



## **CSAV invests EUR 204 million during Hapag-Lloyd's capital increase and already reaches a 24.7% stake in the company**

- *CSAV acquired 6.4 million new shares of Hapag-Lloyd, during the the capital increase completed today by the German shipping company, of which CSAV is the main shareholder.*
- *As agreed during the merger process with UASC, Hapag-Lloyd's other controlling partners -the City of Hamburg and Kühne Maritime- transferred their subscription rights to CSAV, resulting in a subscription equivalent to 54.3% of the capital increase of the German shipping company.*
- *Through this acquisition, and the forthcoming additional purchase of shares to Kühne Maritime, CSAV will reach a 25% stake in the company and will will be able to maintain its influence capacity in fundamental matters, which requires a quorum of approval of 75%.*

**Santiago, 17 October 2017.** Compañía Sud Americana de Vapores (CSAV) completed today the acquisition of 6,4 million new shares of Hapag-Lloyd, during the capital increase completed today by the German shipping company. The cost of the investment was EUR 204 million, with which it subscribed its portion of the new capital and increased its share from 22.6% to 24.7%.

CSAV financed this operation with two bridge loans of US\$ 120 million in total, granted by commercial banks, and with the proceeds obtained from the subscription of the majority shareholders of the Company in its own capital increase currently ongoing in Chile.

Hapag-Lloyd –of which CSAV is the main shareholder– merged last May with United Arab Shipping Company (UASC), becoming one of the five leading container companies in the world. In order to strengthen the combined entity's financial structure, Hapag-Lloyd implemented a capital increase of EUR 352 million (approx. USD 414 million), which was successfully completed today.

Before closing the merger, Hapag-Lloyd's controlling shareholders –CSAV, the City of Hamburg and Kühne Maritime– agreed that, mainly through this capitalization, the Chilean company would achieve a 25% stake of the combined entity, with which CSAV may continue influencing decisively in fundamental matters, such as capital increases, mergers, spin-offs and changes in the scope of business, all of which require a 75% approval quorum.

In compliance with this agreement, the other controlling partners of Hapag-Lloyd -the City of Hamburg and Kühne Maritime- transferred their subscription rights to CSAV, with which the firm was finally able to subscribe a 54.3% of the total capital increase of the German shipping company.

The remaining shares to achieve a 25% stake in Hapag-Lloyd will be obtained through the purchase of Hapag-Lloyd shares owned by Kühne Maritime, according to previous agreements.



### **Hapag-Lloyd: the fifth largest container shipping company in the world**

Following the merger with UASC, Hapag-Lloyd became the fifth largest container shipping company in the world. It has a total transport capacity of 1.6 million TEU and transported volumes per year of about 11 million TEU. It also has one of the most modern, eco -friendly and efficient fleets in the industry, currently composed of 219 container ships, with an average age of 7.1 years and an average size of approximately 7,110 TEU.

The merger between Hapag-Lloyd and UASC will generate annual synergies of USD 435 million, which will be fully achieved in 2019. In addition, it will significantly reduce the investment needs of the Company over the next few years, thanks to the complementarity of the assets combined. This will allow Hapag-Lloyd to remain as one of the most competitive companies in the industry.

The funds raised during the capital increase of Hapag-Lloyd completed today, will be used by the company to reduce and repay financial debt.