Metals and Mining/Chile
Credit Analysis

CAP S.A.

Ratings

Security Class	Current Rating	Previous Rating	Date Changed
FC IDR	BBB–	NR	9/01/06
LC IDR	BBB–	NR	9/01/06
National Scale	A+	A	8/5/05

FC – Foreign currency. LC – Local currency. IDR – Issuer default rating. NR – Not rated.

Rating Watch.....None
Rating Outlook.....Stable

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Profile

CAP is the leading producer of flat and long steel in Chile. Almost all of the steel produced by its subsidiary CSH is sold within Chile either directly or via the company's steel-processing subsidiary, Cintac. CAP augments its domestic-focused steel operations with an export-oriented iron ore business that it operates through CMP. The controlling shareholder of CAP is Invercap, with a 31.32% stake in the company.

Related Research

- Special Report, "Steel Outlook: Trade Issues Loom," July 30, 2007.

Key Credit Strengths

- Integrated steel operations benefit from a high and stable local market share.
- Abundant iron ore reserves.
- Positive global outlook for iron ore industry underpins CAP's growing mining operations.

Key Credit Concerns

- Steel market is cyclical and recent emergence of China as the global steel leader makes downside less predictable.

October 26, 2007

Rating Rationale

The investment-grade credit ratings of CAP S.A. (CAP) are supported by the company's dominant presence in the Chilean steel industry, the favorable outlook for its iron ore business and its moderate financial leverage. Further factored into the 'BBB–' ratings are CAP's long-term relationships with both its steel and iron ore clients. Balanced against these credit strengths are the volatile nature of the steel industry in terms of prices and volumes, rising production costs for the company's steel business, rising energy costs in Chile and a relatively aggressive capital-expenditure program.

CAP produced and sold approximately 1.1 million tons of finished steel during 2006. The company's steel business is focused almost exclusively on the Chilean steel market, as more than 99.4% of CAP's sales were made in the country. The company ended 2006 with market shares of 51% in the overall Chilean steel market and more than 60% in the segments of the market it targets. Imports into Chile account for about 34% of the market and are primarily focused on the steel products CAP does not produce, such as plates or specialty steel.

A larger presence by imports is not expected to develop due to the small market size and the fragmentation of end users, which makes large shipments of most products uneconomical. It is also highly unlikely that another steel company would establish greenfield operations in Chile because of the combined market presence of CAP and the second-largest producer, which collectively have a market share of 65%.

In the past, CAP's iron ore business has been a relatively small part of the company's cash operating profits (EBITDA). The changing dynamics of this market have resulted in approximately 36% of the company's operating results coming from iron ore in 2006, which is expected to increase to nearly two-thirds by the end of 2010. CAP is investing in the iron ore business to increase output from 8.5 million tons to 15.5 million tons per year. Due to the overall stability of the pricing and demand for this product, this change in the consolidated composition of the company's cash flow is positive from a credit perspective in the long term. In the short term, however, the cost of these projects could result in significantly higher consolidated leverage for the company if the global steel market turns downward.

As of June 2007, CAP generated $166 million of adjusted operating EBITDA, compared with $116 million in the same period in 2006. The adjusted EBITDA includes dividends for $30 million as of June 2007 and $39 million as of June 2006, from CAP's iron ore joint venture, Compañía Minera Huasco (CMH). The upturn in EBITDA was due to $16 million from the steel processing business, which was consolidated in 2007, as well as higher volumes and prices at both the iron ore and steel business, which were offset to some extent by higher costs. The company's cost structure has risen in recent years due to the increasing cost of coking coal, which is a result of the rapid growth of the Chinese steel industry and rising energy costs in Chile.

In the past, energy represented approximately only an 8% of CAP's operational cost, which is expected to increase significantly in the next couple of years due to the increasing prices of the energy in Chile. Energy prices have notably increased from levels close to $50/megawatt hours (MWh) to more than $100/MWh and, in some peak hours, more than $200/MWh during 2007 due to tighter natural gas restrictions from Argentina and higher fuel prices while electricity demand remains on the rise. Although new diesel capacity has been installed in recent years, securing the Chilean system's energy supply, the cost of this energy will be much higher.

In addition to the positive operational results, the company sold its participation in Compañía Minera Carmen de Andacollo for $103 million, generating a profit of $64 million and improving its liquidity. As of June 30, 2007, CAP had $264 million of cash and marketable securities and $610 million of debt. CAP's total net debt-to-EBITDA ratio was 1.0 times (x) for the period. Fitch Ratings believes CAP's net debt could double in the near future as the company embarks upon an aggressive investment program that could result in about $1 billion of capital expenditures between 2006 and 2010.

■ Industry and Operational Overview

List of Companies

- Compañía Siderúrgica Huachipato S.A. (CSH) produces and sells steel.
- Compañía Minera del Pacífico (CMP) manages both the production and sale of iron ore.
- CMH is an iron ore joint venture with Mitsubishi. It currently excavates the Los Colorados mine and delivers its preconcentrate production to CMP, which in turn produces iron pellets that are resold to CMH.
- Cintac S.A. (Cintac) and Intasa S.A: (Intasa) manufacture and sell steel products.
- Manganesos Atacama S.A. (MASA) handles manganese mining and iron alloy production.

CAP Steel Overview

The size of the Chilean steel industry has both positive and negative implications for CAP. Positively, it is not economical for most market participants to export their product to Chile. Since the market is so small and the customers are so fragmented, it is difficult to achieve shipping economies of scale. Second, the size of CAP and the second-largest producer in the market—Gerdau AZA (Gerdau)—in relation to the size of the overall Chilean market make it highly unlikely that another company would build a steel mill in Chile. In 2006, CAP produced 1.12 million tons of finished-steel, while Gerdau has a capacity of 350,000 tons.

Negatively, the relatively small Chilean steel market restricts CAP's size to some extent and forces the company to produce a wide variety of steel products. Consequently, the company is not able to operate with the scale that is necessary to have a low-production cost structure globally. As a result, when global prices turn downward, CAP's profit margins are pressured more than those companies with lower cost structures.

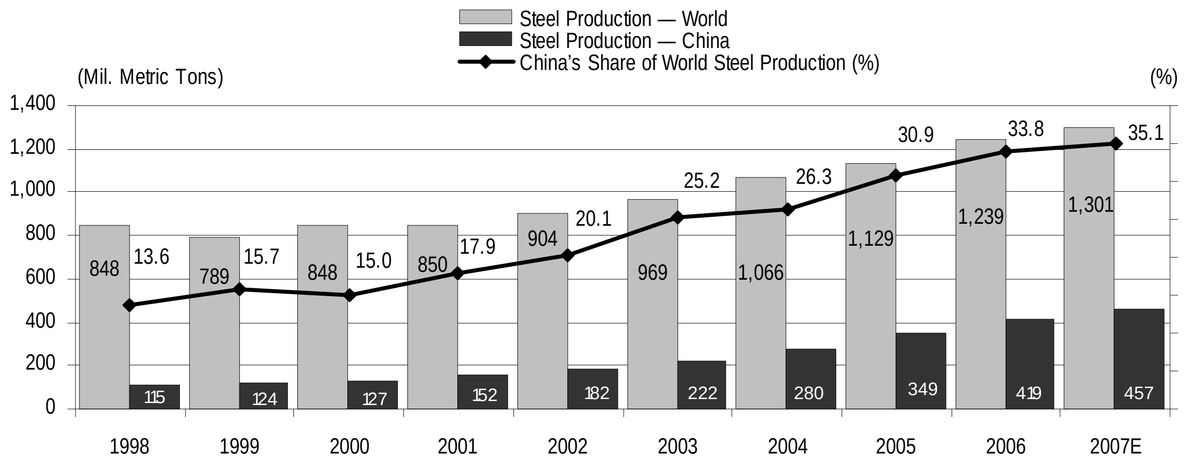
Similar to other steel companies, CAP maintains close relations with a number of its clients, allowing them to maintain low inventories. This helps the company maintain its sales volumes during market downturns. Some of these clients have even built facilities that are in close proximity to the company's steel mill.

CAP operates two blast furnaces at its Huachipato mill that have a combined capacity of 1.3 million tons of pig iron per year and a basic oxygen furnace (BOF) that has an output of 1.2 million tons of liquid steel per year. The company is currently expanding its annual output of liquid steel to 1.45 million tons by the end of 2007.

This expansion should help the company meet the growth of its target markets. Unlike most steel companies, CAP is self sufficient in its key steelmaking raw material, iron ore. The company imports coking coal, the second most important raw material in the production process, from Australia and Canada.

The liquid steel that is produced by CAP's BOF furnace is continuously cast into both slabs, for flat steel, and billets, which are used for long-steel products. As the only producer of flat products in

Crude Steel Production — World and China



E – Estimate. Sources for steel data: International Iron and Steel Institute.

Chile, CAP has dominant positions in key flat products such as hot-rolled coil (HRC), cold-rolled coil (CRC), tin plate and galvanized steel. Imports account for the balance, including those by CAP's steel service center, Cintac. These imports often are of products in dimensions not produced by the company. In terms of long-steel products, CAP is the leading provider of grinding bars and wire rods. The company splits the largest segment of this market, rebars, with Gerdau.

CAP owns 37.86% of Cintac and, together with its controlling shareholder Invercap S.A., owns 62%. Cintac, which acts as a holding company for CAP's downstream investments in the Chilean steel sector, is the largest producer of tubes and pipes in Chile.

Steel Industry Overview

Globally, strong consumption trends in Europe are offsetting weakness in the United States. Price softness in the United States should be short-lived, given strongly curtailed imports and lower production. European prices are relatively attractive, especially considering the weakness of the dollar, and some equalization from trade swings should occur before year-end, given robust demand.

Raw material prices remain high; Fitch does not expect to see relief in iron ore prices until 2009, given substantial capacity increases, while freight, albeit volatile, should moderate in the near term, given ship builds. Metallurgical coal and coke prices have moderated somewhat.

While growth in global steel demand is expected to run about 5%–6% annually over the next 12–18 months, increased production could cause a drag on pricing and strain trade relations. Excess capacity will need to be rationalized, especially given high raw material costs and rising capital costs.

■ Production

The global steel industry has been very vibrant in the past few years. Since 2001, the annual output of crude steel produced globally has increased from 861 million tons to 1.24 billion tons in 2006. This increase was up 9% from 2005, led by 19% growth in China. China's large investments in infrastructure and manufacturing have led to most of this growth, as steel production in that country surged to 419 million tons from 152 million tons during this period.

Global steel production for the first half of 2007 at 652 million metric tons (mt) is up 8% over the same period of 2006, again led by 20% growth in China. China, with production of 459 million mt over the 12 months ended June 30, 2007, currently accounts for about 36% of global output. Fitch expects China's production growth over the next 12 months to run at about 15%, which would outstrip expectations for domestic consumption growth.

The Latin American steel industry represents a relatively small segment of the global steel industry. In the first eight months of 2007, Latin American steel production accounted for 5% of the total world steel production, with 43 million tons of crude steel. The most globally competitive companies in Latin America are located in Brazil. These steel producers have modern equipment and global production scale and benefit from access to the high-quality iron ore that is prevalent in the country.

Consumption

Global steel consumption has grown at an average of 7.5% annually since 2001 (774.5 million mt in 2001), driven by construction and infrastructure building in many transitional economies to reach a record level of 1.1 billion mt in 2006. This follows a fairly stagnant period from 1973–2000, when global apparent steel consumption grew at an average of 1% annually.

China's apparent crude steel consumption more than doubled over the past five years to reach 356 million mt in 2006, or 32% of global consumption. In 2006, steel consumption was up 11.2% in the European Union (EU), 11.1% in North America and just less than 1% in Japan. Korea's steel consumption was up 5.3% in 2006, totaling 49.6 million mt on strength in shipbuilding and automotives.

Fitch expects world steel demand growth in the 5%–6% range over the next 12–18 months, driven mostly by higher growth in developing nations. Steel consumption in China will continue to be driven by expanding industrial production and urbanization. Growth should moderate, however, and track at about 10% annually over the next 18–24 months.

Chile is a relatively small market for steel due to the small population in the country, moderate income levels and absence of steel-consuming manufacturing industries, such as automobiles or appliances. The total consumption of finished-steel products in Chile was 2.2 million tons.

Steel Consumption

Region	mt (Mil.) 2001	2006	% CAGR
China	170	356	15.9
Japan	72	84	3.3
Europe	176	213	3.9
N.A.F.T.A.	131	155	3.4
CIS	32	48	8.6
Middle East	17	37	16.7
South America	27	36	5.9
World	768	1,113	7.7

mt – Metric tons. CIS – Commonwealth of Independent States. N.A.F.T.A. – North American Free Trade Agreement members including the United States, Canada and Mexico.
Sources: International Iron and Steel Institute, The Japan Iron and Steel Federation.

CAP Iron Ore Overview

CAP is the main producer of iron ore in Chile. Its mines, which are operated by its subsidiary CMP, are located in the Elqui Valley within Region IV (El Romeral mine) and the Huasco Valley in Region III (El Algarrobo and Los Colorados mines). Both of these areas are located in the north of the country, while the company's steel plant is in the south.

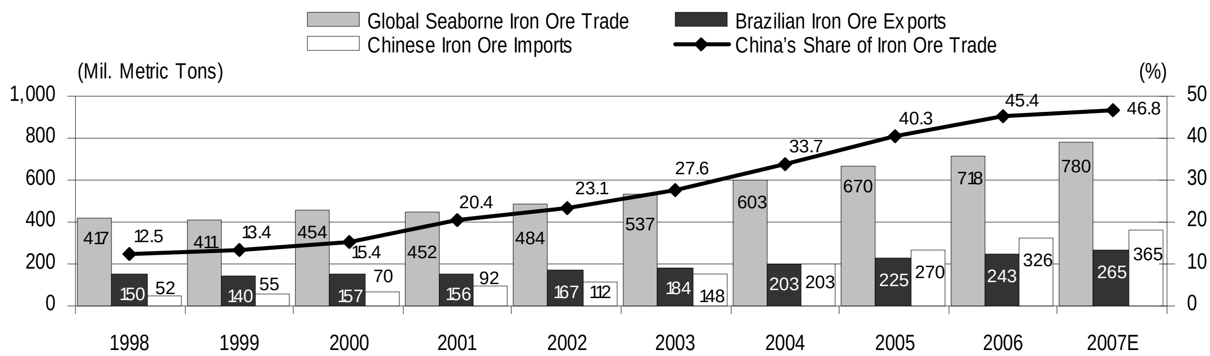
The El Romeral mine has a low-grade (31.2% iron) magnetite ore with few impurities. The products produced by this mine, after the grinding and concentrating of the ore, are lump ore and fines. The company also has a secondary grinding and crushing plant that it uses to make pellet feed. About one-half of the output from the El Romeral mine is used to supply CSH. As a result of an investment in a new grinding and concentration plant in 2005, production of iron ore at this site jumped to about 2.3 million in 2006. The increase in output is mainly in pellet feed, which will account for about 65% of the company's production at El Romeral.

CMP operates a 50/50 joint venture with Mitsubishi at Los Colorados through CMH. The ore mined at this site is delivered via rail to CMP's Huasco pellet plant, which in turn produces iron pellets and resells them to CMH. Last year, the outputs of the Los Colorados mine were 5.3 million tons. This figure should not change in 2007. The Los Colorados mine has recoverable reserves of 103.4 million tons, equivalent to 16 years of production.

Additionally, the company owns other mining properties that are not currently being developed: El Laco, in Region II; Cerro Negro Norte and Distrito Algarrobo (Alcaparra D, Algarrobo Este, Ojos de Agua and Domeyko II) in Region III; and El Tofo and El Romeral in Region IV.

The company is currently undertaking a $202 million project to extract pellet feed from the copper tailings of the Candelaria mine (which is owned by Freeport McMoRan Copper & Gold, Inc.). This project, called Hierro Atacama Phase I, is scheduled to be completed in the second quarter of 2008. Once this project is operational, the company will be able to sell an additional 3 million tons of pellet feed per year. The life of this mine is estimated to be more than 15 years. The Hierro Atacama Phase I project represents an increase in the company's iron ore production capacity from 8.5 million tons per year to 11.5 million tons per year.

Seaborne Iron Ore Trade



E – Estimate. Sources: CVRD, Sinferbase and Fitch estimates.

The company has also approved a $337 million project to develop the Cerro Negro Norte mine. This project (Hierro Atacama Phase II) would allow the company to increase its output of pellet feed by 4 million tons per year, which would give it an overall capacity of 15.5 million tons. This project could be completed by first-quarter 2010. At some point, CAP is also likely to finalize plans for a $230 million pellet plant at Punta Totoralillo. If approved as currently being discussed, this plant would also come online in 2010 and could process pellet feed into 5 million tons of pellets per year.

In the future, the company may consider developing the El Laco mine, most likely with a partner. This mine, which is considerably north of the company's existing mines, would be rather expensive because of the need to develop the infrastructure in the region. It is appealing, however, because the ore has an iron content of 61.9%. This mine could support annual output of 4 million tons for more than 25 years.

Similar to other companies in the industry, CMP has long-term supply agreements with its key customers. Fitch views these arrangements to be positive for iron ore companies from a credit perspective. The additional capacity the company is planning to bring online is needed in the industry. CMP is also appealing for its clients as they try to diversify their suppliers away from the three largest suppliers of iron ore in the industry: Companhia Vale do Rio Doce (CVRD), BHP Billiton and Rio Tinto. Key customers include Posco, JFE Steel, Kobe Steel, Jinan Iron & Steel and Hangzhou Iron & Steel.

In contrast to CAP's steel business, approximately 80% of its iron ore sales are to the export market. In terms of sales destinations, China accounted for 34% of the company's 2006 sales, followed by Chile (22%), Japan (17%), Indonesia (8%) and Korea (6%).

Iron Ore Industry

Iron ore is not considered a pure commodity due to the variety of products available (e.g., lump ore, pellets, fines) and their characteristics (e.g., size, iron content, amount of contaminants, etc.). Prices can fluctuate significantly over long periods but have not been as volatile as most commodities because, unlike copper or aluminum prices, the prices for seaborne iron ore products are not determined on a daily basis by the supply-and-demand dynamics in the international metals market. Instead, benchmark seaborne iron ore prices are set annually based on negotiations between the world's largest iron ore producers in Brazil and Australia and the world's largest steel producers in Europe, Japan and China.

In Fitch's view, the global seaborne iron ore market is an above-average industry in terms of credit outlook for the near to medium term for a number of reasons. First, the industry is extremely consolidated. CVRD, BHP Billiton and Rio Tinto account for about 75% of the market. As a result of this concentration, merger and acquisition risk is low. In addition, these companies are able to coordinate the increase in production in a way that prevents the industry from having too much capacity. Second, integrated-steel producers are completely reliant upon these iron ore producers for their most important input, iron ore. Therefore, their ability to push back in the price negotiation period is relatively weak. Third, the leading iron ore companies have established long-term supply contracts with their steel clients due to the importance of not frequently changing the mix of inputs in the blast furnace. The steel companies have also sought these agreements as a way of ensuring their supply of iron ore during periods of market tightness. Finally, the growth fundamentals for the industry are strong.

In 2007, iron ore prices increased again by approximately 9.5%. Iron ore producers continue to benefit from the unprecedented price increase of 72% in 2005, followed by a 19% jump in 2006. These price increases, along with those of several commodities, have been driven by the confluence of a relatively strong global economy and China's surging demand for raw materials. Due to constraints in mining and logistics and continued strong demand by China for higher quality imported raw materials, iron ore prices are expected to remain high compared with historical levels.

Since 2001, the seaborne iron ore industry has grown from 452 million tons to 718 million tons in 2006. Most of this growth has been driven by China, the seaborne iron ore consumption of which grew from 92 million tons in 2001 to 326 million tons in 2006. China's voracious demand for iron ore has been driven by the country's rapidly growing steel industry, the crude steel output of which has increased from 152 million tons in 2001 to 419 million tons in 2006, and by a shift from its low-quality domestic iron ore to higher quality imported ore. The potential for growth in steel consumption by China remains.

■ Financial Profile

First Half 2007 Results

CAP's consolidated EBITDA, including dividends from CMH increased to $166 million for the first half of 2007 from $116 million in the same period the previous year. The increase in the operating income resulted from a good year in all the company's businesses and mainly from the steel and consolidation of the steel processing business in 2007.

CAP's steel sales rose 21% in the first half of 2007 to $434 million, 99% of which was generated in the local market. The increase in sales was related to a 3% sales volume increase, reaching 617,748 mt and a 17% increase in the average price to $683.63 per ton from $584.27 in the prior year. EBITDA grew 124% to $91 million in the first half 2007 from $40.6 million in the same period of 2006. CAP's steel made up 52.8% of its consolidated EBITDA for the first half of 2007.

Iron ore sales reached $181 million in the first half of 2007, a 31.4% increase versus the same period in 2006. Sales volumes were up 14.7%, reaching 3.763 million mt, of which approximately 80% was directed to the external market. Benchmark prices for fines increased by 9.5%, while pellet prices grew by 5.28% for the period April 2007 to March 2008.

Iron ore EBITDA, including dividends from subsidiary CMH ($30 million in first-half 2007) was $60 million, which made up 36% of CAP's consolidated figures.

For the steel-processing business, which started consolidating in 2007, sales were approximately $208 million and EBITDA was $20.5 million in first-half 2007. This business comprised 11.2%, or $15.4 million, of CAP's consolidated EBITDA.

In addition to the positive operational results, the company sold its participation in Compañía Minera Carmen de Andacollo for $103 million, generating a profit of $64 million and improving its liquidity.

Indebtedness and Liquidity

CAP's debt increased to $610 million for the first half of 2007 from $375 million in the same period of the prior year. Cash totaled $264 million, an increase from $88 million for the same periods, respectively. The increase in cash and debt was due to the issuance of a new bond into the international market in September 2006 for $200 million. The balance of the company's debt is composed primarily of a 15-year local bond issue in October 2005 for UF4 million (equivalent to $142 million), which begins amortizing in October 2009; a $150 million syndicated loan from ABN AMRO Bank, which begins amortizing in October 2009 in semiannual installments of $25 million; and other bank loans totaling $43.5 million.

Legally, Chilean companies are required to pay 30% of their net income as dividends. CAP pays 50% but has in the past paid a lower percentage when its liquidity was tight. The company likes to balance its debt between fixed and floating rates and between bank and bond debt. Due to the export nature of iron ore and the link between steel prices and dollar prices, CAP maintains most of its debt in U.S. dollars.

To maintain liquidity, CAP intends to hold about $50 million of cash and keep about $150 million of undrawn bank lines. These lines are not committed, however.

Investments and Financing

After being privatized in 1988, CAP invested heavily in modernizing its plants and expanding into forestry. As a result, its debt climbed to $655 million in 1994, when its forestry and nonrelated businesses were spun off. At that time, CAP embarked upon a debt-repayment program. This program was temporarily stalled by the Asian Crisis in 1998 and the ensuing downturn in commodity markets.

Between 2006 and 2010, the company is expected to spend approximately $1 billion on capital expenditures. Maintenance capital expenditures total about $200 million, approved projects total nearly $250 million and potential projects account for about $500 million. The expenditures are projected to occur at a pace of about $200 million per year, with the highest year being 2008, when the company projects spending will be about $300 million. These projects are projected to be funded with a balance of debt and cash flow from operations. They could result in a doubling of the company's net debt to more than $500 million.

Approved Projects

Candelaria Tailings (Hierro Atacama Phase I)

CMP plans to produce about 3 million tons of pellet feed per year from the tailings of the copper production of Minera Candelaria (which is owned by Phelps Dodge). This project started construction in the second half of 2005 and will start operations in the second quarter of 2008. This project will increase the company's annual output of iron ore from 8.5 million tons per year to 11.5 million tons per year. This investment is projected to cost $202 million.

Huachipato Expansion

CSH is spending about $115 million to increase the production capacity of crude steel at the Huachipato plant by 200,000 tons to 1.45 million tons per year. The project is under construction.

Cerro Negro Norte (Hierro Atacama Phase II)

This project would start operations in the first quarter 2010, adding 4 million tons to CMP's iron ore capacity and reaching a productive capacity of 15.5 million tons per year. Total expenditures would be about $337 million.

Galvanized Steel Plant

CSH will construct a new galvanized steel plant with a capacity of 250,000 tons annually and will also modernize the hot rolling mill. These projects will start operations during 2010. Total investment is expected to be about $300 million.

Likely Projects

Punta Totoralillo Port Pellet Plant (Hierro Atacama Phase III)

This 5 million ton pellet plant will cost about $230 million. The pellet feed for this plant would come from the Hierro Atacama Phase I and II projects.

■ Financial Outlook

In the near term, the projections for both the steel and iron ore industry are positive. The increasing demand for steel, generated mainly from China, will keep price levels above the historical average in the short term. China's demand also positively affects producers of coal and iron ore and sustains a strong pricing environment for these products.

For CAP, the higher value of iron, complemented by its large investment program in mines, bodes well for the company's financial future. During the period of heavy capital expenditures, however, a steel market downturn could result in CAP's leverage increasing to the high end of the 'BBB–' rating category.

Financial Summary — CAP S.A.

(US$ 000, Years Ended Dec. 31)

	LTM 6/30/07	2006	2005	2004	2003	2002
Profitability						
Operating EBITDA	301,158	250,896	255,472	208,266	114,290	71,723
Operating EBITDA Margin (%)	24.0	25.2	29.0	28.7	21.6	14.9
FFO Return on Adjusted Capital (%)	16.7	15.3	21.4	23.1	12.6	10.0
FCF Margin (%)	(2.5)	(2.3)	2.9	14.6	11.9	21.8
Return on Average Equity (%)	31.1	22.6	31.0	24.1	4.5	1.5
Coverage (x)						
FFO Interest Coverage	6.3	7.3	11.7	9.9	5.0	3.4
Operating EBITDA/Interest Expense	7.4	8.3	13.2	10.0	5.2	2.8
Operating EBITDA/ Debt-Service Coverage	2.6	2.0	1.6	1.6	0.9	0.3
FFO Fixed-Charge Coverage	6.3	7.3	11.7	9.9	5.0	3.4
FCF Debt-Service Coverage	0.1	0.1	0.3	1.0	0.7	0.6
(FCF + Cash and Marketable Securities)/Debt-Service Coverage	2.4	2.0	1.3	1.5	0.8	0.6
Cash Flow from Operations/Capital Expenditures	1.3	1.5	3.2	5.6	5.0	6.5
Capital Structure and Leverage (x)						
FFO Adjusted Leverage	2.7	2.9	1.8	1.6	3.6	4.8
Total Debt with Equity Credit/Operating EBITDA	2.0	2.5	1.6	1.6	3.5	5.9
Total Net Debt with Equity Credit/Operating EBITDA	1.1	1.6	1.0	1.3	3.4	5.9
Implied Cost of Funds (%)	8.2	5.8	5.2	5.7	5.3	12.1
Short-Term Debt/Total Debt	0.1	0.2	0.3	0.3	0.3	0.4
Balance Sheet						
Total Assets	1,931,289	1,771,767	1,341,360	1,118,546	1,010,078	1,008,515
Cash and Marketable Securities	263,996	241,802	153,944	61,655	14,754	4,401
Short-Term Debt	74,684	96,923	135,947	108,545	105,921	184,368
Long-Term Debt	534,960	539,349	275,193	222,617	292,609	239,846
Total Debt	609,644	636,272	411,140	331,162	398,530	424,214
Total Debt with Equity Credit	609,644	636,272	411,140	331,162	398,530	424,214
Total Adjusted Debt with Equity Credit	609,644	636,272	411,140	331,162	398,530	424,214
Total Equity	926,666	814,971	645,757	561,819	472,849	453,385
Total Adjusted Capital	1,536,310	1,451,243	1,056,897	892,981	871,379	877,599
Cash Flow						
FFO	215,876	192,054	207,337	185,834	87,649	62,198
Change in Operating Working Capital	34,196	(11,873)	(30,627)	(25,649)	(6,617)	61,537
Cash Flow from Operations	250,072	180,181	176,710	160,185	81,032	123,735
Total Nonoperating/Nonrecurring Cash Flow	0	0	0	0	0	0
Capital Expenditures	(192,698)	(118,802)	(55,251)	(28,851)	(16,077)	(18,943)
Dividends	(88,815)	(84,043)	(96,023)	(25,154)	(1,689)	(17)
FCF	(31,441)	(22,664)	25,436	106,180	63,266	104,775
Net Acquisitions and Divestitures	80,557	(23,039)	2,392	4,428	896	(2,246)
Other Investments, Net	8,261	(573)	3,520	19,110	(7,959)	(14,170)
Net Debt Proceeds	116,175	133,375	65,667	(75,798)	(45,525)	(95,067)
Net Equity Proceeds	730	0	0	0	0	0
Other Financing, Net	7,609	779	(10,726)	(1,019)	(325)	(7,989)
Total Change in Cash	181,891	87,878	86,289	52,901	10,353	(14,697)
Income Statement						
Net Revenues	1,255,389	997,357	879,784	725,103	530,187	481,380
Revenue Growth (%)	N.A.	13.4	21.3	36.8	10.1	N.A.
Operating EBIT	190,620	135,117	154,941	153,273	59,835	22,717
Gross Interest Expense	40,529	30,281	19,307	20,822	21,938	25,681
Rental Expense	0	0	0	0	0	0
Net Income	250,629	165,386	187,025	124,820	21,043	3,352

EBITDA – Operating income plus depreciation and amortization. US$ – U.S. dollars. LTM – Last 12 months. FFO – Funds from operations. FCF – Free cash flow. EBIT – Operating income. N.A. – Not applicable.