



## **CSAV made a profit of US\$ 34.3 million in the second quarter of 2013**

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- *The formula to set the price of the share for the next capital increase was agreed today.*

**Santiago, 30 July 2013.** – Compañía Sudamericana de Vapores (CSAV) made a net profit of US\$ 34.3 million during the second quarter of this year, reflected in its financial report of today. The amount positively compares to the US\$ 140.2 million loss recorded in the same period of 2012, thus showing an improvement of US\$ 174.5 million in its results.

The profit of the second quarter of 2013 includes an extraordinary positive impact of US\$ 74 million, mainly explained by the pre-payment of the debt the company had with American FamilyLifeAssuranceCompany (AFLAC).

Given the aforementioned, during the first semester of 2013, CSAV recorded a loss of US\$61.6 million versus the US\$345.5 million loss recorded in the same period of 2012, showing a significant improvement of US\$283.9million. The results of the first semester this year are positively influenced by a non repeatable net effect of US\$ 34 million dollars, which is composed of the US\$74 million profit already mentioned and the provision of US\$ 40 million recorded in the previous quarter.

On the other hand, during the second semester of 2013, the company again made an improvement in the unitary operational cost versus the second semester of the previous year, progress that has been consistent in the recent periods.

The CEO of CSAV, Oscar Hasbún, stated that the outcome is the result of a more efficient cost structure, together with better vessel utilization rates and a greater proportion of owned fleet, essential aspects for the new business model promoted by the company.

Likewise, he highlighted the progress shown by the company in the last quarter in a scenario in which freight rates remain lower than historical levels and there are high prices of bunker (fuel), the main resource of the industry.

“Our strategy of generating economies of scale, reducing operational and financial costs, and developing key advantages in the trades we participate in, as well as a greater proportion of own fleet, has allowed us to consolidate a more competitive cost structure, which is consistent with the improvement of the results we are obtaining”, he added.

Hasbún mentioned that the next capital injection, which will be used to purchase seven vessels of 9,300 TEUs, the pre-payment of financial debt and the continuity of the company’s development plans, will allow CSAV to continue with significant improvements in its cost structure.

#### **Mechanism to set the price of the share**

Today, in a Board of Directors meeting, CSAV agreed on the mechanism that will set the placement price of the shares of the US\$ 500 million capital increase approved last April.

The formula considers the lower price between the weighted average in the last five working days before the right offer period —minus a 5% discount— and the mean value of the share of the last working day before the right offer period. These values will be calculated in dollars at the observed exchange rate of the corresponding day.

Depending on the price of the share obtained in the above mentioned mechanism, if the expected amount is not raised by placing 6,750 million shares, CSAV’s Board of Directors shall evaluate calling for a new capital increase to complete the US\$ 500 million approved by the extraordinary shareholder’s meeting of 29 April 2013.