Investor Report 1Q 2013

May 29th, 2013

Highlights

- During the first quarter of 2013, net profit reached a loss of MMUS$ 96.0 compared to the loss of MMUS$ 205.2 reached in the first quarter of 2012, showing a substantial improvement of 53%.

- The result above includes a provision of MMUS$ 40 that the Board of Directors decided to register in relation with the antitrust investigations in the car carrier business[1].

- Operating Loss of the first quarter of 2013, excluding the mentioned provision, was MMUS$ 54.2 compared to a loss of MMUS$ 176.8 of the first quarter of last year, showing an improvement of 69.3%.

- When compared to the fourth quarter of 2012 (net loss of MMUS$ 23.9), the main differences are explained by a deterioration of market conditions in line with expected seasonality partially compensated by the negative impact that provisions related to discontinuing operations had in the fourth quarter of 2012. This seasonality effect resulted in a decrease of 5.8% in transported volume and a 3.6% decrease in freight rates for the container business.

- On April 3, the Board of Directors approved an investment plan of up to MMUS$ 570 for the acquisition of seven new container vessels with a capacity of 9,300 TEUs and the prepayment of financial debt for an amount of MMUS$ 258 with a discount of 46%. This prepayment generated a positive result of MMUS$ 53.8 and released MMUS$ 25 in collateral deposits during April. The Company will finance the prepayment and part of the Capex through a capital increase of MMUS$ 500 approved by the Extraordinary Shareholders Meeting held on April 29th, 2013.

[1] Please refer to note of Relevant and Subsequent Events.

Income Statement Analysis

Minor reclassifications to operating revenue and cost of sales have been done which do not affect gross margin and net income. These adjustments have been done in order to facilitate the analysis of CSAV's financial situation.

Figures in US$ Million	1Q 13	4Q 12	1Q 12**	QoQ	YoY
Transported Volume [in Teus]	436,499	463,484	499,870	-5.8%	-12.7%
Operating Revenue	877.1	774.7	844.0	13.2%	3.9%
Cost of Sales	(869.1)	(697.9)	(970.7)	24.5%	-10.5%
Gross Margin	8.0	76.8	(126.7)	-89.5%	n.m.
Administrative Expenses	(62.3)	(73.6)	(59.3)	-15.3%	5.1%
Operating Profit (Loss)	(94.2)	7.3	(176.8)	n.m.	n.m.
Profit (Loss) from Continuing Operations	(96.0)	(2.0)	(175.6)	4672.2%	-45.4%
Profit (Loss) from Discontinued Operations	0.0	(20.3)	(27.3)	n.m.	n.m.
Profit (Loss) attributable to Owners	(96.0)	(23.9)	(205.2)	301.2%	-53.2%
EBITDA *	(38.0)	23.3	(162.3)	n.m.	-76.6%

**Calculated as operating profit plus depreciation and amortization (Excluding Provisión of MMUS$ 40 recognized on March 2013).*

*** Difference with previous report in Operating Revenue and Cost of Sales is due to a reclassification with no impact in gross margin.*

Since IFRS was implemented, operating revenue and cost of sales from shipping services in course are registered according to their degree of completion. For those voyages that cannot be precisely estimated, revenue is registered only if related costs can be recovered, and thus the same amount is registered in revenue and costs, according to a conservative principle. In the case that beforehand it can be estimated that a voyage will present a loss, this loss is provisioned in cost of sales instead of separately registering revenue and costs. In a stable scenario, the company should register a steady amount of revenue and costs from services in course, according to their degree of completion. However, important changes in capacity and transition from periods of strong operational losses (when services in course are registered as onerous contracts) to periods of positive operational margins, produce significant variations in the revenue and cost recognition according to degree of completion, which impacts the comparison of operational activities between both periods.

Operating Revenue

Figures in US$ Million	1Q 13	(1)	4Q 12	(1)	1Q 12*	(1)
Container Shipping Services	727.3	85.6%	769.3	91.0%	745.9	87.1%
Operating Revenue	681.7	80.2%	744.2	88.0%	698.0	81.5%
Other Revenue	45.5	5.4%	25.1	3.0%	47.9	5.6%
Other Shipping Services	122.5	14.4%	76.1	9.0%	110.5	12.9%
Revenue from Degree of Completion	27.3		(70.7)		(12.4)	
Operating Revenue	877.1	100.0%	774.7	100.0%	844.0	100.0%

(1) Share of revenue calculated over operating revenue excluding degree of completion

**Difference with previous report in Other Revenue is due to a reclassification with no impact in gross margin.*

	1Q 13	4Q 12	1Q 12
Container Rate Index (2)	1,884	1,955	1,684

CSAV's operating revenue reached MMUS$ 877.1 during the first quarter of 2013, an increase of 13.2% compared to the fourth quarter of 2012 and an increase of 3.9% compared to the first quarter of 2012. The QoQ variation is mainly explain by an increase of 61.0% of other shipping services, an important increase of the revenue from degree of completion, partially compensated by a decrease of 5.5% in the container shipping services revenue. The reduction of container shipping services revenue is explained by a decrease of operating revenue of 8.4%, mainly due to a 5.8% reduction in transported volume and a 3.6% decrease of the rate index compared to the fourth quarter of 2012, partially compensated by an increase of 81.6% in other revenue. The YoY variation is mainly due to an increase of 11.9% in average revenue per teu (freight plus other cargo related revenue), compensated by a 12.7% reduction in transported volume.

Figures in Teus	1Q 13		4Q 12		1Q 12	
South America *	317,617	72.8%	351,464	75.8%	329,751	66.0%
Asia-Europe	69,161	15.8%	63,328	13.7%	91,583	18.3%
Intra Asia	25,231	5.8%	23,720	5.1%	45,273	9.1%
Transpacific	0	0.0%	0	0.0%	0	0.0%
Africa & Others	24,490	5.6%	24,972	5.4%	33,263	6.7%
Total	436,499	100.0%	463,484	100.0%	499,870	100.0%

** Includes Mexico and The Caribbean*

Transported volume in the first quarter of 2013 reached 436.499 TEUs, a decrease of 5.8% compared to the fourth quarter of 2012 and a decrease of 12.7% compared to the first quarter of 2012. The sharp decrease in volume YoY is due to the implemented restructuring process. The restructure included service suspensions in the Transpacific, Asia-Europe and Intra Asia, and reductions in operated capacity due to joint service agreements. Due to the above, South America's services increased their share of the total volume from 66.0% in the first quarter of 2012 to 72.8% in the first quarter of 2013, showing a focus in relevant markets where CSAV has competitive advantages.

The container rate index, which includes freight and other cargo related revenue, showed a slight decrease during the first quarter of 2013 of 3.6% compared to the fourth quarter of 2012 and showing an increase of 11.9% compared to the first quarter of 2012, partly compensating the fall in volume YoY.

Cost of Sales

Figures in US$ Million	1Q 13		4Q 12		1Q 12*	
		(1)		(1)		(1)
Container Shipping Services	(713.2)	84.7%	(700.5)	91.1%	(867.9)	88.3%
Cargo, Intermodal and Others	(231.4)	27.5%	(219.4)	28.5%	(234.0)	23.8%
Vessels, Port, Canal and Others	(326.6)	38.8%	(313.1)	40.7%	(385.3)	39.2%
Bunker	(155.2)	18.4%	(168.0)	21.9%	(248.5)	25.3%
Other Shipping Services	(128.6)	15.3%	(68.1)	8.9%	(115.2)	11.7%
Cost from Degree of Completion	(27.3)		70.7		12.4	
Cost of Sales	(869.1)	100.0%	(697.9)	100.0%	(970.7)	100.0%

(1) Share of cost calculated over cost of sales excluding degree of completion

**Difference with previous report in Vessels, Port, Canal and Others is due to a reclassification with no impact in gross margin.*

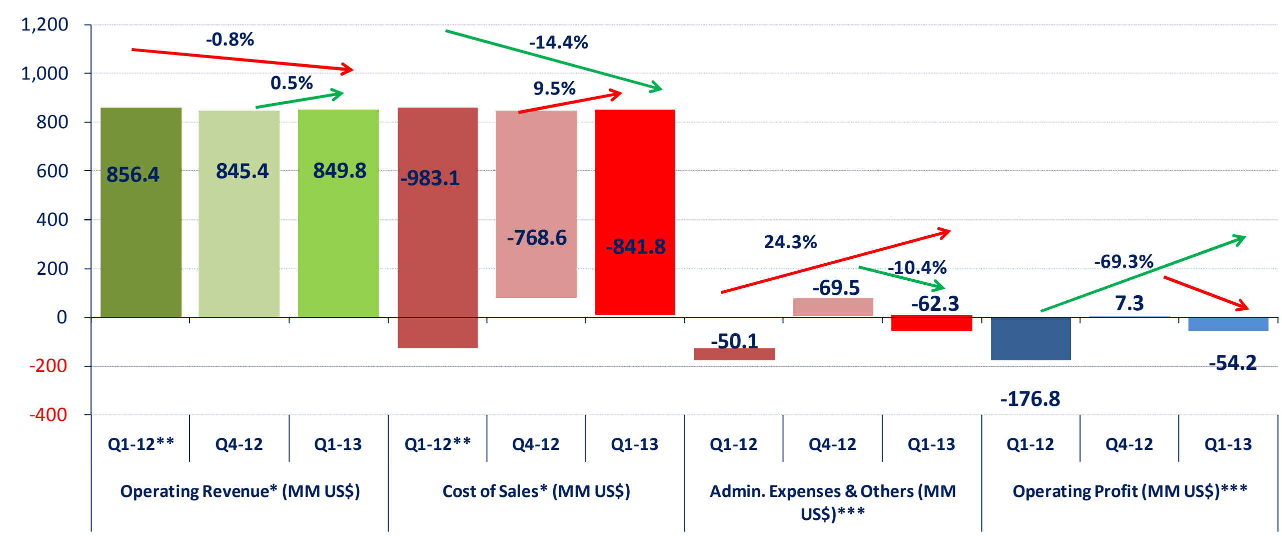
Bunker Price (US$/ton)	619	646	678

CSAV's cost of sales reached MMUS$ 869.1 during the first quarter of 2013, an increase of 24.5% compared to the fourth quarter of 2012 and a decrease of 10.5% compared to the first quarter of 2012. Meanwhile, cost of sales from container shipping services showed an increase of 1.8% compared to the fourth quarter of 2012 and a decrease of 17.2% compared to the first quarter of 2012. The increase compared to the fourth quarter, is mainly explained by the costs related to slack capacity that are registered in Continuing Operations since the first quarter of 2013 as the restructuring process was completed in 2012. If this and other one-off effects are excluded, the QoQ variation shows a decrease of 4.5%, more aligned with the decrease of volume. The reductions in cost of sales YoY from container shipping services exceeded the reduction of transported volume (12.7%). This improvement is explained by a more efficient cost structure, both in variable and fixed costs, together with better utilization factors and cheaper bunker costs.

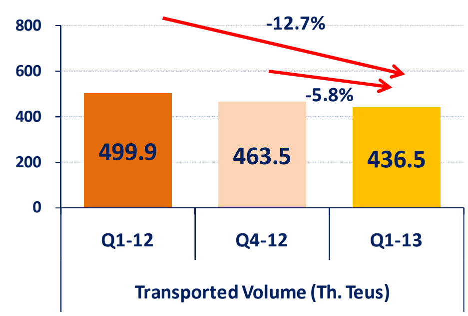
Bunker unitary cost, which is the main single component of CSAV's container shipping services cost of sales, has decreased during the first quarter reaching an average of US$ 619 per ton, a decrease of 4.1% compared to the fourth quarter of 2012 and 8.7% compared to the first quarter of 2012. Total bunker cost decreased 7.6% compared to the fourth quarter of 2012 and 37.5% compared to the first quarter of 2012, showing an efficiency gain in consumption during the period, mainly due to the results of the cost efficiency projects implemented last year. This bunker cost reflects the effective cost for the vessels included in the result of each quarter and differs from activity bunker prices due to the delay produced by round voyage accounting.

Operating Profit

The following analysis excludes revenue and cost from degree of completion from the total operating revenue and cost of sales, in order to facilitate comparison between quarters. In addition, the provision of MMUS$ 40 connected to the antitrust investigation in the car carrier business was also excluded in order to facilitate the comparison[2].



*Operating Revenue and Cost of Sales excluding degree of completion.
** Difference with previous report in Operating Revenue and Cost of Sales is due to a reclassification with no impact in gross margin.
*** Admin. Expenses & Others and Operating Revenue excluding provision of MMUS$ 40 during the first quarter of 2013.



[2] Please refer to note of Relevant and Subsequent Events.

QoQ Comparison

During the first quarter of 2013, operating revenue (excluding degree of completion) increased 0.5% compared to the fourth quarter of 2012, which is mainly explained by an increase in revenue of other shipping services of 61.0%. Revenue of container shipping services decreased 5.5%, mainly explained by a decrease of operating revenue of 8.4%, due to a 5.8% decrease of volume and a 3.6% decrease of the rate index, partially compensated by an increase on other revenue of 81.6%.

Cost of sales (excluding degree of completion) increased 9.5% in the first quarter of 2013 compared to the fourth quarter of 2012. The increase of 9.5% in cost of sales is mainly due to an increase of 88.8% in other shipping services costs, an important increase of costs from degree of completion and an increase of 1.8% of container shipping services costs This increase of 1.8% is mainly explained by the costs related to slack capacity that are registered in Continuing Operations since the first quarter of 2013 as the restructuring process was completed in 2012. If this and other one-off effects are excluded, the QoQ variation shows a decrease of 4.5%.

Administrative expenses and others showed a decrease of 10.4% between the first quarter of 2013 and fourth quarter of 2012. The decrease is mainly explained due to legal and administration provisions and expenses related to the efficiency improvements initiatives recognized during the fourth quarter of 2012.

Operating profit, excluding the provision of MMUS$ 40, reached a loss of MMUS$ 54.2 during the first quarter of 2013, showing a decrease compared to the gain of MMUS$ 7.3 reached in the fourth quarter of 2012.

YoY Comparison

During the first quarter of 2013, operating revenue (excluding degree of completion) decreased 0.8% compared to the first quarter of 2012. Container shipping services showed a decrease of 2.5%, mainly due to a 12.7% reduction in transported volume, partly compensated by an 11.9% increase in average revenue per teu, including freight plus other cargo related revenue.

Cost of sales (excluding degree of completion) decreased 14.4% in the first quarter of 2013 compared to the first quarter of 2012, considering that bunker, the main single cost component, decreased 37.5% while bunker per ton decreased 8.7%. Meanwhile, the container shipping costs decreased 17.8% exceeding the decrease of 12.7% in transported volume, which is explained by a more efficient cost structure, both in variable and fixed costs, together with better utilization factors and cheaper bunker costs.

Administrative expenses and others increased 24.3% in the first quarter of 2013 compared to the first quarter of 2012. The increase is explained by the extraordinary income recognized by the sale of the chemical vessel "Bow Pacífico" (MMUS$ 3) and the compensation obtained in the trial of the vessel "Aconcagua" (MMUS$ 6) during the first quarter of 2012.

Operating loss, excluding the provision of MMUS$ 40, reached MMUS$ 54.2 during the first quarter of 2013, showing a major improvement compared to the loss of MMUS$ 176.8 in the first quarter of 2012.

Discontinued Operations

In line with the completion of the restructuring process announced on the previous quarter, there is no result for discontinued operations during the first quarter of 2013. During the first quarter and fourth quarter of 2012, the company recognized a loss of MMUS$ 27.3 and MMUS$ 20.3, respectively.

Figures in US$ Million	Q1-13	Q4-12	Q1-12
Onerous Contracts signed during the period	-	(33.3)	(27.0)
Additional Provisions during the period	-	(11.5) *	
Reduction in costs from those provisioned	-	17.2	(3.5)
Sub Total	**-**	**(27.5)**	**(30.5)**
Taxes	-	7.2	3.2
Total	**-**	**(20.3)**	**(27.3)**

** Additional provision of US$ 11.5 million in Dec-12 for estimated sub leases during 2013, considering market prices and the sub lease experience developed by CSAV since 2011.*

The total provision balance on March 31st 2013 is US$ 46.6 million.

Net Profit

CSAV's net loss for the first quarter of 2013 reached MMUS$ 96.0, an increase compared to the loss of MMUS$ 23.9 in the fourth quarter of 2012 and an improvement compared to the loss of MMUS$ 205.2 in the first quarter of 2012.

The company has reached a slack capacity in line with the industry, and therefore it declared the restructuring process and its related costs as completed at the end of 2012. For this reason, there is no result of discontinuing operations for the first quarter of 2013.

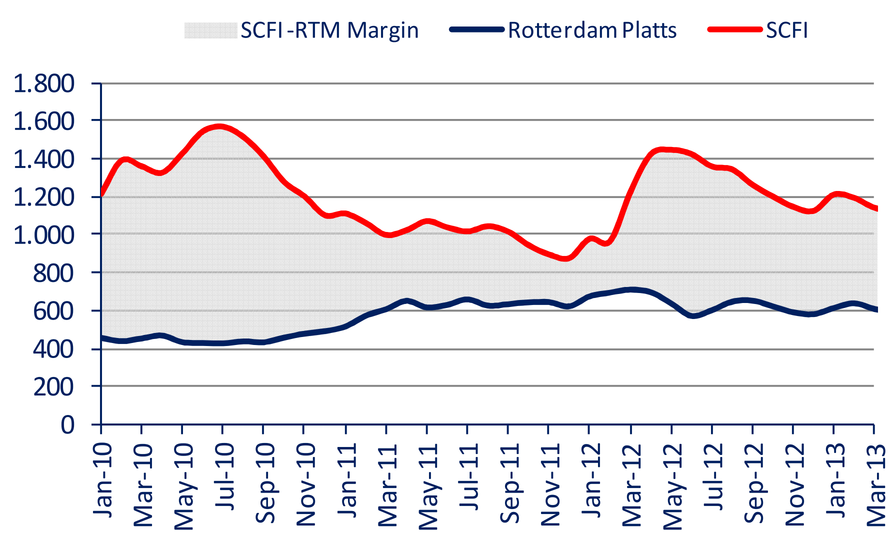
Market Analysis

The shipping industry has been facing an adverse market situation since late 2010, characterized by:

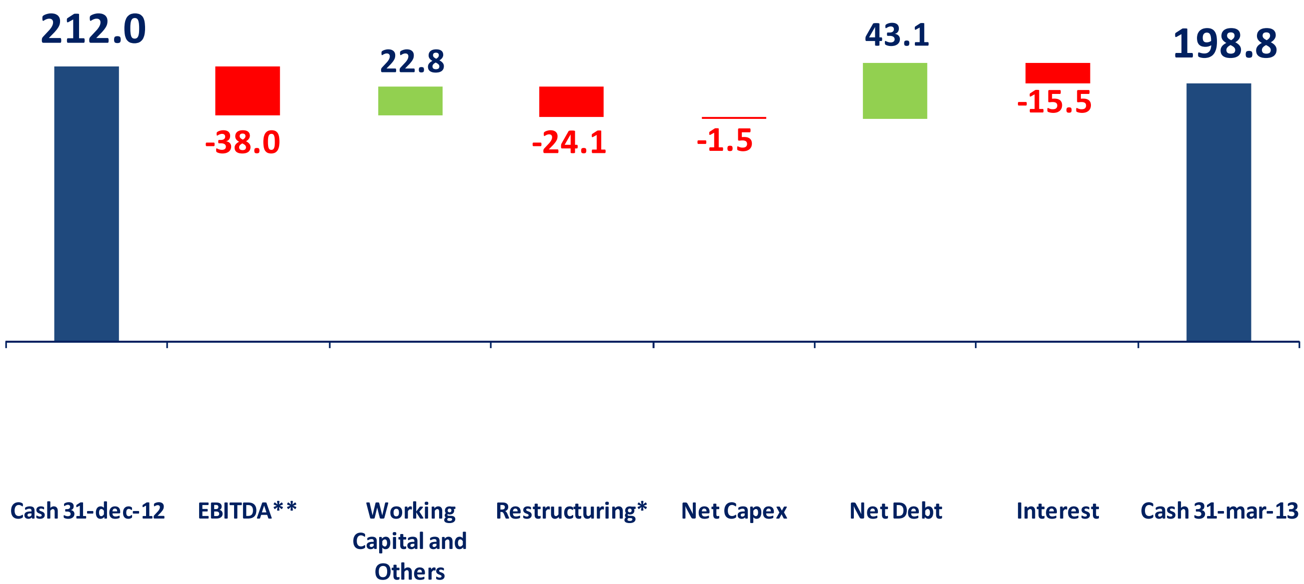
- Difficult global economic conditions that have hampered the growth of demand for transport.
- An oversupply of space as a result of excess shipbuilding orders in the years prior to the crisis of 2009.
- Oil prices, the industry main single cost component, have remained high mainly due to geopolitical reasons, rather than an increase in global demand.

Given this weak industry financial situation, shipping companies have independently taken a series of measures to mitigate the scenario they are facing, such as suspending services, increasing their laid-up fleet, implementing super slow steaming, increasing joint operations and changing the strategic focus of the industry's leading companies from gaining market share to recovering profitability.

Despite all the industry's rationalization efforts, the ex-bunker freight rate continues to be positioned below the historical levels in most trades and below the level that the industry should consider as a sustainable equilibrium. This situation has not allowed the industry to enjoy normal returns, and therefore the normal re-investment process is not taking place, particularly in an industry where the asset structure is outdated and out of the frame of a new technological paradigm in relation to bunker consumption. Since March 2012, freight rates for container shipping services had a steep recovery but it then showed a negative trend since the third quarter of 2012, as can be observed in the graph below. Freight rates are still below the historical average of the industry, coupled with high fuel costs, present a challenging scenario for the company and the industry.



Cash Position



** Restructuring Cash Flow includes all the contracts signed and the provisions recognized in results during 2012.*

*** EBITDA excludes provision related to the antitrust investigation.*

As of March 2013, CSAV's cash balance reached US$ 198.8 million, a decrease of US$ 13.2 million or 6.2% compared to US$ 212.0 million reached in the previous quarter, mainly due to negative cash flows from EBITDA and restructuring, partly compensated with positive cash flows from working capital and net debt.

Financial Debt

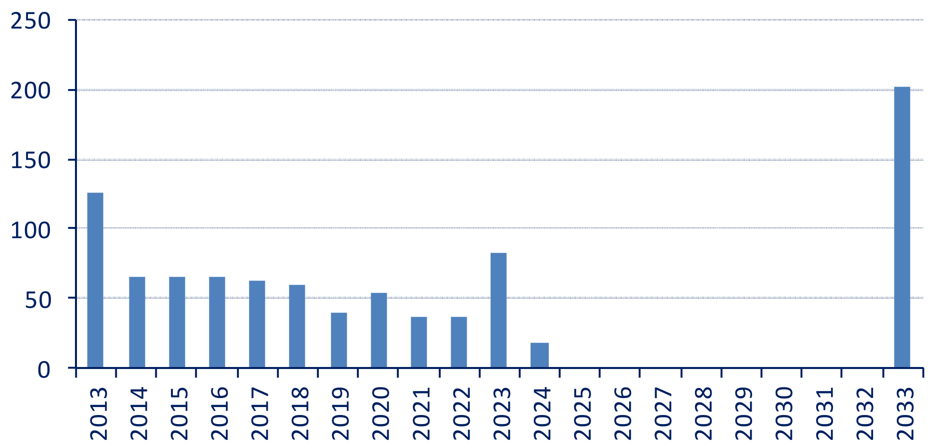
Figures in US$ Million	Mar-13	Dec-12	Mar-12
Short Term Financial Debt	389.3	75.1	65.5
Long Term Financial Debt*	509.5	785.9	741.9
Total Financial Debt	**898.8**	**861.0**	**807.3**
Cash and Cash Equivalents	**198.8**	**212.0**	**523.1**
Net Financial Debt	**700.0**	**649.0**	**284.3**

** Financial debt net of financial derivatives.*

CSAV's financial debt as of March 2013 reached US$ 898.8 million, an increase of US$ 37.9 million or 4.4% compared to December 2012, due to the utilization of the credit line for an amount of MMUS$ 66.1 and debt payments of MMUS$ 28.2, and an increase of US$ 91.5 million or 11.3% compared to March 2012, due to of the utilization of the credit line for an amount of MMUS$ 66.1, an increase of debt of MMUS$ 85.7 for financing of the vessels Tolten and Tirua during the second quarter of 2012 partially compensated by debt repayments for MMUS$ 60.3, during the last twelve months.

Net financial debt as of March 2013 increased US$ 51.1 million or 7.9% compared to December 2012, and increased US$ 415.7 million or 146.2% compared to March 2012.

Financial Debt Profile
(in US$ Million)



Outlook

The operational activity of the first quarter of 2013, which will explain to an important extent the financial results of second quarter of 2013, slightly improved compared with the previous quarter. In addition to this slight operational improvement, the positive effects of the repayment of the AFLAC debt, which produced a positive impact of about MMUS$ 53.8 that will be booked on the second quarter of 2013, as well as the absence of restructuring costs, it will produce a result which should be materially better than the one observed during the same period in 2012.

However, freight rates continue to be volatile in most Asian trades, including those in which the company participates and the rate increases expected to be applied during the first quarter have been delayed. The month of June and July will be important in terms of its market activity as the expected peak season of our industry could help prices to move up. The situation therefore remains challenging for the company and the industry.

Our cost structure has continue to develop significant improvements when compared to the same periods of last year, due to the positive impacts of the measures that the company has implemented to reach economies of scale provided by larger vessels, better utilization levels and a number of initiatives throughout the organization. Our redefined strategy to operate in large consortiums with world class partners have materialized in an extremely important Vessel Sharing Agreement which will operate 3 slings of vessels of 8.000 – 9.000 TEUs from Asia to the East Coast of South America, one of our most important trades, putting together in the same service companies like Maersk, Hamburg Sud, CMA-CGM, China Shipping, Hanjin, CCNI and CSAV. This will produce during 2014 the benefit of enormous economies of scale.

The forecast for deliveries of new container vessels in 2013 is of around 10% of the total existing fleet. This unfavorably compares to a forecasted global volumes/demand growth of 3% to 7%, depending on different analysts. Due to this, during 2013 the conditions for the industry will remain complex. Therefore, there is still a need for a significant effort in scrapping, slow steaming and fleet idling to avoid excess of supply which might result in a deterioration in freight rates. It is the management opinion that the complex financial situation which affects most of the players in the industry is a major factor for market stabilization. It played a key role in 2012, and it should continue to play this role in 2013.

Despite all the industry's rationalization efforts, the ex-bunker freight rate continues to be positioned below the historical levels in most trades and below the level that the industry should consider as a sustainable equilibrium. This situation has not allowed the industry to enjoy normal returns, and therefore the normal re-investment process is not taking place, particularly in an industry where the asset structure is outdated and out of the frame of a new technological paradigm in relation to bunker consumption. Based on all the above, the management believes that the industry will remain volatile due to the continued oversupply of vessels. However, there are also initiatives being taken individually by some relevant industry players pushing for a more rational approach, similar to what was seen during 2012, to take reactive and corrective actions should the market conditions deteriorate further. The way the main players behave on these matters will significantly impact the industry environment for 2013, and therefore the results of CSAV as well.

Relevant and Subsequent Events

Newbuilding Project, Financial Debt Prepayment and Capital Increase

On April 3rd, 2013, the Company´s Board of Directors approved an investment plan of up to MMUS$ 570 consisting in the acquisition of seven new containerships and the prepayment of a yen debt facility for the equivalent of MMUS$ 258 at a discount of 46%.

The 9,300 TEUs vessels will be built by Samsung Heavy Industries (SHI), South Korea. They will be delivered from the end of 2014. The objective of this investment is to replace part of the existing chartered capacity. Thus, CSAV will increase its own fleet from the current 37% to around 55%, in line with the industry average and far from the 8% owned at the beginning of 2011.

These new vessels will significantly improve the fuel-consumption efficiency (main cost of the industry) of the CSAV fleet and will lower vessel-chartering costs; allowing the company to operate one of the most efficient containerships fleet of the industry.

CSAV is planning to finance the newbuilding order with 40% equity (about MMUS$ 230) and 60% financial debt (about MMUS$ 340). CSAV also has the option to order up to seven additional vessels on similar conditions.

The Board of Directors also approved the prepayment of MMUS$ 258 of the American Family Life Assurance Company (AFLAC) debt facility. This prepayment considers a 46% discount, which generated a positive result of MMUS$ 53.8 during April, after netting the loss generated by unwinding the foreign exchange derivative related to this loan. In addition, the Company also released MMUS$ 25 in collateral deposits. CSAV drew a bridge loan of around MMUS$140 with Banco Latinoamericano de Comercio Exterior S.A. to execute this prepayment.

On April 29th, 2013, the Ordinary Shareholders Meeting ratified the members of the Board of Directors which will be composed by Mr. Andrónico Luksic Craig, Mr. Francisco Pérez Mackenna, Mr. Juan Antonio Álvarez Avendaño, Mr. Hernán Buchi Buc, Mr. Arturo Claro Fernández, Mr. Canio Corbo Lioi (independent), Mr. José De Gregorio Rebeco, Mr. Francisco Gutiérrez Philippi, Mr. Gonzalo Menéndez Duque, Mr. Cristoph Schiess Schmitz and Mr. Víctor Toledo Sandoval (independent).

On the Board of Directors meeting following the Shareholders Meeting, Mr. Francisco Pérez Mackenna was elected as Chairman and Mr. Andrónico Luksic Craig was elected as Vice-Chairman.

On April 29th, 2013, the Extraordinary Shareholders Meeting approved a capital increase of MMUS$ 500 as part of the company's recently-announced investment plan and repayment of financial debt. The company plans to carry out this capital increase during this year. Shareholders approved an issuing of 6,750,000,000 shares, a number that provides a certain margin should it be necessary to absorb exchange rate and stock market volatilities, and authorized the Board of Directors to determine the final number of shares to be sold depending on market conditions prevailing at the beginning of the offering period.

Antitrust Investigations

In connection with investigation proceedings for infringement of Antitrust Laws in the car carrier business, a reference to which is made in the material fact dated September 14, 2012, as well as the ones existing in other jurisdictions, the Board of Directors has decided to make a provision of US$40 million for the potential costs that the company may be liable to pay in the future as a result of these proceedings, based on the volume of the car carrier business in the different traffics that the company has operated at a global level. The amount provisioned is an estimation of such disbursements under a conservative criterion. To this date, we do not have information to foresee the conclusion date of such proceedings.

Fleet and Service Information

		1Q 13	4Q 12	1Q 12
Container Shipping Services				
Operated Fleet	N° Vessels	51	53	58
	Nominal Capacity (Th. Teus)	249	253	260
Chartered Out Fleet	N° Vessels	22	25	35
	Nominal Capacity (Th. Teus)	117	132	164
Laid Up Fleet	N° Vessels	2	5	15
	Nominal Capacity (Th. Teus)	9	18	67
Total Fleet	N° Vessels	75	83	108
	Nominal Capacity (Th. Teus)	374	404	490
Own Fleet	N° Vessels	16	16	14
	Nominal Capacity (Th. Teus)	104	104	88
Other Shipping Services				
Operated Fleet	N° Vessels	18	16	14
Chartered Out Fleet	N° Vessels	10	12	15
Laid Up Fleet	N° Vessels			
Total Fleet	N° Vessels	28	28	29
Own Fleet	N° Vessels	2	2	2
Containers				
Flota Total (miles de teus)		460	459	499

	1Q 13	4Q 12	1Q 12
Average Service Round Voyage	64	64	62

Disclaimer

This report provides general information about Compañía Sud Americana de Vapores S.A. ("CSAV"). It consists of summary information and does not purport to be complete. It is not intended to be relied upon as advice to potential investors.

No representations or warranties, express or implied, are made as to, and no reliance should be placed on, the accuracy, fairness or completeness of the information presented or contained in this report. Neither CSAV nor any of its affiliates, advisers or representatives, accepts any responsibility whatsoever for any loss or damage arising from any information presented or contained in this report. The information presented or contained in this report is subject to change without notice and its accuracy is not guaranteed. Neither the Company nor any of its affiliates, advisers or representatives make any undertaking to update any such information subsequent to the date hereof.

Each investor must conduct and rely on its own evaluation in taking an investment decision.

This report does not constitute an offer, or invitation, or solicitation of an offer, to subscribe for or purchase any securities. Neither this report nor anything contained herein shall form the basis of any contract or commitment whatsoever.

Recipients of this report are not to construe the contents of this summary as legal, tax or investment advice and recipients should consult their own advisors in this regard.