

EMPRESAS 
S O C O V E S A

INVESTORS PRESENTATION
March 2009

- 1965** Real Estate & Construction Company founded by Eduardo Gras Díaz
First housing development – 16 houses in Temuco
- 1967** New partners join the business → Socovesa is born
- 1979** First project outside Temuco in the city of Valdivia
- 1983** The Company starts activities in Santiago
New projects for higher segment customers
- 1996** Internationalisation of the Company
Socovesa purchased participation in a project in Buenos Aires
- 2003** Enters the Engineering and Construction business to third parties → Socoicsa
- 2007** Takeover of Almagro S.A. (Apartments construction company)
Socovesa is listed on the Chilean Stock Market
- 2008** Inmobiliaria Pilaes is born



LARGEST REAL ESTATE GROUP IN THE COUNTRY

- 43 years of continuous growth and company development.
- Over 55.000 houses built.
- Successful business model and financial strength: Positive results even in poor economic cycles.
- Over 6.000 workers.
- 76 developments in 18 cities – Economies of scale, greater efficiency and flexibility.
- Housing sales US\$ 261 million and total sales US\$ 328 million (2008), with a 15,5% compound growth in the last 5 years.

EXPERIENCED MANAGEMENT WITH GREAT BUSINESS KNOWLEDGE

- 23 years of experience in the industry – Clear vision and execution of the business model.
- Ability to handle multiple projects simultaneously.

SIZE, PRESTIGE AND BRAND RECOGNITION AS COMPETITIVE ADVANTAGES

- Good brand positioning: trustworthy, quality and exceptional post-sale services.

GREAT GROWTH POTENTIAL.

- Land stock is unique, base of future growth of the real estate business.
- Growth potential through new products, segments, and markets.



Socovesa Santiago

René Castro D.
Chief Executive Officer

Socovesa Temuco

Raúl Molina C.
Chief Executive Officer

Socovesa Valdivia

Andrés Villagrán H.
Chief Executive Officer

Almagro

Mauricio Varela L.
Chief Executive Officer

Pilares

Encarnación Canalejo S.
Chief Executive Officer

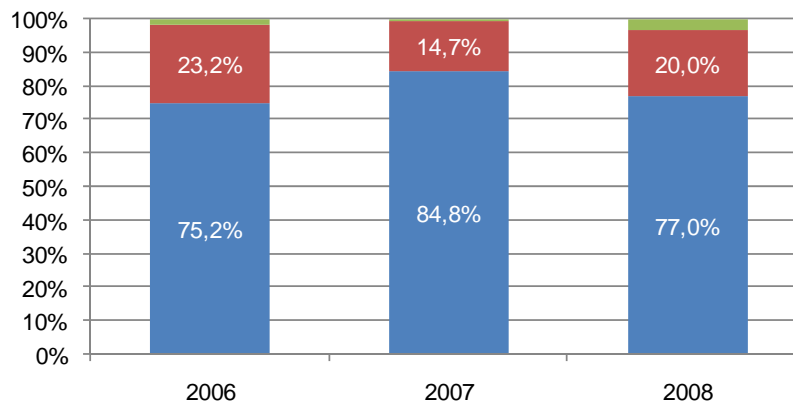
Socoicsa

Cristóbal Mira F.
Chief Executive Officer

Real Estate & Housing Business

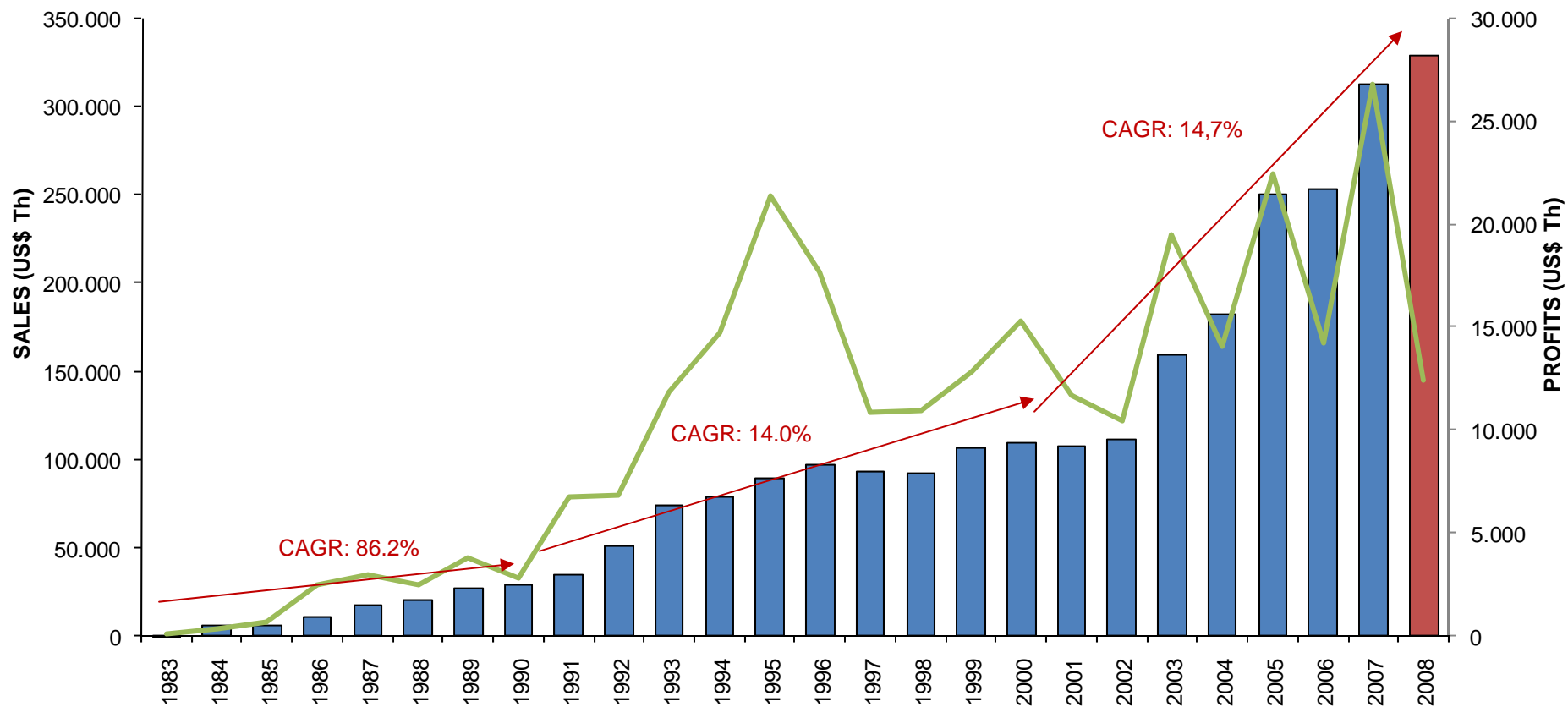
Engineering & Construction

Sales Distribution per Business Area*



■ Other Income ■ Engineering & Construction Business ■ Real Estate Business

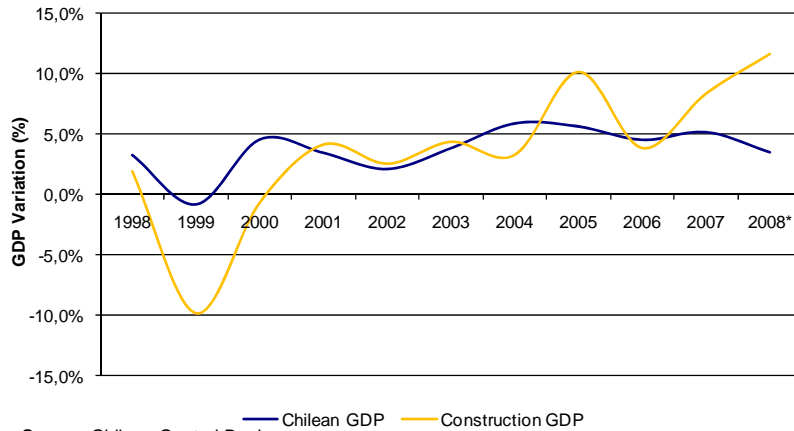
* Source FECU



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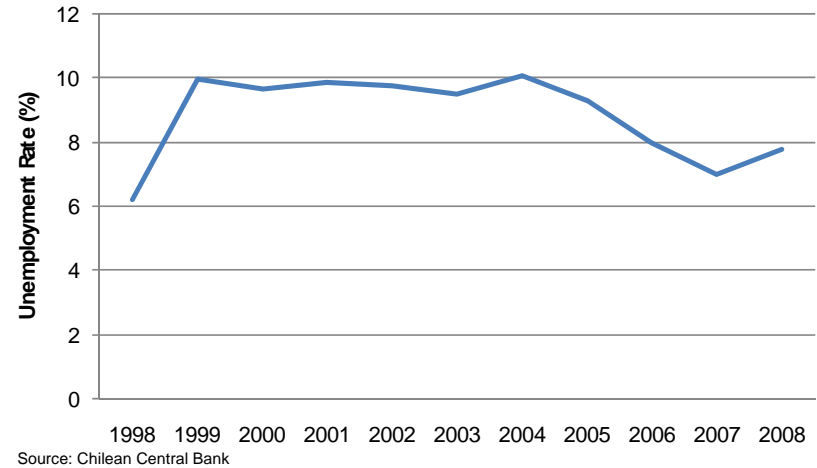
HOUSING AND
CONSTRUCTION INDUSTRY

Correlation GDP / Construction GDP



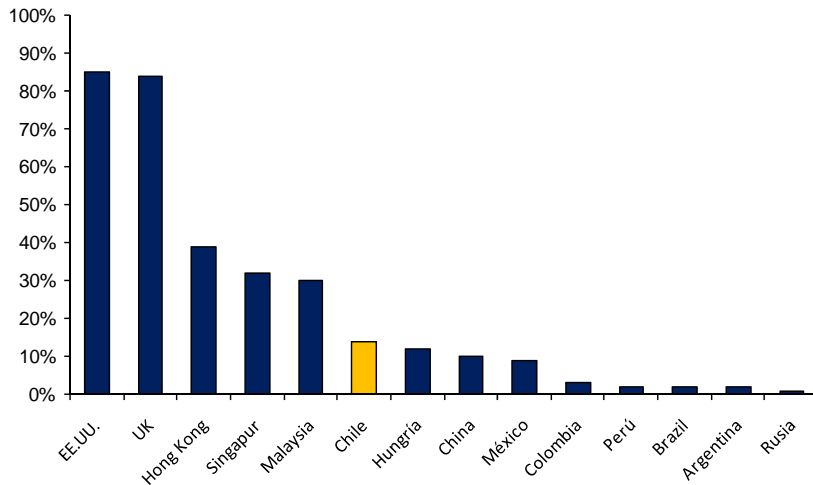
Source: Chilean Central Bank

Unemployment Rate



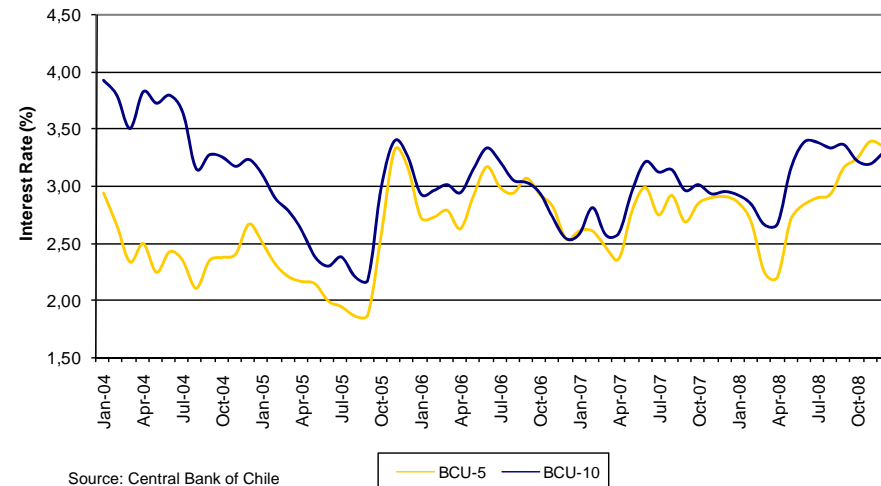
Source: Chilean Central Bank

Mortgage Loans as % of GDP



Source: International Finance Corporation

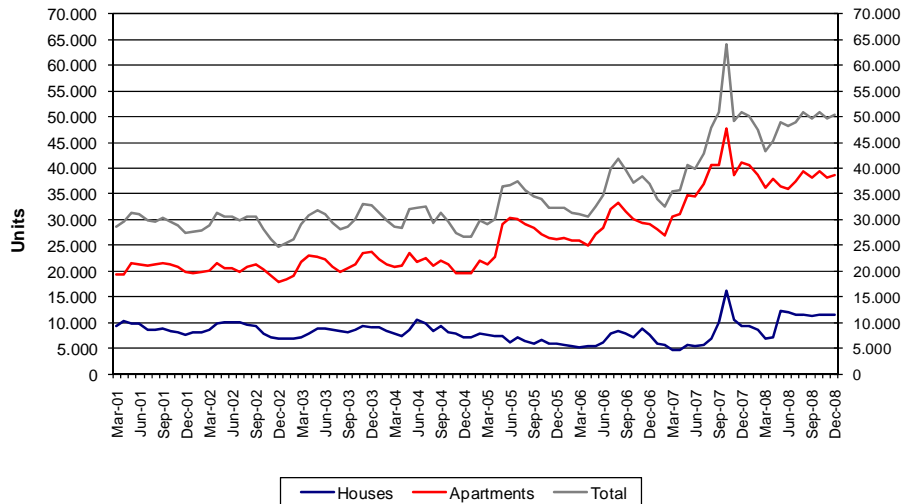
Interest Rate Evolution (BCU-5 y BCU-10)



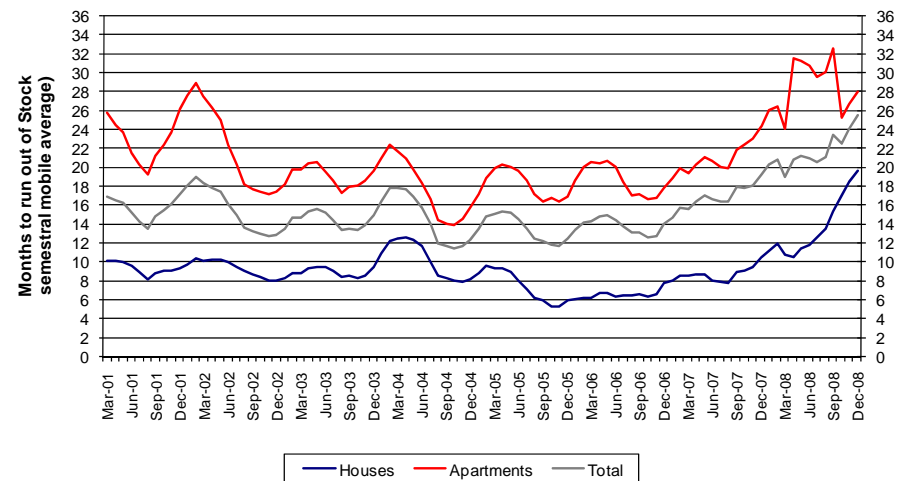
Source: Central Bank of Chile

- 🚩 Sales have decreased due to the current economic cycle, specially during the last quarter of 2008. Nevertheless, the mobile average of the last semester remains on the positive side.
- 🚩 The sales decrease has had less effect on the apartment segment.

Housing Sales in Gran Santiago (Units)



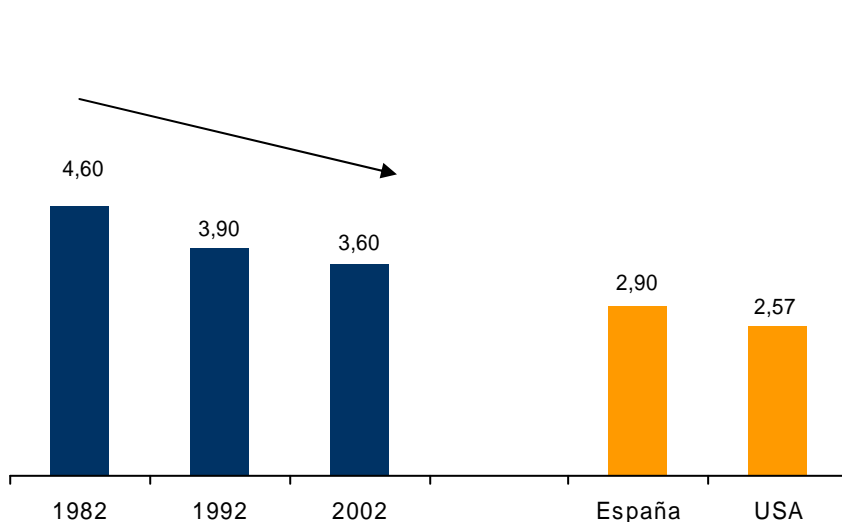
Months to deplete Stock (Semi anual mobile average)



- Professionalization and specialization of the supply
- Demand for goods with higher added value
- Positive correlation between the income level and the housing density
- Strong demographic base

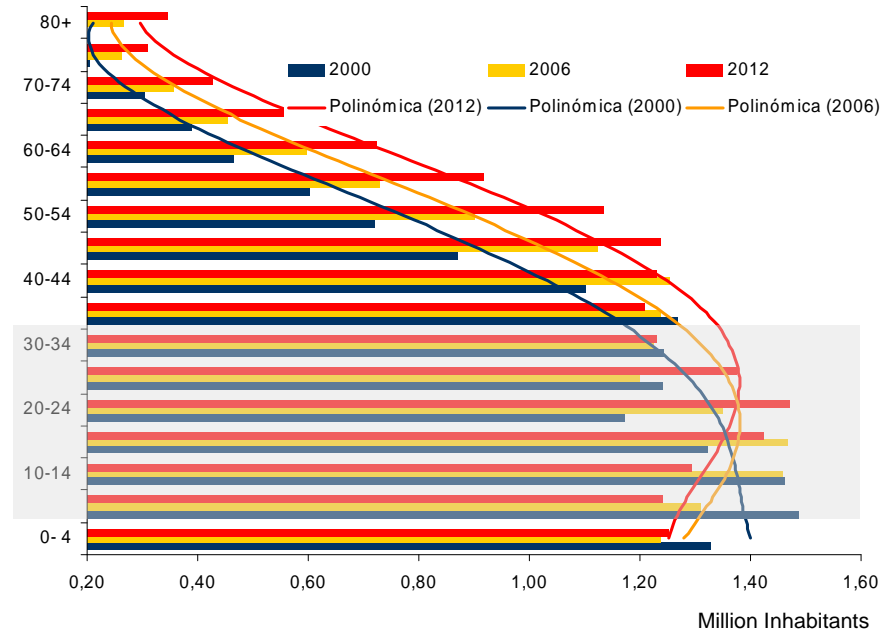
- According to INE (Chilean Statistics Institute) data, the housing demand should become stronger due to the demographic tendency of Chilean population.
- Towards 2012, there will be an important growth in the population base of 1st house home buyers.

Average size of Chilean home



Sources: INE Chile, INE (Spain), US Bureau of Concensus (2005)

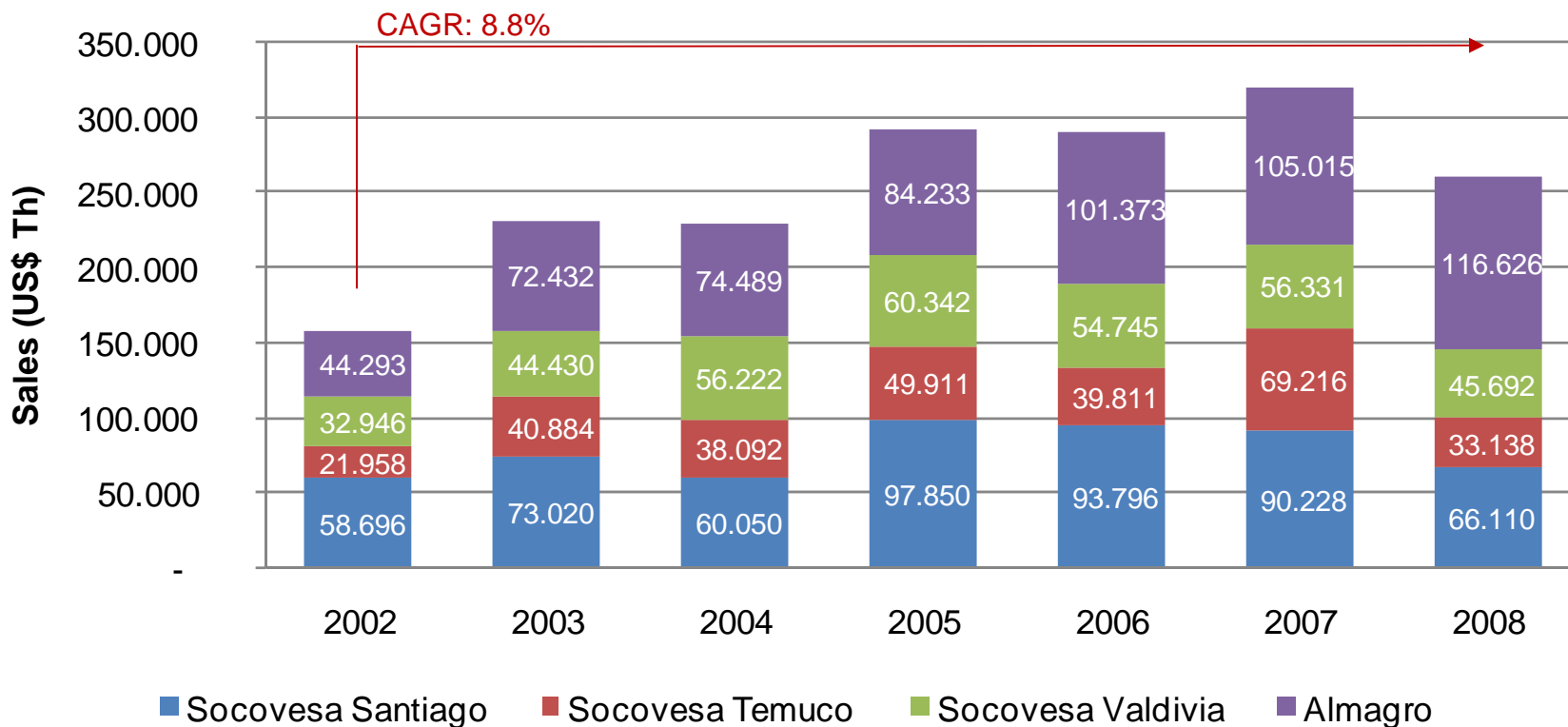
Population Distribution 2000-2006-2012



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REAL ESTATE BUSINESS

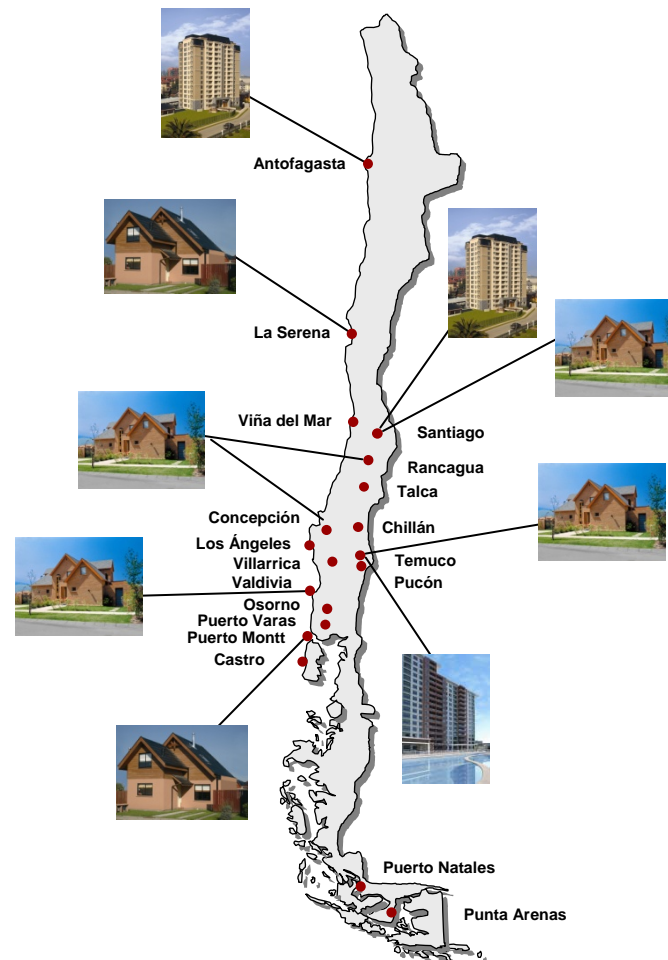
PRO FORMA REAL ESTATE SALES EVOLUTION



* Includes income from sales of new and used homes, land and others.

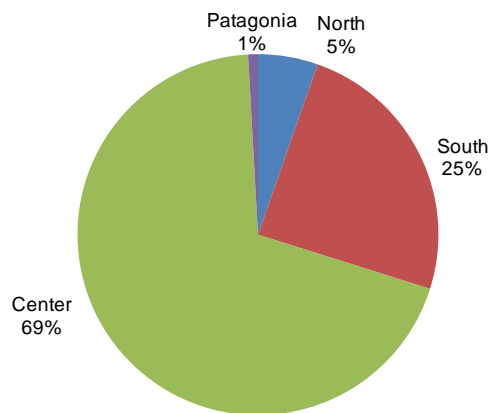
PROJECTS UNDER DEVELOPMENT- DECEMBER 2008

Business Unit	Number of Projects	Units on Sale	US\$ on Sale (Th)
Santiago	13	1.586	96.904
Temuco	14	739	47.444
Valdivia	15	870	40.928
Almagro	32	1.440	207.882
Pilares	2	173	6.078
TOTAL	76	4.808	399.236

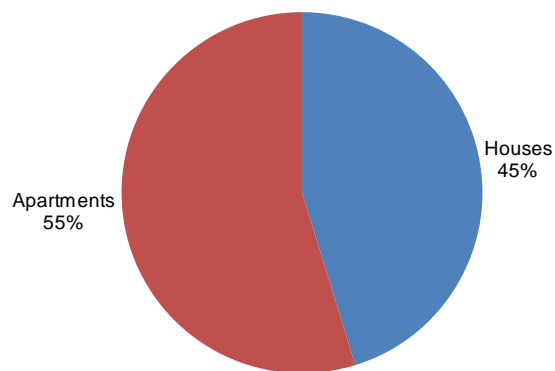


REAL ESTATE SALES DISTRIBUTION DECEMBER 2008

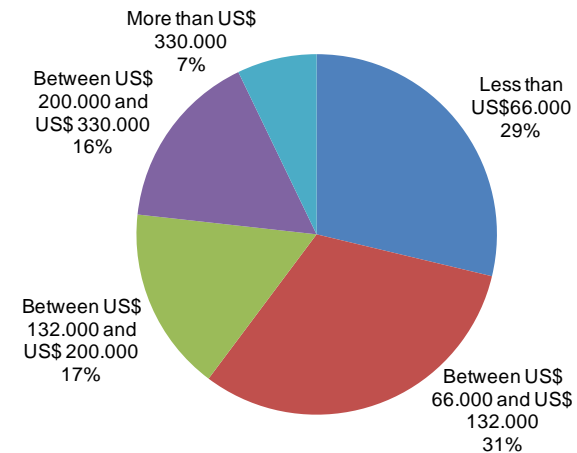
GEOGRAPHIC ZONE



PRODUCT TYPE

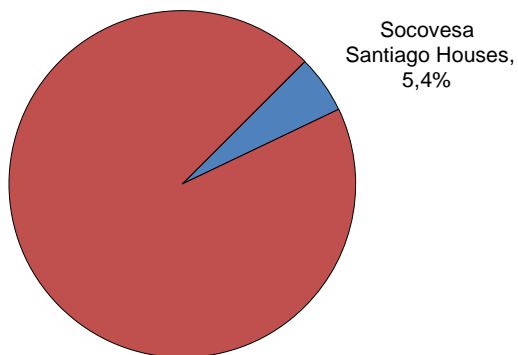


PRICE RANGE



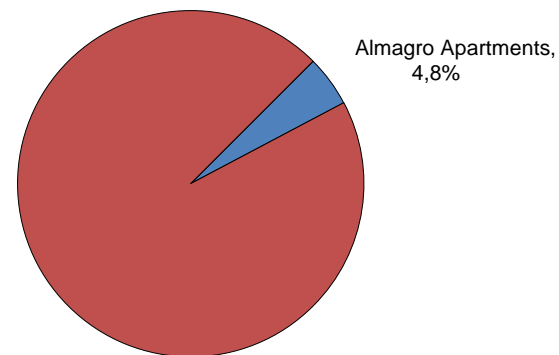
Note: Distribution presented considers the income of the sale of units from the projects currently on execution.

SOCOVESA SANTIAGO



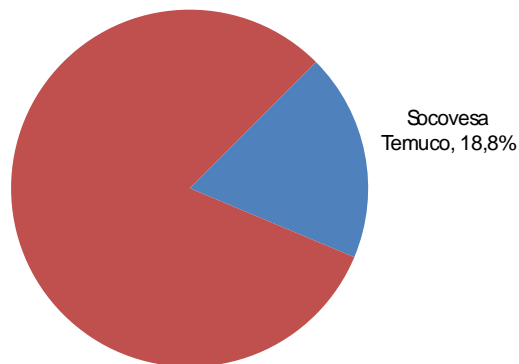
Source: Real Data 2008
Data : Includes information of houses in the Metropolitan Region, La Serena and Panguipua

ALMAGRO



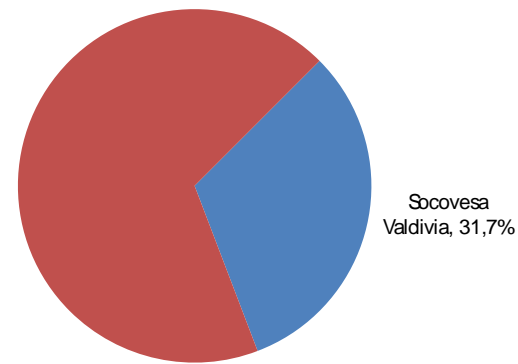
Source: Real Data 2008
Data : Includes information of apartments in the Metropolitan Region and Antofagasta

SOCOVESA TEMUCO



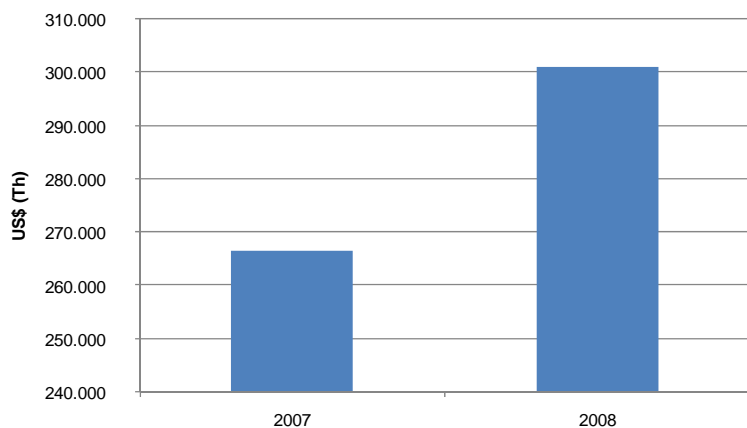
Source: Real Data 2008
Data: Includes information from Los Ángeles, San Pedro, Concepción, Chillán and Temuco

SOCOVESA VALDIVIA



Source: Real Data 2008
Data: Includes information from Puerto Montt, Puerto Varas, Osorno and Valdivia

Book Value from Land Bank as December 30th of each year (US\$ Th)

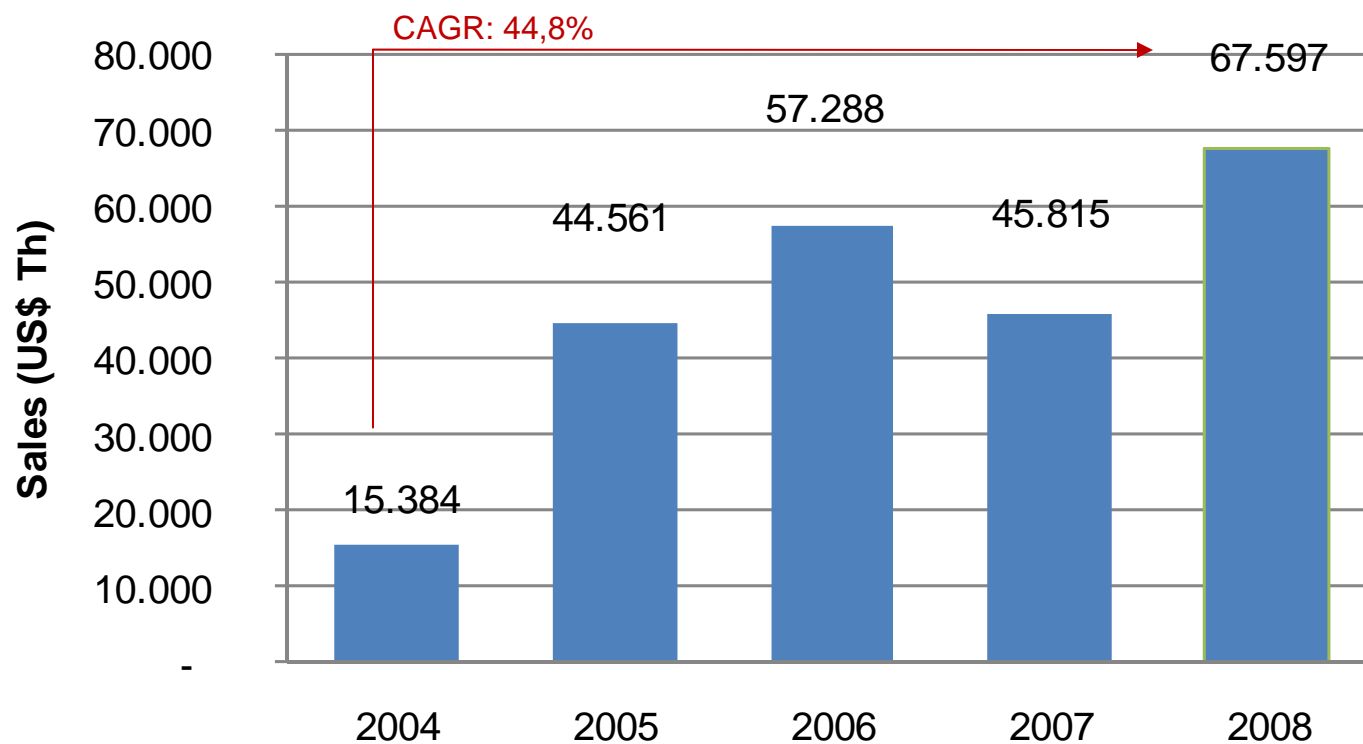


	Number of Sites	Area (m2)	Book Value (US\$ Th)
Socovesa Santiago	17	8.597.513	182.753
Socovesa Temuco	35	2.593.096	35.771
Socovesa Valdivia	26	5.384.333	32.964
Almagro	17	185.696	49.689
Pilares			
Total	95	16.760.638	301.178

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ENGINEERING AND
CONSTRUCTION BUSINESS
(SOCOICSA)

SOCOICSA'S SALES EVOLUTION*



* Considers only third parties sales

Project	Client	Contract Amount (US\$ Th)		Real Advance
Hospital Cañete	S. Salud Arauco	USD	24.517	0,0%
Hospital Santa Cruz	S. Salud O'Higgins	USD	14.507	45,7%
Ed. Angel Cruchaga	Américo Vesp. Inm. S.A.	USD	7.779	73,3%
Ed. Concepto y Estilo	Imagina	USD	7.559	50,0%
Mall Los Domínicos	Inm. Paseo Los Domínicos	USD	7.381	76,9%
Hospital Lota-Coronel	S. Salud Concepción	USD	6.942	24,9%
Jardines Patagónicos, Etapas 2 y 3	Socovesa Valdivia	USD	5.971	36,7%
Colector Interceptor Rancagua	MOP - DOH	USD	4.534	99,5%
Mirador La Esperanza	Serviu - FNDR	USD	3.740	92,0%
Jardines Patagónicos, Etapa 1	Socovesa Valdivia	USD	3.670	98,5%
Total		USD	86.600	43,0%

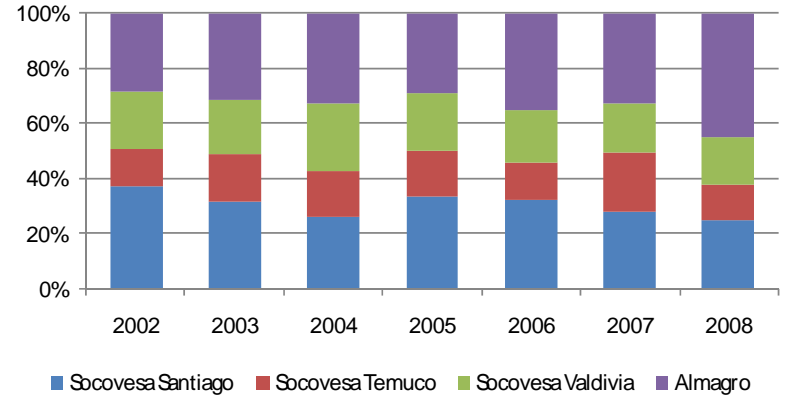
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FINANCIAL HIGHLIGHTS

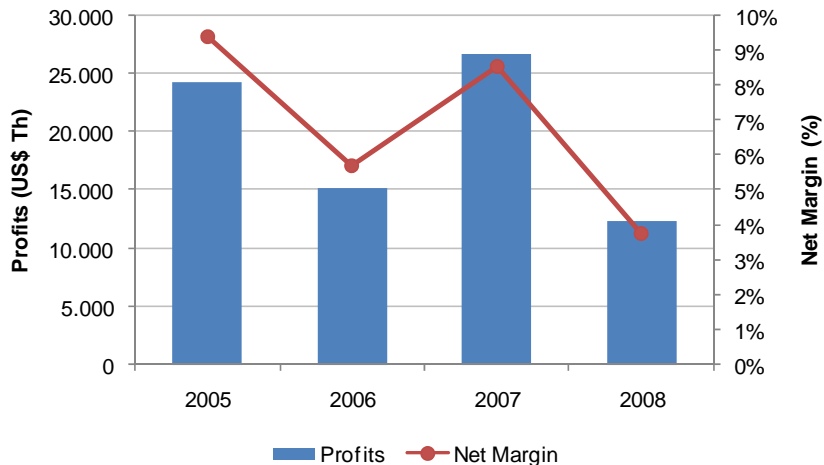
SALES EVOLUTION



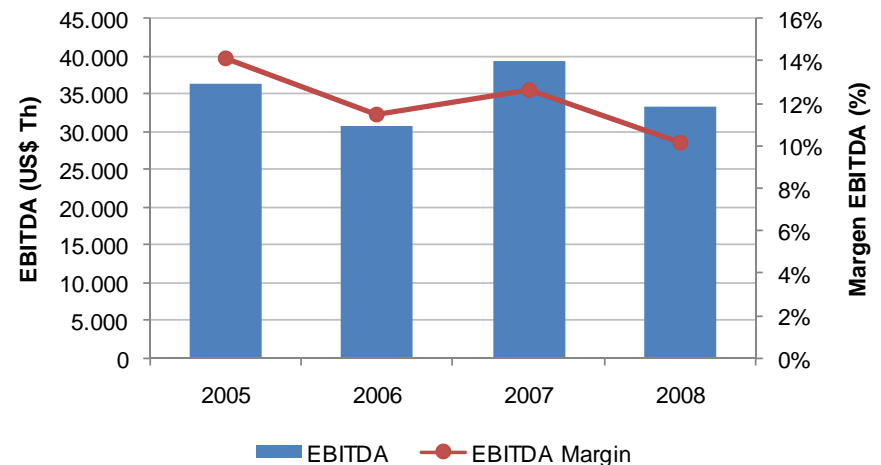
PRO FORMA INCOME BREAKDOWN



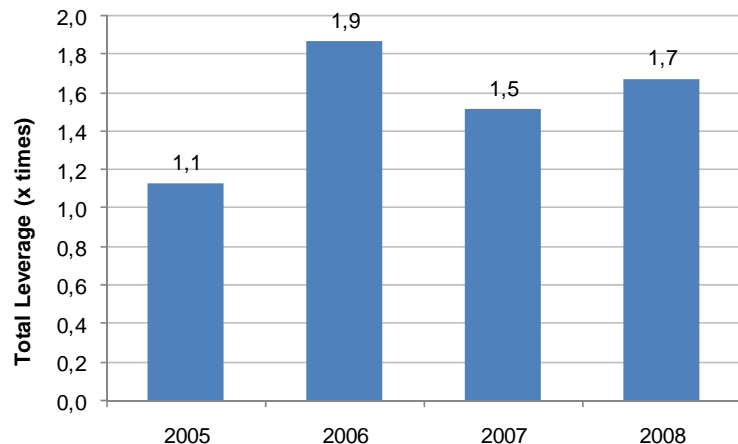
PROFIT EVOLUTION



EBITDA EVOLUTION

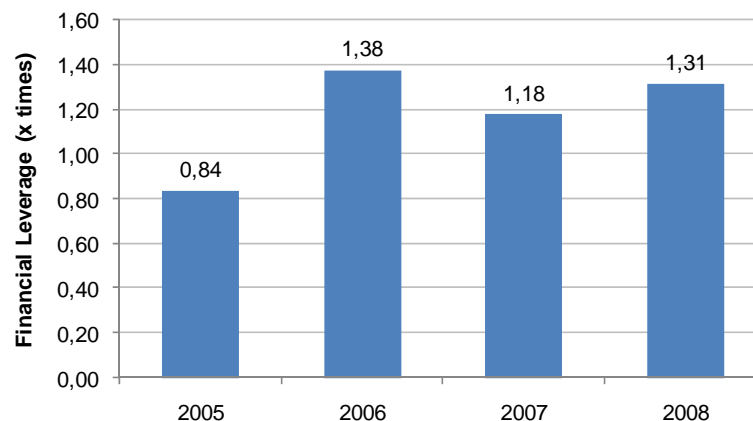


TOTAL LEVERAGE



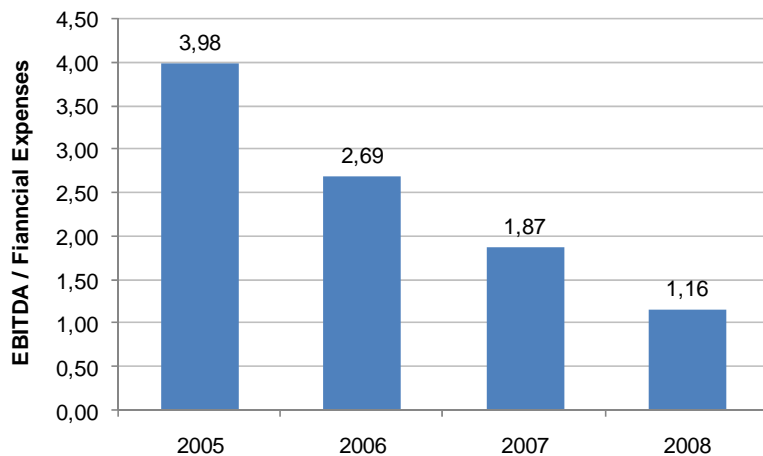
Total Leverage = Liabilities / Capital

FINANCIAL LEVERAGE



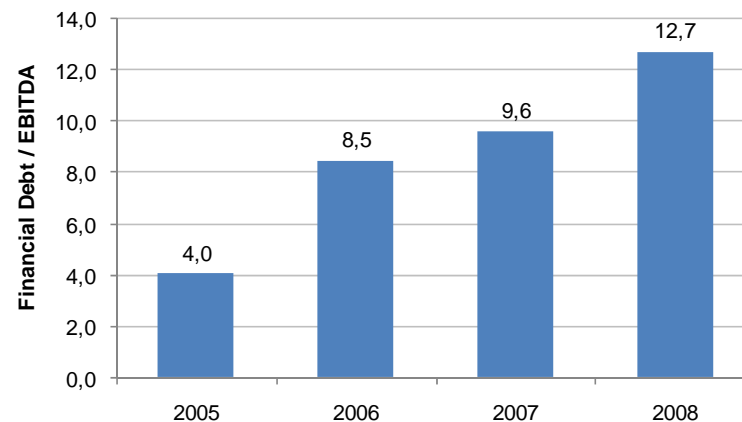
Financial Leverage = Financial Obligations (ST+LT) + Documents and accounts payable to related companies / Capital

FINANCIAL EXPENSES COVERAGE

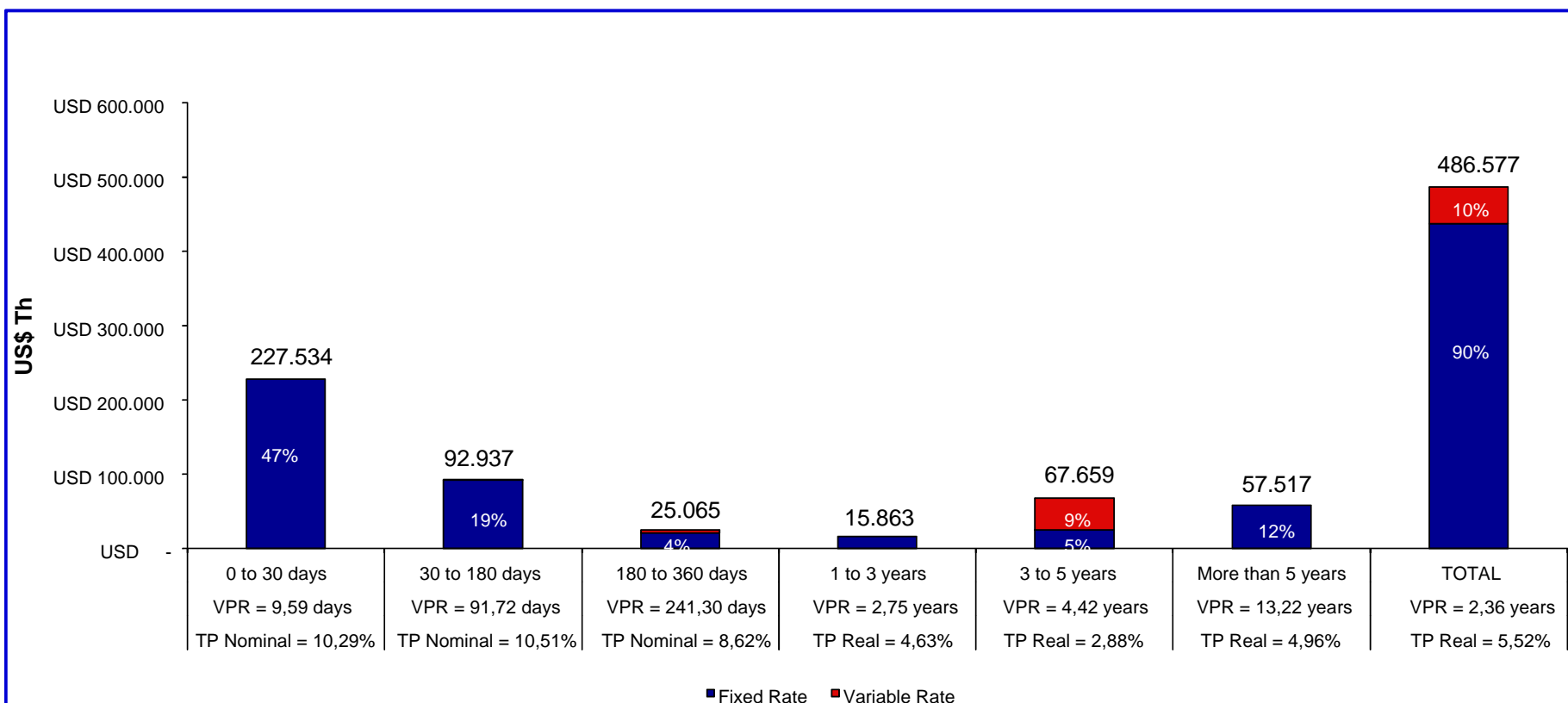


Financial Expense Coverage = EBITDA / Financial Expenses

FINANCIAL DEBT / EBITDA



DEBT BREAKDOWN (December 2008, US\$ Th)



LAND

▲ Socovesa finances most of its land acquisition primarily with its own capital or debt.

▲ In some cases, they are financed with different structures such as insurance companies, association with third parties or through purchasing options.

WORKING CAPITAL

▲ Socovesa uses short and medium term revolving lines of credits .

▲ This financing structure allows the Company to have more operational flexibility and optimization of the financial cost.

MACHINERY AND EQUIPMENTS

▲ Socovesa rents the majority of the necessary equipment for the development of its activities.

▲ Although purchases exist and minor investments are made, most are financed with own resources.

WORKING CAPITAL

- 🇦 Socoicsa finances its activities through anticipated payments of its clients. Progress reports and costs of the works are generated as work develops, and payments are made depending on progress, which permits the Company to self-finance its operations.

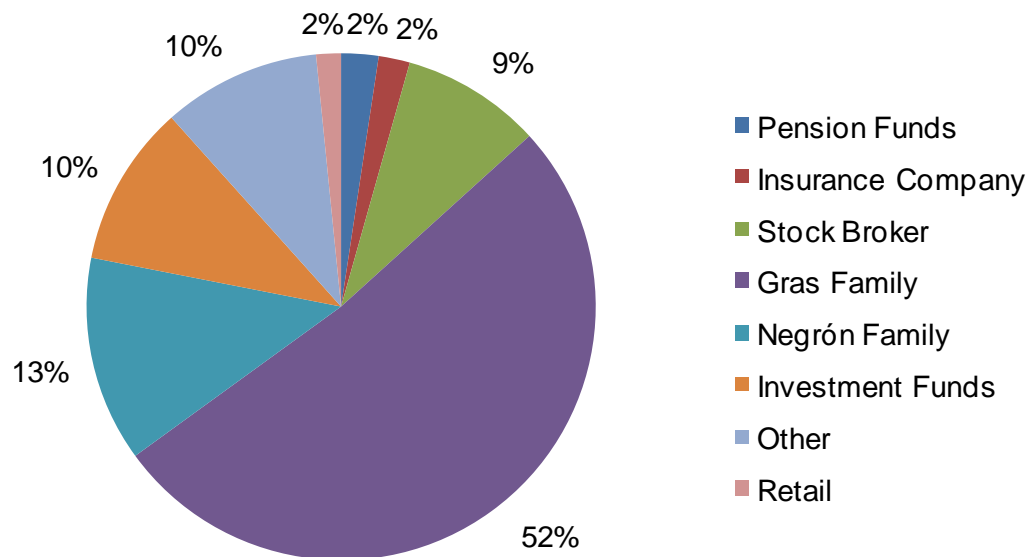
MACHINERY AND EQUIPMENT

- 🇦 Socoicsa rents all the necessary equipment for the development of its activities.

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PROPERTY STRUCTURE

- ⚠ The Company is controlled by Mr. Eduardo Gras, founder of Socovesa, and his family through 13 corporations.
- ⚠ The second largest shareholder in the Company is Mr. Justino Negrón. Today, apart from being a Director of the Company, he actively participates in the administration of Socovesa Temuco.
- ⚠ Up to December 31st, 2008, the executives and employees of the Company maintained 9.7% of the participation.



TOTAL SHARES: 1.223.935.691

SHARE EVOLUTION 2008

