



## EARNINGS RELEASE

**2017 - 4Q17**

*January 01, 2017 – December 31, 2017*

*SONDA S.A. and subsidiaries announce their consolidated financial results for the period from January 01 to December 31, 2017. All figures are expressed in Chilean pesos and have been prepared under International Financial Reporting Standards (IFRS). Translations to US dollars stated in this report are based on the month-end exchange rate as of December 31, 2017 (1 US\$ = 614.75 Chilean Pesos).*

## SUMMARY: 2017 - 4Q17

- CONSOLIDATED REVENUES**

**US\$1,368.9 million**

- OPERATING INCOME**

**US\$96.8 million**

- EBITDA**

**US\$165.8 million**

- NET INCOME**

**US\$105.6 million**

- EBITDA MARGIN**

**12.1%**

- NET MARGIN**

**7.7%**

## EXECUTIVE SUMMARY

SONDA totaled consolidated revenues of \$841,541 million (US\$1,368.9 million) in 2017, 3.1% higher than in 2016. Operating Income was \$59,509 million (US\$96.8 million), decreasing by 6.0% (YoY) and EBITDA registered \$101,909 million (US\$165.8 million), higher by 5.0% (YoY). Net Income attributable to owners totaled \$64,896 million (US\$105.6 million), representing an increase of 145.9% in comparison to 2016.

Regional results:

Region	Revenues		EBITDA	
	Ch\$M	ΔY/Y	Ch\$M	ΔY/Y
Chile	367,446	1.7%	63,743	5.2%
Brazil	271,216	-2.7%	13,036	48.2%
Mexico	69,925	-6.9%	8,153	-36.2%
OPLA	132,954	31.5%	16,977	13.7%
Total	841,541	3.1%	101,909	5.0%

Current Liquidity ratio was 1.6x, Financial Leverage ratio was 0.4x and financial expenses coverage ratio was 5.6x, all of them reflect a balanced financial position.

Highlights:

- Operations outside Chile increased their revenues by 4.2% (YoY), totaling \$474,095 million (US\$771.2 million), contributing 56.3% of consolidated revenues. EBITDA increased 4.5% compared to 2016, totaling \$38,166 million (US\$62.1 million). Excluding currency translation effects, revenues and EBITDA would have increased by 3.6% and 6.7% (YoY).
- Revenues in Brazil amounted \$271,216 million (US\$441.2 million) decreasing 2.7% (YoY), while EBITDA totaled \$13,036 million (US\$21.2 million) increasing 48.2%. Excluding currency translation effects, revenues decreased by 7.0% and EBITDA keeps the same growth.
- Revenues in Mexico totaled \$69,925 million (US\$113.7 million), decreasing 6.9% as compared to 2016 and EBITDA totaled \$8,153 million (US\$13.3 million) lower by 36.2%. Excluding currency translation effects, revenues and EBITDA would have decreased 2.9% and 33.0%.
- Revenues in OPLA amounted \$132,954 million (US\$216.3 million), 31.5% higher than in 2016, while EBITDA totaled \$16,977 million (US\$27.6 million), 13.7% higher than in 2016. Excluding currency translation effects, revenues and EBITDA would have grown by 37.7% and 16.3%, respectively. During 4Q17, it stands out a 61.6% EBITDA increase by 61.6% with regards to 3Q17.
- Revenues in Chile grew 1.7% (YoY) totaling \$367,446 million (US\$597.7 million) and EBITDA increased 5.2% (YoY), reaching \$63,743 million (US\$103.7 million). Excluding currency translation effects, revenues and EBITDA would have grown by 3.1% and 5.5% (YoY).
- Net Income attributable to the owners increased 145.9% compared to 2016, including an extraordinary effect equal to US\$55.7 million (US\$41.3 million after tax) as consequence of the sale of the interest in Transacciones Electrónicas. It also includes a positive effect over the Income Tax Expense, generated as consequence of CLP appreciation against USD for US\$16.5 million. In 2016, the positive effect over tax amounted US\$9.8 million. Taking both effects apart, Net Income would have increased 44.4%.
- In the period, new deals closed totaled US\$1,327.9 million, 24.8% higher than in 2016 (at each period-end exchange rate). By country, Brazil contributed with 43.4% of the total deals closed, increasing 102.2% (YoY). IT Services registered the highest growth in terms of deals closed and it represented the largest contribution to deals closed in Brazil reaching an increase of 155.9%. At Consolidated level, the highest growth came from IT Services, which increased 47.5% (YoY).
- Pipeline of new potential businesses amounted US\$3,241.8 million, growing 14.1% compared to 2016. Brazil contributed with US\$1,876.1 million.

Figure 1 – Consolidated Financial Statement

Millions of Ch\$ (Ch\$M)				
<b>Income Statement</b>	<b>Dec-16</b>	<b>Dec-17</b>	<b>Δ \$</b>	<b>Δ %</b>
Revenues	816,159	841,541	25,382	3.1%
Cost of Sales	-671,565	-696,329	-24,764	3.7%
<b>GROSS PROFIT</b>	<b>144,594</b>	<b>145,212</b>	<b>618</b>	<b>0.4%</b>
Administration Expenses	-81,293	-85,703	-4,410	5.4%
<b>OPERATING INCOME <sup>(1)</sup></b>	<b>63,301</b>	<b>59,509</b>	<b>-3,792</b>	<b>-6.0%</b>
Depreciation and Amortization	33,800	42,400	8,600	25.4%
<b>EBITDA <sup>(2)</sup></b>	<b>97,101</b>	<b>101,909</b>	<b>4,808</b>	<b>5.0%</b>
Other Income	5,672	39,320	33,648	593.2%
Other Expenses	-14,458	-10,678	3,780	-26.1%
<b>PROFIT (LOSS) FROM OPERATING ACTIVITIES</b>	<b>54,515</b>	<b>88,151</b>	<b>33,636</b>	<b>61.7%</b>
Financial Income	5,305	8,637	3,332	62.8%
Financial Expenses	-11,969	-18,317	-6,348	53.0%
Share of Profit (Loss) of Associates	10	164	154	-
Foreign Exchange Differences	-2,711	-1,681	1,030	-38.0%
Income (Loss) for Indexed Assets and Liabilities	125	42	-84	-66.8%
<b>NET INCOME BEFORE TAXES</b>	<b>45,275</b>	<b>76,996</b>	<b>31,720</b>	<b>70.1%</b>
Income Tax Expense	-13,348	-6,964	6,384	-47.8%
<b>NET INCOME FROM CONTINUING OPERATIONS</b>	<b>31,927</b>	<b>70,032</b>	<b>38,105</b>	<b>119.3%</b>
Net Income Attributable to Minority Interest	5,531	5,136	-395	-7.1%
<b>NET INCOME ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>26,396</b>	<b>64,896</b>	<b>38,500</b>	<b>145.9%</b>
<b>Balance Sheet</b>	<b>Dec-16</b>	<b>Dec-17</b>	<b>Δ \$</b>	<b>Δ %</b>
Cash and Cash Equivalents	64,072	40,980	-23,091	-36.0%
Other Current Financial Assets	27,436	45,453	18,017	65.7%
Trade Accounts Receivable and Other Receivables, Net	198,641	225,160	26,519	13.4%
Accounts Receivable from Related Companies	3,045	5,712	2,667	87.6%
Inventories	37,801	37,703	-97	-0.3%
Other Current Assets	50,735	48,028	-2,707	-5.3%
<b>CURRENT ASSETS</b>	<b>381,729</b>	<b>403,036</b>	<b>21,307</b>	<b>5.6%</b>
Intangibles Assets and Goodwill	273,479	254,954	-18,525	-6.8%
Property, Plant and Equipment, Net	133,347	124,134	-9,213	-6.9%
Other Non-currents Assets	85,416	97,035	11,619	13.6%
<b>NON-CURRENT ASSETS</b>	<b>492,242</b>	<b>476,124</b>	<b>-16,118</b>	<b>-3.3%</b>
<b>ASSETS</b>	<b>873,971</b>	<b>879,160</b>	<b>5,189</b>	<b>0.6%</b>
Other Current Financial Liabilities	83,270	70,078	-13,192	-15.8%
Other Liabilities	153,965	182,820	28,855	18.7%
<b>CURRENT LIABILITIES</b>	<b>237,235</b>	<b>252,899</b>	<b>15,663</b>	<b>6.6%</b>
Other Non-current Financial Liabilities	82,668	102,098	19,430	23.5%
Other Liabilities, Non-Current	47,749	34,425	-13,324	-27.9%
<b>NON-CURRENT LIABILITIES</b>	<b>130,417</b>	<b>136,523</b>	<b>6,106</b>	<b>4.7%</b>
<b>LIABILITIES</b>	<b>367,652</b>	<b>389,422</b>	<b>21,769</b>	<b>5.9%</b>
Minority Interest	8,438	5,329	-3,109	-36.8%
<b>TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>497,880</b>	<b>484,409</b>	<b>-13,471</b>	<b>-2.7%</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>873,971</b>	<b>879,160</b>	<b>5,189</b>	<b>0.6%</b>

<sup>(1)</sup> Operating Income = Gross Profit – Administration Expenses

<sup>(2)</sup> EBITDA = Operating Income + Depreciation and Amortization

## MANAGEMENT DISCUSSION AND ANALYSIS ON 2017 CONSOLIDATED RESULTS

### I. Consolidated Results for 2017

#### Revenues

Consolidated revenues totaled \$841,541 million (US\$1,368.9 million) in 2017, higher by 3.1% than in 2016 (+\$25,382 million / +US\$41.3 million). Excluding currency translation effects revenues would have increased 3.4% (YoY).

- Revenues from IT Services business increased 4.1% (+\$18,172 million / +US\$29.6 million), registering \$464,951 million (US\$756.3 million) in 2017, mainly driven by higher revenues in OPLA and Chile.
- Platforms business revenues increased 4.9% (+\$15,766 million / +US\$25.6 million) totaling \$334,277 million (US\$543.8 million) in 2017, mainly explained by the increase in OPLA.
- Applications business revenues decreased 16.8% (-\$8,556 million / -US\$13.9 million), totaling \$42,313 million (US\$68.8 million), mainly explained by Brazil.

In 2017, the revenue breakdown by business was 55.2% IT Services, 39.7% Platforms and 5.0% Applications.

Figure 2 – Consolidated Revenues by Business Line

	Dec-16 Ch\$M	Dec-17 Ch\$M	Δ \$	Δ %
<b>CONSOLIDATED REVENUES BY BUSINESS LINE</b>				
Platforms	318,511	334,277	15,766	4.9%
IT Services	446,779	464,951	18,172	4.1%
Applications	50,869	42,313	-8,556	-16.8%
<b>Total</b>	<b>816,159</b>	<b>841,541</b>	<b>25,382</b>	<b>3.1%</b>
<b>Breakdown</b>				
Platforms	39.0%	39.7%		
IT Services	54.7%	55.2%		
Applications	6.2%	5.0%		
<b>Total</b>	<b>100%</b>	<b>100%</b>		

#### Cost of Sales and Selling, General and Administrative Expenses

Cost of sales amounted \$696,329 million (US\$1,132.7 million) in 2017, representing an increase of 3.7% (YoY).

Administration expenses registered \$85,703 million (US\$139.4 million), increasing 5.4% (YoY) mainly explained by Chile and OPLA, in addition to the consolidation effects of ATIVAS and Grupo Compufácil (\$3,420 million / US\$5.6 million).

Figure 3 – Income Statement

	Dec-16 Ch\$M	Dec-17 Ch\$M	Δ \$	Δ %
<b>SUMMARY OF CONSOLIDATED INCOME STATEMENT</b>				
Revenues	816,159	841,541	25,382	3.1%
Cost of Sales	-671,565	-696,329	-24,764	3.7%
<b>GROSS PROFIT</b>	<b>144,594</b>	<b>145,212</b>	<b>618</b>	<b>0.4%</b>
Administration Expenses	-81,293	-85,703	-4,410	5.4%
<b>OPERATING INCOME <sup>(1)</sup></b>	<b>63,301</b>	<b>59,509</b>	<b>-3,792</b>	<b>-6.0%</b>
<b>EBITDA <sup>(2)</sup></b>	<b>97,101</b>	<b>101,909</b>	<b>4,808</b>	<b>5.0%</b>
<b>NET INCOME ATTRIBUTABLE TO OWNERS</b>	<b>26,396</b>	<b>64,896</b>	<b>38,500</b>	<b>145.9%</b>
<b>Financial Ratios</b>				
Gross Margin	17.7%	17.3%		
Operating Margin	7.8%	7.1%		
EBITDA Margin	11.9%	12.1%		
Net Margin	3.2%	7.7%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

### Operating Income and EBITDA

Operating Income amounted \$59,509 million (US\$96.8 million) lower by 6.0% as compared to 2016. Gross Margin and Operating Margin reached 17.3% and 7.1%, respectively, representing a reduction of 40bp and 70bp in comparison to 2016. Excluding currency translation effects, Operating Income would have decreased 3.7%.

EBITDA totaled \$101,909 million (US\$165.8 million) in 2017, representing an increase of 5.0% (YoY). EBITDA Margin was 12.1%, 20bp higher than in 2016. Excluding currency translation effects, EBITDA would have increased by 5.9%.

### Other Comprehensive Income / Losses (Excluding Administration Expenses)

Total Other Comprehensive Income / Losses, excluding Administration Expenses, presented a gain of \$17,487 million (US\$28.4 million) in 2017, while in 2016 amounted a loss of \$18,026 million (US\$29.3 million). The latter variation was a consequence of an increase in Other Income (\$33,648 million / US\$54.7 million) due to the sale of the interest in Transacciones Electrónicas S.A.

### Net Income

Net Income attributable to the owners of the Company amounted \$64,896 million (US\$105.6 million) in 2017, 145.9% higher than in 2016. The latter includes an extraordinary effect of US\$55.7 million (US\$41.3 million after tax) due to the sale of the interest in Transacciones Electrónicas S.A. Additionally, a positive effect over the Income Tax Expense as a consequence of CLP appreciation against USD for US\$16.5 million. In 2016, the positive effect over tax amounted US\$9.8 million. Taking both effects apart, Net Income would have increased 44.4%.

## II. Consolidated Results for the fourth quarter of 2017 (4Q17)

### Revenues

Consolidated revenues totaled \$228,653 million (US\$371.9 million) in 4Q17, higher by 9.1% than in 4Q16 (+\$19,085 million / +US\$31.0 million). Excluding currency translation effects, revenues would have shown an increase of 12.6%.

- Revenues from IT Services business increased 10.1% (+\$11,077 million / US\$18.0 million), reaching \$120,218 million (US\$195.6 million) in 4Q17.
  - 20.7% increase in IT Outsourcing revenues (\$11,175 million / US\$18.2 million), to \$65,063 million (US\$105.8 million), mainly from Brazil, Colombia and Chile.
  - 5.9% higher revenues from Professional and Integration Services (+\$1,573 million / +US\$2.6 million), amounting \$28,154 million (US\$45.8 million), mainly in Brazil and Chile.
- Revenues from Platforms business increased 11.7% (+\$10,075 million / +US\$16.4 million), reaching \$96,152 million (US\$156.4 millions) in 4Q17.
  - 106.5% increase in revenues from sales of SW platforms (+\$9,687 million / +US\$15.8 million), reaching \$18,785 million (US\$30.6 million), mainly in Brazil and Colombia.
- Revenues from Applications business decreased 14.4% (-\$2,066 million / -US\$3.4 million), totaling \$12,283 million (US\$20.0 million).
  - 22.1% decrease in Support and Deployment revenues (-\$1,553 million / -US\$2.5 million), to \$5,468 million (US\$8.9 million), mainly in Brazil.

In 4Q17, the revenue breakdown by business was 52.6% IT Services, 42.1% Platforms and 5.4% Applications.

Figure 4 – Consolidated Revenues by Business Line

	4Q16 Ch\$M	4Q17 Ch\$M	Δ \$	Δ %
<b>CONSOLIDATED REVENUES BY BUSINESS LINE</b>				
Platforms	86,076	96,152	10,075	11.7%
IT Services	109,141	120,218	11,077	10.1%
Applications	14,349	12,283	-2,066	-14.4%
<b>Total</b>	<b>209,567</b>	<b>228,653</b>	<b>19,085</b>	<b>9.1%</b>
<b>Breakdown</b>				
Platforms	41.1%	42.1%		
IT Services	52.1%	52.6%		
Applications	6.9%	5.4%		
<b>Total</b>	<b>100%</b>	<b>100%</b>		

### Cost of Sales and Selling, General and Administrative Expenses

Cost of sales amounted \$186,153 million (US\$302.8 million) in 4Q17, showing an increase of 3.4% (YoY).

Administration expenses were \$21,377 million (US\$34.8 million), 9.8% lower than in 4Q16, mainly driven by Brazil, partially offset by the consolidation effects of Grupo Compufácil (US\$2.2 million).

Figure 5 – Income Statement

	4Q16	4Q17	Δ \$	Δ %
<b>SUMMARY OF CONSOLIDATED INCOME STATEMENT</b>				
Revenues	209,567	228,653	19,085	9.1%
Cost of Sales	-180,055	-186,153	-6,098	3.4%
<b>GROSS PROFIT</b>	<b>29,512</b>	<b>42,499</b>	<b>12,988</b>	<b>44.0%</b>
Administration Expenses	-23,708	-21,377	2,331	-9.8%
<b>OPERATING INCOME <sup>(1)</sup></b>	<b>5,804</b>	<b>21,122</b>	<b>15,318</b>	<b>263.9%</b>
<b>EBITDA <sup>(2)</sup></b>	<b>14,733</b>	<b>32,146</b>	<b>17,413</b>	<b>118.2%</b>
<b>NET INCOME ATTRIBUTABLE TO OWNERS</b>	<b>-7,197</b>	<b>40,893</b>	<b>48,090</b>	<b>668.2%</b>
<b>Financial Ratios</b>				
Gross Margin	14.1%	18.6%		
Operating Margin	2.8%	9.2%		
EBITDA Margin	7.0%	14.1%		
Net Margin	-3.4%	17.9%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

### Operating Income and EBITDA

Operating Income amounted \$21,122 million (US\$34.4 million) 263.9% higher than in 4Q16. Gross Margin and Operating Margin reached 18.6% and 9.2%, respectively, representing an improvement of 450bp and 640bp in comparison to 4Q16. Excluding currency translation effects, Operating Income would have increased 267.9%.

EBITDA totaled \$32,146 million (US\$52.3 million) in 4Q17, representing an increase of 118.2% (YoY). EBITDA Margin reached 14.1%, 710bp higher than in 4Q16.

### Other Comprehensive Income / Losses (Excluding Administration Expenses)

Total Other Comprehensive Income / Losses, excluding Administration Expenses, moved from a loss of \$3,807 million (US\$6.2 million) in 4Q16 to a gain of \$28,867 million (US\$47.0 million) in 4Q17. The latter was a consequence of an increase in Other Income (\$35,903 million / US\$58.4 million) due to the sale of the interest in Transacciones Electrónicas S.A. partially offset by a higher loss from Foreign Exchange Differences (\$2,538 million / US\$4.1 million).

### Net Income

Net Income attributable to the owners of the Company amounted to \$40,893 million (US\$66.5 million) in 4Q17, 668.2% better than in 4Q16. The latter includes a profit after tax of US\$41.3 million due to the sale of the interest in Transacciones Electrónicas S.A. Additionally, in 4Q16 a negative effect over tax (US\$2.5 million) was registered, because of exchange rate fluctuations (CLP/USD). In 4Q17, the positive exchange rate effect reached US\$6.7 million.

### III. Regional Results for 2017 and the fourth quarter of 2017 (4Q17)

#### Chile

Main changes between 2017 and 2016 are described below:

- \$367,446 million (US\$597.7 million) in revenues for 2017 increasing 1.7% (YoY), mainly explained by higher revenues from IT Services business (+7.0%). Excluding currency translation effects revenues would have grown 3.1%.
- Operating Income totaled \$49,746 million (US\$80.9 million / +5.9% YoY) and EBITDA totaled \$63,743 million (US\$103.7 million / +5.2% YoY) driven by higher contribution from IT Services business.
- Operating Margin and EBITDA Margin reached 13.5% and 17.3%, respectively, representing both an improvement of 50bp compared to 2016.

Figure 6 – Business in Chile  
2016 – 2017

	Dec-16 Ch\$M	Dec-17 Ch\$M	Δ \$	Δ %
<b>SUMMARY OF RESULTS CHILE</b>				
REVENUES	361,289	367,446	6,158	1.7%
Platforms	209,055	205,940	-3,114	-1.5%
IT Services	134,064	143,411	9,346	7.0%
Applications	18,170	18,095	-74	-0.4%
Cost of Sales	-276,075	-275,946	128	0.0%
GROSS PROFIT	85,214	91,500	6,286	7.4%
Administration Expenses	-38,260	-41,754	-3,494	9.1%
OPERATING INCOME <sup>(1)</sup>	46,954	49,746	2,792	5.9%
<b>EBITDA <sup>(2)</sup></b>	<b>60,586</b>	<b>63,743</b>	<b>3,157</b>	<b>5.2%</b>
Operating Margin	13.0%	13.5%		
EBITDA Margin	16.8%	17.3%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

Main changes between 4Q17 and 4Q16 are described below:

- \$104,171 million (US\$169.5 million) in revenues for 4Q17 representing an increase of 9.3% (YoY), explained by higher revenues in all businesses: Platforms (+9.0% YoY), IT Services (+9.6%) and Applications (+10.8%).
- Operating Income totaled \$16,445 million (US\$26.8 million / +31.2% YoY) and EBITDA totaled \$19,997 million (US\$32.5 million / +24.5% YoY).
- Operating Margin and EBITDA Margin reached 15.8% and 19.2%, respectively, representing an improvement of 260bp and 230bp compared to 4Q16.

Figure 7 – Business in Chile  
4Q16 – 4Q17

	4Q16 Ch\$M	4Q17 Ch\$M	Δ \$	Δ %
<b>SUMMARY OF RESULTS CHILE</b>				
REVENUES	95,296	104,171	8,875	9.3%
Platforms	54,664	59,566	4,902	9.0%
IT Services	35,431	38,840	3,409	9.6%
Applications	5,201	5,765	564	10.8%
Cost of Sales	-72,257	-76,606	-4,350	6.0%
GROSS PROFIT	23,039	27,565	4,526	19.6%
Administration Expenses	-10,506	-11,120	-614	5.8%
OPERATING INCOME <sup>(1)</sup>	12,533	16,445	3,912	31.2%
<b>EBITDA <sup>(2)</sup></b>	<b>16,062</b>	<b>19,997</b>	<b>3,935</b>	<b>24.5%</b>
Operating Margin	13.2%	15.8%		
EBITDA Margin	16.9%	19.2%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization



## Brazil

Main changes between 2017 and 2016, are described below:

- Revenues amounted \$271,216 million (US\$441.2 million), 2.7% lower than in 2016. Excluding currency translation effects, revenues would have decreased 7.0%.
- Operating Income registered a loss of \$7,432 million (-US\$12.1 million / -30.6% YoY) and EBITDA totaled \$13,306 million (US\$21.2 million / +48.2% YoY), mainly due to the consolidation of ATIVAS. Excluding currency translation effects, Operating Income would have decreased 16.1% and EBITDA would have increased 48.2% (YoY).
- Operating Margin was -2.7%, 70bp lower (YoY). EBITDA Margin was 4.8%, 160bp higher than in 2016.

Figure 8 – Business in Brazil  
2016 – 2017

	Dec-16 Ch\$M	Dec-17 Ch\$M	Δ \$	Δ %
<b>SUMMARY OF RESULTS BRAZIL</b>				
REVENUES	278,639	271,216	-7,423	-2.7%
Platforms	37,443	40,943	3,500	9.3%
IT Services	213,212	210,312	-2,900	-1.4%
Applications	27,985	19,961	-8,023	-28.7%
Cost of Sales	-257,601	-253,956	3,646	-1.4%
GROSS PROFIT	21,038	17,260	-3,778	-18.0%
Administration Expenses	-26,727	-24,692	2,035	-7.6%
OPERATING INCOME <sup>(1)</sup>	-5,690	-7,432	-1,742	-30.6%
<b>EBITDA <sup>(2)</sup></b>	<b>8,795</b>	<b>13,036</b>	<b>4,240</b>	<b>48.2%</b>
Operating Margin	-2.0%	-2.7%		
EBITDA Margin	3.2%	4.8%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

Main changes between 4Q17 and 4Q16, are described below:

- Revenues amounted \$65,500 million (US\$106.5 million), 0.5% lower than in 4Q16, explained by higher revenues from IT Services (+3.7%) and Platform business (+4.1%), offset by lower revenues from Application business (-32.4%). Excluding currency translation effects, revenues would have increased by 2.8%.
- Operating Income registered a loss of \$284 million (-US\$0.5 million / +97.7% YoY) while EBITDA accounted a gain of \$4,965 million (US\$8.1 million / +158.3% YoY). Operating and EBITDA Margin reached -0.4% and 7.6%, respectively.
- EBITDA margin had shown a sustained improvement after 4Q16, mainly as a consequence of the action plan implemented in Brazil during 2017, and an improvement in market conditions.

Figure 9 – Business in Brazil  
4Q16 – 4Q17

	4Q16 Ch\$M	4Q17 Ch\$M	Δ \$	Δ %
<b>SUMMARY OF RESULTS BRAZIL</b>				
REVENUES	65,850	65,500	-351	-0.5%
Platforms	10,299	10,722	422	4.1%
IT Services	47,738	49,496	1,758	3.7%
Applications	7,813	5,282	-2,531	-32.4%
Cost of Sales	-69,574	-61,516	8,057	-11.6%
GROSS PROFIT	-3,723	3,983	7,707	207.0%
Administration Expenses	-8,857	-4,267	4,590	-51.8%
OPERATING INCOME <sup>(1)</sup>	-12,581	-284	12,297	97.7%
<b>EBITDA <sup>(2)</sup></b>	<b>-8,512</b>	<b>4,965</b>	<b>13,477</b>	<b>158.3%</b>
Operating Margin	-19.1%	-0.4%		
EBITDA Margin	-12.9%	7.6%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

## Mexico

Main changes between 2017 and 2016 are described below:

- Revenues decreased 6.9% compared to 2016, totaling \$69,925 million (US\$113.7 million) mainly due to lower sales in the Platforms business and currency translation effects. Excluding the latter effect, revenues would have decreased 2.9%.
- Operating Income amounted \$6,551 million (US\$10.7 million) and EBITDA totaled \$8,153 million (US\$13.3 million), representing a decrease of 40.7% and 36.4% (YoY), respectively. Excluding currency translation effects, Operating Income and EBITDA would have decreased 37.5% and 33.0%, respectively (YoY).
- Operating and EBITDA Margin were 9.4% and 11.7%, respectively. Both showed a decrease of 520bp and 530bp compared to 2016.

Figure 10 – Business in Mexico  
2016 – 2017

	Dec-16	Dec-17	Δ \$	Δ %
	Ch\$M	Ch\$M		
<b>SUMMARY OF RESULTS MEXICO</b>				
REVENUES	75,140	69,925	-5,214	-6.9%
Platforms	37,407	33,052	-4,355	-11.6%
IT Services	37,733	36,874	-859	-2.3%
Applications	0	0	0 -	
Cost of Sales	-57,396	-56,664	732	-1.3%
GROSS PROFIT	17,744	13,261	-4,482	-25.3%
Administration Expenses	-6,738	-6,711	27	-0.4%
OPERATING INCOME <sup>(1)</sup>	11,006	6,551	-4,455	-40.5%
<b>EBITDA <sup>(2)</sup></b>	<b>12,786</b>	<b>8,153</b>	<b>-4,633</b>	<b>-36.2%</b>
Operating Margin	14.6%	9.4%		
EBITDA Margin	17.0%	11.7%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

Main changes between 4Q17 and 4Q16 are described below:

- \$17,981 million in revenues (US\$ 29.2 million) 10.8% lower than in 4Q16. Excluding currency translation effects, revenues would have decreased 6.6%.
- Operating Income amounted \$429 million (US\$0.7 million) and EBITDA totaled \$710 million (US\$1.2 million), representing a decrease of 87.5% and 81.7% (YoY), respectively.
- The lower Operating Income and EBITDA are explained by lower gross margins, a tougher competitive environment, and higher sales commissions due to an increase in business closed in 4Q17.

Figure 11 – Business in Mexico  
4Q16 – 4Q17

	4Q16	4Q17	Δ \$	Δ %
	Ch\$M	Ch\$M		
<b>SUMMARY OF RESULTS MEXICO</b>				
REVENUES	20,152	17,981	-2,170	-10.8%
Platforms	9,106	8,829	-277	-3.0%
IT Services	11,046	9,152	-1,894	-17.1%
Applications	0	0	0 -	
Cost of Sales	-15,212	-15,625	-413	2.7%
GROSS PROFIT	4,940	2,357	-2,583	-52.3%
Administration Expenses	-1,498	-1,928	-430	28.7%
OPERATING INCOME <sup>(1)</sup>	3,441	429	-3,013	-87.5%
<b>EBITDA <sup>(2)</sup></b>	<b>3,867</b>	<b>710</b>	<b>-3,158</b>	<b>-81.7%</b>
Operating Margin	17.1%	2.4%		
EBITDA Margin	19.2%	3.9%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

## OPLA (Other Countries in Latin America)

Main changes in OPLA (which includes Argentina, Colombia, Costa Rica, Ecuador, Peru, Panama and Uruguay) between 2017 and 2016 are described below:

- Revenues increased 31.5% compared to 2016, reaching \$132,954 million (US\$216.3 million) mainly due to higher revenues in Colombia from new contracts initiated during this year and the acquisition of Grupo Compufácil in July, 2017.
- Operating Income amounted \$10,644 million (US\$17.3 million) decreasing 3.5% and EBITDA \$16,977 million (US\$27.6 million) increasing 13.7% (YoY).
- Operating and EBITDA Margin reached 8.0% and 12.8%, respectively. The latter represents a reduction in the operating margin (290bp) and EBITDA margin (200bp) compared to 2016.

Figure 12 – Business in OPLA  
2016 – 2017

	Dec-16 Ch\$M	Dec-17 Ch\$M	Δ \$	Δ %
<b>SUMMARY OF RESULTS OPLA</b>				
REVENUES	101,092	132,954	31,862	31.5%
Platforms	34,606	54,342	19,736	57.0%
IT Services	61,771	74,355	12,584	20.4%
Applications	4,715	4,257	-458	-9.7%
Cost of Sales	-80,493	-109,763	-29,270	36.4%
GROSS PROFIT	20,599	23,191	2,592	12.6%
Administration Expenses	-9,568	-12,546	-2,979	31.1%
OPERATING INCOME <sup>(1)</sup>	11,031	10,644	-386	-3.5%
<b>EBITDA <sup>(2)</sup></b>	<b>14,934</b>	<b>16,977</b>	<b>2,043</b>	<b>13.7%</b>
Operating Margin	10.9%	8.0%		
EBITDA Margin	14.8%	12.8%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

Main changes between 4Q17 and 4Q16 are described below:

- Revenues increased 45.0%, totaling \$41,000 million (US\$66.7 million). Excluding currency translation effects, revenues would have grown 54.1%.
- Operating Income amounted \$4,532 million (US\$7.4 million) increasing 88.1% (YoY) and EBITDA totaled \$6,474 million (US\$10.5 million) increasing 95.3% (YoY). Stands out the increase of 61.6% in EBITDA during 4Q17 compared with 3Q17. The improvement is explained by the consolidation of Grupo Compufácil and better organic performance in most countries.
- Operating and EBITDA Margin reached 11.1% and 15.8%, respectively, improving 260bp and 410bp during the quarter (YoY)

Figure 13 – Business in OPLA  
4Q16 – 4Q17

	4Q16 Ch\$M	4Q17 Ch\$M	Δ \$	Δ %
<b>SUMMARY OF RESULTS OPLA</b>				
REVENUES	28,269	41,000	12,731	45.0%
Platforms	12,006	17,034	5,028	41.9%
IT Services	14,927	22,729	7,802	52.3%
Applications	1,335	1,236	-99	-7.4%
Cost of Sales	-23,013	-32,406	-9,393	40.8%
GROSS PROFIT	5,256	8,594	3,338	63.5%
Administration Expenses	-2,846	-4,062	-1,216	42.7%
OPERATING INCOME <sup>(1)</sup>	2,410	4,532	2,122	88.1%
<b>EBITDA <sup>(2)</sup></b>	<b>3,316</b>	<b>6,474</b>	<b>3,159</b>	<b>95.3%</b>
Operating Margin	8.5%	11.1%		
EBITDA Margin	11.7%	15.8%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

Figure 14 – Regional Summary

Regional Summary	Dec-16 Ch\$M	Dec-17 Ch\$M	Δ \$	Δ %	4Q16 Ch\$M	4Q17 Ch\$M	Δ \$	Δ %
<b>CHILE</b>								
REVENUES	361,289	367,446	6,158	1.7%	95,296	104,171	8,875	9.3%
Platforms	209,055	205,940	-3,114	-1.5%	54,664	59,566	4,902	9.0%
IT Services	134,064	143,411	9,346	7.0%	35,431	38,840	3,409	9.6%
Applications	18,170	18,095	-74	-0.4%	5,201	5,765	564	10.8%
Cost of Sales	-276,075	-275,946	128	0.0%	-72,257	-76,606	-4,350	6.0%
GROSS PROFIT	85,214	91,500	6,286	7.4%	23,039	27,565	4,526	19.6%
Administration Expenses	-38,260	-41,754	-3,494	9.1%	-10,506	-11,120	-614	5.8%
OPERATING INCOME <sup>(1)</sup>	46,954	49,746	2,792	5.9%	12,533	16,445	3,912	31.2%
<b>EBITDA <sup>(2)</sup></b>	<b>60,586</b>	<b>63,743</b>	<b>3,157</b>	<b>5.2%</b>	<b>16,062</b>	<b>19,997</b>	<b>3,935</b>	<b>24.5%</b>
Operating Margin	13.0%	13.5%			13.2%	15.8%		
EBITDA Margin	16.8%	17.3%			16.9%	19.2%		
<b>BRAZIL</b>								
REVENUES	278,639	271,216	-7,423	-2.7%	65,850	65,500	-351	-0.5%
Platforms	37,443	40,943	3,500	9.3%	10,299	10,722	422	4.1%
IT Services	213,212	210,312	-2,900	-1.4%	47,738	49,496	1,758	3.7%
Applications	27,985	19,961	-8,023	-28.7%	7,813	5,282	-2,531	-32.4%
Cost of Sales	-257,601	-253,956	3,646	-1.4%	-69,574	-61,516	8,057	-11.6%
GROSS PROFIT	21,038	17,260	-3,778	-18.0%	-3,723	3,983	7,707	207.0%
Administration Expenses	-26,727	-24,692	2,035	-7.6%	-8,857	-4,267	4,590	-51.8%
OPERATING INCOME <sup>(1)</sup>	-5,690	-7,432	-1,742	-30.6%	-12,581	-284	12,297	97.7%
<b>EBITDA <sup>(2)</sup></b>	<b>8,795</b>	<b>13,036</b>	<b>4,240</b>	<b>48.2%</b>	<b>-8,512</b>	<b>4,965</b>	<b>13,477</b>	<b>158.3%</b>
Operating Margin	-2.0%	-2.7%			-19.1%	-0.4%		
EBITDA Margin	3.2%	4.8%			-12.9%	7.6%		
<b>MEXICO</b>								
REVENUES	75,140	69,925	-5,214	-6.9%	20,152	17,981	-2,170	-10.8%
Platforms	37,407	33,052	-4,355	-11.6%	9,106	8,829	-277	-3.0%
IT Services	37,733	36,874	-859	-2.3%	11,046	9,152	-1,894	-17.1%
Applications	0	0	0	-	0	0	0	-
Cost of Sales	-57,396	-56,664	732	-1.3%	-15,212	-15,625	-413	2.7%
GROSS PROFIT	17,744	13,261	-4,482	-25.3%	4,940	2,357	-2,583	-52.3%
Administration Expenses	-6,738	-6,711	27	-0.4%	-1,498	-1,928	-430	28.7%
OPERATING INCOME <sup>(1)</sup>	11,006	6,551	-4,455	-40.5%	3,441	429	-3,013	-87.5%
<b>EBITDA <sup>(2)</sup></b>	<b>12,786</b>	<b>8,153</b>	<b>-4,633</b>	<b>-36.2%</b>	<b>3,867</b>	<b>710</b>	<b>-3,158</b>	<b>-81.7%</b>
Operating Margin	14.6%	9.4%			17.1%	2.4%		
EBITDA Margin	17.0%	11.7%			19.2%	3.9%		
<b>OPLA</b>								
REVENUES	101,092	132,954	31,862	31.5%	28,269	41,000	12,731	45.0%
Platforms	34,606	54,342	19,736	57.0%	12,006	17,034	5,028	41.9%
IT Services	61,771	74,355	12,584	20.4%	14,927	22,729	7,802	52.3%
Applications	4,715	4,257	-458	-9.7%	1,335	1,236	-99	-7.4%
Cost of Sales	-80,493	-109,763	-29,270	36.4%	-23,013	-32,406	-9,393	40.8%
GROSS PROFIT	20,599	23,191	2,592	12.6%	5,256	8,594	3,338	63.5%
Administration Expenses	-9,568	-12,546	-2,979	31.1%	-2,846	-4,062	-1,216	42.7%
OPERATING INCOME <sup>(1)</sup>	11,031	10,644	-386	-3.5%	2,410	4,532	2,122	88.1%
<b>EBITDA <sup>(2)</sup></b>	<b>14,934</b>	<b>16,977</b>	<b>2,043</b>	<b>13.7%</b>	<b>3,316</b>	<b>6,474</b>	<b>3,159</b>	<b>95.3%</b>
Operating Margin	10.9%	8.0%			8.5%	11.1%		
EBITDA Margin	14.8%	12.8%			11.7%	15.8%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

## ANALYSIS OF CONSOLIDATED BALANCE SHEET

### Assets

As of December 31, 2017, Total Assets amounted \$879,160 million (US\$1,430.1 million) showing an increase of 0.6% compared to December 31, 2016. Main variations are as follows:

Increase in:

- Trade and other receivables by \$26,519 million (US\$43.1 million), whose balance as of December 31, 2017 was \$225,160 million (US\$366.3 million) mainly due to Colombia (consolidation of Grupo Compufácil and new contracts), Mexico and Brazil.
- Other current financial assets by \$18,017 million (US\$29.3 million), whose balance as of December 31, 2017 was \$45,453 million (US\$73.9 million), mainly driven by the funds from the sale of the interest in Transacciones Electrónicas S.A.

Decrease in:

- Cash and cash equivalents by \$23,091 million (US\$37.6 million) whose balance as of December 31, 2017 was \$40,980 million (US\$66.7 million) driven by the use of funds in the acquisition of Grupo Compufácil, working capital requirements and other investments.

### Liabilities

As of December 31, 2017, Total Liabilities totaled \$389,422 million (US\$633.5 million), representing an increase of 5.9 % compared to December 31, 2016. Main changes are:

Increase in:

- Trade and other payables by \$13,093 million (US\$21.3 million), whose balance as of December 31, 2017 was \$122,915 million (US\$199.9 million), mainly in Chile.
- Accounts payable to related companies, current by \$10,339 million (US\$16.8 million), whose balance as of December 31, 2017 was \$11,071 million (US\$18.0 million), due to higher dividends payable.
- Other current and non-current financial liabilities by \$6,238 million (US\$10.1 million) whose balance as of December 31, 2017 was \$70,078 million (US\$114.0 million) current and \$102,098 million (US\$166.1 million) non-current, mainly from Peru and Uruguay.

Decrease in:

- Non-current payable by \$5,741 million (US\$9.3 million), whose balance as of December 31, 2017 was \$8,595 million (US\$14.0 million) mainly from Brazil.

### Shareholder's Equity

Consolidated Shareholders' Equity Attributable to Owners amounted \$484,409 million (US\$788.0 million) as of December 31, 2017, decreasing 2.7% compared to December 31, 2016 (-\$13,471 million / -US\$21.9 million). The movements in Shareholder's Equity are explained by effects in the Reserve of Exchange Difference Translations (-\$40,544 million / -US\$66.0 million), as well as profit in Net Income in the period, net of dividends.

The Return on Equity (ROE) was 13.2%.

Figure 15 – Financial Ratios Summary

Financial Ratios		Dec-16	Dec-17	Δ Dec-17 / Dec-16
<b>LIQUIDITY</b>				
<b>Current Ratio</b> (Current Assets / Current Liabilities)	(times)	1.6	1.6	-1.0%
<b>Quick Ratio</b> ((Current Assets - Inventories) / Current Liabilities)	(times)	1.4	1.4	-0.4%
<b>Working Capital</b> (Current Assets - Current Liabilities)	(Ch M\$)	144,494	150,138	3.9%
<b>INDEBTEDNESS</b>				
<b>Leverage</b> ((Current Liabilities + Non-current Liabilities) / Equity)	(times)	0.7	0.8	9.5%
<b>Financial Leverage</b> (Other Current Financial Liabilities + Other Non-current Financial Liabilities) / Equity)	(times)	0.3	0.4	7.3%
<b>Short-Term Debt</b> (Current Liabilities / Total Liabilities)	(times)	0.6	0.6	0.6%
<b>Long-Term Debt</b> (Non-Current Liabilities / Total Liabilities)	(times)	0.4	0.4	-1.2%
<b>Financial-Expenses-Coverage Ratio</b> (EBITDA / Financial Expenses)	(times)	8.1	5.6	-31.4%
<b>Financial Debt to EBITDA Ratio</b> ((Current Liabilities + Non-current Liabilities) / EBITDA <sup>1,2</sup> )	(times)	1.7	1.7	-1.1%
<b>Net Financial Debt to EBITDA Ratio</b> ((Current Liabilities + Non-current Liabilities - Cash and Cash Equivalents - Other Current Financial Assets) / EBITDA <sup>1,2</sup> )	(times)	0.8	0.8	9.8%
<b>PROFITABILITY</b>				
<b>ROE</b> (Net Income attrib.to Owners <sup>2</sup> / Equity attrib.to Owners <sup>3</sup> )	%	5.5%	13.2%	770 pb
<b>ROA</b> (Net Income attrib.to Owners <sup>2</sup> / Equity attrib.to Owners <sup>3</sup> )	%	3.2%	7.4%	420 pb
<b>Earnings per Share</b> (Net Income attrib.to Owners of Comp. / Total Shares <sup>4</sup> )	(Ch\$)	30.3	74.5	145.9%
<b>Dividend Yield</b> (Dividends Paid <sup>5</sup> / Closing Market Stock Price)	%	2.2%	0.7%	-150 pb

1 EBTIDA = Operating Income + Depreciation and Amortization

2 Annual Base

3 Calculated as an average:

- Dec-17: average between Dec-17 and Dec-16

- Dec-16: average between Dec-16 and Dec-15

- Dec-16: average between Dec-16 y Dec-15

4 Numbers of shares considered:

- Dec-17 = 871.057.175

- Dec-16 = 871.057.175

- Dec-16 = 871.057.175

5 Last 12 months

## Statements of Cash Flow

Cash and Cash Equivalents totaled \$40,980 million (US\$66.7 million) as of December 31, 2017, compared to \$64,072 million (US\$104.2 million) as of December 31, 2016.

Net Cash Flow from Operating Activities totaled \$39,549 million in 2017 (US\$64.3 million), decreasing 41.4% with regards to 2016.

Cash Flow used in Investing Activities totaled \$33,363 million (US\$54.3 million), decreasing the use of funds by \$70,687 million (US\$115.0 million).

Capital Expenditures (CAPEX) amounted \$37,009 million (US\$60.2 million) in 2017, and includes: \$22,124 million (US\$36.0 million) invested in the purchase of fixed assets for internal use and projects with customers; \$12,464 million (US\$20.3 million) in permanent investments and \$2,422 million (US\$3.9 million) in intangibles.

Net Cash Flow from Financing Activities totaled \$26,145 million (US\$42.5 million) in 2017, compared to \$36,276 million (US\$59.0 million) used in 2016.

Figure 16 – Statements of Cash Flow

	Dec-16 Ch\$M	Dec-17 Ch\$M	Δ \$	Δ %
<b>Statements of Cash Flow</b>				
Net Cash Flows from (used in) Operating Activities	67,521	39,549	(27,972)	-41.4%
Net Cash Flows from (used in) Investing Activities	(104,050)	(33,363)	70,687	-67.9%
Net Cash Flows from (used in) Financing Activities	36,276	(26,145)	(62,421)	-172.1%
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATES	(253)	(19,958)	(19,705)	-
Effect of Exchange Rate changes on Cash and Cash Equivalents	(4,068)	(3,133)	935	-23.0%
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(4,321)	(23,091)	(18,771)	434.4%
Cash and Cash Equivalents at beginning of period	68,392	64,072	(4,321)	-6.3%
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>64,072</b>	<b>40,980</b>	<b>(23,091)</b>	<b>-36.0%</b>