



Santiago, March 05 2010

Dear friends:

First of all, we would like to thank all the demonstrations of support and affection we have received during this week due to the earthquake which affected our country on February 27. We also apologise for not having kept you informed on a regular basis about the recent happenings here, but we have prioritized the attention of all our passengers currently in Chile and had trouble getting out of the country, understanding how hard being in that situation is, and specially alter such an uncommon situation as an earthquake.

Now, more calmly, and sure that we have satisfactorily solved 100% of the cases, we want to report to you on the real situation occurring in Chile at present and what the immediate projections of tourism activity in the country. To this effect, we have collected all official information provided by the authorities and we have performed an assessment of each one of the Hotels, places and tourist attractions in the country. In order to do this, all the Commercial Area staff of CTS has personally visited and checked the veracity and correctness of the information provided by all organisms involved.

The earthquake, with an intensity of 8.8 degrees, affected the central and Southern area of Chile, with the cities of Concepción (epicenter and located 500 kilometers South of Santiago), Chillán, Talca and Curicó being the most damaged. In the case of Santiago, Viña del Mar, Valparaíso and the surrounding areas, they suffered a lower intensity earthquake, which is why they are rapidly coming back to normal.

We are pleasantly surprised at the capacity that our capital city has had to resist such an impact. We believe the quality of our construction, the safety measures and the capacity of our people to react, due to the frequency we face this kind of situation, has allowed a fast recovery.

It is worth reminding you that during the next month there might and probably will be aftershocks from the main quake. This means that there will be lower intensity tremors which will alter in no way the normal functioning of the city nor represent any risk to the physical safety of people.

We now give you more detailed information for each area:

Santiago, Viña del Mar y Valparaíso

Airport: It is working 24 hours. The arrival and departure of domestic and international flights has gradually normalized, and it is expected to have full recovery during next week. Now there is an improvised passenger attention structure, due to the damage to the main building. The main building should be rebuilt within three months, according to data provided by the Public Works Ministry of Chile.

Accommodation: Most hotels in Santiago present only superficial damage and are in full condition to render their services in full normalcy. In the attached file you will find the real situation of each of them, with a detail of the damage, operating capacity and the estimated date for a full 100% operation.

Excursions: The great majority of outings and excursions that can be done in Santiago are operating in full normalcy, such as city tours and visits to the surrounding areas like Viña del Mar – Valparaíso, ski centers, etc. In the case of the wineries and museums, some of them present some structural problems. Because of this, we

Antonio Bellet 77 Oficina 101- Providencia - Santiago - Chile
Phone (56-2) 251 0400 - Fax (56-2)251 0423
Email: cts@ctsturismo.cl - www.ctsturismo.cl



have replaced these visits with other alternatives. In the attached file, you will find details with all the information.

Ski Centers: Despite the intensity of the earthquake, these did not suffer any damage to their infrastructure; consequently they are 100% operational during the winter season, which starts on June 16.

Wine Routes

Colchagua: The city of Santa Cruz and all the surrounding wineries suffered serious damage and are out of operation until further notice.

Talca and Curicó: The city of Talca and all the surrounding wineries suffered serious damage and this route is out of operation until further notice.

Other tour destinations

The rest of the tour destinations in Chile, only suffered lower intensity tremors and, consequently, are in condition to provide all their services, with an infrastructure at its full capacity. Such is the case of:

Atacama Desert

La Serena and surrounding areas

Lake Region

Patagonia

Easter Island

Within the next few days, we will continue updating this information, because there are still areas to check and assess, such as Termas de Chillán, Nevados de Chillán and some hotels in the Viña del Mar and Valparaíso area.

To finish, we want to inform you that CTS Turismo is in full condition to comply with all your requirements and those of your passengers in full normalcy. Happily, our company has no tragedies to regret related to this earthquake, and all our team is more united than ever and totally committed to contribute to the prompt recovery of our country.

Thanking you all again for the support and concern shown, on behalf of Christian Carrère (Executive Director), François Carrère (General manager), and all the team at CTS,

Sincerely,

Matías Carrère G.
Commercial Manager
CTS Turismo