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# MBA Students and Faculty Robert H. Smith School of Business University of Maryland

## Welcome to SONDA

Mr. Rodrigo A. Peña  
Investor Relations Officer  
May 27, 2008



## AGENDA



### SONDA in a Snapshot

IT Industry in Latin America

SONDA Business Strategy

Positive Results

# SONDA in a Snapshot

Largest Latin American IT Services Network

Founded in 1974, 33 years of experience

Regionalization process started in 1984

A public company since 2006

US\$ 1.2 billion in Market Capitalization

US\$ 540 million in Revenues in 2007

US\$ 98 million in EBITDA in 2007

10,000 people in 9 countries across LatAm



# SONDA in a Snapshot

- Leading regional IT Services provider with a full offer in the main segments of the IT industry
- The only LatAm-controlled company with an extensive regional network

		
IT Services	Applications	Platforms
Outsourcing	Software solutions	Servers
IT management and support	Industry-specific solutions	PCs
Projects and systems integration	Development of tailor-made software	Printers
Professional services	Implementation, support, maintenance and updating of versions	Storage and back-up
Specialized consultancy and advice		Communications equipment  Basic software (data bases, operating systems, etc.)





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# Information Technology Industry

US\$ **1,296**  
Billions in 2007

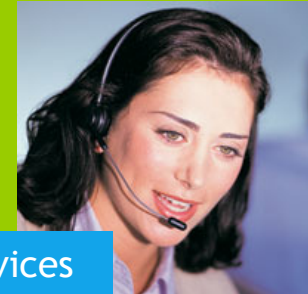
- Huge impact on people, organizations and society
- Change dramatically the way to do things
- The only constant is a permanent change

**2.4%**  
World GDP

## Main IT providers



## Segments



IT Services

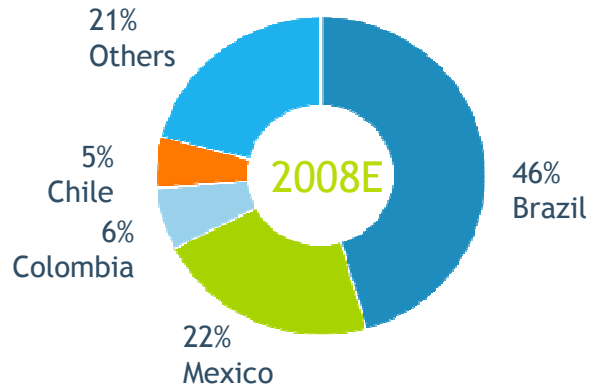


Applications



Platforms

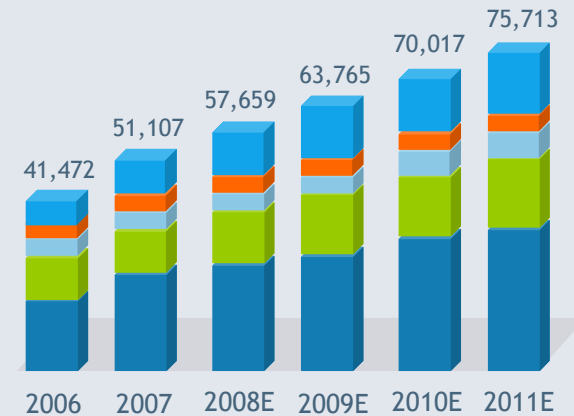
# Latin America, the world's fastest growing region



**12.8%**  
2008 Growth

IT Spending in Latin America (US\$ Millions)

■ Brazil ■ México ■ Colombia ■ Chile ■ Others

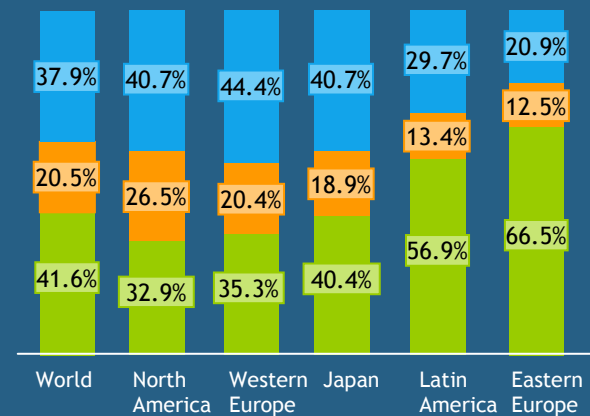


Source: IDC

- Hardware counts for more than half of the total IT Investment in Latin America
- However, IT Investment in Services and Software takes an important role in countries such as Brazil
- Financial and Manufacturing are the main IT Investing industries in the region

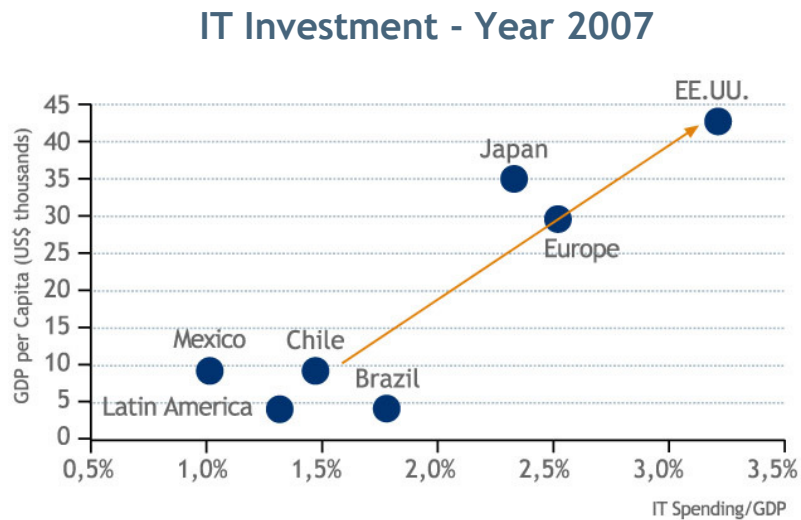
**52.3%**  
of IT Investment in Brazil goes to IT Services or Software

■ Hardware ■ Software ■ IT Services



# Latin America, the world's fastest growing region

There is a significant GAP in IT Investment as a percentage of GDP between OCDE countries and Latin American countries



Source: IDC, World Bank



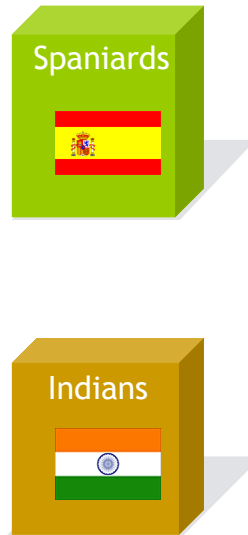


# Competitive Landscape in Latin America – Players

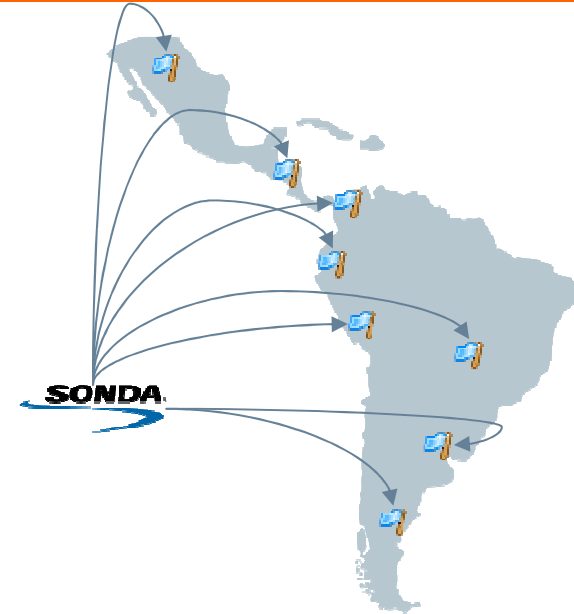
## Main incumbents



## New entrants

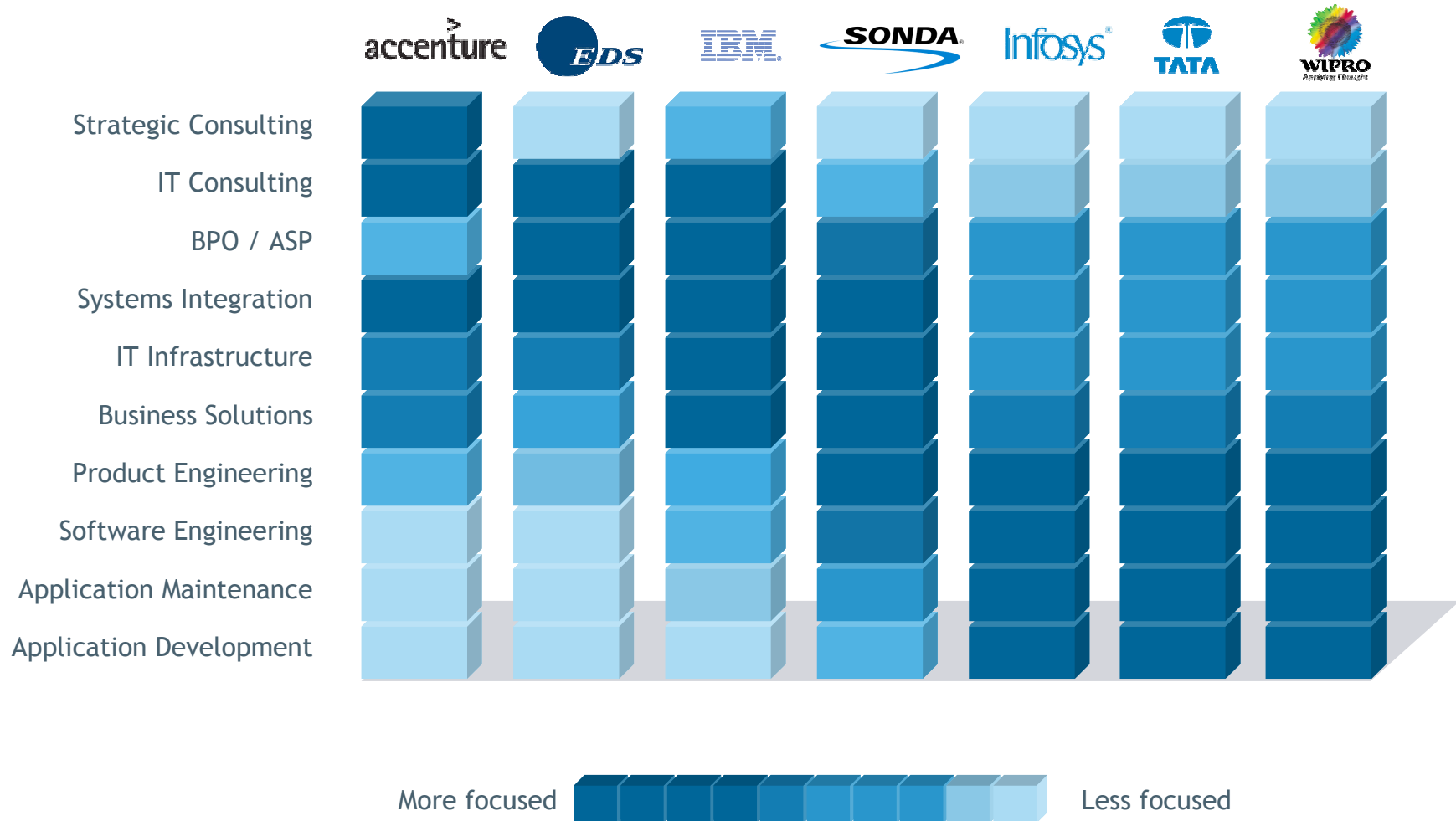


## Local vs. regional



- SONDA begins its regional expansion in 1984 and today it has the largest Latin American Regional IT Services network
- Recent attempts from local providers to expand across the region, especially Brazilian companies

# Competitive Landscape – IT Services spectrum





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IT Industry in Latin America



SONDA Business Strategy

Positive Results

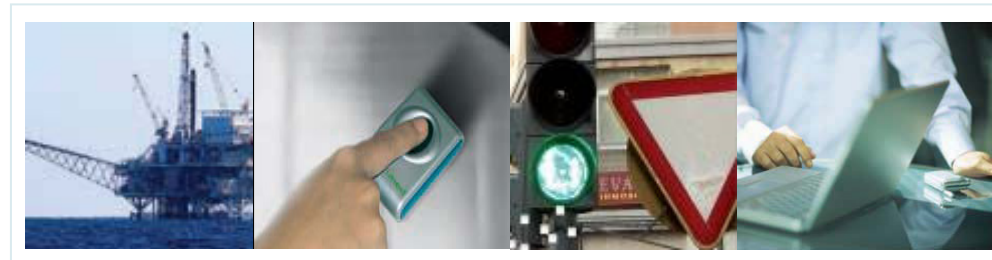
# Leading regional Full IT Services provider

- Leader in Systems Integration projects, Technical Support and IT Outsourcing (26% share in Chile)
- Positioned in the corporate market as an independent full IT services provider
- Vast experience delivering large-scale projects with important social and economic impact
- Business model based on the development of long-term relationships and proximity to customers
- US\$ 350 million Investment plan intended to consolidate its leading position in the region
- Positive financial results driven by successful regional expansion, increase of value added services and strengthening of the revenue backlog



# Independent Full IT Services provider

## IT Services: growth with high margins



PETROBRAS, Help Desk Services and IT support

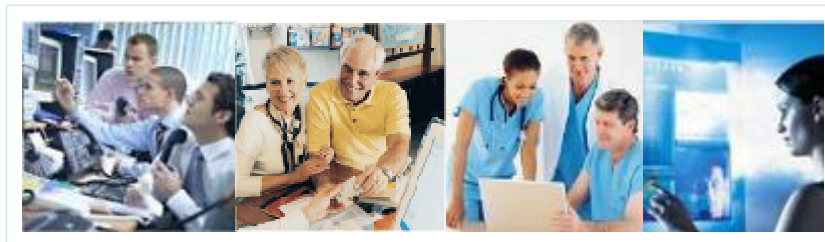
Electronic Health Bonuses Issuance

Traffic Control System

BANAMEX, IT support for web site and branches



## Applications: high product repeatability



Solution for Financial Sector

Solution for Pension Funds

Solution for Health Sector











ERP' s

## Platforms: cutting edge technology & world-class vendors



Commercial non-exclusive alliances to design optimal solutions

# Solid Track Record

October 1974	1975-1980	1981-1985	1986-1990	1991-1995	1996-2000	2001-2008
<p>SONDA is founded in association with COPEC</p>	<p>Official Digital Equipment Corp. (DEC) Distributor, successful American manufacturer of the 80's (1978)</p> <p>First integrated outsourcing contract (Asociación Nacional de Ahorro y Préstamo)</p>	<p>Perú(1984) </p> <p>Applications for pension funds (AFP's) and health insurance companies (ISAPRES)</p> <p>First big systems integration project (Automation of Registro Civil)</p> <p>First SONDA ERP (Sistema de Gestión SGS)</p>	<p>Argentina (1986) </p> <p>Ecuador (1990) </p> <p>Applications for the banking industry</p> <p>Automation of betting systems in horse races</p> <p>Monitoring of environmental variables of Santiago</p> <p>Beginning of projects in the Latin American banking industry: Bandesco</p>	<p>Uruguay (1994) </p> <p>Check Clearing services</p> <p>Traffic control system in Santiago and Sao Paulo</p> <p>Solutions for pension funds in Argentina and Peru</p> <p>Cell phone project (Argentina)</p> <p>Banking industry projects in Indonesia, Thailand and Taiwan</p>	<p>Colombia (2000) </p> <p>Launch of FIN 700 ERP</p> <p>Cell phone projects (Brazil)</p> <p>Outsourcing projects for Telefónica Chile</p> <p>Solutions for health providers</p> <p>Implementation of SAP platform for CODELCO</p> <p>Hospital automation projects (Argentina, Colombia and Chile)</p>	<p>Brazil (2002) </p> <p>Costa Rica (2003) </p> <p>México (2004) </p> <p>SONDA buys Qualita's technical support division in Mexico (2006)</p> <p>Electronic health bonuses (IMED)</p> <p>Application for the wine industry (Kupay)</p> <p>New Chilean ID system (Registro Civil)</p> <p>Pension fund solution (Brazil)</p> <p>"ChileCompra"</p> <p>Tax Collection outsourcing (Brazil)</p> <p>Livestock traceability (Uruguay)</p> <p>High value payment compensation for the financial industry (Combanc)</p> <p>Transantiago Financial Administrator</p> <p>Procwork Acquisition </p> <p>Red Colombia Acquisition </p>

# Strong Customer Base

- Our customers are leading companies in their industries
- More than 5,000 throughout Latin America



# Strategic Investment plan

- SONDA has set the basis for a successful regional expansion
- The groundwork performed throughout the region has enabled the Company to acquire a knowledge of Latin American markets and players, develop a successful M&A and integration strategy, and execute mega-integration projects





# Recent Acquisitions

The **PROCWORK** acquisition places SONDA as one of the main IT Services providers in Brazil, the largest IT market in LatAm, and as the third largest SAP integrator in Latin America

**PROCWORK**

**100%**



Acquisition of **RED COLOMBIA** is complementary to SONDA's existing business in that country, positioning the company as one of the Top 5 largest IT Services providers in Colombia

**RED  
COLOMBIA**

**Top 5**  
IT Services  
Providers  
in Colombia





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# Strengths and pillars for profitable growth

33 years  
OF EXPERIENCE

Learning curve gained through experience, know-how transfer, project repeatability

Regional expansion allows for synergy gains, scale and scope economies

Large scale contracts with high value added deliver high operational margins

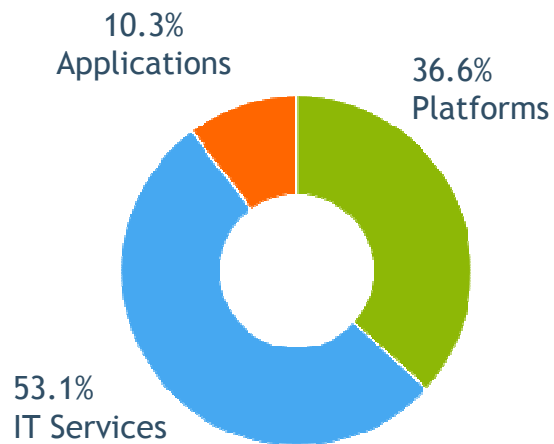
Brand recognition and leading position strengthened through commercial alliances with global vendors



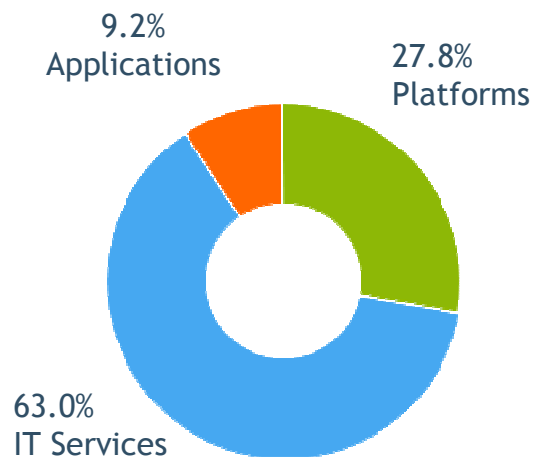
# Higher value added businesses become more relevant

Revenue breakdown by Business line

2003



2007



26.2%

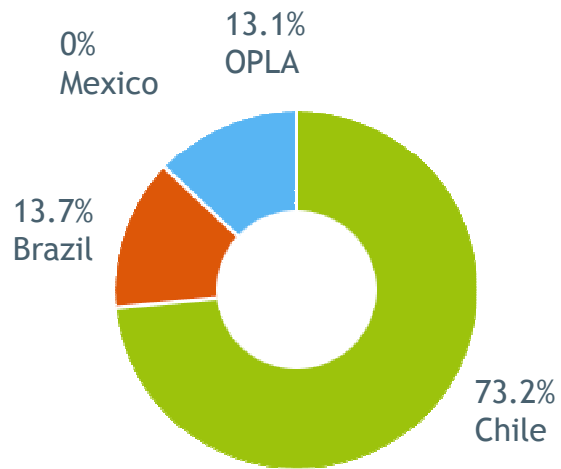
Market Share  
In IT Services  
In Chile

SONDA

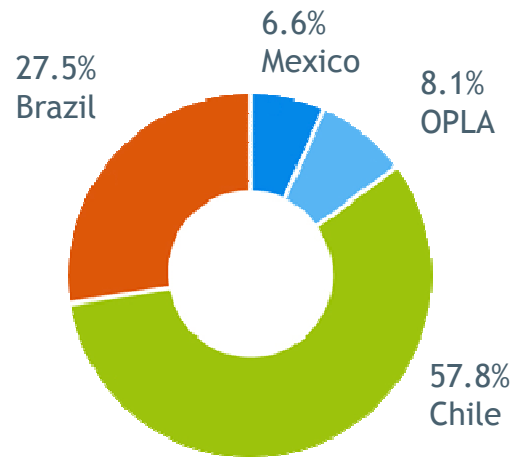
# Businesses outside Chile become more important

Revenue breakdown by Region

2003



2007



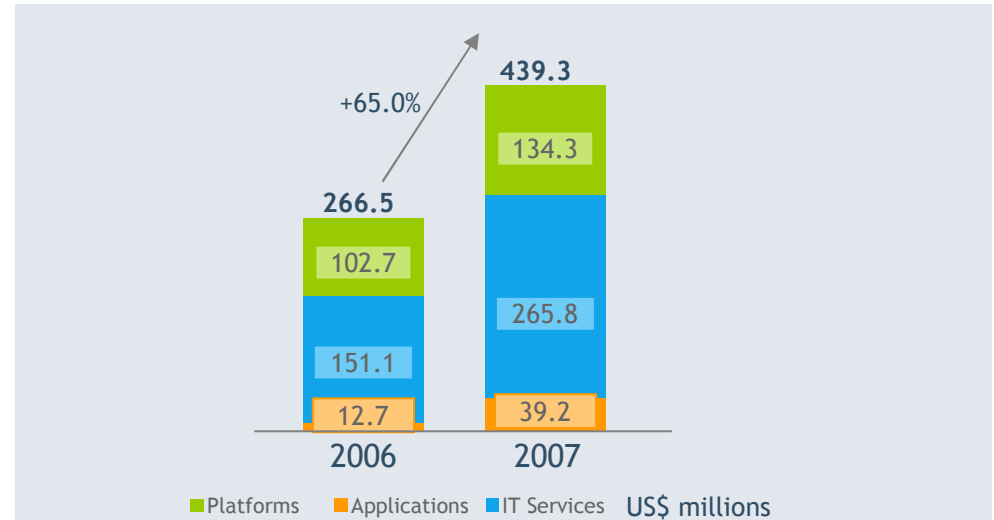
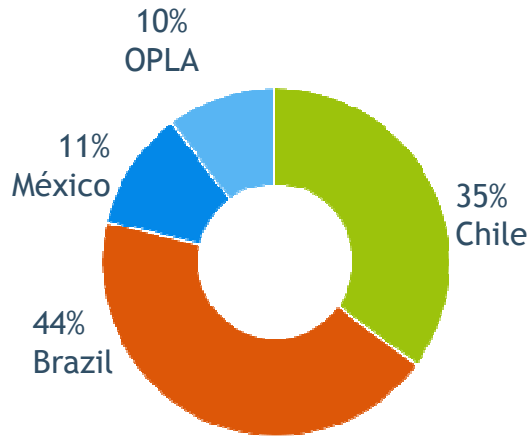
+50%

Revenues  
come from  
outside Chile

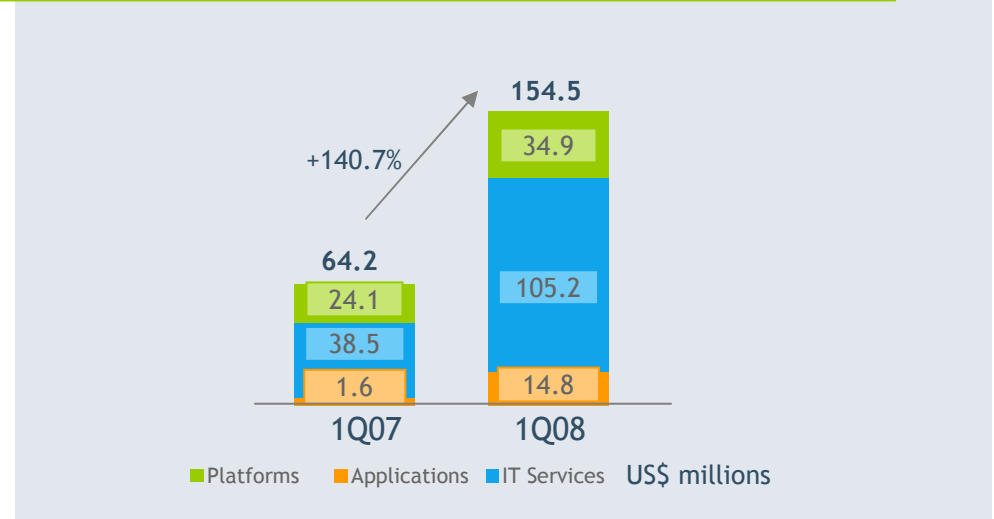
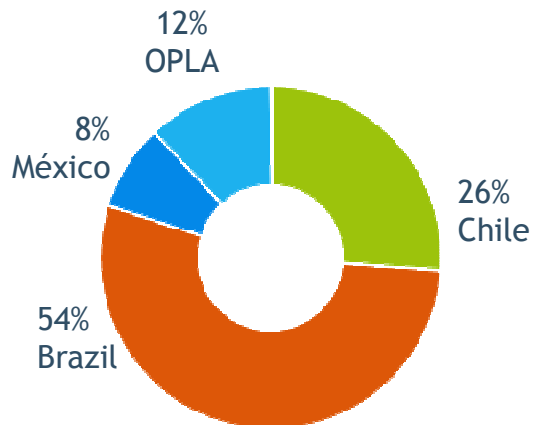
SONDA

# New deals enhance revenue backlog

2007

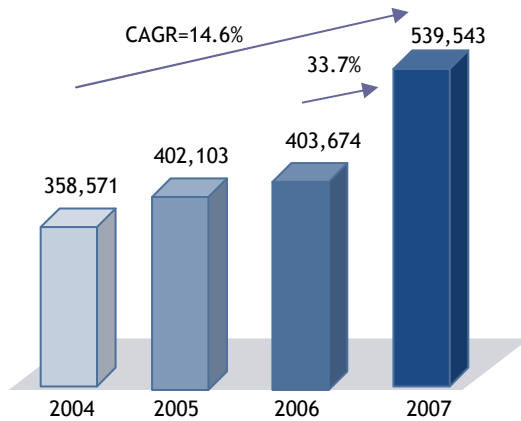


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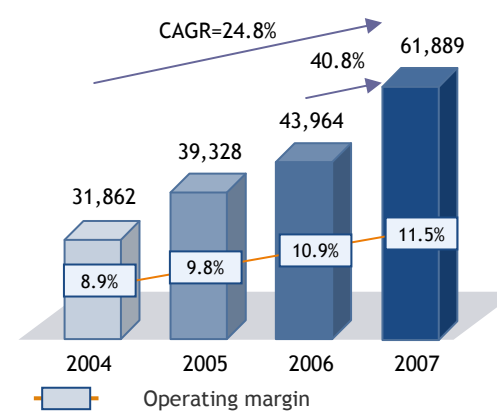


# Systematic revenue growth and improved margins

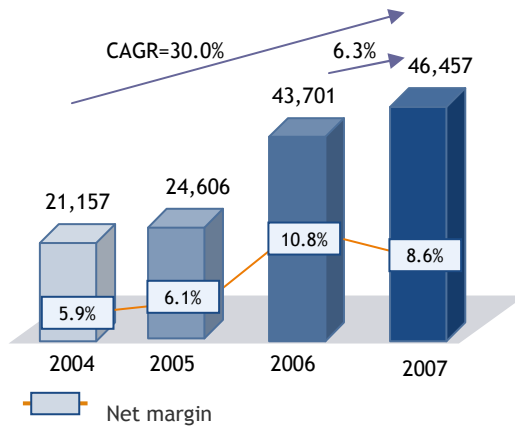
Consolidated revenues (US\$ thousands)



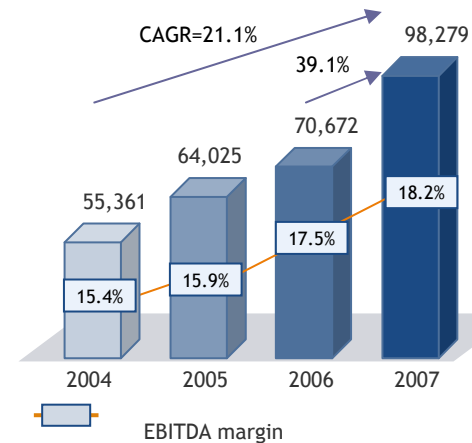
Operating income (US\$ thousands)



Net Income (US\$ thousands)



EBITDA (US\$ thousands)



All figures are converted to US dollars using the year-end exchange rate of Dec 31, 2007, and considering a constant Chilean pesos base.

## Solid financial position

BALANCE SHEET SUMMARY			
(in ThUS\$)	2006	2007	Var % 07-06
Cash & Equivalents	176,248	121,952	-30.8%
Accounts Receivable	101,965	177,111	73.7%
Inventories	15,613	16,495	5.7%
Other Short-Term-Assets	129,414	35,557	-72.5%
<b>Current Assets</b>	<b>423,239</b>	<b>351,115</b>	<b>-17.0%</b>
Fixed assets	110,241	115,345	4.6%
Other Assets	131,792	228,407	73.3%
<b>ASSETS</b>	<b>665,272</b>	<b>694,866</b>	<b>4.4%</b>
Short-Term Financial Debt	36,576	40,448	10.6%
Other Current Liabilities	74,566	118,510	58.9%
<b>Current Liabilities</b>	<b>111,142</b>	<b>158,958</b>	<b>43.0%</b>
Long-Term Financial Debt	74,005	42,090	-43.1%
Other Liabilities	7,363	9,059	23.0%
Minority Interest	6,006	6,633	10.4%
<b>LIABILITIES</b>	<b>198,516</b>	<b>216,739</b>	<b>9.2%</b>
<b>SHAREHOLDERS' EQUITY</b>	<b>466,757</b>	<b>478,128</b>	<b>2.4%</b>

All figures are converted to US dollars using the year-end exchange rate of Dec 31, 2007, and considering a constant Chilean pesos base.



# Favorable perspectives

- New positioning in Brazil reinforces SONDA's regional footprint and widens its customer base
- Margin improvements in Brazil and Mexico are the result of the restructuring and efficiency initiatives started in 2006
- IT Services revenues represent almost two thirds of total revenues
- Over 5,000 IT specialists and consultants in Brazil

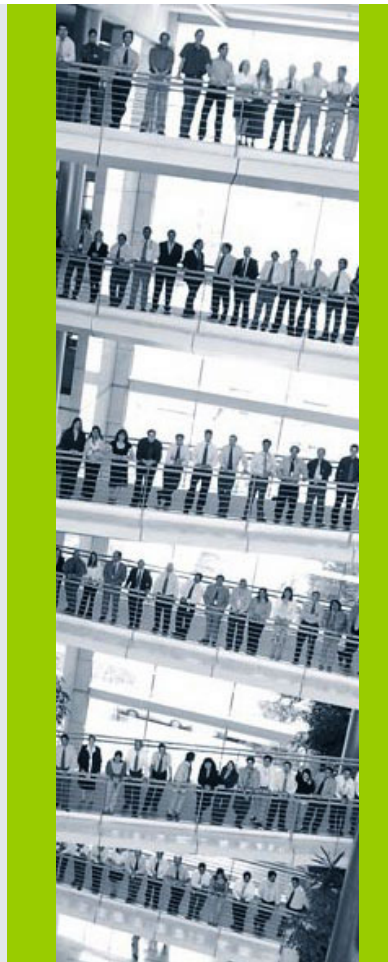


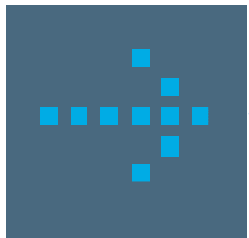
- Double-digit organic growth in '08
- Incremental revenues coming after Procwork's acquisition
- New contracts support a solid revenue base for next years
- New businesses pipeline sustain growth rates for the following years
- Synergy gains and other margin improvement opportunities
- New acquisitions in line with regional strategy
- IT industry in LatAm growing 12.8% in '08, according to IDC, with focus on IT Services

# Favorable perspectives



Industry	High growth rates
In main regional markets	Footprint
Efficiency	Synergies lead to better margins
Investment plan moving forward	Growth





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