897</b>	<b>18,373</b>	<b>6,647</b>	<b>27,033</b>	<b>15,648</b>	<b>253,769</b>	<b>213,104</b>

## Summary of Income Statment of Subsidiaries

As of December 31, 2006 and 2005

<b>OPERATING INCOME</b>										
Operating Revenues	115,742,732	105,255,624	3,380	3,336	50,346	7,017	24,137	20,127	59,577	40,567
Less: Operating expenditures	(87,595,726)	(77,461,670)	(3,323)	(2,781)	(23,731)		(18,333)	(14,228)	(53,645)	(40,380)
Operating Margin	28,147,006	27,793,954	57	555	26,615	7,017	5,804	5,899	5,932	187
Less: Sales and Administration expenses	(15,715,645)	(14,766,080)	(74)	(89)	(24,633)	(7,122)	(263)	(144)	(1,017)	(711)
<b>Total Operating Income</b>	<b>12,431,361</b>	<b>13,027,874</b>	<b>(17)</b>	<b>466</b>	<b>1,982</b>	<b>(105)</b>	<b>5,541</b>	<b>5,755</b>	<b>4,915</b>	<b>(524)</b>
<b>NON-OPERATING RESULT</b>										
Non operating income	14,384,658	11,571,963	106	1,389	936	105	1,823	55	42,623	7,765
Less: Non operating Expenditures	(2,767,845)	(4,283,035)	(41)	(63)	(498)	(50)	(366)	(192)	(1,913)	(3,682)
Exchange differences	(470,413)	423,842	(23)	120	293	(75)	(134)	58	18	(9)
Price-level restatement	(11,382)	(85,766)							37	49
<b>Non Operating Income</b>	<b>11,135,018</b>	<b>7,627,004</b>	<b>42</b>	<b>1,446</b>	<b>731</b>	<b>(20)</b>	<b>1,323</b>	<b>(79)</b>	<b>40,765</b>	<b>4,123</b>
Income before Income Tax	23,566,379	20,654,878	25	1,912	2,713	(125)	6,864	5,676	45,680	3,599
Income Tax	(1,393,613)	(1,703,761)	12	(302)	(1,217)	(89)	(1,170)	(965)	(40)	6
<b>Consolidated net Income</b>	<b>2,172,766</b>	<b>18,951,117</b>	<b>37</b>	<b>1,610</b>	<b>1,496</b>	<b>(214)</b>	<b>5,694</b>	<b>4,711</b>	<b>45,640</b>	<b>3,605</b>
Minority interest	(691,506)	(636,143)	(46)	(214)	(557)	(57)			(116)	31
Amortization of negative goodwill										
<b>NET INCOME</b>	<b>21,481,260</b>	<b>18,314,974</b>	<b>(9)</b>	<b>1,396</b>	<b>939</b>	<b>(271)</b>	<b>5,694</b>	<b>4,711</b>	<b>45,524</b>	<b>3,636</b>

TOLLO SHIPPING CO. S.A. AND SUBSIDIARIES (Panama)		CSAV AGENCY, LLC AND SUBSIDIARIES (United States)		COMPAÑIA SUD AMERICANA DE VAPORES GMBH (Germany)		INVERSIONES PLAN FUTURO S.A. (Panama)		INVERSIONES NUEVO TIEMPO S.A. (Panama)		CSAV GROUP (CHINA) SHIPPING LTD. (China)		NORGISTIC (CHINA) LTD. (China)	
2006 MUS\$	2005 MUS\$	2006 MUS\$	2005 MUS\$	2006 MEUR	2005 MEUR	2006 MUS\$	2005 MUS\$	2006 MUS\$	2005 MUS\$	2006 MUS\$	2005 MUS\$	2006 MUS\$	2005 MUS\$
852,146	786,336	13,528	8,637	1,453	1,515	366	361	4,599	27	34,225	27,497	1,608	1,168
8,321	10,586	815	1,383	408	576					827	654	4	2
156,091	277,655					167,201	167,201						
<b>1,016,558</b>	<b>1,074,577</b>	<b>14,343</b>	<b>10,020</b>	<b>1,861</b>	<b>2,091</b>	<b>167,567</b>	<b>167,562</b>	<b>4,599</b>	<b>27</b>	<b>35,052</b>	<b>28,151</b>	<b>1,612</b>	<b>1,170</b>
431,479	408,485	5,078	3,944	1,316	1,641	9	5	2,239	637	30,910	25,616	486	93
370,012	372,014												
(4,677)	10,051												
284,027	266,204	6,076	1,432	450	432	167,556	167,524	5,550	1,068	2,679	1,556	1,107	978
(64,283)	17,823	3,189	4,644	95	18	2	33	(3,190)	(1,678)	1,463	979	19	99
<b>1,016,558</b>	<b>1,074,577</b>	<b>14,343</b>	<b>10,020</b>	<b>1,861</b>	<b>2,091</b>	<b>167,567</b>	<b>167,562</b>	<b>4,599</b>	<b>27</b>	<b>35,052</b>	<b>28,151</b>	<b>1,612</b>	<b>1,170</b>
2,196,671	2,241,248	36,346	40,383	10,546	12,408					9,648	6,883	126	238
(2,228,302)	(2,034,790)	(636)	(612)							(2,726)	(1,616)		
(31,631)	206,458	35,710	39,771	10,546	12,408	0	0	0	0	6,922	5,267	126	238
(154,407)	(169,673)	(32,456)	(35,046)	(10,164)	(12,378)	(7)	(5)	(432)	(8)	(4,615)	(3,789)	(103)	(109)
<b>(186,038)</b>	<b>36,785</b>	<b>3,254</b>	<b>4,725</b>	<b>382</b>	<b>30</b>	<b>(7)</b>	<b>(5)</b>	<b>(432)</b>	<b>(8)</b>	<b>2,307</b>	<b>1,478</b>	<b>23</b>	<b>129</b>
125,294	33,586			31	16	13	113		363	93	62		
(24,938)	(30,703)			(21)	(4)	(4)	(75)	(2,758)	(2,032)	(43)	(39)		
6,029	(12,811)									(299)	(40)		(16)
<b>106,385</b>	<b>(9,928)</b>	<b>0</b>	<b>0</b>	<b>10</b>	<b>12</b>	<b>9</b>	<b>38</b>	<b>(2,758)</b>	<b>(1,669)</b>	<b>(249)</b>	<b>(17)</b>	<b>0</b>	<b>(16)</b>
(79,653)	26,857	3,254	4,725	392	42	2	33	(3,190)	(1,677)	2,058	1,461	23	113
(753)	(3,232)	(64)	(81)	(297)	(24)					(595)	(482)	(4)	(14)
<b>(80,406)</b>	<b>23,625</b>	<b>3,190</b>	<b>4,644</b>	<b>95</b>	<b>18</b>	<b>2</b>	<b>33</b>	<b>(3,190)</b>	<b>(1,677)</b>	<b>1,463</b>	<b>979</b>	<b>19</b>	<b>99</b>
16,099	(5,826)												
24	24												
<b>(64,283)</b>	<b>17,823</b>	<b>3,190</b>	<b>4,644</b>	<b>95</b>	<b>18</b>	<b>2</b>	<b>33</b>	<b>(3,190)</b>	<b>(1,677)</b>	<b>1,463</b>	<b>979</b>	<b>19</b>	<b>99</b>

**Summarized Cash Flow of Subsidiary Companies**  
As of December 31, 2006 and 2005

	SUDAMERICANA AGENCIAS AEREAS Y MARITIMAS S.A. AND SUBSIDIARIES		EMPRESA DE TRANSPORTE SUDAMERICANA AUSTRAL LTDA. AND SUBSIDIARIES		CSAV INVERSIONES NAVIERAS (CHILE) S.A. AND SUBSIDIARIES		ODFJELL Y VAPORES S.A.		CORVINA SHIPPING CO. S.A. AND SUBSIDIARIES (Panama)	
	2006 M\$	2005 M\$	2006 MUS\$	2005 MUS\$	2006 MUS\$	2005 MUS\$	2006 MUS\$	2005 MUS\$	2006 MUS\$	2005 MUS\$
<b>NET CASH FLOW</b>										
Operating activities	16,778,830	16,197,641	997	627	4,325	2,610	8,558	6,651	(15,585)	7,629
Financing activities	1,448,752	6,690,735			1,000	3,158	3,600	(7,812)	(1,120)	(1,044)
Investment activities	(16,043,856)	(24,563,200)	123	(2)	(1,349)	(875)	(6,561)	(2)	17,274	(5,323)
<b>TOTAL CASH FLOW</b>	<b>2,183,726</b>	<b>(1,674,824)</b>	<b>1,120</b>	<b>625</b>	<b>3,976</b>	<b>4,893</b>	<b>5,597</b>	<b>(1,163)</b>	<b>569</b>	<b>1,262</b>
Inflation effect over cash and cash equivalent	96,917	(2,093,238)	(8)				(16)	(5)	12	(3)
<b>NET CHANGES IN CASH AND CASH EQUIVALENT</b>	<b>2,280,643</b>	<b>(3,768,062)</b>	<b>1,112</b>	<b>625</b>	<b>3,976</b>	<b>4,893</b>	<b>5,581</b>	<b>(1,168)</b>	<b>581</b>	<b>1,259</b>
Initial cash and cash equivalent	15,157,930	18,925,992	1,290	665	4,893		4,071	5,239	1,580	321
<b>CASH AND CASH EQUIVALENT AT THE END OF THE PERIOD</b>	<b>17,438,573</b>	<b>15,157,930</b>	<b>2,402</b>	<b>1,290</b>	<b>8,869</b>	<b>4,893</b>	<b>9,652</b>	<b>4,071</b>	<b>2,161</b>	<b>1,580</b>

TOLLO SHIPPING CO. S.A. AND SUBSIDIARIES (Panama)		CSAV AGENCY, LLC AND SUBSIDIARIES (Unites States)		COMPAÑIA SUD AMERICANA DE VAPORES GMBH (Germany)		INVERSIONES PLAN FUTURO S.A. (Panama)		INVERSIONES NUEVO TIEMPO S.A. (Panama)		CSAV GROUP (CHINA) SHIPPING LTD. (CHINA)		NORGISTIC (CHINA) LTD.	
2006 MUS\$	2005 MUS\$	2006 MUS\$	2005 MUS\$	2006 MEUR	2005 MEUR	2006 MUS\$	2005 MUS\$	2006 MUS\$	2005 MUS\$	2006 MUS\$	2005 MUS\$	2006 MUS\$	2005 MUS\$
(227,094)	63,710	5,621	(79)	218	(181)	6	(8)	(2,316)	(1,166)	3,871	12,274	165	(228)
	(1,500)		3		100		(30,637)	6,888	(5,000)		72	1	850
187,300	32,052	(69)	(923)	(84)	(351)			(4,593)	6,159	(374)	(385)	(2)	
<b>(39,794)</b>	<b>94,262</b>	<b>5,552</b>	<b>(999)</b>	<b>134</b>	<b>(432)</b>	<b>6</b>	<b>(30,645)</b>	<b>(21)</b>	<b>(7)</b>	<b>3,497</b>	<b>11,961</b>	<b>164</b>	<b>622</b>
<b>(39,794)</b>	<b>94,262</b>	<b>5,552</b>	<b>(999)</b>	<b>134</b>	<b>(432)</b>	<b>6</b>	<b>(30,645)</b>	<b>(21)</b>	<b>(7)</b>	<b>3,497</b>	<b>11,961</b>	<b>164</b>	<b>622</b>
560,331	466,069	5,200	6,200	997	1,429	360	31,006	27	34	14,873	2,912	656	34
<b>520,537</b>	<b>560,331</b>	<b>10,752</b>	<b>5,201</b>	<b>1,131</b>	<b>997</b>	<b>366</b>	<b>361</b>	<b>6</b>	<b>27</b>	<b>18,370</b>	<b>14,873</b>	<b>820</b>	<b>656</b>



## Statement of Liability

The undersigned in their capacity as Directors and General Manager of Compañía Sud Americana de Vapores S.A., with legal address at Plaza Sotomayor 50, Valparaíso, declare under oath that the information set forth in this 2006 Annual Report is a true statement of the facts, which has been duly established as per our business capacity, therefore, we assume due responsibility.

Ricardo Claro Valdés	Chairman	3.158.999-1
Felipe Lamarca Claro	Vice president	4.779.125-1
Luis Alvarez Marín	Director	1.490.523-5
Joaquín Barros Fontaine	Director	5.389.326-0
Juan Andrés Camus Camus	Director	6.370.841-0
Arturo Claro Fernández	Director	4.108.676-9
Jaime Claro Valdés	Director	3.180.078-1
Patricio García Domínguez	Director	3.309.849-9
Baltazar Sánchez Guzmán	Director	6.060.760-5
Christoph Schiess Schmitz	Director	6.371.875-0
Patricio Valdés Pérez	Director	7.443.809-1
Juan Antonio Alvarez Avendaño	General Manager	7.033.770-3