



1H14 - 2Q14 | 2014

## > EARNINGS RELEASE

**January 01, 2014 – June 30, 2014**

*SONDA S.A. and subsidiaries announce their consolidated financial results for the period from January 01 to June 30, 2014. All figures are expressed in Chilean pesos and have been prepared under International Financial Reporting Standards (IFRS). Conversions to US dollars stated in this report are based on the month-end exchange rate as of June 30, 2014 (1 US\$ = 552.72 Chilean Pesos).*

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## SUMMARY: 1H14-2Q14

- > Consolidated Revenues:  
**US\$706.2 million**
- > Operating Income:  
**US\$75.9 million**
- > EBITDA:  
**US\$ 106.4 million**
- > Net Income:  
**US\$47.8 million**
- > EBITDA Margin:  
**15.1%**
- > Net Margin:  
**6.8%**

## I. Executive Summary

SONDA had consolidated revenues of \$390,330 million (US\$706.2 million) for the first half of 2014, 20.5% higher than the same period the previous year. Operating income was \$41,954 million (US\$75.9 million) and EBITDA was \$58,833 million (US\$106.4million), an increase of 2.3% and 5.9% respectively (YoY). Net income attributable to owners totaled \$26,413 million (US\$47.8 million), 18.4% lower than the same period in 2013.

Regional results:

Region	Revenues		EBITDA	
	Ch\$M	Δ Y/Y	Ch\$M	Δ Y/Y
Chile	147,411	1.5%	24,202	-18.8%
Brazil	159,061	47.1%	17,880	34.3%
Mexico	30,900	10.6%	5,587	17.5%
OPLA	52,958	24.9%	11,163	44.9%
<b>Total</b>	<b>390,330</b>	<b>20.5%</b>	<b>58,833</b>	<b>5.9%</b>

ROE for 1H14 was 10.8%. Current liquidity ratio was (1.5x), financial leverage ratio was (0.2x) and financial expenses coverage ratio was (10.7x), reflecting all a healthy financial position.

Highlights:

- > The financial results for the first half 2014 include the consolidation of CTIS since May 2014.
- > Operations outside Chile increased their revenue by 36.1% (YoY), totaling \$242,919 million (US\$439.5 million), contributing 62.2% of consolidated revenues, while operating income and EBITDA grew by 37.5% and 34.4% compared to the same period in 2013, reaching \$23,418 million (US\$42.4 million) and \$34,631 million (US\$62.7 million), respectively.
- > Revenues in Brazil reached \$159,061 million (US\$287.8 million), an increase of 47.1% (YoY) and EBITDA totaled \$17,880 million (US\$32.3 million), growing by 34.3% (YoY).
- > Revenues in Mexico reached \$30,900 million (US\$55.9 million) and EBITDA totaled \$5,587 million (US\$10.1 million), growing by 10.6% and 17.5% in relation to the same period in 2013, respectively. The EBITDA margin reached 18.1%, growing by 110bp (YoY).
- > Revenues in OPLA reached \$52,958 million (US\$95.8 million), growing by 24.9%, and EBITDA increased by 44.9% (YoY). EBITDA margin reached 21.1%, 290bp higher than the same period in 2013.
- > Revenues in Chile grew by 1.5% totaling \$147,411 million (US\$266.7 million) while EBITDA decreased by 18.8%, down to \$24,202 million (US\$43.8 million).
- > Net income attributable to owners was \$26,413 million (US\$47.8 million), 18.4% lower than the same period in 2013. Without the effect of the Payroll divestiture in June, 2013, net income attributable to the owners of the company would have decreased by 5.0%.
- > New deals closed during the first half of 2013 reached US\$634.0 million, increasing by 0.3% YoY.

Figure 1 – Consolidated Financial Statements

Consolidated Financial Statements SONDA S.A.				
Millions of Ch\$ (Ch\$M)				
Income Statement	Jun-13	Jun-14	Δ \$	Δ %
Revenues	323,794	390,330	66,536	20.5%
Cost of Sales	(253,376)	(316,330)	(62,954)	24.8%
<b>Gross Profit</b>	<b>70,418</b>	<b>74,000</b>	<b>3,582</b>	<b>5.1%</b>
Administration Expenses	(29,417)	(32,046)	(2,629)	8.9%
<b>Operating Income (1)</b>	<b>41,001</b>	<b>41,954</b>	<b>953</b>	<b>2.3%</b>
Depreciation and Amortization	14,570	16,879	2,309	15.8%
<b>EBITDA (2)</b>	<b>55,571</b>	<b>58,833</b>	<b>3,262</b>	<b>5.9%</b>
Other Income	6,899	1,119	(5,780)	-83.8%
Other Expenses	(3,349)	(4,079)	(730)	21.8%
<b>Profit (Loss) From Operating Activities</b>	<b>44,551</b>	<b>38,994</b>	<b>(5,558)</b>	<b>-12.5%</b>
Financial Income	3,959	3,777	(182)	-4.6%
Financial Expenses	(3,665)	(5,501)	(1,837)	50.1%
Share of Profit (Loss) of Associates	105	15	(89)	-85.3%
Foreign Exchange Differences	666	746	80	12.0%
Income (Loss) for Indexed Assets and Liabilities	403	(1,363)	(1,765)	-438.4%
<b>Net Income Before Taxes</b>	<b>46,019</b>	<b>36,668</b>	<b>(9,351)</b>	<b>-20.3%</b>
Income Tax Expense	(11,964)	(8,637)	3,328	-27.8%
<b>Net Income from Continuing Operations</b>	<b>34,055</b>	<b>28,031</b>	<b>(6,024)</b>	<b>-17.7%</b>
Net Income Attributable to Minority Interest	1,680	1,618	(62)	-3.7%
<b>Net Income Attributable to Owners of the Company</b>	<b>32,375</b>	<b>26,413</b>	<b>-5,962</b>	<b>-18.4%</b>
Balance Sheet	Dec-13	Jun-14	Δ \$	Δ %
Cash and Cash Equivalents	170,861	77,346	(93,515)	-54.7%
Other Current Financial Assets	7,046	9,995	2,950	41.9%
Trade Accounts Receivable and Other Receivables, Net	139,943	227,794	87,851	62.8%
Accounts Receivable from Related Companies	5,344	2,940	(2,405)	-45.0%
Inventories	32,401	36,069	3,668	11.3%
Other Current Assets	36,770	40,364	3,595	9.8%
<b>Current Assets</b>	<b>392,365</b>	<b>394,508</b>	<b>2,144</b>	<b>0.5%</b>
Intangibles Assets and Goodwill	221,217	320,227	99,010	44.8%
Property, Plant and Equipment, Net	91,242	99,947	8,706	9.5%
Other Non-currents Assets	39,106	54,739	15,633	40.0%
<b>Non-current Assets</b>	<b>351,565</b>	<b>474,914</b>	<b>123,349</b>	<b>35.1%</b>
<b>Assets</b>	<b>743,930</b>	<b>869,422</b>	<b>125,492</b>	<b>16.9%</b>
Other Current Financial Liabilities	52,764	61,395	8,631	16.4%
Other Liabilities	152,036	194,356	42,320	27.8%
<b>Current Liabilities</b>	<b>204,800</b>	<b>255,751</b>	<b>50,951</b>	<b>24.9%</b>
Other Non-current Financial Liabilities	41,352	50,068	8,715	21.1%
Other Liabilities, Non-Current	22,405	46,899	24,495	109.3%
<b>Non-current Liabilities</b>	<b>63,757</b>	<b>96,967</b>	<b>33,210</b>	<b>52.1%</b>
<b>Liabilities</b>	<b>268,557</b>	<b>352,718</b>	<b>84,161</b>	<b>31.3%</b>
Minority Interest	5,347	5,433	85	1.6%
<b>Total Shareholders' Equity Attributable to Owners of the Company</b>	<b>470,025</b>	<b>511,271</b>	<b>41,246</b>	<b>8.8%</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>743,930</b>	<b>869,422</b>	<b>125,492</b>	<b>16.9%</b>

(1) Operating Income = Gross Profit – Administration Expenses

(2) EBITDA = Operating Income + Depreciation and Amortization

## MANAGEMENT DISCUSSION AND ANALYSIS ON 1H14 AND 2Q14 CONSOLIDATED RESULTS

### I. Consolidated Results for 1H14

#### Revenues

Consolidated revenues totaled \$390,330 million (US\$706.2 million) for 1H14, 20.5% (\$66,536 million / \$120.4 million) higher than the same period of 2013.

Main variations in the period were the following:

- > Increase of 20.5% (\$36,906 million / US\$66.8 million) in revenues from the IT Services business, totaling \$216,983 million (US\$392.6 million) in 1H14, due to the consolidation of CTIS, acquired in May 2014.
- > Increase of 24.6% (\$6,687 million / US\$12.1 million) in revenue from the Application business, reaching \$33,869 million (US\$61.3 million) for 1H14, mainly due to increased revenue in Brazil.
- > Increase of 19.7% (\$22,943 million / US\$41.5 million) in revenue from the Platforms business, reaching \$139,477 million (US\$252.3 million). The main variations were:
  - > Sales of HW rose by 22.8% (\$19,488 million / US\$35.3 million), totaling \$104,850 million (US\$189.7 million).
  - > Sales of SW rose by 13.9% (\$4,088 million / US\$7.4 million), totaling \$33.407 million (US\$60.4 million).

Revenue breakdown by business line for 1H14 is the following: IT Services contributed 55.6% of total revenues, Platforms contributed 35.7% and Applications contributed the remaining 8.7%.

Figure 2 – Consolidated Revenues by Business Line

Consolidated Revenues by Business Line	Jun-13	Jun-14	Δ \$	Δ %
	Ch\$M	Ch\$M		
Platforms	116,534	139,477	22,943	19.7%
IT Services	180,078	216,983	36,906	20.5%
Applications	27,183	33,869	6,687	24.6%
<b>Total</b>	<b>323,794</b>	<b>390,330</b>	<b>66,536</b>	<b>20.5%</b>

#### Breakdown

Platforms	36.0%	35.7%
IT Services	55.6%	55.6%
Applications	8.4%	8.7%
<b>Total</b>	<b>100%</b>	<b>100%</b>

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

Consolidated cost of sales totaled \$316.330 million (US\$572.3 million) in 1H14, an increase of 24.8% over the same period in 2013, mainly as a consequence of CTIS consolidation.

Administration expenses were \$32,046 million (US\$58.0 million) for 1H14, a growth of 8.9% on the first half of the previous year, mainly due to CTIS consolidation.

Figure 3 – Income Statement

Summary of Consolidated Income Statement	Jun-13	Jun-14	Δ \$	Δ %
	Ch\$M	Ch\$M		
Revenues	323,794	390,330	66,536	20.5%
Cost of Sales	(253,376)	(316,330)	(62,954)	24.8%
<b>Gross Profit</b>	<b>70,418</b>	<b>74,000</b>	<b>3,582</b>	<b>5.1%</b>
Administration Expenses	(29,417)	(32,046)	(2,629)	8.9%
Operating Income (1)	41,001	41,954	953	2.3%
<b>EBITDA (2)</b>	<b>55,571</b>	<b>58,833</b>	<b>3,262</b>	<b>5.9%</b>
Net Income Attributable to Owners	32,375	26,413	(5,962)	-18.4%
<b>Financial Ratios</b>				
Gross Margin	21.7%	19.0%		
Operating Margin	12.7%	10.7%		
EBITDA Margin	17.2%	15.1%		
Net Margin	10.0%	6.8%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

### Operating Income and Ebitda

Operating income was \$41,954 million (US\$75.9 million), an increase of 2.3% with regards to 1H14. Gross Margin as a percentage of revenue came to 19.0% and the operating margin to 10.7%, lower by 270bp and 200bp than in the first half of 2013, respectively.

EBITDA totaled \$58,833 million (US\$106.4 million) for 1H14, an increase of 5.9% (YoY). While EBITDA margin decreased to 15.1%, 210bp less than in the same period of last year.

### Other Comprehensive Income (Excluding Administration Expenses)

Total other comprehensive income, excluding administration expenses, moved from a profit of \$5,018 million (US\$9.1 million) in 1H13 to a loss of \$5,286 million (US\$9.6 million) in 1H14. The latter mainly due to a decrease in other income (\$5,780 million / US\$10.5 million), after the selling of a minority stake in the non-controlled affiliate Payroll in June 2013, which generated an after tax profit for \$4,559 million (US\$8.2 million); an increase in financial expenses (\$1,837 million / US\$3.3 million) mostly due to the consolidation of CTIS, and a negative effect in income (loss) for indexed assets and liabilities by \$1,765 million (US\$3.2 million).

### Net Income

Net income attributable to the owners of the company, totaled \$26,413 million (US\$47.8 million) in 1H14, reflecting a decrease of 18.4% YoY. Without the effect of the Payroll divestiture, net profit attributable to the owners of the company would have decrease by 5.0% compared to the same period of last year.

## II. Consolidated Results for the Second Quarter of 2014 (2Q14)

### Revenues

Consolidated revenues reached \$223,672 million (US\$404.7 million) in 2Q14, up 34.8% YoY, mainly due to the consolidation of CTIS. The increase is explained by:

- > Larger revenues from IT services business (+41.4% YoY), totaling \$128,642 million (US\$232.7 million), driven by:
  - > +71.4% increase in technical support revenues (\$15,795 million / US\$28.6 million), to \$37,905 million (US\$68.6 million).
  - > +79.5% by higher revenues from professional and project integration services (16,206 million / US\$29.3 million), reaching \$36,595 million (US\$66.2 million).
- > Platforms business revenues went up by 22.4% YoY (\$13,666 million / US\$24.7 million) reaching \$74,788 million (US\$135.3 million), principally as a result of:
  - > +29.1% higher sales of HW platforms (\$13,269 million / US\$24.0 million), to \$58,887 million (US\$106.5 million)
- > Applications business with total revenues up 46.0% YoY (\$6,380 million / US\$11.5 million), totalizing \$20,242 million (US\$36.6 million), due to:
  - > Increase in licenses sales by 155.8% (\$3,910 million / US\$7.1 million), totalizing \$6,420 million (US\$11.6 million)
  - > +42.4% increase in development and maintenance revenues (\$2,291 million / US\$4.1 million), to \$7,698 million (US\$13.9 million).

In terms of revenue breakdown by business line, IT services contributed with 57.5% of consolidated revenues during the second quarter of 2014, while applications and platforms business lines represented 9.1% and 33.4%, respectively.

Figure 4 – Consolidated Revenues by Business Line

Consolidated Revenues by Business Line	2Q13	2Q14	Δ \$	Δ %
	Ch\$M	Ch\$M		
Platforms	61,122	74,788	13,666	22.4%
IT Services	90,950	128,642	37,692	41.4%
Applications	13,862	20,242	6,380	46.0%
<b>Total</b>	<b>165,933</b>	<b>223,672</b>	<b>57,738</b>	<b>34.8%</b>

### Breakdown

Platforms	36.8%	33.4%
IT Services	54.8%	57.5%
Applications	8.4%	9.1%
<b>Total</b>	<b>100%</b>	<b>100%</b>

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

Cost of sales amounted \$182,015 million (US\$329.3 million) for 2Q14, up 39.9% YoY, mainly due to CTIS consolidation.

Administration expenses totaled \$18,587 million (US\$33.6 million), increasing by 24.2% YoY, mostly explained by CTIS consolidation.

### Operating Income and Ebitda

Operating income reached \$23,070 million (US\$41.7 million / +10.8% YoY). Gross margin as a percentage of revenues reached 18.6%, while operating margin was 10.3%.

EBITDA amount \$32,055 million (US\$58.0 million / +12.9% YoY) for 2Q14 and EBITDA margin reached 14.3% for the period.

Figure 5 – Income Statement

Summary of Consolidated Income Statement	2Q13	2Q14	Δ \$	Δ %
	Ch\$M	Ch\$M		
Revenues	165,933	223,672	57,738	34.8%
Cost of Sales	(130,147)	(182,015)	(51,867)	39.9%
<b>Gross Profit</b>	<b>35,786</b>	<b>41,657</b>	<b>5,871</b>	<b>16.4%</b>
Administration Expenses	(14,965)	(18,587)	(3,622)	24.2%
Operating Income (1)	20,821	23,070	2,249	10.8%
<b>EBITDA (2)</b>	<b>28,391</b>	<b>32,055</b>	<b>3,664</b>	<b>12.9%</b>
Net Income Attributable to Owners	18,000	12,986	(5,014)	-27.9%
<b>Financial Ratios</b>				
Gross Margin	21.6%	18.6%		
Operating Margin	12.5%	10.3%		
EBITDA Margin	17.1%	14.3%		
Net Margin	10.8%	5.8%		

### Other Comprehensive Income (Excluding Administration Expenses)

Total other comprehensive income, excluding administration expenses, moved from a profit of \$6,174 million (US\$11.2 million) in 2Q13 to a loss of \$5,576 million (US\$10.1 million) in 2Q14. The variation was mainly due to the selling of a minority stake in the non-controlled affiliate Payroll, which generated an after tax profit for \$4,559 million (US\$8.2 million) in 2Q13; an increase in financial expenses (\$2,010 million / US\$3.6 million); a negative effect in foreign exchange difference for \$1,906 million (US\$3.4 million) moving from a gain of \$1,739 million (US\$3.2 million) to a loss of \$166 million (US\$0.3 million), and a negative effect in income (loss) for indexed assets and liabilities for \$1,522 million (US\$2.8 million).

### Net Income

Net income attributable to the owners of the Company, amounted \$12,986 million (US\$23.5 million) for 2Q14, down 27.9% YoY. Without the effect of Payroll divestiture, net profit attributable to the owners of the company would have decreased by 3.4% compared to the same period of last year.

### III. Regional Results for the first half of 2014 (1H14) and the second quarter of 2014 (2Q14)

#### Chile

Main changes in Chile between 1H13 and 1H14 are described below:

- > Revenue reached \$147,411 million (US\$266.7 million), increasing by 1.5% (YoY) mainly due to higher revenues from Platforms (+13.0%).
- > Operating Income was \$18,536 million (US\$33.5 million / -22.7% YoY) and EBITDA was \$24,202 million (US\$43.8 million / -18.8% YoY), due to the end of outsourcing contracts last year.
- > Operating Margin reached 12.6%, 390bp lower than the first half of 2013.

Figure 5 – Business in Chile  
Jun13 - Jun14

Summary of Results Chile	Jun-13	Jun-14	Δ \$	Δ %
	Ch\$M	Ch\$M		
Revenues	145,304	147,411	2,108	1.5%
Platforms	72,469	81,859	9,391	13.0%
IT Services	66,388	58,488	(7,900)	-11.9%
Applications	6,447	7,064	617	9.6%
Cost of Sales	(108,439)	(114,668)	(6,229)	5.7%
<b>Gross Profit</b>	<b>36,865</b>	<b>32,744</b>	<b>(4,121)</b>	<b>-11.2%</b>
Administration Expenses	(12,892)	(14,208)	(1,316)	10.2%
<b>Operating Income (1)</b>	<b>23,972</b>	<b>18,536</b>	<b>(5,437)</b>	<b>-22.7%</b>
<b>EBITDA (2)</b>	<b>29,795</b>	<b>24,202</b>	<b>(5,593)</b>	<b>-18.8%</b>
Operating Margin	16.5%	12.6%		
EBITDA Margin	20.5%	16.4%		

Main changes in Chile between 2Q13 and 2Q14 are described below:

- > \$74,951 million (US\$135.6 million / +0.2% YoY) in revenues for 2Q14. The slight increase was driven by: Platforms (+10.3% YoY) and Applications (+9.0% YoY).
- > Operating income of \$8,613 million (US\$15.6 million), decreasing 27.0% YoY, due to lower gross profit (-10.2% YoY)
- > EBITDA totaling \$11,454 million (US\$20.7 million), going down by 21.5%, and EBITDA margin down to 15.3% when compared with 19.5% in 2Q13.

Figure 6 – Business in Chile  
2Q13 – 2Q14

Summary of Results Chile	2Q13	2Q14	Δ \$	Δ %
	Ch\$M	Ch\$M		
Revenues	74,777	74,951	173	0.2%
Platforms	37,795	41,679	3,884	10.3%
IT Services	33,517	29,496	(4,021)	-12.0%
Applications	3,465	3,775	310	9.0%
Cost of Sales	(56,533)	(58,558)	(2,026)	3.6%
<b>Gross Profit</b>	<b>18,245</b>	<b>16,392</b>	<b>(1,852)</b>	<b>-10.2%</b>
Administration Expenses	(6,453)	(7,779)	(1,326)	20.5%
<b>Operating Income (1)</b>	<b>11,791</b>	<b>8,613</b>	<b>(3,178)</b>	<b>-27.0%</b>
<b>EBITDA (2)</b>	<b>14,593</b>	<b>11,454</b>	<b>(3,139)</b>	<b>-21.5%</b>
Operating Margin	15.8%	11.5%		
EBITDA Margin	19.5%	15.3%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization



## Brazil

Main changes in Brazil between 1H13 and 1H14, including the effect of the consolidation of CTIS since May 2014, are described below:

- > Revenue reached \$159,061 million (US\$287.8 million), 47.1% higher than 1H13.
- > Operating Income reached \$12,733 million (US\$23.0 million / +39.0% YoY) and EBITDA was \$17,880 million (US\$32.3 million / +34.3% YoY).
- > Operating margin was 8.0% and EBITDA margin was 11.2%, down 50bp and 110bp, respectively.

Figure 7 – Business in Brazil  
Jun13 – Jun14

Summary of Results Brazil	Jun-13	Jun-14	Δ \$	Δ %
	Ch\$M	Ch\$M		
Revenues	108,161	159,061	50,900	47.1%
Platforms	21,407	30,912	9,505	44.4%
IT Services	69,526	103,867	34,341	49.4%
Applications	17,228	24,282	7,054	40.9%
Cost of Sales	(89,852)	(136,114)	(46,261)	51.5%
<b>Gross Profit</b>	<b>18,309</b>	<b>22,948</b>	<b>4,639</b>	<b>25.3%</b>
Administration Expenses	(9,150)	(10,215)	(1,065)	11.6%
<b>Operating Income (1)</b>	<b>9,159</b>	<b>12,733</b>	<b>3,574</b>	<b>39.0%</b>
<b>EBITDA (2)</b>	<b>13,317</b>	<b>17,880</b>	<b>4,563</b>	<b>34.3%</b>
<i>Operating Margin</i>	<i>8.5%</i>	<i>8.0%</i>		
<i>EBITDA Margin</i>	<i>12.3%</i>	<i>11.2%</i>		

Main changes in Brazil between 2Q13 and 2Q14, including the effect of the consolidation of CTIS since May 2014, are described below:

- > Revenues reaching \$105,950 million (US\$191.7 million), increasing 94.0% YoY.
- > Operating income and EBITDA reaching \$8,821 million (US\$16.0 million) and \$11,832 million (US\$21.4 million), rising by 78.8% and 67.7% YoY, respectively.
- > Operating margin, reached 8.3% from 9.0% in 2Q13, while EBITDA margin reached 11.2% from 12.9% in 2Q13.

Figure 8 – Business in Brazil  
2Q13 – 2Q14

Summary of Results Brazil	2Q13	2Q14	Δ \$	Δ %
	Ch\$M	Ch\$M		
Revenues	54,602	105,950	51,348	94.0%
Platforms	10,844	19,893	9,048	83.4%
IT Services	34,858	70,876	36,018	103.3%
Applications	8,900	15,182	6,282	70.6%
Cost of Sales	(45,078)	(90,637)	(45,559)	101.1%
<b>Gross Profit</b>	<b>9,524</b>	<b>15,313</b>	<b>5,789</b>	<b>60.8%</b>
Administration Expenses	(4,590)	(6,492)	(1,902)	41.4%
<b>Operating Income (1)</b>	<b>4,934</b>	<b>8,821</b>	<b>3,887</b>	<b>78.8%</b>
<b>EBITDA (2)</b>	<b>7,054</b>	<b>11,832</b>	<b>4,778</b>	<b>67.7%</b>
<i>Operating Margin</i>	<i>9.0%</i>	<i>8.3%</i>		
<i>EBITDA Margin</i>	<i>12.9%</i>	<i>11.2%</i>		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

## Mexico

Main changes in Mexico between 1H13 and 1H14 are described below:

- > Revenue grew by 10.6% (YoY), totaling \$30,900 million (US\$55.9 million), mainly due to higher revenues from Platforms (+17.1% YoY) and IT Services (+8.2% YoY).
- > Operating Income reached \$4,844 million (US\$8.8 million / +28.0% YoY) and EBITDA reached \$5,587 million (US\$10.1 million / +17.5% YoY), due to better margins achieved during this period.
- > Operating margin reached 15.7% and EBITDA margin reached 18.1%, higher by 220bp and 110bp than the same period in 2013, respectively.

Figure 9 – Business in Mexico  
Jun13 – Jun14

Summary of Results Mexico	Jun-13	Jun-14	Δ \$	Δ %
	Ch\$M	Ch\$M		
Revenues	27,945	30,900	2,954	10.6%
Platforms	10,644	12,465	1,821	17.1%
IT Services	17,045	18,434	1,390	8.2%
Applications	256	0	(256)	-100.0%
Cost of Sales	(20,862)	(23,033)	(2,170)	10.4%
<b>Gross Profit</b>	<b>7,083</b>	<b>7,867</b>	<b>784</b>	<b>11.1%</b>
Administration Expenses	(3,300)	(3,023)	277	-8.4%
<b>Operating Income (1)</b>	<b>3,783</b>	<b>4,844</b>	<b>1,061</b>	<b>28.0%</b>
<b>EBITDA (2)</b>	<b>4,753</b>	<b>5,587</b>	<b>834</b>	<b>17.5%</b>
Operating Margin	13.5%	15.7%		
EBITDA Margin	17.0%	18.1%		

Main changes in Mexico between 2Q13 and 2Q14 are described below:

- > Revenues for \$16,045 million (US\$29.0 million), a 9.6% YoY increase, as a result of larger revenues from the IT services business (+20.2% YoY)
- > Operating income, reaching \$2,473 million (US\$4.5 million), 21.7% up from 2Q13, and EBITDA growing by 13.8% YoY, to \$2,869 million (US\$5.2 million)
- > Operating margin was 15.4%, while EBITDA margin reached 17.9%, an improvement of +150bp and +70bp when compared to 2Q13, respectively.

Figure 10 – Business in Mexico  
2Q13 – 2Q14

Summary of Results Mexico	2Q13	2Q14	Δ \$	Δ %
	Ch\$M	Ch\$M		
Revenues	14,636	16,045	1,410	9.6%
Platforms	6,517	6,337	(180)	-2.8%
IT Services	8,074	9,709	1,635	20.2%
Applications	45	0	(45)	-100.0%
Cost of Sales	(10,788)	(11,527)	(739)	6.9%
<b>Gross Profit</b>	<b>3,847</b>	<b>4,518</b>	<b>670</b>	<b>17.4%</b>
Administration Expenses	(1,816)	(2,045)	(229)	12.6%
<b>Operating Income (1)</b>	<b>2,031</b>	<b>2,473</b>	<b>442</b>	<b>21.7%</b>
<b>EBITDA (2)</b>	<b>2,521</b>	<b>2,869</b>	<b>348</b>	<b>13.8%</b>
Operating Margin	13.9%	15.4%		
EBITDA Margin	17.2%	17.9%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

### OPLA (Other countries in Latin America)

Main changes in OPLA (which includes Argentina, Colombia, Costa Rica, Ecuador, Peru, Panama and Uruguay) between 1H13 and 1H14 are described below:

- > Revenue increased by 24.9% over the first half of 2013, reaching \$52,958 million (US\$95.8 million), as consequence of a revenue growth of IT Services (+33.5% YoY) in most of the countries of the region.
- > Operating Income reached \$5,841 million (US\$10.6 million) and EBITDA was \$11,163 million (US\$20.2 million), growing by 42.9% and 44.9% (YoY), respectively.
- > Operating margin was 11.0% and EBITDA margin was 21.1%, higher by 140bp and 290bp than the same period in 2013, respectively.

Figure 11 – Business in OPLA  
Jun13 - Jun14

Summary of Results OPLA	Jun-13	Jun-14	Δ \$	Δ %
	Ch\$M	Ch\$M		
Revenues	42,384	52,958	10,574	24.9%
Platforms	12,014	14,241	2,227	18.5%
IT Services	27,119	36,194	9,075	33.5%
Applications	3,251	2,523	(728)	-22.4%
Cost of Sales	(34,223)	(42,516)	(8,293)	24.2%
<b>Gross Profit</b>	<b>8,161</b>	<b>10,441</b>	<b>2,280</b>	<b>27.9%</b>
Administration Expenses	(4,075)	(4,600)	(525)	12.9%
<b>Operating Income (1)</b>	<b>4,086</b>	<b>5,841</b>	<b>1,755</b>	<b>42.9%</b>
<b>EBITDA (2)</b>	<b>7,705</b>	<b>11,163</b>	<b>3,458</b>	<b>44.9%</b>
Operating Margin	9.6%	11.0%		
EBITDA Margin	18.2%	21.1%		

Main changes in OPLA between 2Q13 and 2Q14 are described below:

- > 21.9% increase in revenues, to \$26,725 million (US\$48.4 million), explained by higher revenues in the IT services business for \$4,060 million (US\$7.3 million / 28.0%) and platforms revenues for \$914 million (US\$1.7 million / 15.3%).
- > Operating income of \$3,163 million (US\$5.7 million / +53.1% YoY) and EBITDA of \$5,899 million (US\$10.7 million / +39.7% YoY).
- > Operating margin totaled 11.8%, while EBITDA margin reached 22.1%, improving by 280bp.

Figure 12 – Business in OPLA  
2Q13 – 2Q14

Summary of Results OPLA	2Q13	2Q14	Δ \$	Δ %
	Ch\$M	Ch\$M		
Revenues	21,919	26,725	4,807	21.9%
Platforms	5,965	6,879	914	15.3%
IT Services	14,501	18,561	4,060	28.0%
Applications	1,452	1,285	(167)	-11.5%
Cost of Sales	(17,748)	(21,291)	(3,543)	20.0%
<b>Gross Profit</b>	<b>4,171</b>	<b>5,434</b>	<b>1,263</b>	<b>30.3%</b>
Administration Expenses	(2,105)	(2,271)	(166)	7.9%
<b>Operating Income (1)</b>	<b>2,065</b>	<b>3,163</b>	<b>1,098</b>	<b>53.1%</b>
<b>EBITDA (2)</b>	<b>4,223</b>	<b>5,899</b>	<b>1,676</b>	<b>39.7%</b>
Operating Margin	9.4%	11.8%		
EBITDA Margin	19.3%	22.1%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

Figure 13 – Regional Summary

Regional Summary	Jun-13	Jun-14	Δ \$	Δ %	2Q13	2Q14	Δ \$	Δ %
	Ch\$M	Ch\$M			Ch\$M	Ch\$M		
<b>Chile</b>								
Revenues	145,304	147,411	2,108	1.5%	74,777	74,951	173	0.2%
Platforms	72,469	81,859	9,391	13.0%	37,795	41,679	3,884	10.3%
IT Services	66,388	58,488	(7,900)	-11.9%	33,517	29,496	(4,021)	-12.0%
Applications	6,447	7,064	617	9.6%	3,465	3,775	310	9.0%
Cost of Sales	(108,439)	(114,668)	(6,229)	5.7%	(56,533)	(58,558)	(2,026)	3.6%
<b>Gross Profit</b>	<b>36,865</b>	<b>32,744</b>	<b>(4,121)</b>	<b>-11.2%</b>	<b>18,245</b>	<b>16,392</b>	<b>(1,852)</b>	<b>-10.2%</b>
Administration Expenses	(12,892)	(14,208)	(1,316)	10.2%	(6,453)	(7,779)	(1,326)	20.5%
<b>Operating Income (1)</b>	<b>23,972</b>	<b>18,536</b>	<b>(5,437)</b>	<b>-22.7%</b>	<b>11,791</b>	<b>8,613</b>	<b>(3,178)</b>	<b>-27.0%</b>
<b>EBITDA (2)</b>	<b>29,795</b>	<b>24,202</b>	<b>(5,593)</b>	<b>-18.8%</b>	<b>14,593</b>	<b>11,454</b>	<b>(3,139)</b>	<b>-21.5%</b>
<i>Operating Margin</i>	<i>16.5%</i>	<i>12.6%</i>			<i>15.8%</i>	<i>11.5%</i>		
<i>EBITDA Margin</i>	<i>20.5%</i>	<i>16.4%</i>			<i>19.5%</i>	<i>15.3%</i>		
<b>Brazil</b>								
Revenues	108,161	159,061	50,900	47.1%	54,602	105,950	51,348	94.0%
Platforms	21,407	30,912	9,505	44.4%	10,844	19,893	9,048	83.4%
IT Services	69,526	103,867	34,341	49.4%	34,858	70,876	36,018	103.3%
Applications	17,228	24,282	7,054	40.9%	8,900	15,182	6,282	70.6%
Cost of Sales	(89,852)	(136,114)	(46,261)	51.5%	(45,078)	(90,637)	(45,559)	101.1%
<b>Gross Profit</b>	<b>18,309</b>	<b>22,948</b>	<b>4,639</b>	<b>25.3%</b>	<b>9,524</b>	<b>15,313</b>	<b>5,789</b>	<b>60.8%</b>
Administration Expenses	(9,150)	(10,215)	(1,065)	11.6%	(4,590)	(6,492)	(1,902)	41.4%
<b>Operating Income (1)</b>	<b>9,159</b>	<b>12,733</b>	<b>3,574</b>	<b>39.0%</b>	<b>4,934</b>	<b>8,821</b>	<b>3,887</b>	<b>78.8%</b>
<b>EBITDA (2)</b>	<b>13,317</b>	<b>17,880</b>	<b>4,563</b>	<b>34.3%</b>	<b>7,054</b>	<b>11,832</b>	<b>4,778</b>	<b>67.7%</b>
<i>Operating Margin</i>	<i>8.5%</i>	<i>8.0%</i>			<i>9.0%</i>	<i>8.3%</i>		
<i>EBITDA Margin</i>	<i>12.3%</i>	<i>11.2%</i>			<i>12.9%</i>	<i>11.2%</i>		
<b>Mexico</b>								
Revenues	27,945	30,900	2,954	10.6%	14,636	16,045	1,410	9.6%
Platforms	10,644	12,465	1,821	17.1%	6,517	6,337	(180)	-2.8%
IT Services	17,045	18,434	1,390	8.2%	8,074	9,709	1,635	20.2%
Applications	256	0	(256)	-100.0%	45	0	(45)	-100.0%
Cost of Sales	(20,862)	(23,033)	(2,170)	10.4%	(10,788)	(11,527)	(739)	6.9%
<b>Gross Profit</b>	<b>7,083</b>	<b>7,867</b>	<b>784</b>	<b>11.1%</b>	<b>3,847</b>	<b>4,518</b>	<b>670</b>	<b>17.4%</b>
Administration Expenses	(3,300)	(3,023)	277	-8.4%	(1,816)	(2,045)	(229)	12.6%
<b>Operating Income (1)</b>	<b>3,783</b>	<b>4,844</b>	<b>1,061</b>	<b>28.0%</b>	<b>2,031</b>	<b>2,473</b>	<b>442</b>	<b>21.7%</b>
<b>EBITDA (2)</b>	<b>4,753</b>	<b>5,587</b>	<b>834</b>	<b>17.5%</b>	<b>2,521</b>	<b>2,869</b>	<b>348</b>	<b>13.8%</b>
<i>Operating Margin</i>	<i>13.5%</i>	<i>15.7%</i>			<i>13.9%</i>	<i>15.4%</i>		
<i>EBITDA Margin</i>	<i>17.0%</i>	<i>18.1%</i>			<i>17.2%</i>	<i>17.9%</i>		
<b>OPLA</b>								
Revenues	42,384	52,958	10,574	24.9%	21,919	26,725	4,807	21.9%
Platforms	12,014	14,241	2,227	18.5%	5,965	6,879	914	15.3%
IT Services	27,119	36,194	9,075	33.5%	14,501	18,561	4,060	28.0%
Applications	3,251	2,523	(728)	-22.4%	1,452	1,285	(167)	-11.5%
Cost of Sales	(34,223)	(42,516)	(8,293)	24.2%	(17,748)	(21,291)	(3,543)	20.0%
<b>Gross Profit</b>	<b>8,161</b>	<b>10,441</b>	<b>2,280</b>	<b>27.9%</b>	<b>4,171</b>	<b>5,434</b>	<b>1,263</b>	<b>30.3%</b>
Administration Expenses	(4,075)	(4,600)	(525)	12.9%	(2,105)	(2,271)	(166)	7.9%
<b>Operating Income (1)</b>	<b>4,086</b>	<b>5,841</b>	<b>1,755</b>	<b>42.9%</b>	<b>2,065</b>	<b>3,163</b>	<b>1,098</b>	<b>53.1%</b>
<b>EBITDA (2)</b>	<b>7,705</b>	<b>11,163</b>	<b>3,458</b>	<b>44.9%</b>	<b>4,223</b>	<b>5,899</b>	<b>1,676</b>	<b>39.7%</b>
<i>Operating Margin</i>	<i>9.6%</i>	<i>11.0%</i>			<i>9.4%</i>	<i>11.8%</i>		
<i>EBITDA Margin</i>	<i>18.2%</i>	<i>21.1%</i>			<i>19.3%</i>	<i>22.1%</i>		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

## IV. Analysis of Consolidated Balance Sheet

### Assets

Total assets amounted to \$869,422 million (US\$1,573.0 million) as of June 2014, showing an increase of 16.9% compared to December 2013. This was mainly due to an increase in:

- > Goodwill of \$90,005 million (US\$162.8 million), whose balance as of June 30, 2014 was \$273,982 million (US\$495.7 million), mainly due to the consolidation of CTIS and currency conversion effects.
- > Trade account receivable and other receivable of \$87,851 million (US\$158.9), whose balance as of June 30, 2014 was \$227,794 million (US\$412.1 million), mainly due to the acquisition and consolidation of CTIS.
- > Intangible Assets other than Goodwill of \$9,004 million (US\$16.3 million), whose balance as of June 30, 2014 was \$46,245 million (US\$83.7 million), mainly due to the consolidation of CTIS.

Which were partially offset by a decrease in:

- > Cash and Cash Equivalents of \$93,515 million (US\$169.2 million), whose balance as of June 30, 2014 was \$77,346 million (US\$139.9 million), due to the acquisition of CTIS.

### Liabilities

Liabilities totaled \$352,718 million (US\$638.1 million) as of June 30, 2014 increasing by 31.3% with respect to December 2013, mainly due to an increase in:

- > Trade account payable and other payable of \$33,975 million (US\$61.5 million) whose balance as of June 30, 2014 was \$129,388 (US\$234.1 million).
- > Non-current account payable of \$22,411 million (US\$40.5 million), whose balance as of June 30, 2014 was \$24,397 million (US\$44.1 million).
- > Other financial current and non-current liabilities of \$17,346 million (US\$31.4 million), whose balance as of June 30, 2014 was \$61,395 million (US\$111.1 million) for the current portion and \$50,068 million (US\$90.6 million) for the non-current portion.

All of the above was mostly due to the consolidation of CTIS.

Indebtedness remains at stable levels in 1H14, with a Leverage ratio (Total Liabilities/Equity) of 0.7x, and a Financial Leverage ratio (Financial Liabilities/Equity) of 0.2x.

### Shareholder's Equity

Consolidated Shareholders' Equity Attributable to Owners reached a value of \$511,271 million (US\$925.0 million) in 1H14. The main variations with respect to December 2013 are driven by the currency translation effects on the interest in foreign subsidiaries and the results for the period.

Return on Equity (ROE) reached 10.8%.

Figure 14 – Financial Ratios Summary

Financial Ratios		Jun-13	Jun-14	Δ	Dec-13	Δ
				Jun-14 / Jun-13		Jun-14 / Dec-13
<b>Liquidity</b>						
<b>Current Ratio</b> (Current Assets / Current Liabilities)	(times)	2.1	1.5	-27.9%	1.9	-19.5%
<b>Quick Ratio</b> ((Current Assets - Inventories) / Current Liabilities)	(times)	1.9	1.4	-27.8%	1.8	-20.3%
<b>Working Capital</b> (Current Assets - Current Liabilities)	(Ch M\$)	211,113	138,757	-34.3%	187,564	-26.0%
<b>Indebtedness</b>						
<b>Leverage</b> ((Current Liabilities + Non-current Liabilities) / Equity)	(times)	0.7	0.7	4.7%	0.6	20.8%
<b>Financial Leverage</b> ((Other Current Financial Liabilities + Other Non-current Financial Liabilities) / Equity)	(times)	0.2	0.2	-6.6%	0.2	9.0%
<b>Short-Term Debt</b> (Current Liabilities / Total Liabilities)	(times)	0.6	0.7	17.7%	0.8	-4.9%
<b>Long-Term Debt</b> (Non-Current Liabilities / Total Liabilities)	(times)	0.4	0.3	-28.4%	0.2	15.8%
<b>Financial-Expenses-Coverage Ratio</b> (EBITDA / Financial Expenses)	(times)	15.2	10.7	-29.5%	15.8	-32.4%
<b>Financial Debt to EBITDA Ratio</b> ((Current Liabilities + Non-current Liabilities) / EBITDA <sup>1,2</sup> )	(times)	1.0	0.9	-1.2%	0.8	14.8%
<b>Net Financial Debt to EBITDA Ratio</b> ((Current Liabilities + Non-current Liabilities - Cash and Cash Equivalents - Other Current Financial Assets) / EBITDA <sup>1,2</sup> )	(times)	(0.5)	0.2	-144.4%	-0.7	-127.9%
<b>Profitability</b>						
<b>ROE</b> (Net Income attrib.to Owners <sup>2</sup> / Equity attrib.to Owners <sup>3</sup> )	%	15.2%	10.8%	-440 pb	15.4%	-460 pb
<b>ROA</b> (Net Income attrib.to Owners <sup>2</sup> / Equity attrib.to Owners <sup>3</sup> )	%	8.9%	6.5%	-240 pb	9.2%	-270 pb
<b>Earnings per Share</b> (Net Income attrib.to Owners of Comp. / Total Shares <sup>4</sup> )	(Ch\$)	74.3	60.6	-18.4%	76.3	-20.5%
<b>Dividend Yield</b> (Dividends Paid <sup>5</sup> / Closing Market Stock Price)	%	1.9%	2.9%	100 pb	3.0%	-10 pb

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

<sup>2</sup> Annual Base

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

- Jun-14: average between Jun-14 and Dec-13

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

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

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

- Jun-14 = 871.057.175

- Jun-13 = 871.057.175

- Dec-13 = 871.057.175

<sup>5</sup> Last 12 months

### Statements of Cash Flow

Cash and Cash Equivalents totaled \$77,346 million (US\$139.9 million) as of June 30, 2014, which compares with \$155,195 million (US\$280.8 million) as of June 30, 2013.

Net Operating Cash Flow totaled \$21,906 million in 1H14 (US\$39.6 million), a decrease of 45.0% in comparison with 1H13.

Net Investment Cash Flow was \$52,449 million (US\$94.9 million), increasing the use of funds by \$70,540 million (US\$126.9 million), due to the acquisition of CTIS and to the liquidation of investments in the same period of last year, not repeated this period.

Gross Capital Expenditures (CAPEX) amounts to \$88,127 million (US\$159.4 million) as of June, 2014, and consists of permanent investments by \$82,518 million (US\$149.3 million); intangibles by \$1,004 million (US\$1.8 million) and \$4,605 million (US\$8.3 million) invested in the purchase of fixed assets for internal use and for projects with customers.

Net Financing Cash Flow totaled \$65,265 million (US\$118.1 million), decreasing by 294.6% (YoY), primarily due to a reduction in funds collected from the capital increase ended in January 2013, payment of short term debt and payment of larger amount of dividends than last period.

Figure N°15: Statements of Cash Flow

Statements of Cash Flow	Jun-13	Jun-14	Δ \$	Δ %
	Ch\$M	Ch\$M		
Net Cash Flows from (used in) Operating Activities	39,816	21,906	(17,910)	-45.0%
Net Cash Flows from (used in) Investing Activities	18,091	(52,449)	(70,540)	-389.9%
Net Cash Flows from (used in) Financing Activities	33,533	(65,265)	(98,799)	-294.6%
<b>Net Increase (Decrease) in Cash and Cash Equivalents before effect of Exchange Rates</b>	<b>91,441</b>	<b>(95,809)</b>	<b>(187,249)</b>	<b>-204.8%</b>
Effect of Exchange Rate changes on Cash and Cash Equivalents	2,832	2,294	(538)	-19.0%
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>94,272</b>	<b>(93,515)</b>	<b>(187,787)</b>	<b>-199.2%</b>
Cash and Cash Equivalents at beginning of period	61,310	170,861	109,551	178.7%
<b>Cash and Cash Equivalents at End of Period</b>	<b>155,583</b>	<b>77,346</b>	<b>(78,236)</b>	<b>-50.3%</b>