Investor Report 2Q 2014

September 4th, 2014

Highlights

- CSAV's net profit for the second quarter of 2014 reached a loss of MMUS$ 58.5, which compares to the loss of MMUS$ 65.9 in the first quarter of 2014 and the profit of MMUS$ 34.3 in the second quarter of 2013.

- Operating loss reached MMUS$ 50.4 during the second quarter of 2014, excluding MMUS$ 18.6 loss from the sale of the DBHH joint venture, which compares positively to the operating loss of MMUS$ 63.6 during the first quarter of 2014, mainly driven by increase in transported volume and cost reduction. However, it compares negatively to the operating loss of MMUS$ 32.2 achieved during the second quarter of 2013, excluding profit of MMUS$ 53.9 from prepayment of AFLAC, mainly due to an important decrease of 9.9% in freight rates, partially compensated by lower costs and higher utilization.

- Transported volume reached 504,396 TEUs in the second quarter of 2014, an increase of 13.5% compared to the first quarter of 2014 and an increase of 7.9% compared to the second quarter of 2013.

- The Company has continued to improve its cost structure. Container shipping cost per TEU dropped 13% in the second quarter of 2014 compared to the second quarter of 2013, considering the same bunker prices.

- The Company successfully completed its capital increase during August, raising MMUS$ 202. The controlling group, Quiñenco, subscribed MMUS$ 176, increasing its shareholding in CSAV from 46.0% to 54.5%. Proceeds obtained in this capitalization, which was approved in March by the Company's shareholders, will be used to complete the financing for the acquisition of seven new 9,300 TEU vessels currently under construction and to fulfill certain conditions for the closing of a possible merger of the containership business of CSAV with Hapag-Lloyd.

- A capital increase of MMUS$ 400 was approved in a Special Shareholders Meeting held on August 22, 2014. The proceeds will be used mainly to subscribe the amount committed by CSAV in the first capital increase of Hapag-Lloyd following the merger (259 million euros, equivalent to 70% of the total that the German company is seeking in this capitalization). This will enable CSAV to increase its shareholding in Hapag-Lloyd from 30% to 34%. The balance will be used to cover the operation's closing expenses.

Income Statement Analysis

Figures in US$ Million	2Q 14	1Q 14	2Q 13	QoQ	YoY	YTD 14	YTD 13	YoY
Transported Volume [in Teus]	504.396	444.557	467.433	13,5%	7,9%	948.953	903.932	5,0%
Operating Revenue	709,4	745,2	774,4	-4,8%	-8,4%	1.454,6	1.651,5	-11,9%
Cost of Sales	(703,2)	(753,9)	(751,0)	-6,7%	-6,4%	(1.457,1)	(1.620,1)	-10,1%
Gross Margin	6,2	(8,7)	23,4	n.m.	n.m.	(2,4)	31,4	n.m.
Administrative Expenses	(56,5)	(54,7)	(56,4)	3,2%	0,1%	(111,1)	(118,7)	-6,4%
Operating Profit (Loss)	(69,0)	(63,6)	21,6	8,5%	n.m.	(132,6)	(72,6)	82,6%
Profit (Loss) from Continuing Operations	(58,2)	(65,6)	34,8	-11,3%	n.m.	(123,8)	(61,1)	102,5%
Profit (Loss) from Discontinued Operations	0,0	0,0	0,0	n.m.	n.m.	0,0	0,0	n.m.
Profit (Loss) attributable to Owners	(58,5)	(65,9)	34,3	-11,2%	n.m.	(124,4)	(61,6)	101,9%
EBITDA *	(36,8)	(49,9)	(16,0)	-26,2%	130,1%	(86,7)	(54,0)	60,4%

**Calculated as operating profit plus depreciation and amortization (Excluding provision of MMUS$ 40 in Mar-13, profit from prepayment of AFLAC of MMUS$ 53.9 in Apr-13 and loss from sale of DBHH joint venture of MMUS$ 18.6 in Jun-14)*

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 (Net Loss Vessel Provision in Note 23 of the Financial Statements) 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 (or opposite direction), 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	2Q 14	(1)	1Q 14	(1)	2Q 13	(1)
Container Shipping Services	683,8	93,0%	634,0	88,1%	744,1	89,4%
Operating Revenue	671,9	91,4%	615,4	85,5%	703,3	84,5%
Other Revenue	11,9	1,6%	18,6	2,6%	40,9	4,9%
Other Shipping Services	51,1	7,0%	85,9	11,9%	88,6	10,6%
Revenue from Degree of Completion	(25,5)		25,3		(58,3)	
Operating Revenue	709,4	100,0%	745,2	100,0%	774,4	100,0%

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

	2Q 14	1Q 14	2Q 13
Container Rate Index (2)	1.622	1.684	1.799

(2) Index calculated using average container revenue per teu in 2008 as 2000 points

CSAV's operating revenue reached MMUS$ 709.4 during the second quarter of 2014, a decrease of 4.8% compared to the first quarter of 2014 and a decrease of 8.4% compared to the second quarter of 2013. However, revenue from Container Shipping Services increased 7.9% compared to the first quarter of 2014, which is mainly explained by an increase in volume, and decreased 8.1% compared to the second quarter of 2013, which is mainly explained by lower freight rates. Meanwhile, revenue from Other Shipping Services decreased 40.5% compared to the first quarter of 2014 and 42.3% compared to the second quarter of 2013, mainly due to lower activity in car carrier and reefer business. Furthermore, Revenue from Degree of Completion decreased MMUS$ 50.8 compared to the first quarter of 2014 and increased MMUS$ 32.9 compared to the second quarter of 2013.

Figures in Teus	2Q 14		1Q 14		2Q 13	
South America *	381.196	75,6%	324.436	73,0%	344.958	73,8%
Asia-Europe	76.322	15,1%	76.363	17,2%	66.069	14,1%
Intra Asia	26.953	5,3%	25.168	5,7%	31.458	6,7%
Transpacific	0	0,0%	0	0,0%	0	0,0%
Africa & Others	19.925	4,0%	18.590	4,2%	24.948	5,3%
Total	504.396	100,0%	444.557	100,0%	467.433	100,0%

** Includes Mexico and The Caribbean*

Transported volume reached 504,396 TEUs in the second quarter of 2014, an increase of 13.5% compared to the first quarter of 2014 and an increase of 7.9% compared to the second quarter of 2013. The stability in the volume distribution per geographical zone compared to the first quarter of 2014 and the second quarter of 2013 is a sign of the restructuring process consolidation, reflected in our services structure. South American's services have 75.6% share of the total volume in the second quarter of 2014, showing focus in relevant markets where CSAV has competitive advantages.

The container rate index of CSAV, which includes freight and other cargo related revenue, showed a decrease of 3.7% during the second quarter of 2014 compared to the first quarter of 2014 and a decrease of 9.9% compared to the second quarter of 2013.

Cost of Sales

Figures in US$ Million	2Q 14	(1)	1Q 14	(1)	2Q 13	(1)
Container Shipping Services	(674,4)	92,5%	(647,3)	88,8%	(725,6)	89,7%
Cargo, Intermodal and Others	(243,0)	33,4%	(219,3)	30,1%	(220,8)	27,3%
Vessels, Port, Canal and Others	(295,8)	40,6%	(297,3)	40,8%	(346,0)	42,8%
Bunker	(135,5)	18,6%	(130,7)	17,9%	(158,8)	19,6%
Other Shipping Services	(54,3)	7,5%	(81,3)	11,2%	(83,7)	10,3%
Cost from Degree of Completion	25,5		(25,3)		58,3	
Cost of Sales	(703,2)	100,0%	(753,9)	100,0%	(751,0)	100,0%

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

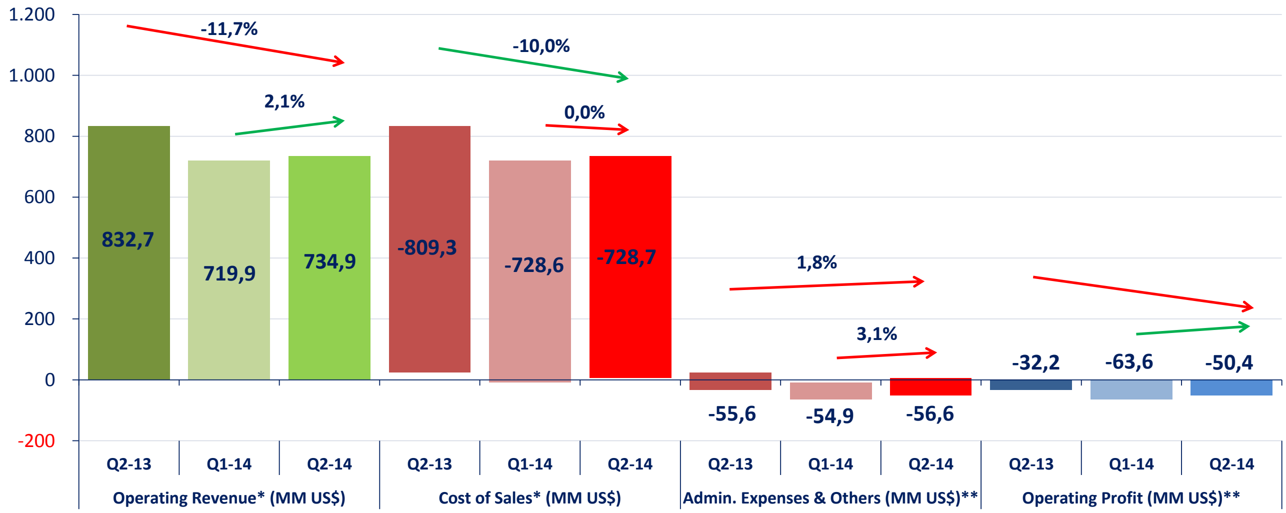
	2Q 14	1Q 14	2Q 13
Bunker Price (US$/ton)	590	588	624

CSAV's cost of sales reached MMUS$ 703.2 during the second quarter of 2014, a decrease of 6.7% compared to the first quarter of 2014 and of 6.4% compared to the second quarter of 2013. Container Shipping Cost increased 4.2% compared to the first quarter of 2014 and decreased 7.1% compared to the second quarter of 2013, considering larger volume increases, which reflects continued cost efficiency. Meanwhile, cost from Other Shipping Services decreased 33.1% compared to the first quarter of 2014 and 35.1% compared to the second quarter of 2013, mainly due to lower activity in car carrier and reefer business. Furthermore, Cost from Degree of Completion increased MMUS$ 50.8 compared to the first quarter of 2014 and decreased MMUS$ 32.9 compared to the second quarter of 2013.

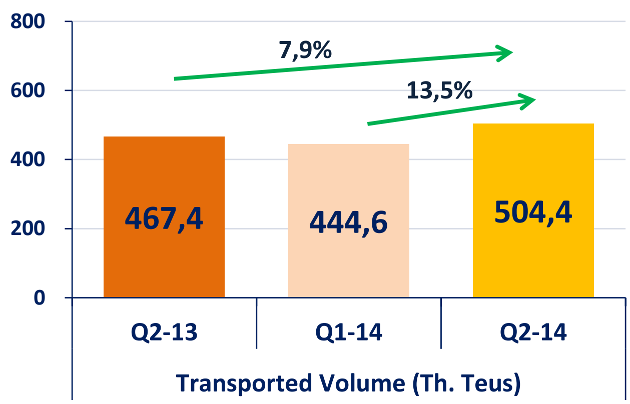
Bunker unitary cost, which is the main single component of CSAV's container shipping services cost of sales, reached an average of US$ 590 per ton during the second quarter of 2014, an increase of 0.4% compared to the first quarter of 2014 and a decrease of 5.4% compared to the second quarter of 2013. 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 profit of MMUS$ 53.9 from prepayment of AFLAC during the second quarter of 2013 and the loss of MMUSS$ 18.6 from the sale of the DBHH joint venture during the second quarter of 2014, have also been excluded for better comparison.



** Operating Revenue and Cost of Sales exclude degree of completion.*
***Admin. Expenses & Others and Operating Profit exclude profit from prepayment of AFLAC of MMUS$ 53.9 (Q2-13) and loss from sale of DBHH joint venture of MMUS$ 18.6 (Q2-14)*



QoQ Comparison

During the second quarter of 2014, operating revenue (excluding degree of completion) increased 2.1% compared to the first quarter of 2014. Revenue from Container Shipping Services increased 7.9%, which is mainly explained by an increase of 13.5% in transported volume, partially compensated by a decrease of 3.7% in CSAV's container rate index and reduced revenue from vessel charters to third parties. Meanwhile, revenue from Other Shipping Services decreased 40.5%, due to lower activity in car carrier and seasonality in reefer business.

Cost of sales (excluding degree of completion) remained flat in the second quarter of 2014 compared to the first quarter of 2014. Container Shipping Services Cost increased only 4.2%, considering an increase of 13.5% in transported volume and slightly higher bunker prices. If bunker prices are maintained constant, Container Shipping Services Cost increases 4.1% between both quarters, considering a volume increase of 13.5%. Other Shipping Services Cost decreased 33.1%, due to lower activity in car carrier and seasonality in reefer business.

Administrative expenses and others showed an increase of 3.1% between the second and first quarter of 2014.

Operating loss reached MMUS$ 50.4 during the second quarter of 2014, which compares positively to the operating loss of MMUS$ 63.6 during the first quarter of 2014.

YoY Comparison

During the second quarter of 2014, operating revenue (excluding degree of completion) showed a decrease of 11.7% compared to the second quarter of 2013. Likewise, revenue from Container Shipping Services decreased 8.1%, which is mainly explained by an important decrease of 9.9% in CSAV's container rate index, partially compensated by an increase of 7.9% in transported volume, and reduced revenue from vessel charters to third parties. Meanwhile, revenue from Other Shipping Services decreased 42.3%, mainly due to lower activity in car carrier and reefer business.

Cost of sales (excluding degree of completion) decreased 10.0% in the second quarter of 2014 compared to the second quarter of 2013. Likewise, Container Shipping Services Cost decreased 7.1%, which is mainly explained by lower slot costs per transported TEU. If bunker prices are maintained constant, Container Shipping Services Cost decreases 6.0% between both quarters, while transported volume grew 7.9%, which means that the container shipping cost per TEU dropped 13% between both quarters. Other Shipping Services Cost decreased 35.1%, mainly due to lower activity in car carrier and reefer business.

Administrative expenses and others showed a slight increase of 1.8% in the second quarter of 2014 compared to the second quarter of 2013.

Operating loss reached MMUS$ 50.4 during the second quarter of 2014, which compares negatively to the operating loss of MMUS$ 32.2, achieved during the second quarter of 2013.

Net Profit

CSAV's net profit for the second quarter of 2014 reached a loss of MMUS$ 58.5, which compares to the loss of MMUS$ 65.9 in the first quarter of 2014 and the profit of MMUS$ 34.3 in the second quarter of 2013.

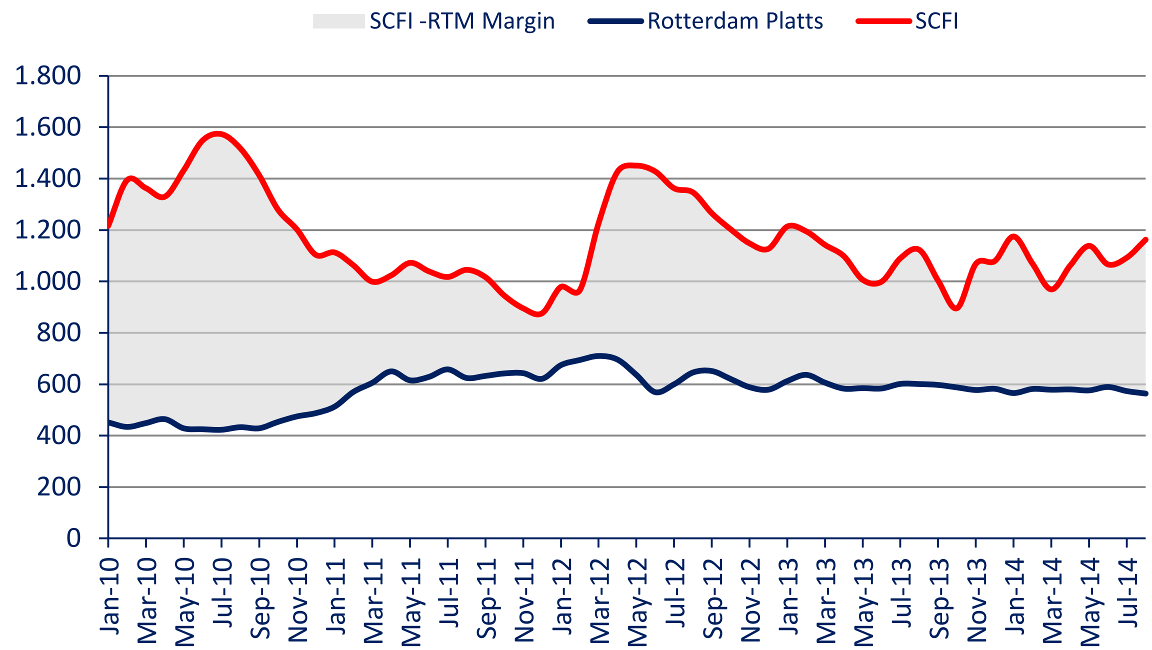
Market Analysis

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 transportation.
- An oversupply of space as a result of excess shipbuilding orders in the years prior to the crisis of 2009.
- Oil prices, the industry's main single cost component, have remained high since 2011.

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. These efforts have been very significant when it comes to the creation of operational alliances between the different lines, via consortia.

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. During the last months, freight rates have shown high volatility, coupled with high fuel cost, therefore presenting a challenging scenario for the Company and the industry.


SCFI -RTM Margin
Rotterdam Platts
SCFI
1.800
1.600
1.400
1.200
1.000
800
600
400
200
0
Jan-10
Mar-10
May-10
Jul-10
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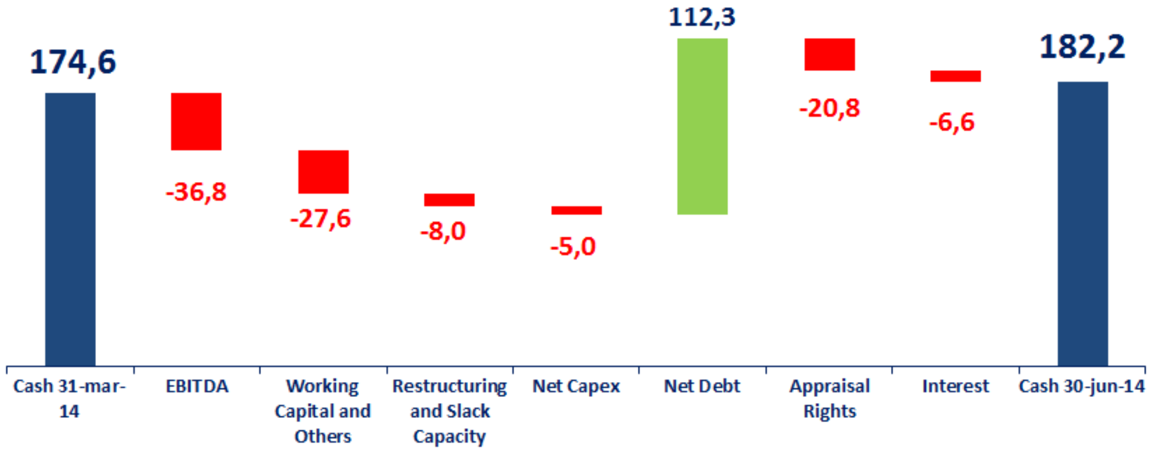
Cash Position



As of June 2014, CSAV's cash balance reached MMUS$ 182.2, an increase of MMUS$ 7.6 or 4.4% compared to MMUS$ 174.6 reached in the previous quarter, mainly due to negative cash flows from negative results, working capital and others, appraisal rights payment, restructuring and slack capacity, interest and net capex, partially compensated by positive cash flows from net debt due to additional credit lines drawn during the quarter.

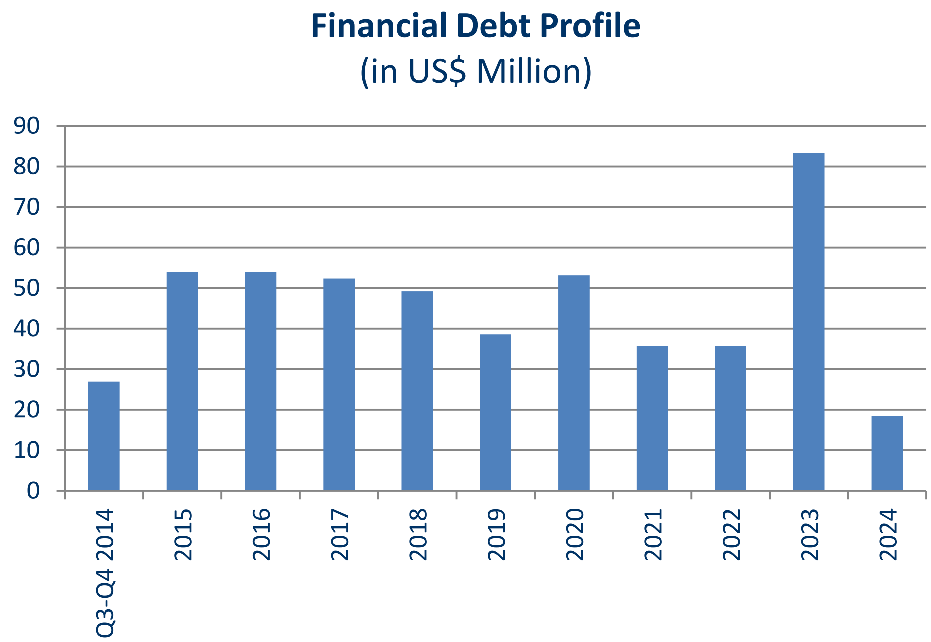
Financial Debt

Figures in US$ Million	Jun-14	Mar-14	Jun-13
Short Term Financial Debt	310,0	179,7	323,8
Long Term Financial Debt	551,3	558,6	548,7
Total Financial Debt	**861,2**	**738,3**	**872,4**
Cash and Cash Equivalents	**182,2**	**174,6**	**184,7**
Net Financial Debt	**679,0**	**563,7**	**687,7**

CSAV’s financial debt as of June 2014 amounted to MMUS$ 861.2, an increase of MMUS$ 123.0 or 16.7% compared to March 2014. This increase is mainly explained by a MMUS$ 72.4 credit line with Banco Itaú Chile, a MMUS$ 50 loan with Banco Santander Chile and a MMUS$ 50 loan with Banco Itaú Unibanco – Nassau Branch drawn during the second quarter, partially compensated with the repayment of a MMUS$ 50 credit line with BTG. Compared to June 2013, financial debt decreased US$ 11.2 million or 1.3%, due to debt repayment of vessel financing and bonds of MMUS$ 107, partially compensated by credit line and structured facilities utilization of MMUS$ 96.

Net financial debt as of June 2014 increased MMUS$ 115.3 or 20.5% compared to March 2014, and decreased MMUS$ 8.7 or 1.3% compared to June 2013.

The Company has secured a total amount of liquidity commitments of MMU$ 453. Out of this amount MMUS$ 346 were drawn by the end of June 2014 (See Note 5 of Financial Statements). This significant liquidity allows the Company to face the industry´s current volatility in a much stronger position.



Excludes drawn liquidity facilties and debt facility of MMUS$ 347 to finance the acquisition of 7 vessels of 9,300 TEUs, to be drawn at vessels' delivery starting Q4 2014.

Outlook

A significant increase in spot freight rates can be seen particularly in the trades from Asia to our main markets in the west and east coasts of South America. However, this increase in the spot rate has been offset by the 1 year contracts that were renewed during the first quarter of the year at lower rates compared to the previous year. We expect to face the new contract renewal period that starts at the end of the year in more favorable conditions than the ones prevailing at the beginning of the year. Therefore, basically the overall freight rates for the third quarter remain flat compared to the second quarter of the year.

In terms of the industry, the orderbook has decreased in the last months, reaching 18.6% in August. Scrapping is projected to reach in 2014 the highest level in the last 15 years, while idle capacity remains low at 1.3% of the fleet. On the demand side, high utilization rates can be seen in the east-west and north-south trades, and there is strong growth in important markets, such as Europe. These positive signals anticipate an improvement in the industry’s existing oversupply.

The Company has continued to enhance its cost structure, as it is visible when comparing the second quarter of 2014 to the second quarter of 2013, our container shipping cost per TEU has dropped 13%. This positive impact is basically explained by all the initiatives of cost reduction taken by the Company, the deployment in our services of most of our 8,000 TEU vessels, previously chartered out to Maersk, and also to the better utilization levels of the vessels. We expect our cost structure to continue improving with the deployment of the newbuildings currently under construction, which will provide a significant improvement from bunker and charter savings during the second half of 2015.

After all conditions precedent are met, the container activity of CSAV is moving towards a very important consolidation with Hapag-Lloyd. The combined entity resulting from this transaction, would become the fourth largest player, but also the fourth real player with a global footprint in our industry, enjoying therefore significant economies of scale as well as network efficiencies. The estimated value of the synergies resulting from the combination is calculated at MMUS$ 300 per year of cost savings. Additionally to that, and using the resources of about MMUS$ 1.000 capital increases which have been agreed after the merger take place, the new Hapag-Lloyd would have the ability to further invest in more modern and efficient fleet, therefore improving the operating cost in the years to come in a significant manner. This significant and relevant strategic move is of high importance for both companies and might change, independently of the improvement of the market conditions, the capability to deliver positive results.

Relevant Events

- The Company successfully completed its capital increase during August, raising MMUS$ 202. The controlling group, Quiñenco, subscribed MMUS$ 176, increasing its shareholding in CSAV from 46.0% to 54.5%. Proceeds obtained in this capitalization, which was approved in March by the Company's shareholders, will be used to complete the financing for the acquisition of seven new 9,300 TEU vessels currently under construction and to fulfill certain conditions for the closing of a possible merger of the containership business of CSAV with Hapag-Lloyd.

  The payments to Samsung Heavy Industries shipyard are mainly due between November 2014 and May 2015, and thus, in order to decrease CSAV's financial costs, the Company has decided to partially pay the outstanding revolving credit lines with Banco Santander Chile, Banco Penta and Banco Itaú Chile, for a total amount of MMCLP 106,000, and afterwards draw from these lines when the payments to the shipyard are due.

- A capital increase of MMUS$ 400 was approved in a Special Shareholders Meeting held on August 22, 2014. The proceeds will be used mainly to subscribe the amount committed by CSAV in the first capital increase of Hapag-Lloyd following the merger (259 million euros, equivalent to 70% of the total that the German company is seeking in this capitalization). This will enable CSAV to increase its shareholding in Hapag-Lloyd from 30% to 34%. The balance will be used to cover the operation's closing expenses.

- In June 2014, CSAV sold its 50% shareholding in the dry bulk DBHH joint venture with DryLog Ltd. The agreement ends the arbitration between the partners with a compensation of MM US$ 12 to be paid by CSAV in four installments within one year and a negative impact of MMUS$ 18.6 shown in the Company's results in June 2014.

CSAV

Fleet and Service Information

		2Q 14	1Q 14	2Q 13
Container Shipping Services				
Operated Fleet	N° Vessels	45	49	51
	Nominal Capacity (Th. Teus)	236	247	249
Chartered Out Fleet	N° Vessels	8	8	21
	Nominal Capacity (Th. Teus)	41	44	113
Laid Up Fleet	N° Vessels	1	1	2
	Nominal Capacity (Th. Teus)	4	9	12
Total Fleet	N° Vessels	54	58	74
	Nominal Capacity (Th. Teus)	281	299	375
Own Fleet	N° Vessels	14	14	16
	Nominal Capacity (Th. Teus)	91	91	104
Other Shipping Services				
Operated Fleet	N° Vessels	10	12	11
Chartered Out Fleet	N° Vessels	2	5	9
Laid Up Fleet	N° Vessels			
Total Fleet	N° Vessels	12	17	20
Own Fleet	N° Vessels	3	3	2
Containers				
Total Fleet (Th. Teus)		404	406	429

	2Q 14	1Q 14	2Q 13
Average Service Round Voyage	65	65	64

Disclaimer

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