

## **CORPBANCA'S AND SAIEH'S FORCED DELINQUENT DISCLOSURES REMAIN INCOMPLETE AND RAISE TROUBLING NEW QUESTIONS FOR MINORITY INVESTORS, CARTICA CHARGES**

– Calls on Saieh, CorpBanca directors and Itau to Stop Deceptive Practices and Restructure Transaction to Treat All Shareholders Equally –

– Cartica Reaffirms Commitment to Legal and Regulatory Challenges –

**Washington, D.C., June 2, 2014** – Cartica Capital today made the following statement:

“Last Friday, CorpBanca issued a press release trumpeting its ‘commitment to transparency’ concerning its transaction with Itau, and triumphantly proclaiming that it ‘has gone to great lengths to disclose all material information regarding the proposed merger to shareholders.’ These statements are disingenuous and inaccurate. The same management team told Cartica four months ago that they were not even planning to disclose to investors the transaction documents with Itau.

“In fact, these latest incomplete disclosures by CorpBanca and its largest shareholder Alvaro Saieh only come as a result of pressure exerted by minority shareholders and a lawsuit filed by Cartica in New York, which exposed the fraudulent scheme Saieh and CorpBanca concocted over the last year – a scheme that is causing incalculable harm to CorpBanca shareholders.

“These incomplete disclosures fail to cure the serious deficiencies raised in our U.S. lawsuit. Even worse, they raise serious new concerns about Saieh’s fraudulent scheme and the role that Itau might have knowingly played, and continues to play, in the scheme. Despite filling their incomplete and delayed disclosures with repetitive, self-serving, and self-congratulatory statements, Saieh and CorpBanca remain engaged in an illegal and fraudulent scheme, an examination of the materials reveals.

- **Lack of Information about Sale Process:** Beginning on page 62 of the ‘disclosure document’, CorpBanca briefly outlines a process where three parties, in addition to Itau, were contacted last year to discuss a potential sale transaction. The lawyer-crafted and sanitized narrative that follows desperately attempts to validate Saieh’s conduct and demonstrate that Itau was the one and only option for CorpBanca.

The fact is the narrative omits critical information, and investors have every right to seriously doubt its accuracy. Nowhere is it disclosed by CorpBanca what exactly each of the three other “bidders” offered to pay – the most basic information to which shareholders are entitled. Also absent is any mention of the role Alvaro Saieh and CorpGroup played in these discussions, or the exact terms that each of the three other bidders were prepared to offer Saieh and his associates. We invite Saieh to honor his new-found commitment to transparency and tell shareholders exactly what each of the three other bidders was prepared to offer minority investors, on the one hand, and Saieh and his associates, on the other hand. These are only a few bits of the significant amount of the still-missing material information that minority investors are entitled to have.

- **Admission of Conflicts of Interest:** The disclosure document also admits on page 5 that CorpGroup has interests in the proposed transaction that are different from their interests as

shareholders of CorpBanca. But the document does not contain any credible explanation as to how these interests and the benefits received by Saieh and his partners were considered by the so-called independent directors when they approved the Itau transaction, or how they evaluated Itau's bid against the other bids received.

- **No Fairness Opinion with Respect to the Transaction Itself:** In both the disclosure document and in public statements, CorpBanca and Saieh misled investors into thinking that opinions issued by two internationally renowned investment banks were intended to endorse the fairness of the Itau transaction for minority shareholders, but that is not the case. In fact, the banks' letters make clear that they do not deliver any opinion as to the fairness of the transaction to the minority shareholders, and they express no view as to the additional benefits Saieh is receiving.

"We call upon Saieh and CorpBanca to disclose fully and immediately how much is being paid to the two international investment banks to deliver the letters, which Saieh and CorpBanca in turn misrepresented, and whether such fees are being paid by Saieh or CorpBanca.

- **Highly Delinquent 13D Reveals Material Information Kept Secret for 5 Years and New Information about the Itau Transaction, but Remains Deficient:** Investors can judge Saieh's true 'commitment to transparency' by his actions, not his words, and by that standard he has no commitment at all. The fact is, only last Thursday, and only as a result of our U.S. lawsuit, did he file a 500-page Schedule 13D with U.S. regulators that should have been filed over five years ago! The shamelessly high delinquency of the filing is admitted by Saieh himself on the cover page of the filing, where he notes that the report should have been filed on May 14, 2009.

The document includes dozens of stock trades that should have been disclosed to the market years ago. It also contains loan documentation that also should have been disclosed by Saieh years before we called out his delinquency in our U.S. lawsuit. Moreover, these missing documents also reveal that the credit facility being provided by Itau to CorpGroup – which previously had been disclosed in regulatory filing and public statements as being a \$950 million credit facility – is in fact a \$1.2 billion facility.

As it relates to the 13D, Saieh continues to fail to comply with U.S. securities regulations. Even though Saieh and his CorpGroup partners admit their 5-year delinquency in filing this important documentation, they continue to fail to acknowledge that they have formed a "group" with Itau for securities law purposes. The formation of a group requires, among other things, extensive additional disclosure regarding Itau, which is nowhere to be found in the delinquent 13D. We are left to wonder the extent to which Itau is a participant in Saieh's non-compliance efforts.

"CorpGroup and Itau must stop harming minority shareholders through their fraudulent disclosures and deceptive practices. We urge Alvaro Saieh, the independent directors of CorpBanca, and Itau to put an end to the wasteful spending of CorpBanca resources to salvage a fraud-ridden transaction that was structured for the benefit of the financially-struggling Saieh group. It is time for CorpBanca, CorpGroup and Itau to restructure the transaction in a manner that treats all shareholders equally. We remain open to a dialogue that is aimed at achieving these objectives. Short of that, we remain committed to our fight in front of the courts and regulators."

**ABOUT CARTICA**

Cartica Management, LLC is an alternative asset manager focused exclusively on Emerging Markets. The core of Cartica's team worked together in senior leadership positions at the World Bank Group's International Finance Corporation. With assets under management in excess of US\$2 billion, Cartica's institutional client base includes pension funds, endowments, and other sophisticated international investors.

Cartica is headquartered in Washington, DC and is registered as an investment adviser with the United States Securities and Exchange Commission. For more information please refer to:

<http://www.carticapital.com>

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