



CSAV AND HAPAG-LLOYD COMPLETE THE MERGER AND BECOME THE FOURTH LARGEST CONTAINER LINER SHIPPING COMPANY IN THE WORLD

- *The financial effects of the transaction in the results of CSAV are estimated in a profit of approximately US\$ 510 million.*
- *As of the merger, Compañía Sud Americana de Vapores becomes Hapag-Lloyd's largest shareholder and the Shareholder's Agreement agreed between the controlling companies becomes effective.*
- *In addition, CSAV will continue offering specialized shipping services for the transportation of vehicles, refrigerated cargo and liquid bulk, as well as logistic services (freight forwarder) through Norgistics and its subsidiaries.*

Santiago, 02 December 2014.- Compañía Sud Americana de Vapores (CSAV) informed the Superintendencia de Vapores y Seguros (SVS), through Material Information (*Hecho Esencial*), that it has concluded in Hamburg the closing of the merger of its container business activities with German shipping company Hapag-Lloyd (HL), after fulfilling all conditions precedent for the closing of the transaction.

CSAV's CEO, Oscar Hasbún, explained that "since 2011, the company started a deep restructuring process, consisting on reducing its container transport capacity, increasing its own fleet and establishing joint operation agreements with other companies, which originated a new, more efficient and modern Company. In that same period, we achieved the spin-off of SAAM, which was essential in financing this transformation. This plan had the shareholders determined support from the beginning and considered the search for a strategic partner to increase competitiveness and profitability".

CSAV has an initial shareholding of 30% in the merged company, which will increase to 34% after subscribing EUR 259 million in Hapag-Lloyd's first capital increase by December 31st, 2014. Thus, CSAV becomes the major shareholder of the fourth largest operator in the world, with a fleet of around 200 vessels with a total capacity of approximately one million TEU, transported volume of 7.5 million TEU and combined sales of around US\$ 12 billion per year.

In order to participate in HL's capital increase, CSAV's Board of Directors agreed to issue 11,680 million shares at \$21 per share, in CSAV's capital increase of US\$ 400 million, approved by Shareholders' Meeting in August 2014.

Also, as of the closing of the transaction, the Shareholders' Agreement between Hapag-Lloyd's controlling companies - CSAV, Kühne Maritime and the City of Hamburg (HGV) -,

becomes effective, establishing a long-term association to provide stability to the company's control structure. By virtue of this association, all three companies have agreed to pool 51% of the shares in Hapag-Lloyd in order to discuss and make key decisions together in the future. Of this pool structure, CSAV will have a 50% participation, while HGV and Kühne Maritime will have 25% each.

The financial effects of the transaction in the results of CSAV are estimated in a profit of approximately US\$ 510 million, which include an estimate of CSAV's participation in HL's equity value and that will depend on HL's accounting of the container business in its financial statements under IFRS.

CSAV will continue providing transportation and logistic services

Oscar Hasbún mentioned that "from now on, besides protecting the investment in Hapag-Lloyd, the efforts of all those who continue working for CSAV around the world will be focused on developing, promoting and transforming our company in order to provide the best service quality to our customers, as well as being more competitive and efficient".

Thus, CSAV will strengthen its operation in the car carrier business and continue actively participating in the fruit business through the specialised refrigerated cargo service, as well as in other solutions that add value to our customers. We will also continue developing our operations in liquid bulk transportation and promoting more and better integral cargo logistic solutions (freight forwarder), through our subsidiary Norgistics, in all the markets where we participate.