



Sociedad Matriz
SAAM S.A.

2016 Annual Report





CORPORATE IDENTIFICATION

Name: Sociedad Matriz SAAM S.A.

Taxpayer ID number : 76.196.718-5

Legal Address: Hendaya 60, 9th Floor, Las Condes, Santiago

Type of entity: Open Stock Corporation

SVS Registration Number (Securities authority): 1091

Ticker: SMSAAM

Corporate Object: The acquisition, purchase, sale and disposal of corporate stock, shares, or other rights in companies, bonds, debentures, commercial papers and other securities; to manage, transfer, use, collect their proceeds and profit from their sale and disposal.

Service to Shareholders:

DCV Registros S.A.

Huérfanos 770, 22nd Floor, Santiago, Chile

Telephone: (56-2) 2393-9003

E-mail: atencionaccionistas@dcv.cl

Investor Relations

Contact: Paula Raventos

E-mail: praventos@saam.cl

Address: Hendaya 60, 9th Floor, Las Condes

Telephone: (56 2) 2731 8215

E-mail: ir@saam.cl

Web Site: www.saam.com

Stock Exchanges

Bolsa de Comercio de Santiago

Bolsa de Corredores - Bolsa de Valores de Valparaíso

Bolsa Electrónica de Chile

External Auditors

KPMG Auditores Consultores Ltda.

Contact Information

Main Office Address:

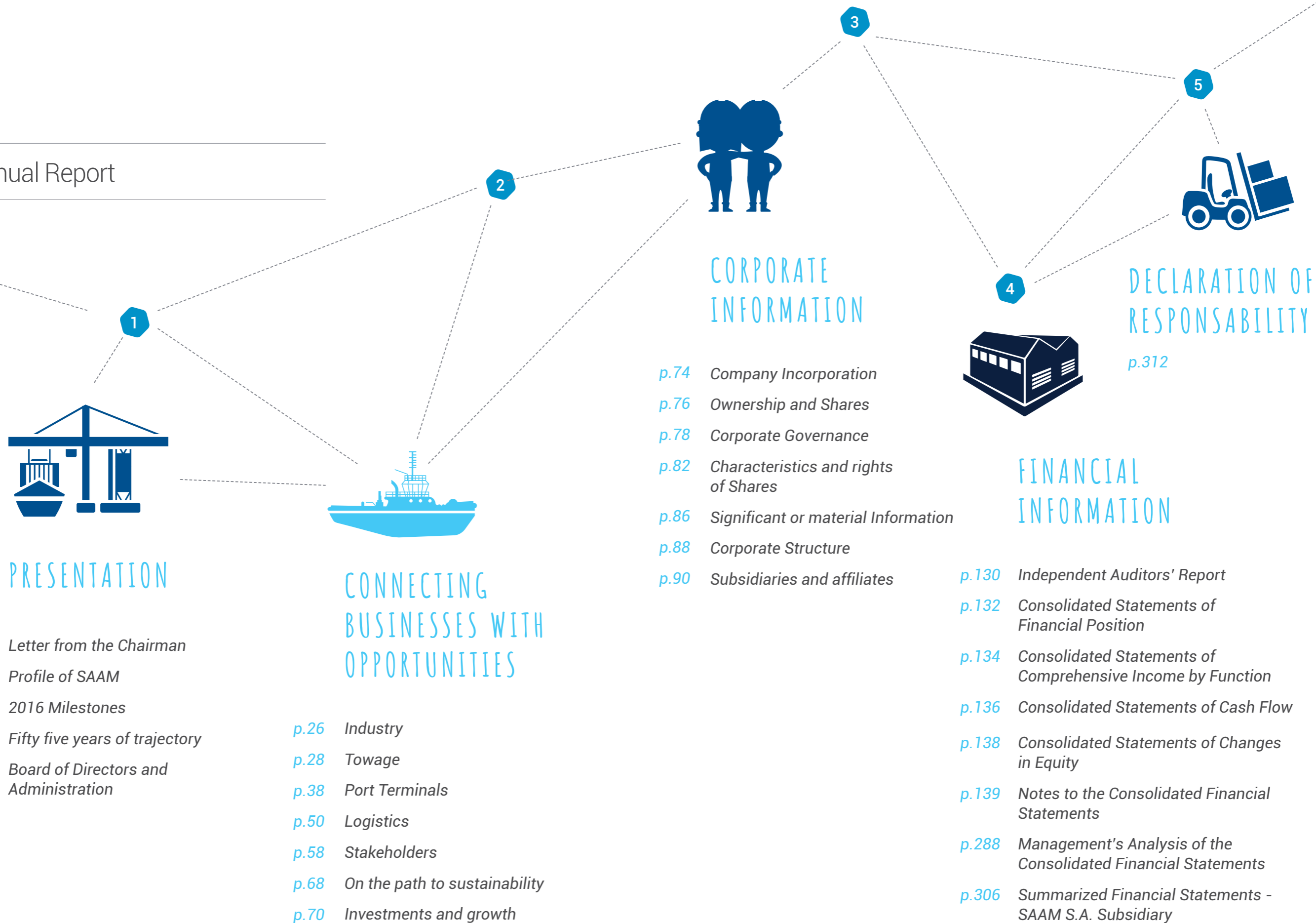
Hendaya 60, 9th Floor, Las Condes, Santiago.

Telephone: +56 2 27318215

2016 Annual Report

**Sociedad Matriz
SAAM S.A.**

2016 Annual Report





01

PRESENTATION

*Photo:
San Antonio Terminal Internacional, Chile.*



LETTER FROM THE CHAIRMAN OF THE BOARD

Dear Shareholders,

On behalf of the Board of Directors of SM SAAM, I am pleased to present our Company's 2016 Annual Report.

Over the past few years, the global economy has faced turbulent times that have slowed growth at the global and regional levels, leading to a sharp drop in international trade. Shipping companies, which are the main clients of SAAM's three business areas (Ports, Towage and Logistics), have seen historically low prices, which significantly impacted their results. This places pressure on the companies that provide services to the shipping sector and has increased consolidations and mergers in that industry.

In spite of this relatively adverse context, our Company's capacities have allowed us to deal successfully with this restrictive cycle, as evidenced by the results obtained in 2016, and to engage in a series of business activities and deals that give us an optimistic view of the future. Thanks to our diversified portfolio, an adequate business strategy and the commitment of all our employees, we have been able to offset the decline in markets such as Brazil, Mexico and Chile, and strengthen others such as Peru and Central America, obtaining a net income of US\$54.5 million and Ebitda of US\$205 million. These numbers represent a 5.6% increase in

earnings (excluding non-recurring effects from the previous period) and a 1% increase in Ebitda.

If we break down by business areas, the Port Terminals Division recorded an increase of 12% in sales, reaching US\$276 million, while Ebitda rose by 26% reaching US\$90 million. These results reflect the important progress in efficiency in all our terminals and the good performance of TISUR (Matarani-Peru), a terminal operated in partnership with the Romero Group; ITI (Iquique-Chile); FIT (Fort Lauderdale-USA); SVTI Talcahuano-Chile; and Corral (Valdivia-Chile), which offset for ports in a very competitive environment that impacted their results, such as STI (San Antonio-Chile) and TPG (Guayaquil-Ecuador).

San Vicente Terminal Internacional (SVTI), put into operation a new dock that increased its capacity by 40%, enabling it to simultaneously service two container-carrier ships 350 meters in length and 10,000 TEUs in capacity, positioning itself as one of the most important terminals in the region. Expansion work in this port's berthing sites 2 and 3 will continue this year, and high-capacity Ship to Shore (STS) cranes with long outreaches will be added.

Meanwhile, TISUR opened a modern system of "Reception, Storage and Shipment System for Mineral Concentrates", in order to meet the demands of the country's growing mining sector.

In addition, in other port terminals owned by the Company, major investment processes began providing them with more and better infrastructure: San Antonio Terminal Internacional (STI) and Terminal Portuario Guayaquil (TPG), in Ecuador, began significant extension and expansion works. In fact, in the latter port, initiatives underway will virtually double its capacity due to the expansion of its sites and the acquisition of two new STS cranes which will become the largest in the country.

In labor relations matters, we continue promoting dialogue and seeking agreements with our unions, which allowed us to have a good year in terms of safeguarding operational continuity, essential for competitiveness in our industry. One exception was the strike that took place during the the STI collective bargaining process, which intensified our commitment to maintain our dialogue which led us to redouble our commitment to dialogue and to promoting long-term collaborative relationships with workers.

Felipe Joannon Vergara
Chairman of the Board of SMSAAM

The Towing Division posted sales of US\$274 million, down 2% compared to 2015, and an Ebitda of US\$101 million, reflecting a decrease of 1.5%. These results are similar to the previous year, when a decrease in operations in Mexico due to a sluggish oil industry was balanced out by increased activity in South American operations.

During 2016, the renovation of our fleet is worthy of notice, with the addition of eight new state of the art tugboats characterized by their compactness, which allows them to maneuver in narrower ports, and by being more powerful, to service larger ships, thus meeting the industry's challenges and strengthens our position as the leader in the Americas and fourth in the world. As an example of this investment, tugboats Yunco and Huairavo, which were assigned to Quinteros Bay for LNG operations, became the most powerful in the whole West Coast of South America. Likewise, we strengthened our presence in the main port in Chile (San Antonio), in Peru – through Tramarsa- and in Canada and Panama –through our joint venture with Smit-Boskalis.

The Logistics Division, continued its adjustment and restructuring process to meet the changes in the shipping industry and lower dynamism in foreign trade, which led to a 25% decrease in revenues (to US\$167 million) and a 51% drop in Ebitda (to US\$14 million). In order to face the new



challenges and revert these results, the division closed some unprofitable operations were closed and focused its business strategy on creating value for its clients' supply chain.

Last year was fruitful in terms of SAAM's new activities and partnerships, particularly the recent acquisition of 51% of Puerto Caldera, the largest terminal on Costa Rica's Pacific Coast and second in terms of freight moved. The port is located in a strategic location of the country, given its proximity to and good connectivity with the city of San Jose, generating sales for US\$55 million last year and transferring more than 5.5 million tons. With this, SAAM adds 12 port terminals to its business portfolio and acquired its first terminal in Central America.

SAAM also was selected to join the Dow Jones Sustainability Index Chile, making us the only Chilean transportation and infrastructure company on that index. This is a reflection of our commitment to sustainability, which involved generating a work plan to cultivate closer relationship with our stakeholders (i.e. clients, suppliers, regulators, the community, and others), providing timely information to the market and developing actions that create value in our areas of influence.

All of this is reflected in our Sustainability Policy, which was approved by the Board of Directors last year and which, among other objectives, seeks to identify the risks that the Company is facing in the social and environmental spheres (as it traditionally has in regard to economics), and to report the measures that are being taken to close the gaps identified and take advantage of existing opportunities. In order to properly integrate sustainability into the Company's work, a committee composed of all corporate managers has been formed.

In 2016, SAAM reached 55 years of service to international trade. It is a history that strongly projects to the future, which was born in Chile and currently reaches the whole continent from Stewart (Canada) to Punta Arenas (Chile), and has consolidated us as one of the leaders in the 15 countries where we are present.

This is a position that we intend to strengthen and protect by continuing to diversify and internationalize our Company, implementing innovative operational plans and occupational safety, and endowing our business divisions with the assets necessary to successfully compete in the global trade services market

Maritime trade is important for the development of countries, especially Chile, which has a small economy, is geographically isolated and increasingly depends on a globalized and interconnected world. As these challenges multiply and become more complex, our commitment to Chile becomes more urgent and necessary than ever before.

We continue to have a special interest in the debate surrounding a Large-Scale Port, but while it is positive to plan port infrastructure in advance, we have a long way to go as a nation before undertaking a project of this magnitude. Rather than promoting a new mega terminal, particularly in the central region where the construction of new ports and expansion of existing ones ensure sufficient capacity for the medium-term, we firmly believe that it is critical to recover competitiveness and fully take advantage of current port infrastructure. This will allow us to ensure both operational continuity in line with our development and our workers' wellbeing and to strengthen the logistics chain, raising service standards, particularly public and roadway infrastructure services.

This is the only way that we will achieve the goal that we share: to efficiently support the growth of a country that is fully open to the world and has a strong vocation for exports.

Finally, I would like to thank our employees and executives for their constant efforts to provide quality service, our clients for the trust that they have placed in us, and all those who contribute to SAAM's daily operations.



6
COUNTRIES WITH LOGISTICS SERVICES

177
TUGBOATS

11
PORT TERMINALS

PROFILE OF SAAM

Sociedad Matriz SAAM's (SM SAAM) main asset is SAAM, multinational company created in Chile in 1961, providing an extensive and efficient support network to foreign trade. Throughout its trajectory of 55 years, SAAM has become a relevant actor in continental economy and one of the leading companies in cargo transfer, connecting small, medium and large enterprises with the world.

Through its three business areas: Port Terminals, Towage and Logistics, SAAM is present in 15 countries in North, Central and South America, generating employment for more than 11 thousand workers.



TONS TRANSFERRED ⁽³⁾
38.5
MILLION



REVENUES ⁽¹⁾
US\$ 717
MILLION



EARNINGS
US\$ 54.5
MILLION



EBITDA ⁽¹⁾
US\$ 205
MILLION



MARKET CAP ⁽²⁾
US\$ 749
MILLION



TOTAL TUGBOAT MANEUVERS ⁽³⁾
113,474



WORKERS
11,340



FIXED ASSETS ⁽¹⁾
US\$ 778
MILLION

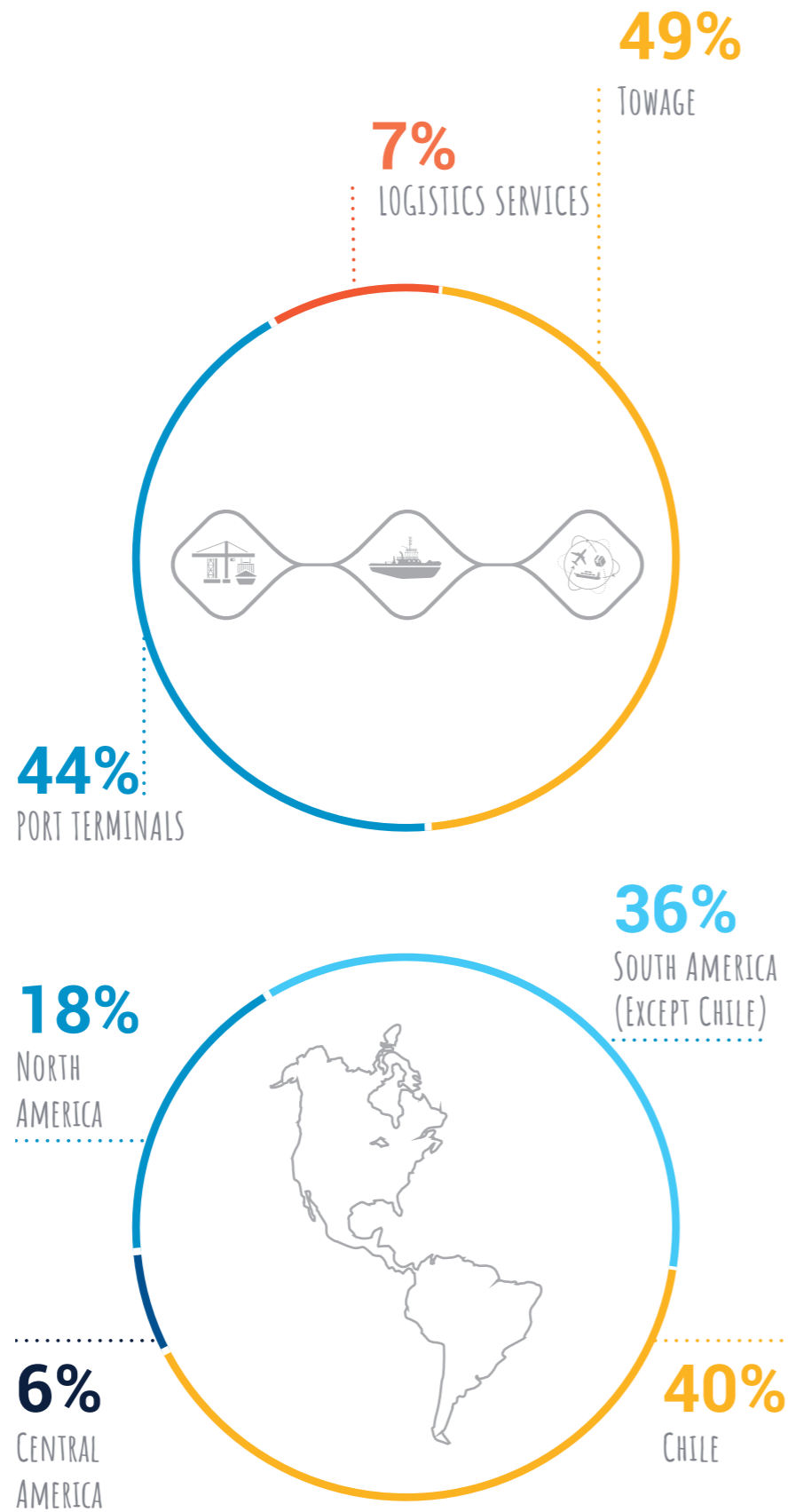
(1) SM SAAM consolidated figures and affiliates at their proportional value
(2) At December 30, 2016 Share Price Ch\$ 51.61 and US Dollar Ch\$ 671
(3) Considers volumes of affiliates and consolidated companies at 100%



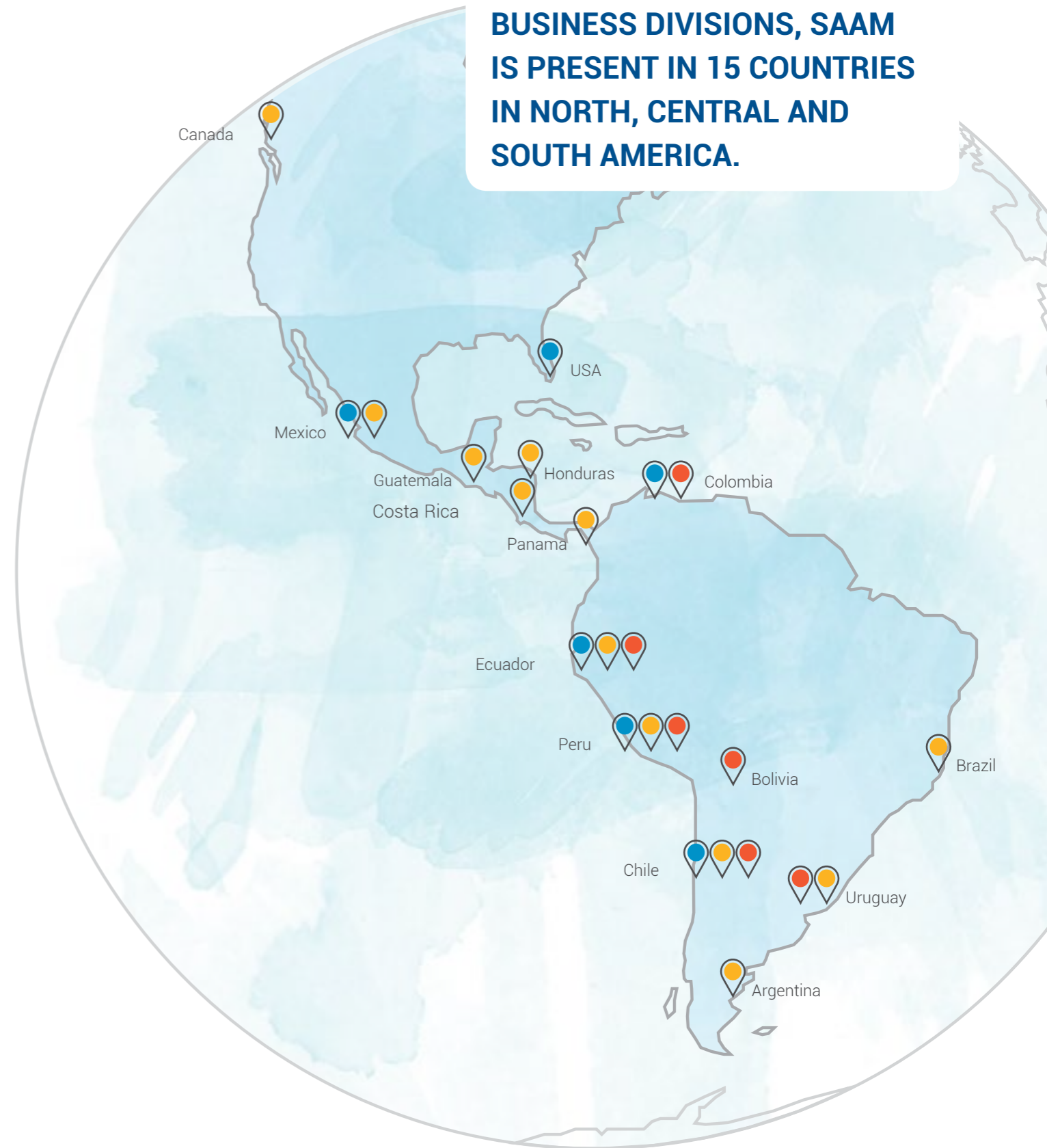
EBITDA DISTRIBUTION 2016

60%

CONTINUING ITS GEOGRAPHIC DIVERSIFICATION STRATEGY IN 2016, SAAM GENERATED 60% OF ITS EBITDA OUTSIDE CHILE.



THROUGH ITS THREE BUSINESS DIVISIONS, SAAM IS PRESENT IN 15 COUNTRIES IN NORTH, CENTRAL AND SOUTH AMERICA.



(1) Figures consider SM SAAM's consolidated companies and affiliates at their proportional value.



MILESTONES 2016

AGREEMENT TO ACQUIRE PUERTO CALDERA IN COSTA RICA.

ACQUISITION OF EIGHT NEW STATE OF THE ART TUGBOATS, THUS COMPLETING THE 2013 – 2017 FLEET RENOVATION PLAN.

EXPANSION OF TERMINAL PORTUARIO DE GUAYAQUIL (TPG).

GRAND OPENING OF NEW DOCKS IN SAN VICENTE TERMINAL INTERNACIONAL (SVTI) AND IN TERMINAL INTERNACIONAL DEL SUR (TISUR).

INCLUSION IN THE DOW JONES SUSTAINABILITY INDEX (DJSI).

MSC FLAVIA, THE LARGEST CONTAINER SHIP TO ARRIVE IN CHILE (13,500 TEU), DOCKED IN SAN ANTONIO TERMINAL INTERNACIONAL (STI).

Caldera Port Terminal, Costa Rica.

Yunco tugboat, Chile.

TISUR Port Terminal, Peru.

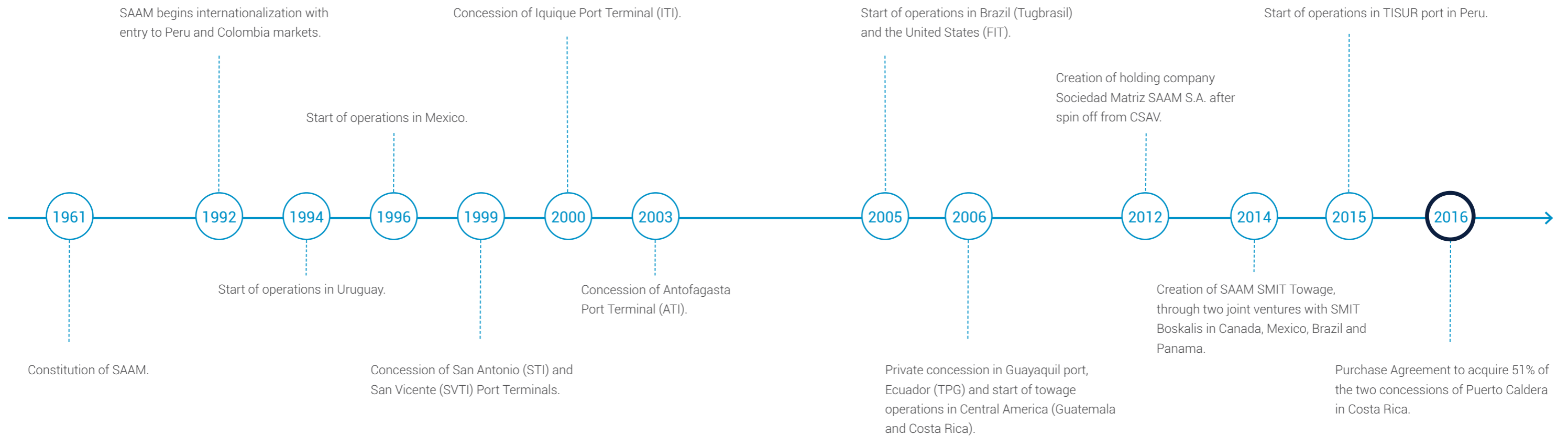
SVTI Port Terminal, Chile.

MSC Flavia container ship.

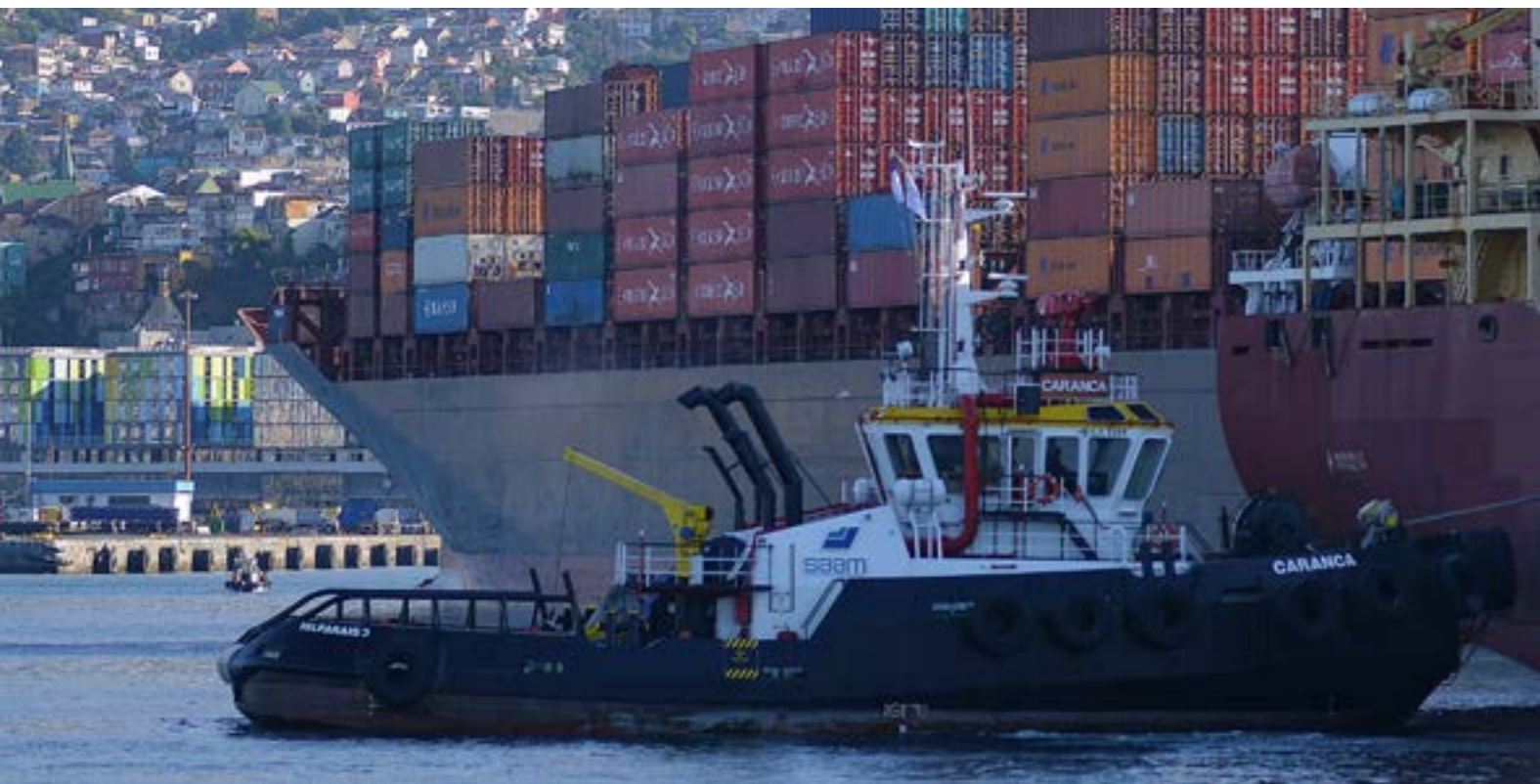




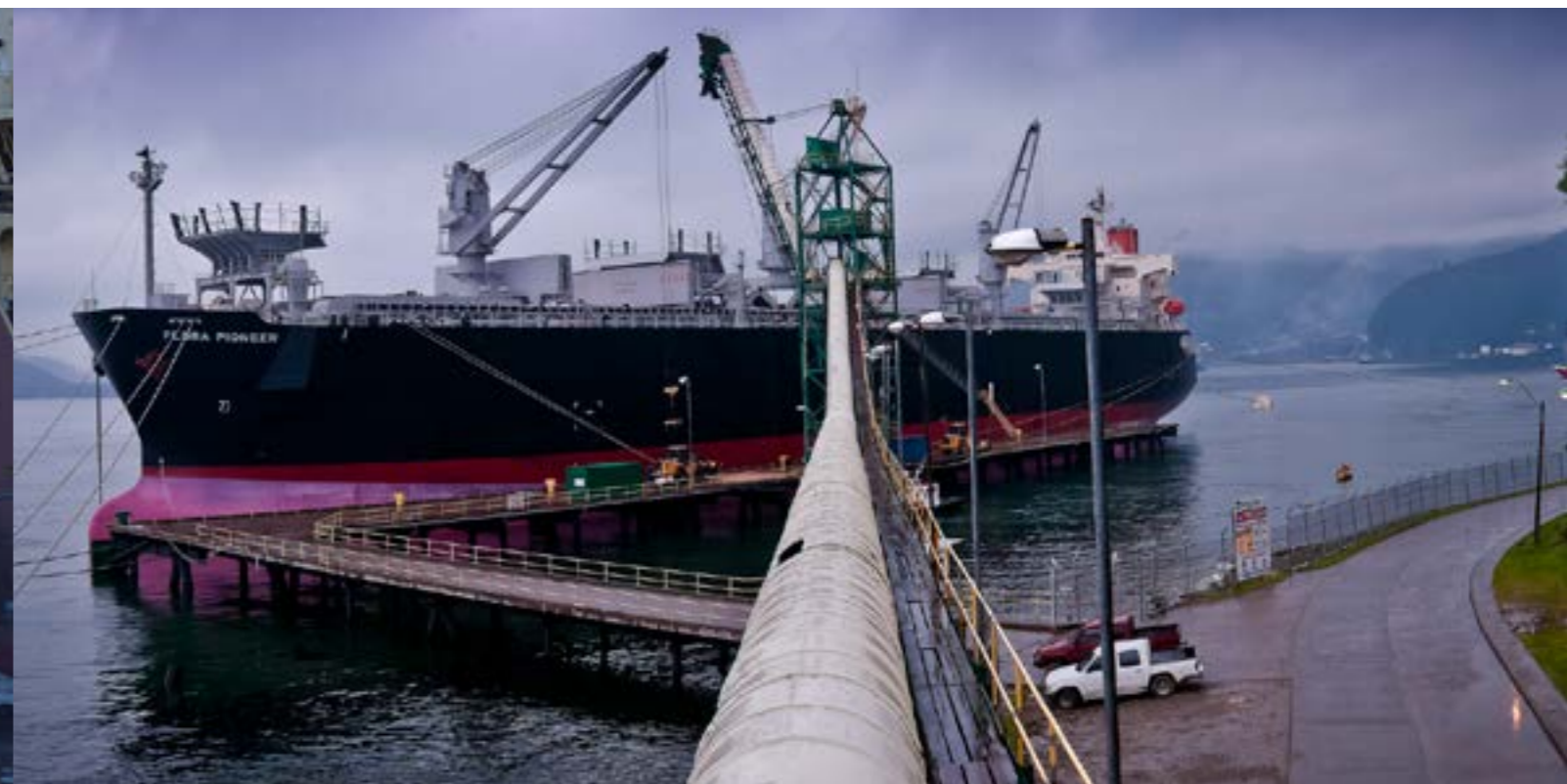
55 YEARS OF TRAJECTORY



Caranca Tugboat, Chile.



Portuaria Corral, Chile.





BOARD OF DIRECTORS SM SAAM

The Extraordinary Shareholders' Meeting held on April 8, 2016, agreed to reduce the number of Directors from 11 to 7, with the purpose of making more efficient the administration of the Company and the functioning of the Board, especially considering the size and complexity of operations and capital investments, as well as the current control structure of the Company. On said date, the Ordinary Shareholders' Meeting elected the current incumbent members of the Board for the statutory period of 3 years. The corporate statutes do not consider the existence of alternate members.

The Secretary of SM SAAM Board of Directors is Ms. Karen Paz Berdichewsky, lawyer, Chilean National ID 8.129.981-1.

CHANGES IN THE BOARD OF DIRECTORS

Messieurs Juan Antonio Álvarez Avendaño, Chilean National ID 7.033.770-3, Lawyer; Hernán Büchi Buc, Chilean National ID 5.718.666-6, Civil Engineer; Arturo Claro Fernández, Chilean National ID 4.108.676-9, Agricultural Engineer; Christoph Schiess Schmitz, Chilean National ID 6.371.875-0, Commercial Engineer, and Ricardo Waidele Cortés, Chilean National ID 5.322.238-2, Agricultural Engineer, were re-elected as members of the Board of Directors by the Ordinary Shareholders' Meeting held on April 26, 2013, position they held until the Ordinary Shareholders' Meeting held on April 8, 2016. On the other hand, Mister Gonzalo Menéndez Duque, Chilean National ID 5.569.043-K, Commercial Engineer, was also re-elected Director by the Ordinary Shareholders' Meeting held on April 26, 2013, but exercised said position until April 20, 2015.



1. **Felipe Joannon Vergara**
Chairman of the Board
Commercial Engineer
Chilean National ID 6.558.360-7

2. **Jean-Paul Luksic Fontbona**
Vice Chairman of the Board
Economist
Chilean National ID 6.372.368-1

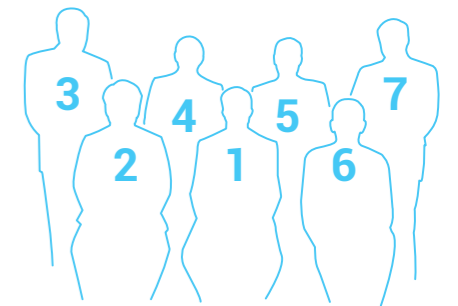
3. **Mario Da-Bove Andrade**
Independent Director
Commercial Engineer
Chilean National ID 4.175.284-K

4. **Jorge Gutiérrez Pubill**
Independent Director
Business Administrator
Chilean National ID 5.907.040-1

5. **Francisco Pérez Mackenna**
Director
Commercial Engineer
Chilean National ID 6.525.286-4

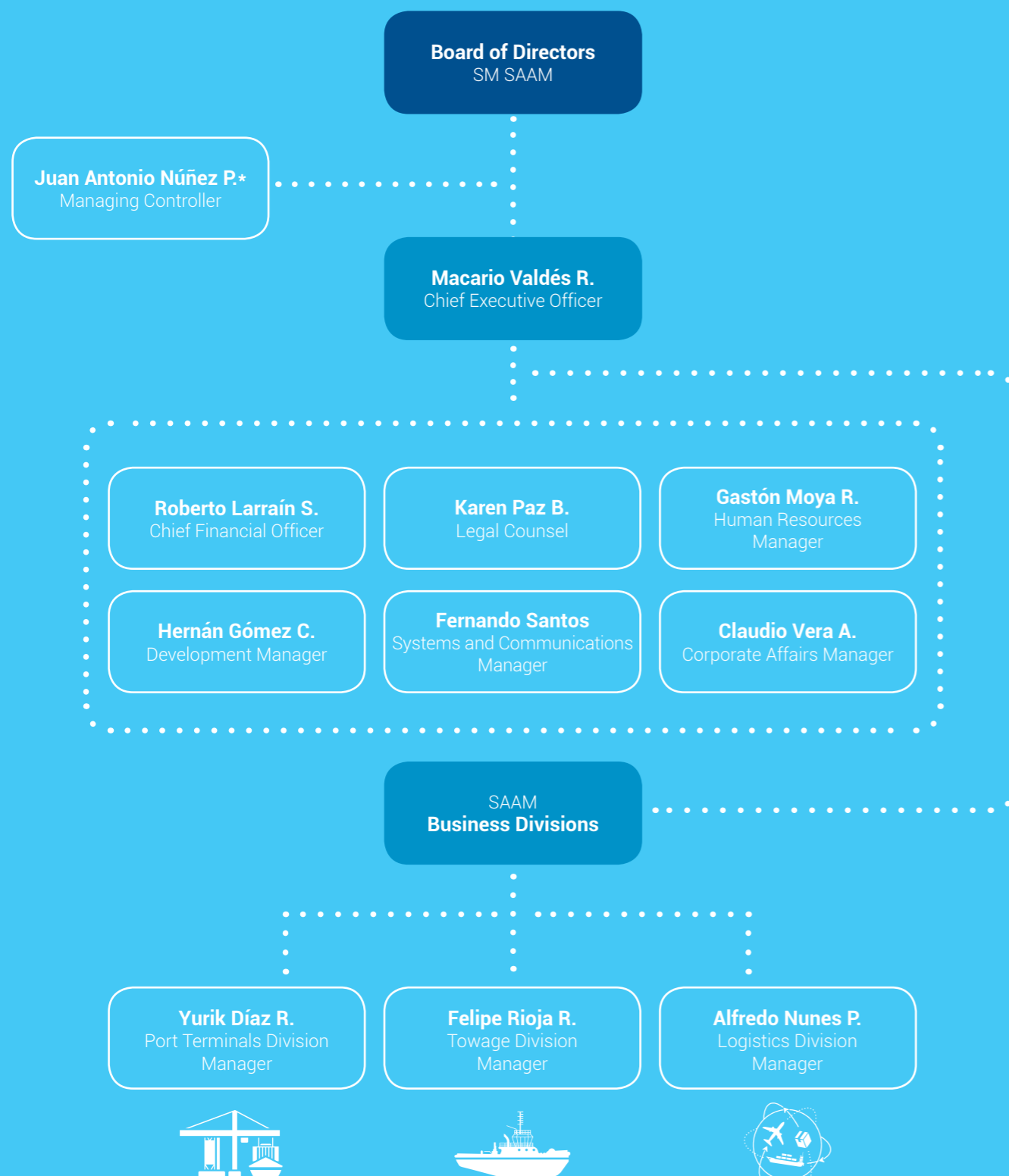
6. **Francisco Gutiérrez Philippi**
Director
Civil Engineer
Chilean National ID 7.031.728-1

7. **Oscar Hasbún Martínez**
Director
Commercial Engineer
Chilean National ID 11.632.255-2

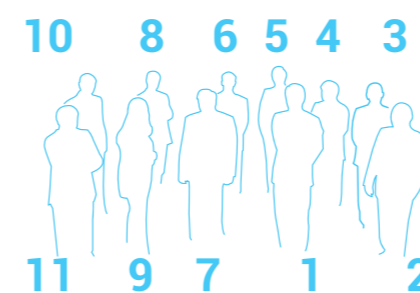




ADMINISTRATION



* As from January 02, 2017, Carmen Gloria Hernández took over as Company Managing Controller.



- Macario Valdés Raczynski**
Chief Executive Officer
Commercial Engineer
Chilean National ID 14.123.555-9
Date of Incorporation 04-01-2013
- Gastón Moya Rodríguez**
Human Resources Manager
Psychologist
Chilean National ID 8.090.156-9
Date of Incorporation 12-01-2012
- Alfredo Nunes Pinto Junior**
Logistics Division Manager
Business Administrator
Chilean National ID 25.561.478-9
Date of Incorporation 07-11-2016
- Juan Antonio Núñez Parada**
Managing Controller
Commercial Engineer
Chilean National ID 9.902.397-K
Date of Incorporation 01-01-2015
- Hernán Gómez Cisternas**
Development Manager
Civil Engineer
Chilean National ID 15.312.759-K
Date of Incorporation 04-01-2016
- Fernando Santos de la Fuente**
Systems and Communications Manager
Industrial Civil Engineer
Chilean National ID 9.605.159-K
Date of Incorporation 10-11-2016
- Roberto Larraín Saenz***
Chief Financial Officer
Industrial Civil Engineer
Chilean National ID 9.487.060-7
Date of Incorporation 11-01-1997
- Yurik Díaz Reyes***
Port Terminals Division Manager
Commercial Engineer
Chilean National ID 8.082.982-5
Date of Incorporation: 08-24-1992
- Karen Paz Berdichewsky**
Legal Counsel
Lawyer
Chilean National ID 8.129.981-1
Date of Incorporation 07-01-2012
- Claudio Vera Acuña**
Corporate Affairs Manager
Journalist
Chilean National ID 10.963.893-5
Date of Incorporation 01-13-2014
- Felipe Rioja Rodríguez***
Towage Division Manager
Commercial Engineer
Chilean National ID 8.245.167-6
Date of Incorporation 12-02-1991

* Considers date of incorporation to SAAM S.A.



02

CONNECTING
BUSINESSES WITH OPPORTUNITIES

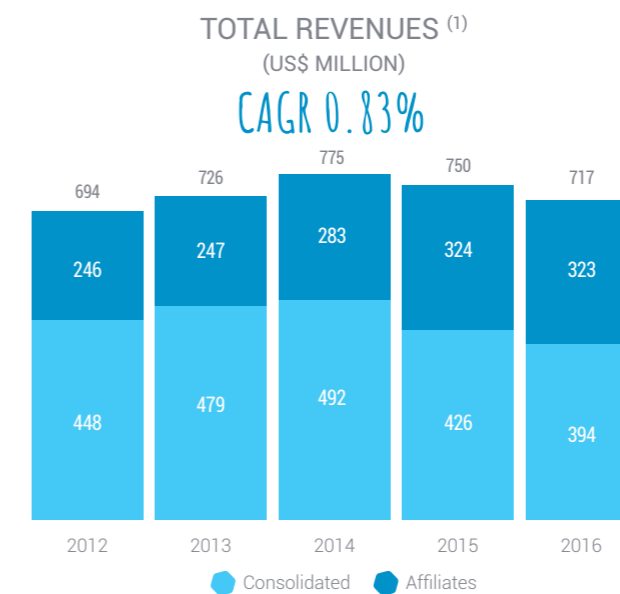
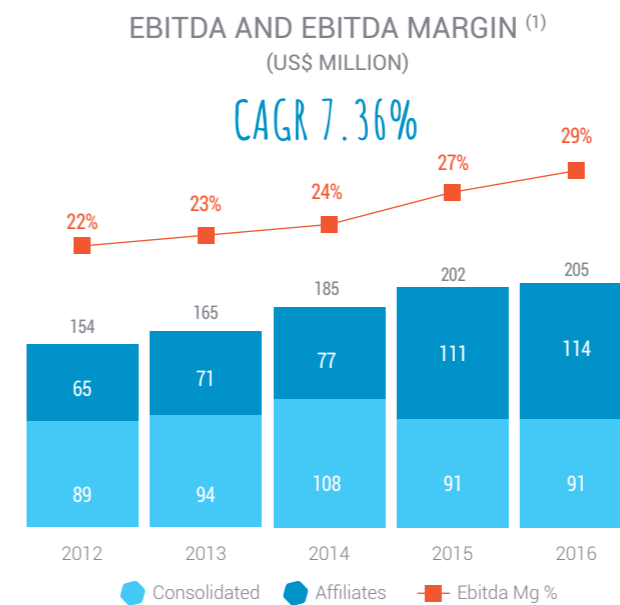
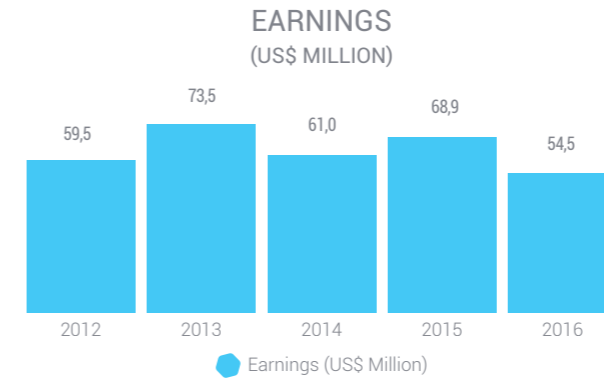


INDUSTRY

In 2016, America in general showed a weak macroeconomic overview in the 15 countries where SAAM is present, with significant fluctuations in local currencies and the price of commodities. Despite this adverse scenario, international trade and in particular maritime cargo movement, continued growing, albeit at a slower rate than in previous years. This had an impact on the shipping industry's actors, who had to merge or enter into alliances in order to reduce their costs.

Notwithstanding external factors and the challenges faced during the year, SAAM obtained positive results, underpinned by its strategy of geographical diversification, an attractive dividend yield, and a solid financial position, which allows SAAM to continue positioning itself as one of the major port operators in South America and leader in towage services in the continent.

EVOLUTION OF RESULTS



CAGR: compound annual growth rate.

(1) SMSAAM consolidated figures and affiliates at proportional value.

SAAM obtained a net income of US\$ 54.5 million in 2016, down 21% with respect to the results obtained in 2015, due to non-recurrent effects recorded in 2015. Without considering these effects, net income experienced an increase of 5.6% in 2016.

At an operational level, SAAM sales amounted to US\$ 717 million and an EBITDA of US\$ 205 million in 2016, with an Ebitda margin of 29%, increasing by 1.5 percentage points with respect to 2015.



BUSINESS DIVISIONS



TOWAGE

At December, 2016, SAAM has 177 tugboats to offer services for docking and undocking of vessels, assistance, salvage towing, towage and also specialized services to vessels in off-shore terminals, as well as positioning and anchoring of oil and gas platforms. With 73% of its fleet being azimuth⁽¹⁾ tugboats, it provides superior maneuverability, safety and speed in its operations.

With operations in the main ports in Canada, Mexico, Guatemala, Honduras, Costa Rica, Panama, Ecuador, Peru, Brazil, Uruguay and Chile, SAAM provides services in over 80 ports and has a leading position in the majority of markets in which it operates.

(1) Azimuthal: State-of-the-art tugboats with screw propellers that can spin up to 360° round a vertical axis.

177

STATE OF THE ART TUGBOATS

TO PROVIDE SERVICES IN THE MAJOR PORTS IN 11 COUNTRIES OF THE AMERICAN CONTINENT.





MILESTONES 2016



AWARD OF CONTRACTS IN PUERTO BALBOA AND PUERTO CRISTÓBAL IN PANAMA AND IN PUERTO CORTÉS IN HONDURAS.



RENEWAL OF CONCESSION CONTRACT IN ALTAMIRA, MEXICO.



ACQUISITION OF EIGHT STATE-OF-THE-ART TUGBOATS IN CHILE, PANAMA AND PERU, COMPLETING THE 2013-2017 FLEET RENOVATION PLAN.



RISK PREVENTION PROGRAM ALLOWED US TO REDUCE THE ACCIDENT RATE BY 15% IN 2016 WITH RESPECT TO THE PREVIOUS YEAR.



Mirlo and Tordo Tugboats, Chile.





PRESENT IN 84 PORTS, SAAM IS THE MAJOR TUGBOAT OPERATOR IN THE AMERICAS.

Photo: Capilano Tugboat, Canada.



HARBOUR TOWAGE

Awareness that clients require a flexible service that meets their needs, SAAM has a versatile and modern tugboat fleet with experienced crews that provide safe and professional services.

SAAM provides services to container ships, oil tankers, chemical tankers ("quimiqueros" – transporting corrosive substances, etc.), and ships transporting natural liquefied gas; to Roll-On – Roll-Off shipping vessels, reefers and mixed cargo ships.

SAAM has harbour towage service concessions in Mexico and Costa Rica.

SPECIAL SERVICES

Oil

For the past 12 years, SAAM has provided tugboat services to the Mexican Oil Company –Pemex-, to assist in loading the oil (static towage) and also with the drilling equipment.

In Brazil, SAAM provides service to Petrobras in Angra dos Reis, with 4x 45 TBP⁽¹⁾ equipped with Fifi⁽²⁾ and response capacity in case of oil spills.

In Canada, on the other hand, it provides services in terminals and serves as an escort to crude oil tankers and chemical tankers arriving and departing from British Columbian waters. Furthermore, it has tugboats allocated to Vancouver meeting and surpassing the highly regulated standards within that region, to assist in docking and undocking in terminals, and tied-up escort services assisting in the 90 nautical miles transit to open waters.

(1) TBP: Total Bollard Pull.
(2) Fifi: Fire fighting

LNG/Fuel

SAAM and its subsidiaries are experienced in the operation of LNG terminals. The most important ones include those of the LNG Terminal in Altamira, in Mexico, and that of Petrobras in Salvador de Bahia, Brazil.

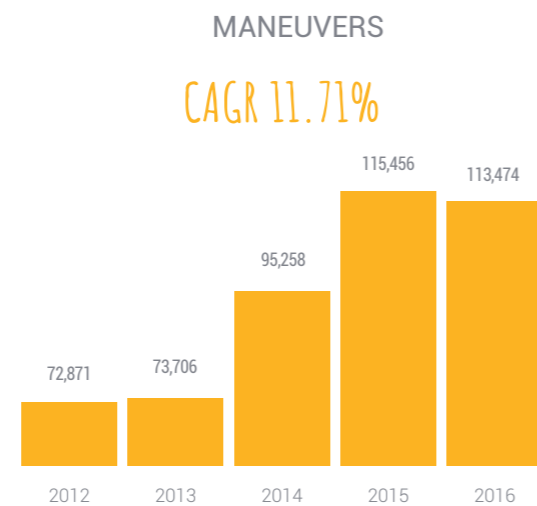
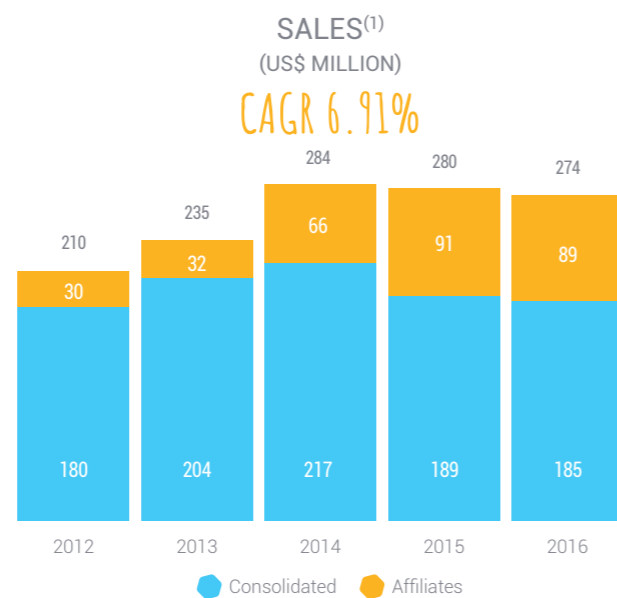
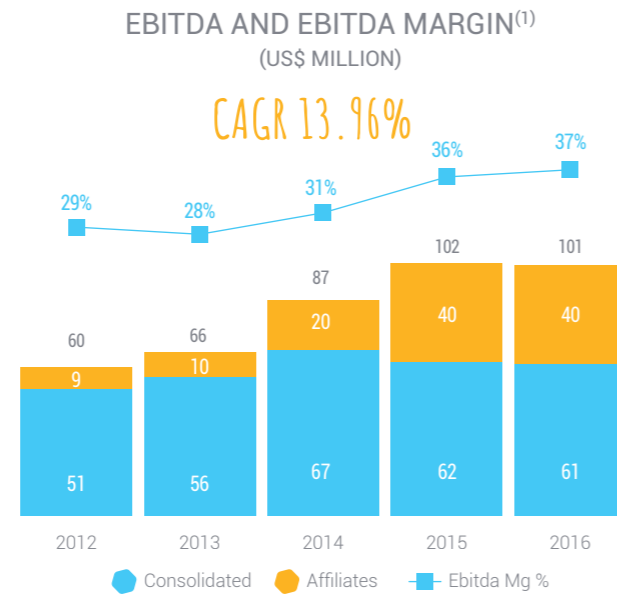
Salvage

With its state-of-the-art tugboats fleet, with a capacity of up to 85 tons Bollard Pull and great flexibility, in addition to highly qualified staff, SAAM has distinguished itself in salvage activities, firefighting, cleaning actions due to hydrocarbon spills and pulverization of dispersants to fight pollution.



EVOLUTION OF RESULTS

Despite the diminished activity in Mexico due to the offshore industry, the Towage Division had good and stable results in 2016, mainly due to the better performance of the operations in South America. Sales dropped only by 2%, to US\$ 274 million, and Ebitda was US\$ 101 million (-1.5%).



CAGR: compound annual growth rate
(1) Consolidated figures and affiliates at proportional value

REGULATION

Towage activity in ports is highly regulated and subject to each country's legislations.

The harbor towage market is governed by each country's regulations, generally considered as a coastal freight activity. From an operational point of view, the industry is regulated by maritime authorities of each country with respect to technical matters, and safety and labor issues.

Lastly, from a commercial perspective, several business models coexist that have been adopted by local authorities for the provision of towage services, ranging from concessions and tariff regulations, as is the case in Mexico and Costa Rica, to open markets and free tariffs in the rest of the countries.

COMPETITION

Both for the number of its tugboats in operation and for its geographical coverage, SAAM is the major operator in the American continent.

At world level, tugboat markets have very different regulations, since there are some where free competition is the norm, while others are closed, where operations are given in concession or governed by private contracts. In this context, SAAM competes with major global tugboat operators such as Svitzer, Boluda, and at regional level, with operators such as Wilson Sons, Intertug Ltda., Ultratug Ltda., CPT Remolcadores S.A., among others.

In Mexico, Panama and the West Coast of Canada, SAAM SMIT Towage is the market leader, while in Brazil it has positioned itself as the second major actor.

CLIENTS AND SUPPLIERS

The major clients of tugboats are shipping companies and oil companies. There is only one client that represents more than 10% of total consolidated sales in 2016.

As for suppliers, these are mainly oil companies and providers of maintenance services. No one among them represents more than 10% of total purchases carried out in 2016 for the supply of goods and services.



BUSINESS DIVISIONS



PORT TERMINALS

With a network of 11 ports in six American countries and a human team composed of more than 4,500 individuals of different nationalities, SAAM group is the fourth port operator of the region's southern area and a privileged partner of the major shipping companies at world level. Its international operations encompass Mexico, the United States, Colombia, Ecuador and Peru.

In Chile, SAAM leads the market with a share of 55% of total containers mobilized (through ports under concession) and operations in six ports, including San Antonio Terminal Internacional (STI), the largest in the country and one of the more important ones in the continent.



Photo: Florida International Terminal, U.S.A.



MILESTONES 2016

WITH 38.5 MILLION TONS TRANSFERRED, AND 2.7 MILLION TEUS⁽¹⁾, CARGO MOVEMENT INCREASED BY 22% WITH RESPECT TO THE PREVIOUS YEAR.

(1) TEUs: Twenty Foot Equivalent Unit.

DURING THIS PERIOD THE ACQUISITION OF 51% OF PUERTO CALDERA WAS ANNOUNCED, THE SECOND LARGEST PORT IN COSTA RICA.

THE NEW DOCK IN SAN VICENTE TERMINAL INTERNACIONAL (SVTI) WAS SET UP, THUS DOUBLING THE SCOPE OF OPERATION.

THANKS TO THE RISK PREVENTION PROGRAM, THE ACCIDENT RATE DECREASED BY 24% WITH RESPECT TO 2015.

THE DOCK EXTENSION BEGAN IN TERMINAL PORTUARIO GUAYAQUIL (TPG) AND TWO NEW SHIP-TO-SHORE CRANES WERE PURCHASED, IN ORDER TO INCREASE ITS CAPACITY BY 25%.

NEW STATE OF THE ART DOCK AND WAREHOUSES EXCLUSIVELY FOR MINING COMPANIES WAS INAUGURATED AT TERMINAL INTERNACIONAL DEL SUR (TISUR).

THE SHIP MSC FLAVIA, THE LARGEST CONTAINER SHIP TO HAVE EVER ARRIVED IN CHILE (13.500 TEU), DOCKED IN SAN ANTONIO TERMINAL INTERNACIONAL (STI).

THE NEW WOOD CHIPS PLANT WAS INAUGURATED IN PORTUARIA CORRAL IN VALDIVIA.

TISUR, Peru.



SVTI, Chile.



TPG, Ecuador.



STI, Chile.

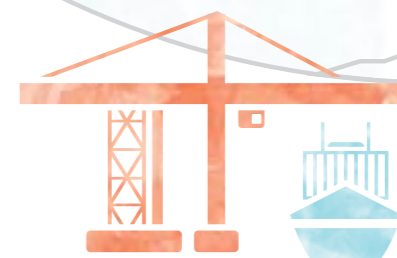
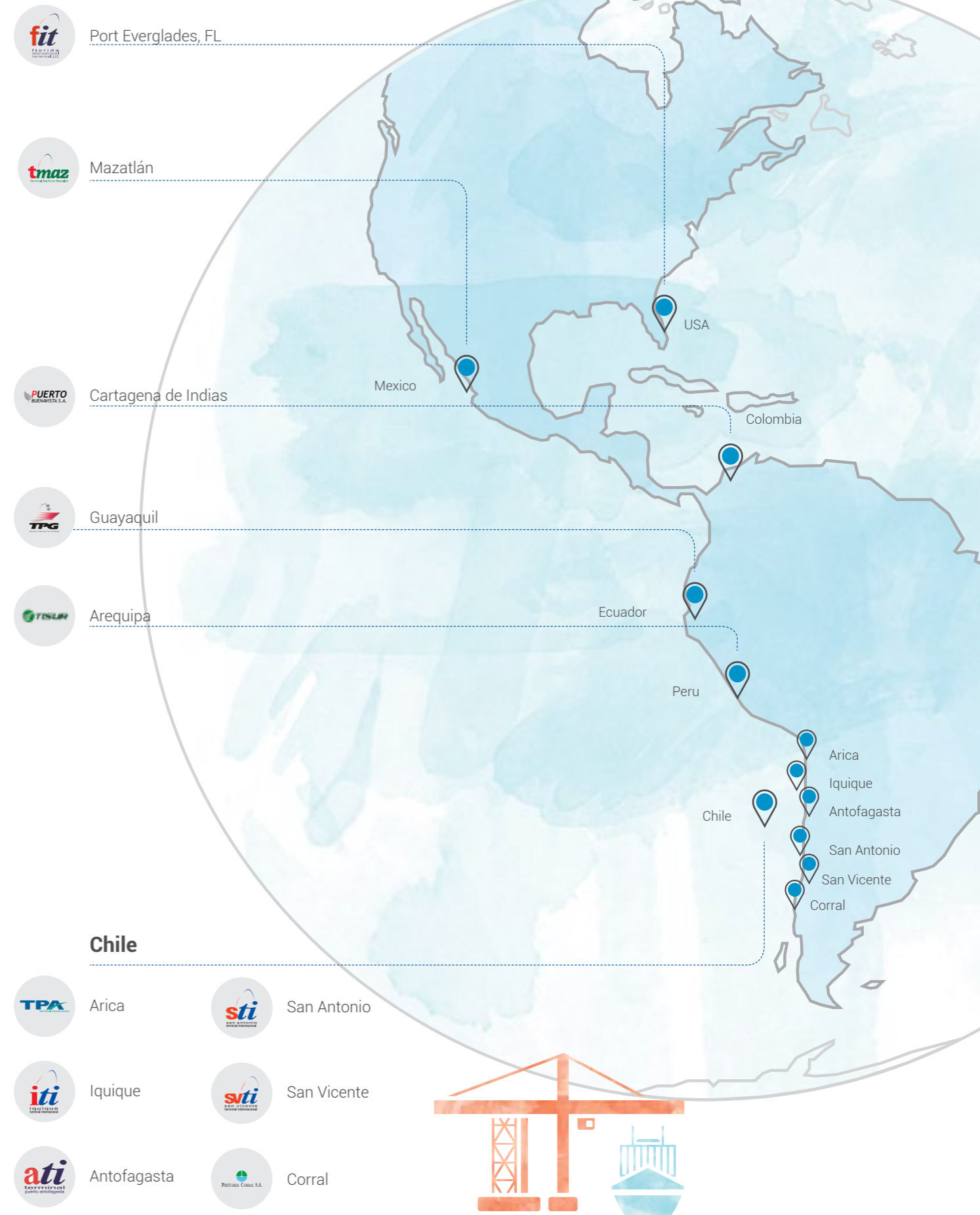




11 PORT TERMINALS IN 6 COUNTRIES IN THE AMERICAS.



Photo: ITI, Chile.





TERMINALS IN CHILE



ITIQUE
TERMINAL INTERNACIONAL
(ITI – Chile)

VOLUME TRANSFERRED 2016:
2,280,459 tons. / 271,967 TEUs

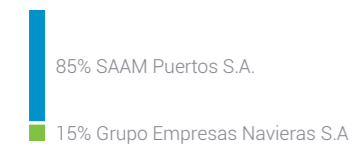
NUMBER OF DOCKS:
2

LENGTH OF DOCKS:
624 m

END OF CONCESSION:
2030

EXTENSION OPTION:
Extended

www.iti.cl



ANTOFAGASTA
TERMINAL INTERNACIONAL
(ATI – Chile)

VOLUME TRANSFERRED 2016:
2,704,954 tons. / 89,614 TEUs

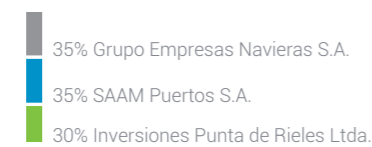
NUMBER OF DOCKS:
2

LENGTH OF DOCKS:
575 m

END OF CONCESSION:
2033

EXTENSION OPTION:
Extended

www.atiport.cl



SAN ANTONIO
TERMINAL INTERNACIONAL
(STI – Chile)

VOLUME TRANSFERRED 2016:
12,902,486 tons. / 1,207,465 TEUs

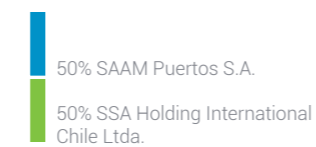
NUMBER OF DOCKS:
3

LENGTH OF DOCKS:
800 m

END OF CONCESSION:
2024

EXTENSION OPTION:
+5 years

www.stiport.cl



SAN VICENTE
TERMINAL INTERNACIONAL
(SVTI – Chile)

VOLUME TRANSFERRED 2016:
5,971,193 tons. / 488,754 TEUs

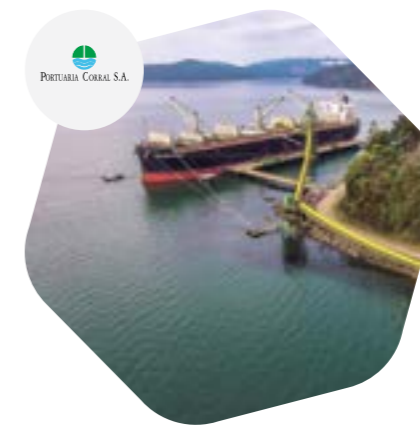
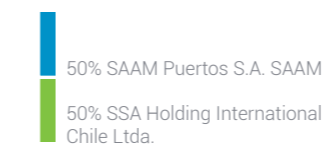
NUMBER OF DOCKS:
5

LENGTH OF DOCKS:
1.084 m

END OF CONCESSION:
2029

EXTENSION OPTION:
Extended

www.svti.cl



PORTUARIA
CORRAL
(Corral- Chile)

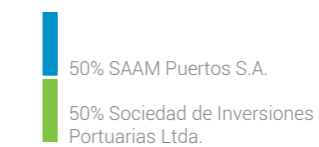
VOLUME TRANSFERRED 2016:
980,425 tons

NUMBER OF DOCKS:
1

LENGTH OF DOCKS:
146 m

END OF CONCESSION:
Own

www.portuariacorral.cl



TERMINAL
PUERTO ARICA
(TPA - Chile)

VOLUME TRANSFERRED 2016:
3,089,392 tons. / 226,768 TEUs

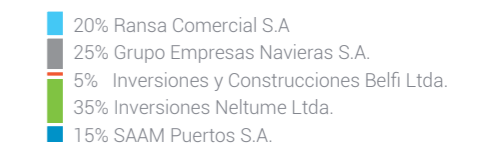
NUMBER OF DOCKS:
4

LENGTH OF DOCKS:
920 m

END OF CONCESSION:
2034

EXTENSION OPTION:
Extended

www.tpa.cl



INTERNACIONAL TERMINALS



FLORIDA INTERNATIONAL TERMINAL
(FIT – U.S.A)

VOLUME TRANSFERRED 2016:
1,195,649 tons. / 202,842 TEUs

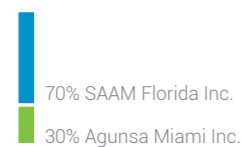
NUMBER OF DOCKS:
4

LENGTH OF DOCKS:
1.402 m

END OF CONCESSION:
2025

EXTENSION OPTION:
+5+5 years

www.fitpev.com



TERMINAL PORTUARIO GUAYAQUIL
(TPG - Ecuador)

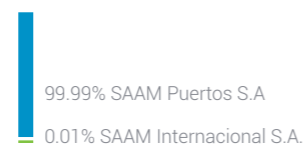
VOLUME TRANSFERRED 2016:
1,596,713 tons. / 204,051 TEUs

NUMBER OF DOCKS:
2

LENGTH OF DOCKS:
360 m

END OF CONCESSION:
2056

www.tpg.com.ec



PUERTO BUENAVISTA
(PBV – Colombia)

VOLUME TRANSFERRED 2016:
332,990 tons

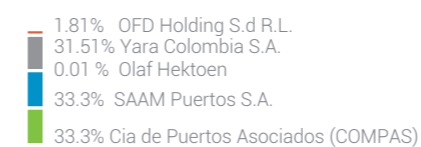
NUMBER OF DOCKS:
1

LENGTH OF DOCKS:
211 m

END OF CONCESSION:
2017

EXTENSION OPTION:
+20 years

www.puertobuenavista.com



TERMINAL MARÍTIMA MAZATLÁN
(TMAZ - México)

VOLUME TRANSFERRED 2016:
978,068 tons. / 34,696 TEUs

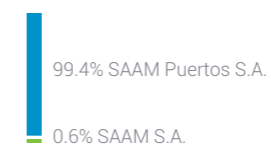
NUMBER OF DOCKS:
6

LENGTH OF DOCKS:
1.296 m

END OF CONCESSION:
2032

EXTENSION OPTION:
+12 years

www.tmaz.com.mx



TERMINAL INTERNACIONAL DEL SUR
(TISUR –Perú)

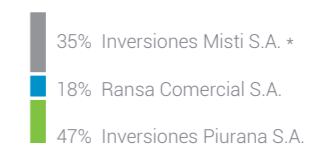
VOLUME TRANSFERRED 2016:
6,504,123 tons. / 17,783 TEUs

NUMBER OF DOCKS:
4

LENGTH OF DOCKS:
863 m

END OF CONCESSION:
2029

www.tisur.com.pe



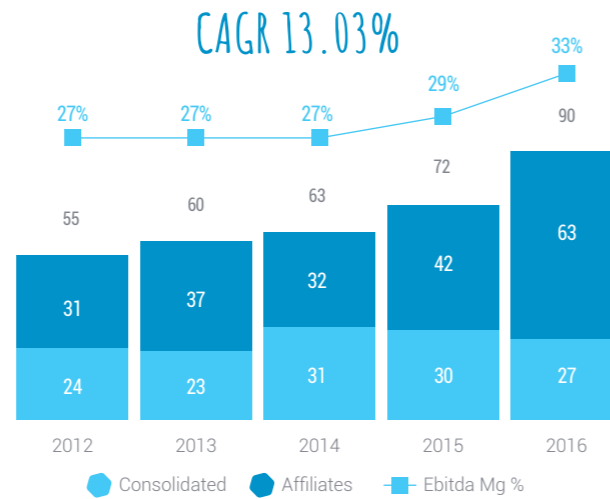
* Indirect ownership through Tramarsa



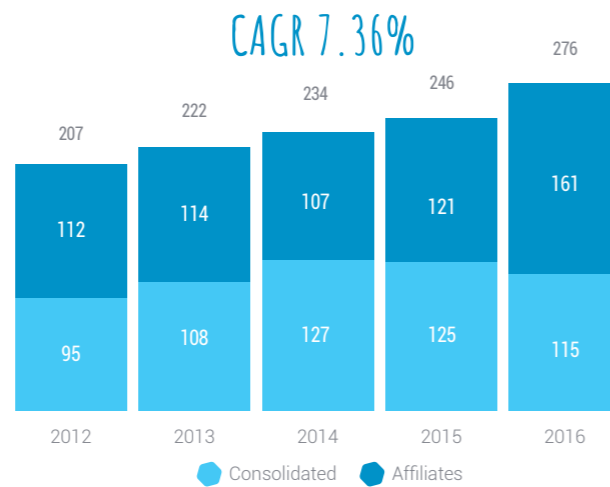
EVOLUTION OF RESULTS

During 2016, the Port Terminals Division improved its results, mostly due to the incorporation of TISUR, in November, 2015, and to the resilience of its other operations, despite de lower results obtained by San Antonio Terminal Internacional (STI) in Chile and Terminal Portuario Guayaquil (TPG) in Ecuador. This helped the Division to obtain significant results with an increase of 12% in sales, reaching US\$274 million, and Ebitda increased by 25.8% (US\$90 million).

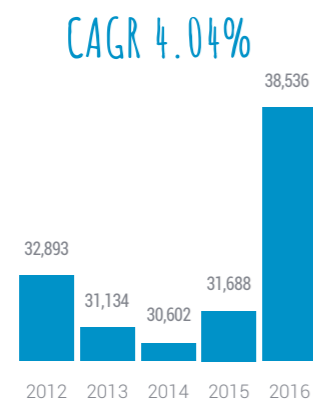
EBITDA AND EBITDA⁽¹⁾ MARGIN
(US\$ MILLIONS)



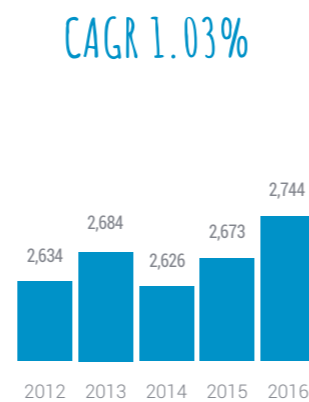
SALES⁽¹⁾
(US\$ MILLIONS)



TONS TRANSFERRED
(THOUSANDS)



TEUS TRANSFERRED
(THOUSANDS)



CAGR: compound annual growth rate

(1) Consolidated figures and affiliates at proportional value

REGULATION

In Chile, Law 19,542 of 1997, modernizing state-owned port sectors, regulates the participation of private parties in the development, maintenance and operation of berthing sites owned by port companies, through port concessions by public tender, with the purpose of promoting long-term investment and to ensure that basic services provided by the concessionaire are performed under conditions of competence, quality and transparency, which maximizes their value for the direct benefit of the end user. Thus, in all tender processes awarded to SAAM –San Antonio Terminal Internacional, San Vicente Terminal Internacional, Antofagasta Terminal Internacional and Iquique Terminal Internacional- and in the respective concession contracts, standards were established, among others, guaranteeing equal and non-discriminatory access to port services, tariff criteria promoting competitiveness and quality standards, with the most relevant regulation in matters of free competition being that referring to structural safeguards to horizontal and vertical integration.

In the rest of the countries in which SAAM participates in port operations, there are also frameworks that regulate the industry and are oriented to promote investment and improve productivity and competition of the sector through the system of concessions to private operators, as well as port and state authorities that supervise the actions of concessionaires, mainly in the matters of free competition. This is why, in general, SAAM's port operations abroad are ruled by non-discriminatory principles to users, regulation and marketing of their tariffs and structural safeguards to horizontal and vertical integration.

COMPETITION

The ports where SAAM participates, overall, have a market share of the Chilean market of over 41% of the transfers measured in total tons and approximately 55% of containers mobilized (through ports under concession).

The main competition consists of privately owned ports for public use that operate in the markets where SAAM is present. Specifically, in the Northern Zone, the port terminals of Arica, Antofagasta and Iquique, compete with terminals Puerto Angamos and Puerto Mejillones, where the main cargo transferred are mineral ores and bulk cargo (solid and liquid).

In the Central Zone, San Antonio Terminal Internacional competes with Terminal Pacifico Sur and Puerto Central, especially in containerized cargo.

Competition in the Southern Zone, for San Vicente Terminal Internacional and Portuaria Corral, comes from terminals Puerto de Coronel, Puerto Lirquén and Portuaria Cabo Froward, all of them mainly related to the timber industry.

For SAAM's ports abroad, competition is represented by terminals operated in the same area of influence where the cargo of clients served by the Company may be embarked.

CLIENTS AND SUPPLIERS

Port Terminals' main clients are shipping companies and mining port projects, but with moderate levels of concentration of demand. There is only one client representing more than 10% of total sales in 2016.

As for suppliers, the most relevant category is that of enterprises engaged in engineering, construction, and port equipment, although during the period none of them assembled more than 10% of the total purchases carried out for the supply of goods and services.



BUSINESS DIVISIONS



LOGISTICS

After restructuring the mix of services offered to the market, SAAM Logística is now focused on creating value for the client's supply chain, managing its operational processes, inventories and information.

The goal of this Division is to make SAAM a relevant actor in the Supply Chain market in Chile and, subsequently, in America, providing specialized knowledge in these services and in some of the most significant activities and industries in the continent.





Intermodal warehouse, Valparaíso.

MILESTONES 2016

LAUNCHING OF THE NEW DIVISION'S STRATEGY, FOCUSED ON PROVIDING NEW SUPPLY CHAIN SERVICES BY BUSINESS VERTICALS IN FOOD AND BEVERAGES, INDUSTRIES, CONSUMPTION AND MINING AND ENERGY.

INAUGURATION OF THE FIRST INTERMODAL WAREHOUSE IN IQUIQUE, WITH 20 THOUSAND SQUARE METERS, IN ADDITION TO THOSE IN SAN ANTONIO AND VALPARAISO.

RISK PREVENTION PROGRAM WAS ABLE TO REDUCE ACCIDENT RATE BY 18%.

CONSTRUCTION OF A NEW COLD STORAGE WAREHOUSE IN PUERTO MONTT.

Frigorífico Puerto Montt, Chile.





COMPREHENSIVE SERVICE



SUPPLY CHAIN SERVICES

SAAM Logística's focus is the provision of three specialized services for the most representative industries of national GDP, such as food and beverages, consumption, mining and energy and industries.

- *Warehouse Management:* handling of products with stock control management, value added services (labeling, packaging), clients storage cycle, cross docking, in SAAM's own warehouses or warehouses managed by third parties.
- *Transport Management:* transport of import and export cargo, capillary distribution, transference of final products or those in process..
- *Shipping Services:* Maritime Agency Services, Container Depots and Workshops, and Port Operations for shipping companies upon their arrival in port.

SPECIAL SERVICES

In order to offer tailor-made solutions for the specific needs of its clients, SAAM performs, in addition to its core business, some special services with high added value, such as connection and disconnection of flexible ducts for oil, warehousing of liquids in specialized silos, and logistics services for the wood industry (chips and pulp), among others.

SAAM provides logistics services directly, and also through its subsidiaries in Chile, and affiliates, which include the following:

AEROSAN

Joint venture between SAAM and American Airlines, operating at Arturo Merino Benítez Airport in Santiago, Chile, where it provides import and export services, passenger services, aviation and flight operations. Through its subsidiary Transaéreo, in Colombia, it provides goods storage services, export services, and services to airplanes and passengers. Finally, through its subsidiary Aronem in Ecuador, it provides export cargo storage services.

TRAMARSA

In Peru, this company provides services to shipping companies, such as maritime agency services, container depots, stowage and unloading of containers and bulk cargo, lashing and releasing of vessels, as well as special services for liquids in terminals, and in operations in private terminals, among others.

RELONCAVÍ

Most of its operations are in Chile, where it provides reception, storage, dispatch, and loading and unloading stevedoring services for different bulk cargoes, such as wood chips, pulp, fertilizers and fish meal.

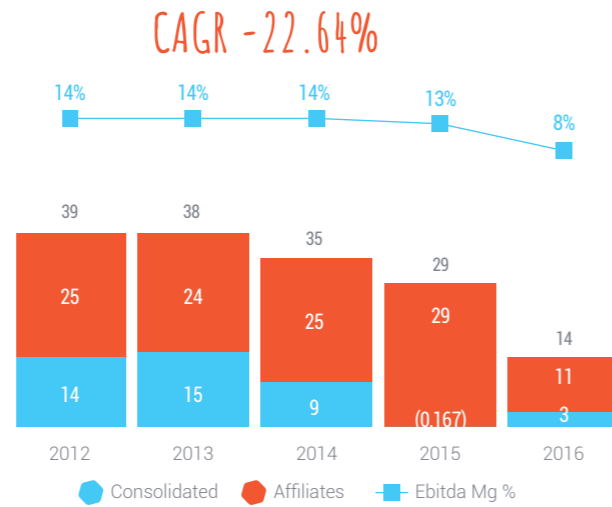
Through its subsidiary Luckymont, it provides warehouse management services for Montes del Plata in Uruguay.



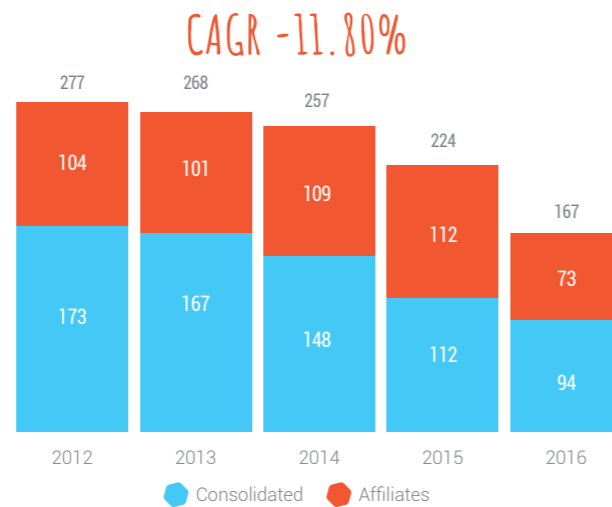
EVOLUTION OF RESULTS

In 2016, revenues of the Logistics Division reached US\$167.4 million, 25% lower with respect to 2015, while Ebitda was US\$14 million, a drop of 51%. For purposes of addressing these results, during 2016 the Logistics Division carried out changes in its organization structure and division management, to adjust to the new strategy. It also implemented a balance sheet optimization, releasing dispensable assets and closing businesses that did not fit in with the new strategy, such as Construcciones Modulares in Peru.

EBITDA AND EBITDA MARGIN ⁽¹⁾
(US\$ MILLIONS)



REVENUES ⁽¹⁾
(US\$ MILLIONS)



COMPETITION

This division concentrates most of its operations in Chile, a market where its main competitors in Supply Chain services are: DHL; Sitrans; Kuehne+Nagel; Loginsa; APL Logistics; Agunsa and Logística S.A.

Operations abroad are varied, but considering volume, the subsidiary Tramarsa in Peru stands out. This company faces the competition of companies such as Cosmos Agencia Marítima S.A.C, Almacenes de Contenedores Sudamérica (Alconsa), DP World and Neptunia, among others, who offer services of maritime agency, container depot and workshop, and maritime cargo terminals

CLIENTS AND SUPPLIERS

The major clients of the Logistics Division are, also, the most relevant importers and exporters in Chile and Peru. However, neither is representative of more than 10% of total consolidated sales of 2016.

Regarding to suppliers, these are general services companies and transport companies. None of them represent more than 10% of total purchases carried out in 2016 for the supply of goods and services.

CAGR: compound annual growth rate.

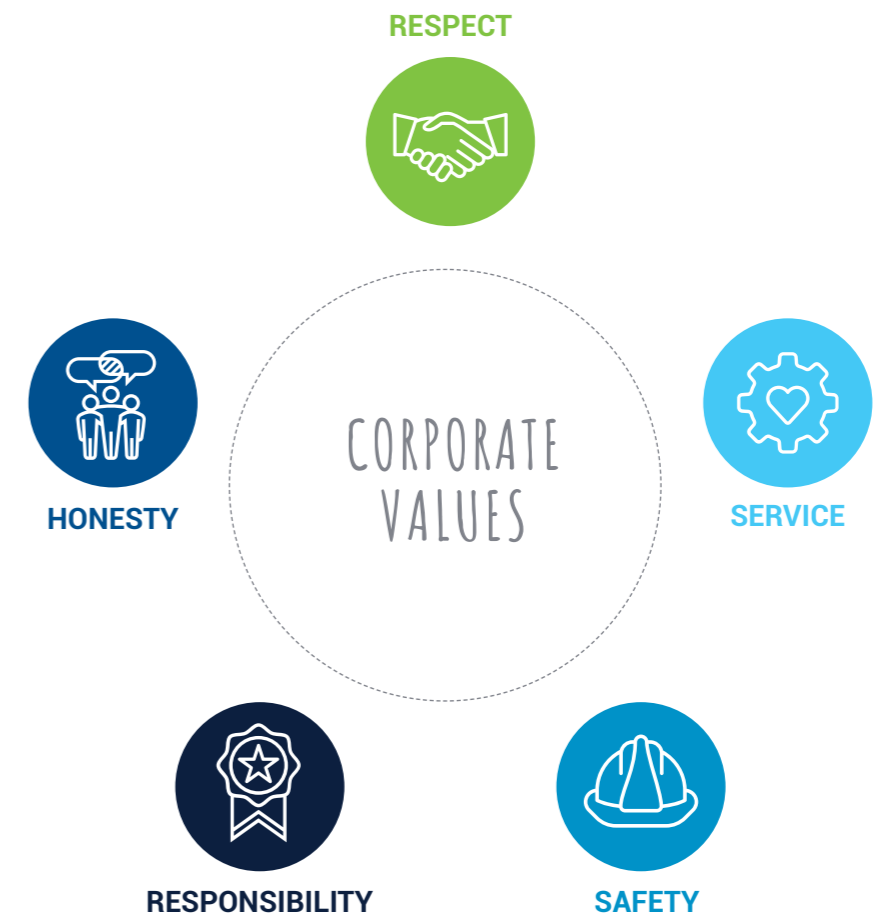
(1) Consolidated figures and affiliates at proportional value.



COMMITTED PEOPLE

SAAM's human team, with its subsidiaries and affiliates, adds up to over 11,000 individuals, distributed in 15 countries in the American continent.

With the programs of risk prevention, training in technical and "soft" skills, and dialogue round tables with the workers, among other activities, SAAM is permanently strengthening the commitment with the human team to guarantee the sustainability of all associated companies, in line with its mission, vision and values.

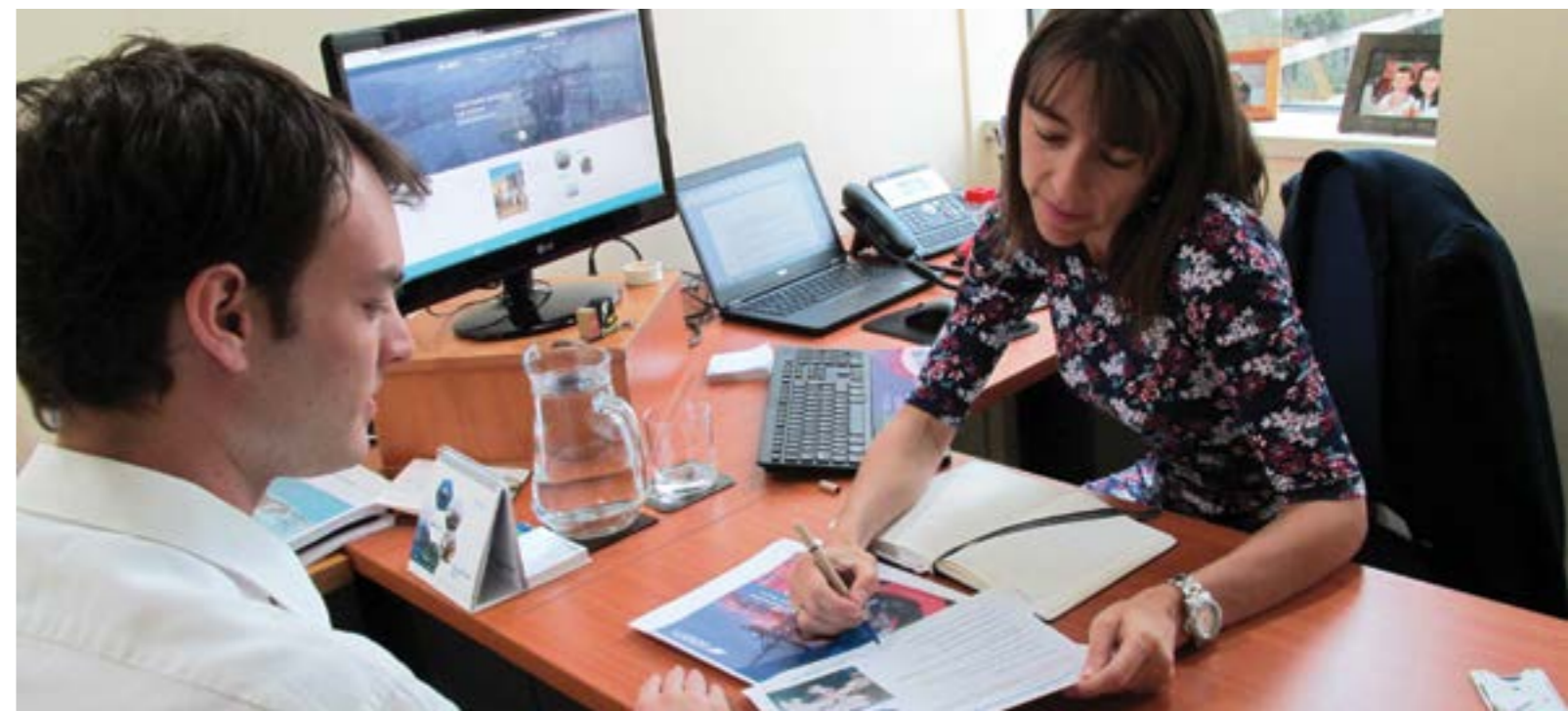


MISSION

To provide port services, assistance in maneuvers, maritime operations and comprehensive logistics services, generating operational excellence solutions, with the purpose of creating value for our clients, employees and shareholders, duly respecting the community and the environment.

VISION

To be the leading company in America in port operations and in tugboat services, being recognized as a relevant logistics operator in the region, with outstanding knowledge of the industry, geographical coverage, ability for internationalization, service quality and commitment to our clients.





THE 2016 SURVEY YIELDED A LEVEL OF COMMITMENT OF

70%

FIGURE THAT SURPASSES BY 10 POINTS THE AVERAGE OF REFERENCE COMPANIES USED, SUCH AS BENCHMARK INTERNATIONAL.

* CEB (Corporate Executive Board)

SOLID COMMITMENT

Since 2014, SAAM applies a labor commitment survey at corporate level, which it uses as the basis for Human Resources management. An essential part of the strategy to strengthen collaborators' commitment is the dissemination of results and to work jointly to build improvement plans that are relevant and contextualized, which have allowed an improvement in the commitment of its collaborators.

-10%

REDUCTION IN THE ACCIDENTS FREQUENCY INDEX..

5.400 HOURS

DEDICATED ONLY TO TRAINING PROGRAMS IN SAFETY, DURING 2016.

IN ALL, THERE WERE

8 COURSES

AND WORKSHOPS ON LEADERSHIP TRAINING IN SAFETY AIMED AT SUPERVISORS AND SIMILAR CATEGORIES .

TO STRENGTHEN LEADERSHIP IN SAFETY ISSUES,

20 GENERAL MANAGERS

FROM DIFFERENT COMPANIES OF THE GROUP PARTICIPATED IN WORKSHOPS THAT INCLUDED FIELD WORK.

SAFETY AT WORK

Since the year 2013 the company has encouraged a safety culture as a first priority. To this end, safety was recognized as a corporate value, subsequently, it drew up a Safety Policy and, finally, a management system was implemented setting demanding and measurable goals, as well as a highly visible and relevant annual program of activities. Among them stands out Safety Day, a reflection day where SAAM's top management share good practices on safety and development of their leadership to improve the performance in prevention matters.



TRAINING

SAAM implemented a plan of job training and talent management that seeks to develop the abilities most valued by clients and provide services that help consolidate SAAM's leadership position in the market in its three business divisions. Hence, market needs and collaborators' potential are constantly analyzed and development plans and gap-closing plans are designed.

62,453 HOURS
IMPLEMENTED IN COURSES AND TRAINING WORKSHOPS.

DURING 2015 WAS THE START-UP OF THE
TALENT MANAGEMENT PROGRAM,
WHICH ALLOWS IDENTIFYING AND DEVELOPING THOSE INDIVIDUALS WITH THE HIGHEST POTENTIAL TO ASSUME LEADERSHIP POSITIONS.



LABOR RELATIONS

SAAM's mission is to establish long-term collaborative relationships with its workers, the organizations representing them and national and regional authorities who look after their well-being. To this end, it focuses its efforts in guaranteeing safety and quality of life at the work place, mutual cooperation, constant improvement of workers' performance and their benefits.

In this line, it has established formal systems to channel the workers' concerns, provide timely and proactive solutions to potential conflicts, fully meeting its contracts and the legislation in force.

WITH A 74%
UNIONIZATION RATE, SAAM PARTICIPATES IN ROUND TABLES TO DIALOGUE WITH UNIONS FROM TERMINALS IN ANTOFAGASTA, IQUIQUE, SAN ANTONIO AND SAN VICENTE, WHERE SIGNIFICANT PROGRESS HAS TAKEN PLACE IN HEALTH AND WORK SAFETY, QUALITY OF LIFE AND PRODUCTIVITY MATTERS.

DURING 2016
19 COLLECTIVE BARGAINING PROCESSES TOOK PLACE THAT ENDED WITH THE SIGNING OF AGREEMENTS, 5 OF THEM IN FORCE UNTIL THE YEAR 2019.





11,340 WORKERS
15 AMERICAN COUNTRIES.

CHARACTERISTICS OF THE STAFF AND EQUALITY



BOARD MEMBERS

DIVERSITY IN THE BOARD OF DIRECTORS

By Gender	
Male	7
Female	0
Nationality	
Chilean	7
Foreign	0
Age range	
Less than 30 years	0
Between 30 and 40 years	0
Between 41 and 50 years	1
Between 51 and 60 years	4
Between 61 and 70 years	1
Over 70 years	1



SENIORITY

Less than 3 years	2
Between 3 and 6 years	5
More than 6 and less than 9 years	0
Between 9 and 12 years	0
More than 12 years	0



GENERAL MANAGEMENT

DIVERSITY IN GENERAL MANAGEMENT AND MANAGERS REPORTING TO CEO OR TO THE BOARD



BY NATIONALITY

Nationality	Nº
Chilean	10
Foreign	1



BY GENDER

Gender	Nº
Male	10
Female	1



BY AGE

Categories by Age	Nº
Less than 30 years	0
Between 30 and 40 years	2
Between 41 and 50 years	4
Between 51 and 60 years	5
Between 61 and 70 years	0
Over 70 years	0



BY SENIORITY

Seniority	Nº
Less than 3 years	4
Between 3 and 6 years	2
More than 6 and less than 9 years	0
Between 9 and 12 years	1
More than 12 years	4



DIVERSITY IN THE ORGANIZATION HEADCOUNT

(CONSOLIDATED COMPANIES AND AFFILIATES AT 100%)

DIVERSITY

Bolivia	15
Brasil	499
Canada	182
Chile	6,053
Colombia	539
Costa Rica	40
Ecuador	631
Guatemala	26
Honduras	26
Mexico	429
Panama	139
Peru	2,343
Uruguay	398
USA	20
Total	11,340

Gender	
Female	1,314
Male	10,026
Nationality	
Chilean	6,053
Foreign	5,287

NATIONAL / FOREIGN

	Managers and Main Executives	Professionals and Technical Staff	Other Workers	Total Consolidated	Total Affiliate	Total
Chile	26	604	1,165	1,795	4,258	6,053
Abroad	51	160	1,397	1,608	3,679	5,287
Total	77	764	2,562	3,403	7,937	11,340



BY AGE RANGE

Less than 30 years	911
Between 30 and 40 years	1,906
Between 41 and 50 years	5,925
Between 51 and 60 years	2,146
Between 61 and 70 years	368
Over 70 years	84



BY SENIORITY

Less than 3 years	5,003
Between 3 and 6 years	2,856
More than 6 and less than 9 years	1,155
Between 9 and 12 years	1,550
More than 12 years	776

*Considers indefinite, fixed and eventual personnel.



SALARY GAP

Average base wage for women with respect to men at the same level in the compensations scale.

Position	% over male salary
Executives	97.30%
Professionals and Management	95.80%
Administrativo-técnicos	95.80%
Warehouse-worker	96.90%

* Includes incorporation to SAAM S.A.



ON THE PATH TO SUSTAINABILITY

Sustainability is not a new concept in SAAM, but it was during 2016 when a series of events took place that resulted in its incorporation in a transverse manner, concrete and measurable in the company's management.

The most important milestone happened on August 5, when the Board of Directors approved the Sustainability Policy for SAAM, an action plan to make faster progress in areas with less relative development and the carrying out of a diagnosis of the operations in Chile following the criteria defined by the three major world referents in the matter: ISO 26,000, Dow Jones Sustainability Index (DJSI) and Global Reporting Initiative (GRI). That day was the peak of a year's work that started with a process of consultations to the major stakeholders of the Company, in order to identify the critical factors for Company sustainability, followed with the preparation of a materiality matrix and concluded with the formulation of the Policy, by top executives.

For purposes of conducting this process of incorporating sustainability, a Committee was formed, composed by all of SAAM's Corporate Managers, without the possibility of having alternates and where each Manager undertook direct responsibility for every initiative to be implemented the areas or teams under him/her, in such diverse matters as Corporate Governance, Human Rights, Individuals (HH.RR.), Environment, Suppliers, Clients and Community. Coordination of this work was to be undertaken by the Corporate Manager, but the responsibility to execute initiatives, plans and projects was assigned with a functional and transverse criterion, according to which area undertook new tasks to be carried out in 2016, or else report to this instance all actions already underway to address material aspects detected previously, linked to labor relations, dialogue with communities, environmental management, and strengthening of corporate governance, among other matters.



TRANSPARENCY AND COMMITMENT

Jointly with implementing the Sustainability Policy, the decision was made to be absolutely transparent, from the very beginning, about all relevant aspects to Company stakeholders. After publishing the policy and its seven principles –which represent public management commitments-, there was also participation in the elaboration of the DJSI Chile – indicator that measures and ranks the performance of companies in this field- and it was decided to elaborate the first sustainability report as from the 2016 exercise.

DJSI Chile 2016 was divulged last September and SAAM was selected to form part of the listing of 21 companies (the only one in the Transport and Infrastructure area) who best comply with international standards and requirements in the dimensions of governance, environment and social.

These actions seek to show the strengths and weaknesses in their sustainability management, report what risks faced by the company in social and environmental areas have been identified, adopt the necessary measures to close detected gaps and take advantage of existing opportunities. In this sense, the priorities established were to increment shared values generated by SAAM's operations to its main stakeholders, improve the available information about impact management and contribution to development, and incorporate once more its facilities to the environment, which was lost by modernization and technical processes experienced by said activities in the past few decades.



INVESTMENTS AND GROWTH



Investment policy considers the constant renovation of port equipment and tugboats fleet, so as to have state-of-the-art technology that will allow providing optimum services to vessels and to its clients' cargo.

At a consolidated level, investments during 2016 amounted to US\$63 million, of which US\$36.8 million were allocated to the Towage Division, which incorporated six vessels with the latest technology to its fleets in Chile, Panama and Canada.

In Port Terminals, investments at consolidated level amounted to US\$17.2, corresponding to a great extent to the beginning of the dock extension at the port of Guayaquil (TPG).

In Logistics, US\$ 8.9 million were invested mainly in the construction of new cold storage chambers in Puerto Montt and in a new intermodal warehouse in Iquique.

Investment matters this year were consistent with those materialized in 2015, period when they amounted to US\$64.3, whose main objectives were also to strengthen the tugboat fleet and materialize civil works strategical to the development of port terminals.

Likewise, during 2016, SAAM materialized investments in affiliates at proportional value to the amount of US\$52 million. From that amount, US\$10 million were used to incorporate two new tugboats in Peru and the beginning of the construction of other vessels for Brazil. In Port Terminals, US\$38.7 million were invested on the extensions in San Antonio, San Vicente and Terminal Internacional del Sur. In its turn, Logistics invested US\$3.3 million in strengthening the operations of its



Caldera Port Terminal, Costa Rica.

GROWTH

affiliates Reloncavi in Chile and Tramarsa, in Peru. In 2015, SAAM invested in affiliates at proportional value the amount of US\$53.4 million.

Therefore, total investments by SAAM in 2016 considering subsidiaries and affiliates at their proportional value, totaled US\$115 million (in line with the US\$117.7 million in 2015).

SAAM's financing policy establishes that investments must be covered with an optimal capital structure in accordance with the financial cycle, searching for an adequate combination of a structured financial debt in the middle- and long-term and with own resources.

In September, 2016, SAAM signed –through its subsidiary SAAM Puertos- an agreement to acquire from Sociedad Portuaria Regional de Buenaventura the control of the two concessions of Puerto Caldera, the largest terminal in the Pacific Coast of Costa Rica and the second largest in terms of mobilized cargo in that country.

Upon materialization of this operation, SAAM will control 51% of Sociedad Portuaria de Caldera (SPC) and of Sociedad Portuaria Granelera de Caldera (SPGC), whose transfers added up to 5.5 million tons in 2016. SAAM will disburse US\$48.5 million for said percentage of the social capital of both companies, which jointly recorded revenues for US\$55 million in 2016. Prior to materialize the transfer, the operation must be approved by Costa Rican regulatory bodies*.

* On February 8, 2017, SAAM formalized the acquisition of 51% of Puerto Caldera in Costa Rica.

INVESTMENTS IN 2016 AMOUNTED TO
US\$ 115 MILLION



03

CORPORATE INFORMATION

Photo:
Florida International Terminal, EE.UU.



COMPANY INCORPORATION

Sociedad Matriz SAAM S.A. (SM SAAM) is an open stock company established as a result of the division of Compañía Sud Americana de Vapores S.A. (CSAV) agreed at the Extraordinary Shareholders' Meeting held on October 5, 2011, set forth in public deed dated October 14 of the same year, granted before the Valparaiso Notary Office of Mr Luis Enrique Fischer Yávar. An abstract of said public deed was recorded on page 63,113 N° 46,346 of the Santiago Register of Commerce of 2011 of the Santiago Real Estate Registrar's Office and was published in the Official Gazette on October 25, 2011.

According to the terms agreed at the aforementioned Extraordinary Shareholders' Meeting, the conclusion of CSAV's division and consequent establishment of SM SAAM, was subject to fulfillment of the following conditions precedent: (i) subscription and payment of at least US\$1,100 billion of CSAV capital increase agreed to by the Board; and (ii) consent provided by third parties which, due to contractual obligations with CSAV or its subsidiaries, Sudamericana, Agencias Aéreas y Marítimas S.A., had to give their consent to the agreed division.

Subsequently, once verified compliance with the aforementioned conditions precedent, CSAV's division and consequent establishment of SM SAAM was formalized and set forth in public deed on February 15, 2012, granted before the Santiago Notary Office of Mr. Eduardo Diez Morello and annotated on the margin of SM SAAM's record of incorporation.





OWNERSHIP AND SHARES

Control of the Company

According to the definitions contained in Title XV of Law N° 18,045, the Luksic group -through the corporations: Quiñenco S.A. and its subsidiaries, Inversiones Río Bravo S.A. and Inmobiliaria Norte Verde S.A.-, is the Company's controlling entity, with an ownership of 52.2% as at December 31, 2016.

Eighty-one point four percent (81.4%) of Quiñenco S.A. issued and paid-in shares, are property of the following companies: Andsberg Inversiones Ltda., Ruana Copper A.G. Agencia Chile, Inversiones Orengo S.A., Inversiones Consolidadas Ltda., Inversiones Salta S.A., Inversiones Alaska Ltda., Inmobiliaria e Inversiones Río Claro S.A. e Inversiones Río Claro Ltda. The Luksburg Foundation indirectly holds 100% of the social rights in Andsberg Inversiones Ltda., 100% of the rights in

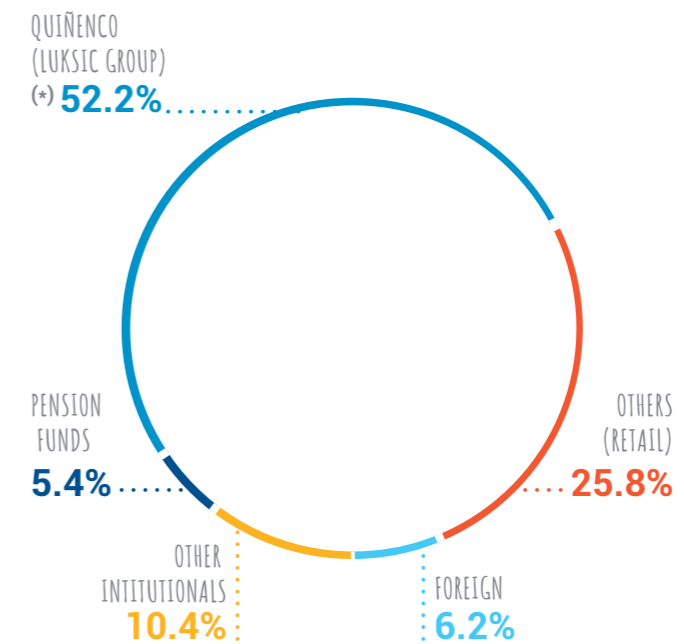
Ruana Copper A.G. Agencia Chile and 99.76% of the shares of Inversiones Orengo S.A.

Andrónico Mariano Luksic Craig (Chilean National ID 6.062.786-K) and family, control 100% of the shares of Inversiones Consolidadas Ltda., and Inversiones Alaska Ltda. The family of Mr. Andrónico Luksic Craig controls 100% of Inversiones Salta S.A.

Inmobiliaria e Inversiones Río Claro Ltda., and Inversiones Río Claro Ltda., are indirectly controlled by the Emian Foundation, in which the descendants of Mr. Guillermo Luksic+ (Chilean National ID 6.578.597-8) are stakeholders. There is no joint action agreement between Company controllers.

SHAREHOLDERS AND DIVIDENDS

At December 31, 2016, Sociedad Matriz SAAM S.A. has 3,461 shareholders. Apart from the controllers, none of them holds 10% or more of the capital and there are no joint action agreements.



(*) Includes shares in custody, either through a Stock Broker or another authorized entity.

The Company's main 12 shareholders are the following:

Name / Company Name	Subscribed Shares	Paid-in Shares	Share in Ownership(%)
Inversiones Río Bravo S.A.	3,237,543,274	3,237,543,274	33.25
Quiñenco S.A.	1,522,794,376	1,522,794,376	15.64
BTG Pactual Chile S.A. Corredora De Bolsa	518,358,726	518,358,726	5.32
Credicorp Capital S.A. Corredores de Bolsa	359,800,069	359,800,069	3.70
Philtrá Limitada	353,702,288	353,702,288	3.63
Inmobiliaria Norte Verde S.A.	322,149,301	322,149,301	3.31
Banco Itaú por cuenta de Inversionistas Extranjeros	271,333,642	271,333,642	2.79
Banco de Chile por cuenta de Terceros No Residentes	261,613,286	261,613,286	2.69
Compass Small Cap Chile Fondo de Inversión	258,928,369	258,928,369	2.66
Moneda S.A. AFI para pionero Fondo de Inversión	240,186,000	240,186,000	2.47
Inversiones Gran Araucaria S.A.	203,116,235	203,116,235	2.09
Siglo XXI Fondo de Inversión	194,687,282	194,687,282	2.00

Significant Changes in Ownership

On January 13, 2016, Quiñenco S.A. acquired from Marítima de Inversiones S.A. a total of 716,016,838 shares issued by Sociedad Matriz SAAM S.A. (SM SAAM), equivalent to approximately 7.35% of its social capital, with which it now controls 50.75% of the ownership in SM SAAM and this resulted in the exit of the Claro Group from the Company.

Later, on November 22 and December 23, 2016, Quiñenco S.A.'s subsidiary, Inmobiliaria Norte Verde S.A., incremented its participation in SM SAAM's ownership through the restitution of 92,758,439 shares issued by the latter held in custodial care, and 48,776, 923 shares left in custody, thus achieving control of 52.20% of the property.

CORPORATE GOVERNANCE

The Board of Directors of Sociedad Matriz SAAM and its executive management work to keep their investors informed about the activities of the Company and its subsidiary SAAM, ensuring compliance with all ethical and legal standards regarding information disclosure.

The Board of Directors is composed by 7 members. No alternate members have been considered and the duration of the position as Board member is of 3 years as from the date of their designation.

On April 8, 2016, the Ordinary Shareholders'La Meeting approved for said exercise the following remuneration system for the Board: a fixed income consistent in an attendance allowance equivalent to 100 UF (index-linked fixed monetary unit) per Session, with a monthly cap of one session, except in the case of the Chairman, who will receive twice the amount allocated to a Director for this concept; and a variable income consisting in a participation of 2.5% of the amount corresponding to dividends distributed with charge to the Company's net profit for 2016, to be distributed in equal parts among the Directors, considering the time that each one held such position during said exercise, the Chairman receiving twice the amount perceived by the other Directors.

During the exercise ended on December 31, 2016, the Company's Board perceived ThUS\$403 for the concept of attendance allowances to Board sessions (ThUS\$527 in 2015) and ThUS\$1,380, for the concept of participation in Company profits (ThUS\$1,223 in 2015).

In the same exercise, the Chairman of the Company, Felipe Joannon Vergara and Director, Francisco Gutiérrez Philippi, perceived remunerations for functions or tasks different to the those executed in thge exercise of their positions, to the amount of ThUS\$245 (ThUS\$138 in 2015) and ThUS\$29 (ThUS\$19 in 2015), respectively.

NAME	CHILEAN NATIONAL ID	RELATION	FIXED REMUNERATION		VARIABLE REMUNERATION	
			FIXED ALLOWANCE FOR ATTENDANCE BOARD SESSIONS ⁽¹⁾		PARTICIPATION IN NET INCOME ⁽²⁾	
			2016 THUS\$	2015 THUS\$	2016 ⁽²⁾ THUS\$	2015 ⁽²⁾ THUS\$
Felipe Joannon Vergara	6.558.360-7	Chairman	98	93	230	203
Jean-Paul Luksic Fontbona	6.372.368-1	Vice Chairman	31	27	115	102
Juan Antonio Álvarez Avendaño	7.033.770-3	Ex Director	11	46	115	102
Hernán Büchi Buc	5.718.666-6	Ex Director	11	46	115	102
Arturo Claro Fernández	4.108.676-9	Ex Director	7	43	115	102
Mario Da-Bove Andrade	4.175.284-K	Independent Director	46	46	115	102
Francisco Gutiérrez Philippi	7.031.728-1	Director	54	53	115	102
Jorge Gutiérrez Pubill	5.907.040-1	Independent Director	35	-	-	-
Óscar Hasbún Martínez	11.632.255-2	Director	46	30	77	-
Francisco Pérez Mackenna	6.525.286-4	Director	46	46	115	102
Christoph Schiess Schmitz	6.371.875-0	Ex Director	7	35	115	102
Ricardo Waidele Cortés	5.322.238-2	Independent Director	11	46	115	102
Gonzalo Menéndez Duque	5.569.043-K	Ex Director	-	16	38	102
Total			403	527	1,380	1,223

(1) Includes remunerations for attendance to Board Meetings of Sociedad Matriz SAAM S.A. and subsidiaries.
(2) Corresponds to participation in net income recorded in the period prior to its payment.

DIRECTORS' COMMITTEE

Sociedad Matriz SAAM S.A. Directors' Committee was established by the Extraordinary Board Meeting held on January 23, 2013, in accordance with the provisions contained in Article 50 bis of Law N° 18,046. As from April 8, 2016, the Directors' Committee is made up by Independent Directors Sociedad Matriz SAAM S.A., Messrs. Mario Da-Bove Andrade -Chairman - and Jorge Gutiérrez Pubill, as well as by Director Francisco Pérez Mackenna.

The Directors' Committee ordinarily meets once a month and has the following powers and duties:

- To examine reports submitted by independent external auditors.
- To examine balance sheet and other financial statements and express their opinion about them before presenting them for shareholders' approval.
- To review remunerations' policy and compensation plans for Managers and Senior Executives.
- To examine information concerning operations with related parties and produce the corresponding reports.

- To propose to the Board of Directors the Independent External Auditors and the Risk Rating Agency to be suggested to the respective Shareholders' Meeting.
- To prepare an annual report of their activities, including, if applicable, the main recommendations to shareholders.
- To execute the rest of the matters that the Board of Directors has asked them to undertake .

During 2016, the Committees' sessions were regularly attended by: CEO, Macario Valdés Raczynski; CFO, Roberto Larraín Sáenz, and the Secretary and Legal Counsel, Karen Paz Berdichewsky.





Remuneraciones percibidas por cada uno de sus integrantes

La Junta Ordinaria de Accionistas de Sociedad Matriz SAAM S.A., de fecha 8 de abril de 2016, estableció para cada Director integrante del Comité de Directores una remuneración fija equivalente a un tercio del total de la remuneración prevista para cada Director titular, de UF 33,34 unidades de fomento por sesión, con un tope mensual de una sesión, más un tercio adicional calculado sobre la participación que le corresponda como Director.

Durante el ejercicio terminado el 31 de diciembre de 2016, el Comité de Directores de la Sociedad percibió MUS\$ 45 por concepto de dietas por asistencia a sesiones (MUS\$ 45 en el año 2015) y MUS\$ 114 por concepto de participación sobre las utilidades de la Sociedad (MUS\$ 99 en el año 2015).

Asimismo la Junta de Accionistas acordó un presupuesto de gastos de funcionamiento de comité equivalente a la suma de las remuneraciones anuales de sus miembros, pudiendo este requerir la contratación de la asesoría de profesionales para el desarrollo de sus labores.

NAME	CHILEAN NATIONAL ID	RELATION	FIXED REMUNERATION		VARIABLE REMUNERATION		DATE POSITION	
			ATTENDANCE TO COMMITTEE		PARTICIPATION IN PROFITS		BEGINNING	END
			2016 THUS\$	2015 THUS\$	2016 THUS\$	2015 THUS\$		
Mario Da-Bove Andrade	4.175.284-K	Independent Director	15	15	38	33	1/23/13	-
Jorge Gutiérrez Pubill	5.907.040-1	Independent Director	12	-	-	-	4/8/16	-
Francisco Pérez Mackenna	6.525.286-4	Director	14	15	38	33	4/26/13	-
Ricardo Waidele Cortés	5.322.238-2	Ex Independent Director	4	15	38	33	1/23/13	8/4/16
Total			45	45	114	99		

Directors' Committee Activities during 2016

During 2015, the Committee focused on the exercise of their powers and duties established in Article 50 bis of Law N° 18,046 performing the following activities:

1. Reviewed the Consolidated Financial Statements of Sociedad Matriz SAAM S.A. and Subsidiary, as well as the respective Final Report of External Auditors corresponding to the exercise ended December 31, 2015, and with respect to which the Committee expressed a favorable opinion prior to their presentation to the Shareholders for their approval. Likewise, the Committee examined the financial Statements of the Company and Subsidiary for the three quarters ending in March, June and September, 2016, without objections.
2. The Committee proposed to the Board of Directors appointing KPMG Auditores & Consultores Limitada as the external audit company in charge of examining accounting records, inventory, balance sheets and the rest of the financial statements during the 2016 exercise, to subsequently propose it to the Ordinary Shareholders' Meeting. Likewise, it proposed maintaining the Risk Rating Agencies Feller-Rate Clasificadora de Riesgo Limitada and Clasificadora de Riesgo Humphreys Limitada.
3. Examined the information concerning operations with related parties in which the Company and its subsidiaries had intervened, referred to in Title XVI of Law N°18,046 and reported to the Board regarding these matters. Operations reviewed by the Committee prior to their examination and approval by the Board of Directors, were the following:
 - i) Purchase, by subsidiary SAAM S.A. of the participations that the related company, Compañía Sud Americana de Vapores S.A., held in Inmobiliaria San Marco Limitada and Inversiones San Marco Limitada, both, in turn, SAAM S.A. subsidiaries.
 - ii) Contract with Director, Francisco Gutiérrez Philippi.
 - iii) Disposal of vehicles of subsidiary SAAM S.A. executives, allocated to same.

5. Analyzed remunerations' policy and compensation plans for Managers and Senior Executives.
6. Informed the Board with respect to the convenience of contracting the external audit company Messrs. KPMG Auditores Consultores Limitada, to provide services that are not part of the external audit, consisting in tax advisory services to Group companies established abroad.
7. The Board of Directors of the Company entrusted the Committee to do a detailed review of the corporate governance practices contained in Norma de Carácter General N° 385 of the Superintendencia de Valores y Seguros ("General Rule N° 385 of the Superintendency of Securities and Insurance) that were adopted by the Company, and those that would be convenient to adopt during the 2016 exercise.

Likewise, the Board entrusted them to review, analyze and report their recommendation regarding safety matters in the Company and to review and examine the Annual Internal Audit Plan for 2016 and the results and reports issued by the Controller.

The Directors' Committee did not hire advisory services, therefore did not incur in expenses under this concept and, furthermore, did not deem necessary to present any kind of recommendation to the Shareholders of the Company.





SHARES, THEIR CHARACTERISTICS AND RIGHTS

At December 31, 2016, the Company's social capital is divided into 9,736,791,983 shares of the same series, divided among a total of 3,461 shareholders.

Dividend Policy



The Company's Dividend Policy establishes that, should there be earnings generated during the 2016 exercise, at least 30% of the year's net profits shall be distributed, without prejudice that the Board of Directors agrees or proposes to the General Shareholders' Meeting to distribute another class of dividends.

Dividends



During 2016 the Company distributed as final dividends the amount US\$34,467,856.69 corresponding to 50% of net profits for the exercise ending December 31, 2015, which implied a distribution per share of US\$0.003539960261 equivalent to Ch\$2.409970. This is a mixed dividend, as it is composed of:

- One portion of the minimum mandatory dividend established by the Corporations Act and that amounts to 30% of net profits..
- One portion of extra dividend, corresponding to 20% of said profits.

TYPE	DIVIDEND	PAYMENT DATE	PRICE PAID PER SHARE		CHARGED TO PROFITS
			\$	US\$	
Final	1	05-15-2013	1,444664	0,003056001852	2012
Final	2	04-30-2014	2,099294	0,003775912478	2013
Final	3	05-08-2015	1,924220	0,003134367563	2014
Final	4	05-06-2016	2,409970	0,003539960261	2015

Stock Exchange Transactions



Company shares are traded on the Bolsa de Comercio de Santiago (Santiago Stock Exchange), the Bolsa Electrónica de Chile (Chile Electronic Stock Exchange) and the Bolsa de Corredores – Bolsa de Valores Valparaíso (Valparaíso

Securities and Brokers' Exchange). During 2016 shares were traded in the numbers, and price shown below:

	N° SHARES TRADED	TOTAL AMOUNT TRADED (\$)	AVERAGE CLOSING PRICE (\$)
First Quarter	278,775,248	13,082,948,718	\$ 46.46
Second Quarter	124,239,986	6,175,252,494	\$ 50.10
Third Quarter	243,023,527	12,458,415,076	\$ 53.00
Fourth Quarter	423,504,893	22,900,823,090	\$ 53.78

Source: Bolsa de Comercio de Santiago (Santiago Stock Exchange)

Percentage Share in Ownership of Issuer, Directors and Senior Executives.



As at December 31, 2016, Directors Francisco Gutiérrez Phillipi and Francisco Pérez Mackenna, have ownership participation in the Company in non-significant portions (equal to or less than 0.1% of the total social capital). On the other hand, Company Chairman, Felipe Joannon Vergara, and Directors, Mario Da-Bove Andrade, Jorge Gutiérrez Pubill, Óscar Hasbún Martínez and Jean-Paul Luksic Fontbona do not hold any SM SAAM shares. The Company's Senior Executives do not hold any shares.

Risk Factors



The main risk factors inherent to SM SAAM and subsidiaries are those of the markets in which they participate, both in Chile and abroad. They include:

- Financial risks
- Credit risks
- Increased competition
- Skilled labor
- Economic cycle
- Renewal of concessions
- Risks due to political and economic conditions
- Risks of accidents and natural disasters
- Environmental Standards

Further details may be found in Management's Analysis, in the section "Risk Factors".





Major Properties and Facilities



The table below details the main properties and facilities held by SAAM to perform its activities in the different business areas.

DIVISION	COUNTRY	COMPANY	OWN/LEASED	LOCATION	USE OF THE LAND	TOTAL AREA (M2)
Towage	México	SAAM Remolques	Leased	Lazaro Cardenas, Altamira, Tampico, Tuxpan, Ciudad del Carmen,	Offices	1,615 m2
Towage	México	SAAM Remolques	Leased	Veracruz y Paraíso	Operations	850 m2
Towage	Panamá	SAAM SMIT Towage Panama	Leased	La Boca, Manzanillo	Offices	420 m2
Towage	Canadá	SAAM SMIT Towage Canada	Leased	Vancouver	Offices	1,198 m2
Towage	Canadá	SAAM SMIT Towage Canada	Own	Prince Rupert	Offices	250 m2
Towage	Uruguay	Kios s.a.	Leased	Montevideo	Offices	120 m2
Towage	Uruguay	Kios s.a.	Leased	Montevideo, Paysandú	Operations	30 m2
Towage	Brasil	SST BRASIL	Leased	"Rio de Janeiro, Angra dos Reis, Santos, Paranagua, Sao Luis, Itajaí, Salvador, Rio Grande,	Operations	15 m2
Towage	Vitoria, Suape"	3,912 m2	Leased	Puerto Quetzal	Offices	125 m2
Towage	Guatemala	Marex S.A.	Leased	Puerto Quetzal	Offices	125 m2
Towage	Ecuador	Ecuaestibas	Own	Guayaquil	Offices	276 m2
Towage	Ecuador	Ecuaestibas	Leased	Guayaquil	Offices	192 m2
Towage	Costa Rica	Concesionaria SAAM Costa Rica S.A.	Leased	Puntarenas	Operations	630 m2
Towage	Costa Rica	Concesionaria SAAM Costa Rica S.A.	Leased	Puntarenas	Offices	95 m2
Towage	Honduras	SAAM Remolques Honduras S.A.	Leased	Puerto Cortés	Operations	92 m2
Towage	Honduras	SAAM Remolques Honduras S.A.	Leased	Puerto Cortés	Offices	24 m2
Towage	Perú	Tramarsa S.A.	Leased	Talara, Salaverry, Chimbote, Huarmey, Supe, Miraflores, Callao, Pisco, Matarani	Offices	3.565 m2
Towage	Perú	Tramarsa S.A.	Leased	Callao	Operations	115,000 m2
Towage	Perú	Tramarsa S.A.	Own	Paita	Offices	164 m2
Towage	Perú	Tramarsa S.A.	Own	Lima, ILO	Project Development	184,759 m2
Towage	Perú	Tramarsa S.A.	Own	Callao, ILO	Operations	74,670 m2
Total						387,987 m2

DIVISION	COUNTRY	COMPANY	OWN/LEASED	LOCATION	USE OF THE LAND	TOTAL AREA (M2)
Port Terminal	Chile	TPA	Leased	Arica	Operations	249,000 m2
Port Terminal	Chile	ATI	Leased	Antofagasta	Operations	157,000 m2
Port Terminal	Chile	ITI	Leased	Iquique	Operations	135,000 m2
Port Terminal	Chile	STI	Leased	San Antonio	Operations	305,000 m2
Port Terminal	Chile	SVTI	Leased	Talcahuano	Operations	409,000 m2
Port Terminal	Chile	Corral	Leased	Valdivia, Corral	Operations	7,400 m2
Port Terminal	USA	FIT	Leased	Port Everglades, Florida	Operations	166,000 m2
Port Terminal	México	TMAZ	Leased	Mazatlán, Sinaloa	Operations	152,000 m2
Port Terminal	Ecuador	TPG	Leased	Guayaquil	Operations	86,000 m2
Port Terminal	Colombia	PBV	Leased	Cartagena de Indias	Operations	62,000 m2
Port Terminal	Perú	TISUR	Leased	Matarani	Operations	348,300 m2
Total						348,300 m2

DIVISION	COUNTRY	COMPANY	OWN/LEASED	LOCATION	USE OF THE LAND	TOTAL AREA (M2)
Logistics	Chile	Inmobiliaria San Marco	Own	Arica, Antofagasta, Chacabuco, Iquique,Quintero, Valparaíso, San Antonio, Santiago, Talcahuano, Valdivia, Pto, Montt, Pta, Arenas	Operations	1,165,177 m2
Logistics	Chile	Inmobiliaria San Marco	Propia	Arica, Antofagasta, Chacabuco, Iquique,Quintero, Valparaíso, San Antonio, Santiago, Talcahuano, Valdivia, Pto, Montt, Pta, Arenas	Offices	4,056 m2
Logistics	Chile	Inmobiliaria San Marco	Own	San Antonio	Fundo la Virgen	3,452,000 m2
Logistics	Chile	Aerosan	Leased	Aeropuerto Arturo Merino Benitez	Operaciones	13,628 m2
Logistics	Chile	Aerosan	Leased	Aeropuerto Arturo Merino Benitez	Offices	88 m2
Logistics	Ecuador	Aronem	Leased	Aeropuerto Mariscal Sucre	Operations	2,304 m2
Logistics	Colombia	Transaereo	Leased	Terminal de carga Aeropuerto Internacional Bogota	Operations	10,272 m2
Logistics	Colombia	Transaereo	Leased	Terminal de carga Aeropuerto Internacional Bogota	Operations	462 m2
Logistics	Perú	Tramarsa	Leased	Callao	Operaciones	115,000 m2
Logistics	Perú	Tramarsa	Leased	Talara, Salaverry, Chimbote, Huarmey, Supe, Miraflores, Callao, Pisco, Matarani	Offices	3,565 m2
Logistics	Perú	Tramarsa	Own	Callao, ILO	Operations	74,670 m2
Logistics	Perú	Tramarsa	Own	Paita	Offices	164 m2
Logistics	Perú	Tramarsa	Propia	Lima, ILO	Desarrollo Proyectos	184,759 m2
Logistics	Uruguay	Gertil	Leased	Montevideo, Punta Pereira	Operations	70,421 m2
Logistics	Uruguay	Gertil	Leased	Montevideo	Offices	100 m2
Logistics	Uruguay	Gertil	Own	Montevideo	Project Development	79,000 m2
Logistics	Chile	Reloncaví	Leased	Pto Montt, Valdivia, San Antonio, Constitución	Operations	2,034 m2
Logistics	Chile	Reloncaví	Own	Pto Montt, Talcahuano	Operations	27,584 m2
Logistics	Chile	Reloncaví	Own	Pto Montt, Talcahuano	Offices	585 m2
Total						5,205,768 m2



Huiravo Tugboat, Chile.

SIGNIFICANT OR MATERIAL INFORMATION

January 8, 2016 Changes in Management

It was informed that the Board of Directors of Sociedad Matriz SAAM S.A. (SM SAAM), in session held on the above date, acknowledged the resignation presented by General Manager, Mister Javier Bitar Hirmas, which would become effective as from March 15, 2016. The Board thanked Mister Bitar's work and recorded the important work carried out in the performance of his duties.

March 4, 2016 Changes in Management

It was announced that the Board of SM SAAM, in session held on the above date, agreed to appoint Mister Macario Valdés Raczynski as the Company's General Manager, who would assume his functions as from March 16, 2016, adding that Mister Valdés held the position of Development Manager at SM SAAM since April, 2013, and of Development and Performance Appraisal Manager since September 2015.

March 4, 2016 Distribution of Dividends

The Board of Directors agreed to propose to the Ordinary Shareholders' Meeting the distribution of a final dividend equivalent to 50% of net income for the year ended December 31, 2015, amounting to USD 34,467,856.69, as from May 6, 2016, to shareholders recorded in the corresponding registry as of April 30 of the same year. This dividend is mixed in nature,

as it is composed of: a) a portion of the mandatory minimum dividend and, b) an additional dividend.

April 8, 2016 Agreements of the Shareholders' Meeting

Reduction in the number of Directors: The Board informed that the Extraordinary Shareholders' Meeting held on the above date, agreed to reduce the number of Directors of the Company from 11 to 7. Once finalized the Extraordinary Shareholders' Meeting and once its Minutes were signed by the individuals appointed for such purposes, an Ordinary Shareholders' Meeting took place on the same date, in which the following Directors were selected for a period of three years:

Mario Da-Bove Andrade
Francisco Gutiérrez Philippi
Jorge Gutiérrez Pubill
Oscar Hasbún Martínez
Felipe Joannon Vergara
Jean-Paul Luksic Fontbona
Francisco Pérez Mackenna

In addition, it was recorded that Messieurs Mario Da-Bove Andrade and Jorge Gutiérrez Pubill are Independent Directors.

Likewise, in a Board Meeting that took place following the Ordinary Shareholders' Meeting, Mister Felipe Joannon Vergara was appointed Chairman of the Board and of the Company, and Mister Jean-Paul Luksic Fontbona as Vice Chairman. On the other hand, according to Article 50 bis of Law N° 18,046 of

corporations, the following were appointed as members of the Directors' Committee: Messieurs Francisco Pérez Mackenna, Mario Da-Bove Andrade and Jorge Gutiérrez Pubill, the last two as independent. In the Directors' Committee session that took place immediately after the one mentioned above, Mister Da-Bove was elected Chairman of the Directors' Committee.

Distribution of Dividends: The Ordinary Shareholders' Meeting held on that same date, agreed to distribute a final dividend equivalent to 50% of net income for the year 2015, amounting to USD 34,467,856.69, as from May 6, 2016, to shareholders recorded in the corresponding registry at April 30 of the same year. This dividend is of a mixed nature, as it is composed of: a) a portion of the mandatory minimum dividend and, b) an additional dividend.

September 27, 2016 Assets or shares holdings, acquisition or disposal

It was informed that on the above date, SM SAAM, through its subsidiary SAAM Puertos S.A, subscribed a stock purchase-sale agreement with Sociedad Portuaria Regional de Buenaventura S.A. to acquire 51% of the shares in which the social capital of Sociedad Portuaria de Caldera (SPC) S.A. and Sociedad Portuaria Granelera de Caldera (SPGC) S.A. is divided, both companies constituted in Costa Rica, hereinafter jointly "the Companies". The total purchase price of said shares amounted to US\$ 48.5 million. Formalization of this transaction is subject to the compliance with certain usual conditions in this type of operation, and in particular to the

approval of the local authorities and regulatory entities.

SPC is the concession company of the "Concession Contract for the management of Public Services of Puerto Caldera Terminal", which is mainly dedicated to the movement of containers and general cargo, and that mobilized more than 238,000 TEUs of cargo during 2015. In turn, SPGC is the concession company of the "Concession Contract of Public Work with Public Services for the Construction and Operation of the Bulk Terminal of Puerto Caldera", terminal dedicated to the transfer of agricultural bulk and related bulk, which mobilized more than 1.2 million tons during 2015. Both terminals are located in Puerto Caldera, the largest port in the Pacific Coast of Costa Rica, and the second largest port in volume of cargo mobilized, at a national level. Jointly, the Companies mobilized more than 4.9 million tons in 2015.

SM SAAM deemed that said transaction would have positive effects in its results, without prejudice that at the time it was not possible to quantify them.

* On February 8, 2017, SAAM formalized the acquisition of 51% of Puerto Caldera in Costa Rica.

SUBSIDIARIES AND AFFILIATES / CHILEAN COMPANIES

SAAM S. A.

Company Name:	SAAM S. A.
Legal Nature:	Closed Corporation
Subscribed and paid-in capital:	US\$ 143,101,566
Total Share:	99.9995%
% of investment over total assets of parent company:	97.70 %
Company object:	To undertake, both in Chile and abroad, the provision of services in areas such as: agency services and/or assistance to vessels; ship owners or operators; maritime, air and land transport companies; agency services for freight, tickets and/or tourism; in the representation and commercial transportation services; coastal trade and port services; embarkation, loading and unloading of goods and warehousing; vessels, tugboats, boats and wharf services; in the construction, calls for tender, development, and operation of ports and port terminals; participation in other companies and in any other business related to the Company Object.
Board of Directors:	Felipe Joannon Vergara (1), Jean Paul Luksic Fontbona (2), Mario Da-Bove Andrade (3), Francisco Gutiérrez Philippi (4), Jorge Gutiérrez Pubill (5), Óscar Hasbún Martínez (6) and Francisco Pérez Mackenna (7).
General Manager:	Macario Valdés Raczynski (8).
Main contracts with parent company:	Providing administration, accounting, financial and tax, legal advisory, internal audit and public relations advisory services.

AEROSAN AIRPORT SERVICES S.A.

Company Name:	Aerosan Airport Services S.A.
Legal Nature:	Closed Corporation
Subscribed and paid-in capital:	US\$ 4,479,276.40
Total Share:	49.9998%
% of investment over total assets of parent company:	0.56%
Company object:	Airport services to airplanes, cargo and passengers, airport maintenance, airplanes maintenance and repair, cargo handling and reception, warehousing, embarkation and delivery. Land transportation of passengers and cargo to and from airports.
Board of Directors:	Macario Valdés Raczynski (8), Alfredo Nunes Pinto Junior (17), Alfredo González and Peter Stanham.
General Manager:	Patricio Latorre Sepúlveda.

ANTOFAGASTA TERMINAL INTERNACIONAL S.A.

Company Name:	Antofagasta Terminal Internacional S.A.
Legal Nature:	Closed Corporation, registered in the special register of reporting.
Subscribed and paid-in capital:	US\$ 7,000,000
Total Share:	34.9990%
% of investment over total assets of parent company:	0.88%
Company object:	Development, maintenance and operation of Berthing Front N° 2 of the port of Antofagasta. Wharf services, warehousing in relation to the berthing front mentioned above.
Board of Directors:	Regulars: Yurik Díaz Reyes (16), Franco Montalbetti Moltedo, Macario Valdés Raczynski (8), Francisco Gutiérrez Philippi (4), Juan Esteban Bilbao García, Luis Mancilla Pérez, Ramón Jara Araya y Mauricio Ortiz Jara. Alternates: Roberto Larraín Sáenz (9), Enrico Martini García, Alberto Bórquez Calbucura, Felipe Rioja Rodríguez (15), Rodrigo Jiménez Pacheco, Rodrigo Faura Soletic, Carlos Acuña Cares y Solange Medina Espinoza.
General Manager:	Cristian Wulf Sotomayor.

AQUASAAM S.A.

Company Name:	Aquasaam S.A.
Legal Nature:	Closed corporation
Subscribed and paid-in capital:	Ch\$ 8,009,400,337
Total share:	99.9995%
% of investment over total assets of parent company:	0.07%
Company object:	Advisory services for and execution of all kinds of engineering projects, particularly in the maritime sector; construction, development, building, assembly and maintenance of rafts and boats; anchoring services; maintenance and repair of nets and other services related to the salmon industry, and representation and commercialization of implements and accessories used mainly in the salmon industry and fish farming in general.
Board of Directors:	Felipe Barison Kahn, Macario Valdés Raczynski (8), Roberto Larraín Sáenz (9) and Miguel Tortello Schuwirth.
General Manager:	Miguel Tortello Schuwirth.

COSEM S.A.

Company Name:	Cosem S.A.
Legal Nature:	Closed corporation
Subscribed and paid-in capital:	Ch\$ 50,176,840
Total share:	99.9995%
% of investment over total assets of parent company:	0.05%
Company object:	Personnel services for cargo mobilization.
Board of Directors:	Felipe Barison Kahn, Claudio Hurtado Lattapiat and Gastón Moya Rodríguez (12).
General Manager:	Claudio Hurtado Lattapiat.

EMPRESA DE SERVICIOS MARÍTIMOS Y PORTUARIOS HUALPÉN LIMITADA.

Company Name:	Empresa de Servicios Marítimos y Portuarios Hualpén Limitada
Legal Nature:	Limited Liability Company
Subscribed and paid-in capital:	Ch\$ 204,232,502
Total share:	49.9998%
% of investment over total assets of parent company:	0.00%
Company object:	Stevedoring services to ships.
Board of Directors:	Martin Skalweit Rudloff, Roberto Larraín Sáenz (9), Rodolfo Skalweit Waschmann and Yurik Díaz Reyes (16).
General Manager:	Diego Sprenger Rochette.

INMOBILIARIA CARRIEL LIMITADA

Company Name:	Inmobiliaria Carriel Limitada
Legal Nature:	Limited Liability Company
Subscribed and paid-in capital:	Ch\$ 140,024,660
Total share:	49.4998%
% of investment over total assets of parent company:	0.02%
Company object:	Administration, rental, use and operation of urban real estate, in their various forms.
Board of Directors:	Regulars: Roberto Larraín Sáenz (9), Miguel Tortello Schuwirth, Rodolfo Skalweit Waschmann y Martin Skalweit Rudloff. Alternates: Felipe Barison Kahn.
General Manager:	Nelson Soto León.

INMOBILIARIA MARÍTIMA PORTUARIA SpA

Company Name:	Inmobiliaria Marítima Portuaria S.p.A
Legal Nature:	Joint-stock Company
Subscribed and paid-in capital:	Ch\$ 31,148,043,427
Total share:	99.9995%
% of investment over total assets of parent company:	12.25%
Company object:	To perform all kinds of trading and/or business activities related to: a) Investment in real estate and their acquisition, commercialization, operation and construction in any form or modality, b) Investment in personal property, tangible or intangible, such as shares, bonds, debentures, company rights, etc., and all kinds of trade bills, including their acquisition, disposal, commercialization, operation, and construction in any way or form, and c) operation of concessions of any nature.
Administration:	By SAAM S.A. through representatives named by the Company.
General Manager:	Miguel Tortello Schuwirth.

INMOBILIARIA SAN MARCO LIMITADA

Company Name:	Inmobiliaria San Marco Limitada
Legal Nature:	Limited Liability Company
Subscribed and paid-in capital:	Ch\$ 33,717,023,789
Total share:	99.695%
% of investment over total assets of parent company:	11.00%
Company object:	Administration, leasing, use and operation in its various forms, of urban real estate, directly or indirectly, and, in general, performing any other related activity agreed to by the partners
Administration:	By SAAM S.A., through representatives appointed by the Company.
General Manager:	Miguel Tortello Schuwirth.

INMOBILIARIA SEPBIO LIMITADA

Company Name:	Inmobiliaria Sepbio Limitada
Legal Nature:	Limited Liability Company
Subscribed and paid-in capital:	Ch\$ 10,710,000
Total share:	99.695%
% of investment over total assets of parent company:	0.03%
Company object:	The acquisition, administration, transfer and commercialization of all kinds of tangible and intangible property, real estate, agricultural or non-agricultural, urban or rural, implementation of realtor activities by itself or for third parties, and, in general, the direct or indirect performance of all kinds of real estate businesses; as well as every other complementary activity agreed to by the partners.
Administration:	Administrative Council run by their legal representatives.
General Manager:	Eduardo González Muñoz.

INVERSIONES SAN MARCO LIMITADA

Company Name:	Inversiones San Marco Limitada
Legal Nature:	Limited Liability Company
Subscribed and paid-in capital:	US\$ 9,451,811.82
Total share:	99.695%
% of investment over total assets of parent company:	1.27%
Company object:	To perform all kinds of businesses and investments, on its own behalf or for third parties, in every kind of personal and real property, tangible and intangible, including securities and negotiable instruments.
Administration:	By SAAM S.A., through representatives appointed by the Company.
General Manager:	Roberto Larraín Sáenz (9).

IQUIQUE TERMINAL INTERNACIONAL S.A.

Company Name:	Iquique Terminal Internacional S.A.
Legal Nature:	Closed corporation, registered in the special register of reporting.
Subscribed and paid-in capital:	US\$ 10,000,000
Total share:	84.999575%
% of investment over total assets of parent company:	3.13%
Company object:	Development, maintenance and operation of Berthing Front N° 2 of the Port of Iquique, belonging to Empresa Portuaria Iquique. Wharfage and storage in relation to said berthing front.
Board of Directors:	Regulars: Yurik Díaz Reyes (16), Macario Valdés Raczynski (8), Felipe Joannon Vergara (1), Francisco Gutiérrez Philippi (4), Alberto Bórquez Calbucura, Franco Montalbeti Moltedo y Diego Urenda Salamanca. Alternates: Miguel Tortello Schuwirth, Gastón Moya Rodríguez (12), Roberto Larraín Sáenz (9) y Rodrigo Faura Soletic.
General Manager:	Manuel Cañas Estévez.

LNG TUGS CHILE S.A.

Company Name:	LNG Tugs Chile S.A.
Legal Nature:	Closed corporation
Subscribed and paid-in capital:	US\$ 500,000
Total share:	39.9998%
% of investment over total assets of parent company:	0.03%
Company object:	Provision of towage services for docking and undocking maneuvers, and stand-by and other related activities of vessels carrying liquefied natural gas that put into port in Quinteros Bay on their own or on behalf of third parties.
Board of Directors:	Regulars: Hans Alfred Hübner Almendras, Ricardo Cardemil Garay, Pablo Cáceres González, Marcos Piña Cofré y Sergio Smith Partarrieu. Alternates: Matthias Reinartz Blass, Alberto Hernández Riquelme, Ricardo Soto Barrera, Patricio Cabezón Espinoza y José Antonio Vargas Castro.
General Manager:	Raimundo Grez Duval.

MUELLAJE ATI S.A.

Company Name:	Muellaje ATI S.A.
Legal Nature:	Closed corporation
Subscribed and paid-in capital:	Ch\$ 40,000,000
Total share:	35.3239%
% of investment over total assets of parent company:	0.00%
Company object:	To provide Antofagasta Terminal Internacional all personnel resources needed for complementary services required by maritime transport and/or any activity requiring these resources.
Board of Directors:	Yurik Díaz Reyes (16), Juan Esteban Bilbao García and Cristian Wulf Sotomayor.
General Manager:	Cristian Wulf Sotomayor.

MUELLAJE DEL LOA S.A.

Company Name:	Muellaje del Loa S.A.
Legal Nature:	Closed corporation
Subscribed and paid-in capital:	Ch\$ 40,000,000
Total share:	34.6490%
% of investment over total assets of parent company:	0.00%
Company object:	To provide all personnel resources needed for complementary services required by maritime transport and/or any activity requiring these resources.
Board of Directors:	Juan Esteban Bilbao García, Carlos Acuña Cares and Yurik Díaz Reyes (16).
General Manager:	Cristian Wulf Sotomayor.

MUELLAJE DEL MAIPO S.A.

Company Name:	MUELLAJE DEL MAIPO S.A.
Legal Nature:	Closed corporation
Subscribed and paid-in capital:	Ch\$ 130,123,761
Total share:	49.9985%
% of investment over total assets of parent company:	0.01%
Company object:	Wharfage service for maritime transport.
Board of Directors:	Carlos Gómez Niada, Yurik Díaz Reyes (16) and Serafín Pinedo Fuenzalida.
General Manager:	Matías Díaz Abarca (Administrator).

MUELLAJE ITI S.A.

Company Name:	MUELLAJE ITI S.A.
Legal Nature:	Closed corporation
Subscribed and paid-in capital:	US\$ 148,184
Total share:	85.0724%
% of investment over total assets of parent company:	0.18%
Company object:	To provide all personnel resources required for complementary services required by maritime transport and/or any activity requiring these resources; it may execute directly the provision of port services such as transfer, conveyance, warehousing, loading and unloading, stevedoring, container and/or goods consolidation and deconsolidation, and, in general, every kind of operation related directly or indirectly to these activities; and execute any other kind of business agreed to by the partners in relation to the Company object.
Board of Directors:	Yurik Díaz Reyes (16), Manuel Cañas Estévez and Cristián Toledo Curimil.
General Manager:	Manuel Cañas Estévez.

MUELLAJE STI S.A.

Company Name:	MUELLAJE STI S.A.
Legal Nature:	Closed corporation
Subscribed and paid-in capital:	Ch\$ 56,687,394
Total share:	50.2475%
% of investment over total assets of parent company:	0.00%
Company object:	To provide San Antonio Terminal Internacional S.A. all personnel resources required for complementary services required by maritime transport and/or any activity requiring these resources; it may execute directly the provision of port services such as transfer, conveyance, warehousing, loading and unloading, stevedoring, container and/or goods consolidation and deconsolidation, and, in general, every kind of operation related directly or indirectly to these activities.
Board of Directors:	Pedro García Morales.
General Manager:	José Iribarren Monteverde.

MUELLAJE SVTI S.A.

Company Name:	MUELLAJE SVTI S.A.
Legal Nature:	Closed corporation
Subscribed and paid-in capital:	Ch\$ 168,432,981
Total share:	50.2485%
% of investment over total assets of parent company:	0.00%
Company object:	To provide San Vicente Terminal Internacional S.A. all personnel resources required for complementary services required by maritime transport and/or any activity requiring these resources; it may execute directly the provision of port services such as transfer, conveyance, warehousing, loading and unloading, stevedoring, container and/or goods consolidation and deconsolidation, and, in general, every kind of operation related directly or indirectly to these activities; and execute any other kind of business agreed to by the partners in relation to the Company object..
Board of Directors:	Yurik Díaz Reyes (16), Carlos Gómez Niada and David Michou.
General Manager:	Eduardo González Muñoz.

PORTUARIA CORRAL S.A.

Company Name:	PORTUARIA CORRAL S.A.
Legal Nature:	Closed corporation
Subscribed and paid-in capital:	Ch\$ 4,244,685,631
Total share:	49.9985%
% of investment over total assets of parent company:	0.84%
Company object:	Operation of ports and related services.
Board of Directors:	Andrés Schüller Skalweit, Hernán Gómez Cisternas (10), Yurik Díaz Reyes (16), Roberto Larraín Sáenz (9), Francisco Javier Jobson and Martin Skalweit Rudloff.
General Manager:	Diego Sprenger Rochette.

SAAM EXTRAPORTUARIOS S.A.

Company Name:	SAAM EXTRAPORTUARIOS S.A.
Legal Nature:	Closed corporation
Subscribed and paid-in capital:	Ch\$ 300,000,000
Total share:	99.0095%
% of investment over total assets of parent company:	0.39%
Company object:	Operation of customs depot premises, set up according to Article 57 of the Customs Ordinance and its Rules and Regulations, for the provision of warehouse services for goods until their collection for import, export or other customs destination, including the provision of complementary and/or additional to the warehousing that the Customs Service expressly authorizes.
Board of Directors:	Felipe Barison Kahn, Roberto Larraín Sáenz (9) and Miguel Tortello Schuwirth.
General Manager:	Pablo Torres Ferrada.

SAAM INTERNACIONAL S.A.

Company Name:	SAAM INTERNACIONAL S.A.
Legal Nature:	Closed corporation
Subscribed and paid-in capital:	US\$ 2,383,736.09
Total share:	99.9995%
% of investment over total assets of parent company:	15.60%
Company object:	Performance of investments abroad, in all kinds of personal property, tangible or intangible, and particularly in the purchase and sale of rights and shares such as shares, in addition to the administration and operation of said goods and investments abroad.
Board of Directors:	Regulars: Macario Valdés Raczynski (8), Roberto Larraín Sáenz (9), Felipe Rioja Rodríguez (15), Yurik Díaz Reyes (16) and Hernán Gómez Cisternas (10). Alternates: Karen Paz Berdichewsky (11), Patricia López Manieu, Claudio Vera Acuña (14), Gastón Moya Rodríguez (12) and Miguel Tortello Schuwirth.
General Manager:	Roberto Larraín Sáenz (9).

SAAM INVERSIONES S.p.A.

Company Name:	SAAM Inversiones S.p.A.
Legal Nature:	Joint-stock Company
Subscribed and paid-in capital:	US\$ 500,000
Total share:	100%
% of investment over total assets of parent company:	(0.10%)
Company object:	a) To perform all kinds of businesses and investments, on its own behalf or for third parties, in every kind of personal and real property, tangible and intangible, including securities and negotiable instruments; b) participate in companies or communities with any type of social object, national or foreign, including their administration, c) perform any other types of investments or activities that are useful or related to those previously mentioned.
Administration:	By SAAM S.A., through representatives appointed by the Company. .
General Manager:	Roberto Larraín Sáenz (9).

SAAM PUERTOS S.A.

Company Name:	SAAM Puertos S.A.
Legal Nature:	Closed corporation
Subscribed and paid-in capital:	US\$ 47,810,000
Total share:	99.9970%
% of investment over total assets of parent company:	22.97%
Company object:	Direct operation or through port activities' companies.
Board of Directors:	Regulars: Macario Valdés Raczynski (8), Roberto Larraín Sáenz (9), Felipe Rioja Rodríguez (15), Miguel Tortello Schuwirth and Hernán Gómez Cisternas. Alternates: Karen Paz Berdichewsky (11), Patricia López Manieu, Claudio Vera Acuña (14), Alberto Bórquez Calbucura and Gastón Moya Rodríguez (12).
General Manager:	Yurik Díaz Reyes (16).

SAN ANTONIO TERMINAL INTERNACIONAL S.A.

Company Name:	San Antonio Terminal Internacional S.A.
Legal Nature:	Closed corporation registered in the special register of reporting entities.
Subscribed and paid-in capital:	US\$ 33,700,000
Total share:	49.9985%
% of investment over total assets of parent company:	5.98%
Company object:	Development, maintenance and operation of berthing site of e Molo Sur of the port of San Antonio owned by Empresa Portuaria San Antonio. Wharfage and warehousing, in relation to the aforementioned berthing site.
Board of Directors::	Regulars: Yurik Díaz Reyes (16), David Michou, Macario Valdés Raczynski (9), Felipe Joannon Vergara (1), Rodrigo Vidal González y John Aldaya. Suplentes: Roberto Larraín Sáenz (9), Juan Carlos Croston, Alberto Bórquez Calbucura, Hernán Gómez Cisternas, Jaime Neal y Carlos Urriola Tam.
General Manager:	José Iribarren Monteverde.

SAN VICENTE TERMINAL INTERNACIONAL S.A.

Company Name:	San Vicente Terminal Internacional S.A.
Legal Nature:	Closed corporation, registered in the special registry of recording entities.
Subscribed and paid-in capital:	US\$ 10,000,000
Total share:	49.9985%
% of investment over total assets of parent company:	4.25%
Company object:	Development, maintenance and operation of berthing site of the port of San Vicente owned by Empresa Portuaria Talcahuano-San Vicente. Wharf services and warehousing in relation with the aforementioned berthing site.
Board of Directors:	Regulars: David Michou, Yurik Díaz Reyes (16), Macario Valdés Raczynski (9), Felipe Joannon Vergara (1), Carlos Gómez Niada y John Aldaya. Alternates: Juan Carlos Croston, Roberto Larraín Sáenz (9), Alberto Bórquez Calbucura, Hernán Gómez Cisternas, Jaime Neal y Carlos Urriola Tam.
General Manager:	Eduardo González Muñoz.

SEPSA S.A.

Company Name:	Servicios de Personal Portales S.A.
Legal Nature:	Closed Corporation
Subscribed and paid-in capital:	US\$ 3,733,805.63
Total share:	99.0095%
% of investment over total assets of parent company:	0.50%
Company object:	Provide third parties all personnel resources required by warehousing activities, consolidation and deconsolidation of cargo and containers of goods.
Board of Directors:	Felipe Barison Kahn, Claudio Hurtado Lattapiat and Gastón Moya Rodríguez (12).
General Manager:	Claudio Hurtado Lattapiat.

SERVICIOS PORTUARIOS Y EXTRAPORTUARIOS BIO BIO LIMITADA.

Company Name:	Servicios Portuarios y Extraportuarios Bio Bio Limitada
Legal Nature:	Limited Liability Company
Subscribed and paid-in capital:	Ch\$ 10,000,000.-
Total share:	49.9985%
% of investment over total assets of parent company:	0.00%
Company object:	Provision of complementary services required by land or maritime transport, the company being able to execute directly the provision of port services such as transfer, conveyance, warehousing, loading and unloading, stevedoring, container and/or goods consolidation and deconsolidation; provide personnel and logistics resources , receive and assist vessels upon their arrival to port; prepare and expedite vessels; provide the required services for assisting and operating vessels in ports; purchase, sale and rentals.
Administration:	Administrative Council run by their legal representatives.
General Manager:	Eduardo González Muñoz.

SERVICIOS AEROPORTUARIOS AEROSAN S.A.

Company Name:	Servicios Aeroportuarios Aerosan S.A.
Legal Nature:	Closed corporation
Subscribed and paid-in capital:	US\$ 726,164.81
Total share:	49.9998%
% of investment over total assets of parent company:	0.50%
Company object:	Operation of warehousing of merchandise for import, export and complementary services
Board of Directors:	Macario Valdés Raczynski (8), Alfredo Nunes Pinto Junior (17), Alfredo González and Peter Stanham.
General Manager:	Patricio Latorre Sepúlveda.

SERVICIOS DE AVIACIÓN LIMITADA.

Company Name:	Servicios de Aviación Limitada
Legal Nature:	Limited Liability Company
Subscribed and paid-in capital:	Ch\$ 19,306,473
Total share:	49.9998%
% of investment over total assets of parent company:	0.00%
Company object:	Personnel airport services.
Board of Directors::	Administrative Council run by their legal representatives.
General Manager:	Patricio Latorre Sepúlveda.

SERVICIOS LOGÍSTICOS LIMITADA.

Company Name:	Servicios Logísticos Limitada
Legal Nature:	Limited Liability Company
Subscribed and paid-in capital:	US\$ 98,569.34
Total share:	49.9998%
% of investment over total assets of parent company:	0.00%
Company object:	Provision of logistics services, personnel administration, airport services, rental of airplanes, air transport, representation and administration of warehouses for third parties, air freight, land and maritime freight, courier services, general sales agent, equipment and machinery rentals, travel agency, IT solutions, warehousing, distribution and related services.
Administration:	By Aerosan Airport Services S.A. through representatives appointed by the Company.
General Manager:	Patricio Latorre Sepúlveda.

SERVICIOS PORTUARIOS RELONCAVÍ LIMITADA.

Company Name:	Servicios Portuarios Reloncaví Limitada
Legal Nature:	Limited Liability Company
Subscribed and paid-in capital:	Ch\$ 165,000,000
Total share:	49.9998%
% of investment over total assets of parent company:	0.83%
Company object:	Stevedoring services.
Board of Directors:	Hernán Gómez Cisternas, Alfredo Nunes Pinto Junior (17), Francisco Javier Jobson and Martin Skalweit Waschmann.
General Manager:	Diego Sprenger Rochette.

SOCIEDAD TRANSBORDADORA AUSTRAL BROOM S.A.

Company Name:	Sociedad Transbordadora Austral Broom S.A.
Legal Nature:	Closed corporation
Subscribed and paid-in capital:	Ch\$ 15,403,397,240
Total share:	24.9999%
% of investment over total assets of parent company:	1.52%
Company object:	Maritime transport of load, vehicles and passengers in the Strait of Magellan and other points in the country.
Board of Directors:	Regulars: Pedro Lecaros Menéndez, Marcelo Vargas Jullian, Felipe Rioja Rodríguez (15) y James Wells. Alternates: Gerardo Álvarez, Cecilia Glusevic, Andrés Núñez y Roberto Larraín Sáenz (9).
General Manager:	Alejandro Kusanovic Glusevic.

TERMINAL CHINCHORRO S.A.

Company Name:	Terminal Chinchorro S.A.
Legal Nature:	Closed corporation
Subscribed and paid-in capital:	US\$ 375,724
Total share:	99.0095%
% of investment over total assets of parent company:	0.06%
Company object:	Operation of customs depot premises, set up according to Article 57 of the Customs Ordinance and its Rules and Regulations, for the provision of warehouse services for goods until their collection for import, export or other customs destination, including the provision of complementary and/or additional to the warehousing that the Customs Service expressly authorizes.
Board of Directors:	Felipe Barison Kahn, Roberto Larraín Sáenz (9) and Miguel Tortello Schuwirth.
General Manager:	Claudio Hurtado Lattapiat.

TERMINAL EL COLORADO S.A.

Company Name:	Terminal El Colorado S.A.
Legal Nature:	Closed corporation
Subscribed and paid-in capital:	US\$ 47,473
Total share:	99.0095%
% of investment over total assets of parent company:	0.02%
Company object:	Provision of services associated to national and international transport of cargo, such as full or empty container depots, workshop services and complementary operations related to cargo and/or containers.
Board of Directors:	Felipe Barison Kahn, Claudio Hurtado Lattapiat and Gastón Moya Rodríguez (12).
General Manager:	Claudio Hurtado Lattapiat.

TERMINAL LAS GOLONDRINAS S.A.

Company Name:	Terminal Las Golondrinas S.A.
Legal Nature:	Closed corporation
Subscribed and paid-in capital:	US\$ 28,023
Total share:	99.0095%
% of investment over total assets of parent company:	0.00%
Company object:	Provision of services associated to national and international transport of cargo, such as full or empty container depots, workshop services and complementary operations related to cargo and/or containers.
Board of Directors:	Felipe Barison Kahn, Claudio Hurtado Lattapiat and Gastón Moya Rodríguez (14).
General Manager:	Claudio Hurtado Lattapiat.

TERMINAL PUERTO ARICA S.A.

Company Name:	Terminal Puerto Arica S.A.
Legal Nature:	Closed corporation, registered in the special registry for reporting entities.
Subscribed and paid-in capital:	US\$ 5,000,000
Total share:	14.9996%
% of investment over total assets of parent company:	0.91%
Company object:	Development, maintenance and operation of the Berthing Site N° 1, of the port of Arica, owned by Empresa Portuaria de Arica. Wharfage and warehousing in relation with the aforementioned berthing site
Board of Directors:	Regulars: Álvaro Brunet Lachaise, Hernán Gómez Cisternas (10), Jan Vermeij Chamy, Pablo Inhen de la Fuente, Juan Esteban Bilbao García y Dionisio Romero Paoletti. Alternates: Richard Von Appen Lahres, Melvin Wenger Weber, Andres Elgueta Gálmez, Rodrigo Faura Soletic y Emilio Fantozzi Temple.
General Manager:	Diego Bulnes Valdés.

TRANSPORTES FLUVIALES CORRAL S.A.

Company Name:	Transportes Fluviales Corral S.A.
Legal Nature:	Closed corporation
Subscribed and paid-in capital:	Ch\$ 2,147,376,520
Total share:	49.9998%
% of investment over total assets of parent company:	0.27%
Company object:	Maritime and fluvial transport, and related services.
Board of Directors:	Andrés Schüller Skalweit, Francisco Javier Jobson and Yurik Díaz Reyes (16).
General Manager:	Diego Sprenger Rochette.

SUBSIDIARIAS Y ASOCIADAS / EMPRESAS EXTRANJERAS
AIRPORT INVESTMENTS S. DE R.L. (Panamá)

Company Name:	Airport Investments S. de R.L.
Legal Nature:	Limited Liability Company
Subscribed and paid-in capital:	US\$ 1,000
Total share:	49.9998%
% of investment over total assets of parent company:	0.442%
Company object:	Investment activities.
Board of Directors:	Julio Linares Franco, Patricio Latorre Sepúlveda, Roberto Larraín Sáenz (9) and Juan Garrido.
General Manager:	Patricio Latorre Sepúlveda.

ALMACÉN PACÍFICO SUR S.A. (Bolivia)

Company Name:	Almacén Pacífico Sur S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	BS. 138,000.00
Total share:	35.0000%
% of investment over total assets of parent company:	0.064%
Company object:	Provision of logistics services for cargo and representations as General Agents for shipping companies
Board of Directors:	Erick Hein Dupont, Álvaro Galindo Neumann and Gustavo García Castillo.
General Manager:	Erick Hein Dupont.

ARONEM AIR CARGO S.A. (Ecuador)

Company Name:	Aronem Air Cargo S.A.
Legal Nature:	Closed corporation
Subscribed and paid-in capital:	US\$ 40,000
Total share:	39.9998%
% of investment over total assets of parent company:	0.05%
Company object:	Provision of airport services and air freight.
Board of Directors:	Jaime Pérez Clavijo, Patricio Latorre Sepúlveda and Juan Garrido.
General Manager:	Freddy Parra Guerra.

CONCESIONARIA SAAM COSTA RICA S.A. (Costa Rica)

Company Name:	Concesionaria SAAM Costa Rica S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	US\$ 3,000,000
Total share:	99.9995%
% of investment over total assets of parent company:	0.73%
Company object:	Provision of services: transport, agency, towage, salvage, assistance, removal of wrecked ships remains, pilotage, boats and coastal navigation.
Board of Directors:	Macario Valdés Raczyński (8), Felipe Rioja Rodríguez (15), Roberto Larraín Sáenz (9) and Hernán Gómez Cisternas (10).
General Manager:	Juan Pablo González Bestard.

CONSORCIO TRANSPORTADORA CALLAO S.A. (Perú)

Company Name:	Consortio Transportadora Callao S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	S/. 92,344,247
Total share:	8.75%
% of investment over total assets of parent company:	0.34%
Company object:	Design, construction, installation, financing, conservation and operation of a specialized wharf for ore concentrates, as well as the corresponding conveyor belt, to be located at the north breakwater (jetty) of the Port of Callao, in accordance with the terms and conditions established in the Concession Contract to be executed with the Peruvian State.
Board of Directors:	Regulars: Victoria Soyer Toche, Fernando Café Barcellos, Ricardo Trovarelli, William Savage Aguilar, Álvaro Galindo Neumann, Erick Hein Dupont, Gonzalo Eyzaguirre y Henry Paredes Linares. Alternates: Marcela Benítez Vásquez, Diego Garrido Lecca Gonzáles, Cristián Landea, Miguel Polo Gálvez, Gustavo García Castillo, Enrique Tarazona Soria, Pedro Solís y Shanfu Huang.
General Manager:	Víctor Sam Chang.

CONSORCIO TRANSPORTADORA SALAVERRY S.A. (Perú)

Company Name:	Consortio Transportadora Salaverry S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	S/ 6,126,010
Total share:	19.67%
% of investment over total assets of parent company:	0.10%
Company object:	Design, improvement, construction, financing conservation and operation of a port infrastructure in Terminal Portuario Multipropósito de Salaverry, in accordance with the characteristics established in the Integral Private Initiative (IP).
Board of Directors:	Regulars: Ricardo Trovarelli Vecchio , Alvaro Galindo Neumann, Fernando Guinand López de Romaña, Gustavo García Castillo. Alternates: Miguel Martínez Espinoza, Miguel Alfredo Polo Gálvez, Erick Hein Dupont, Gustavo García Castillo.
General Manager:	Gustavo García Castillo.

CONSTRUCCIONES MODULARES S.A. (Perú)

Company Name:	Construcciones Modulares S.A. En liquidación.
Legal Nature:	Corporation
Subscribed and paid-in capital:	S/. 3,015,332
Total share:	34.9963%
% of investment over total assets of parent company:	0.10%
Company object:	Installation and operation of container and cargo terminals; cold storage; container operator, warehousing and cargo services, packing, container consolidation and deconsolidation; construction, maintenance, modification and repair of containers and modules.
Administrator:	Cesar Pasco Boderó.

DIVING DEL PERÚ S.A. (Perú)

Company Name:	Diving del Perú S.A.
Legal Nature:	Corporation (Peru)
Subscribed and paid-in capital:	S/. 32,700.00
Total share:	35%
% of investment over total assets of parent company:	0.10%
Company object:	Provision of technical, mechanical and industrial services in marine and submarine activities.
Board of Directors:	Administrative Council run by their legal representatives. .
General Manager:	Erick Hein Dupont.

DUGARD S.A. (Uruguay)

Company Name:	Dugard S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	Ur\$ 400,000
Total share:	74.5634%
% of investment over total assets of parent company:	0.00%
Company object:	Professional transport of bulk cargo.
Board of Directors:	Francisco Javier Jobson, Roberto Larraín Sáenz (8), Hernán Gómez Cisternas (10), Alfredo Nunes Pinto Junior (17), Martin Skalweit Rudloff.
General Manager:	Luis Fabini Williamson.

ECUAESTIBAS S.A. (Ecuador)

Company Name:	Ecuastibas S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	US\$ 586,640
Total share:	99.9995%
% of investment over total assets of parent company:	2.09%
Company object:	Provision of all kinds of services related to port matters, such as port operator and/or complementary services company.
Board of Directors:	Regulars: Macario Valdés Raczyński (8), Felipe Rioja Rodríguez (15) y Roberto Larraín Sáenz (12). Alternates: Hernán Gómez Cisternas (10), Pablo Cáceres González y Yurik Díaz Reyes (16).
General Manager:	Enrique Brito Marín.

ELEQUIP S.A (Colombia)

Company Name:	Elequip S.A. in Liquidation
Legal Nature:	Corporation (Colombia)
Subscribed and paid-in capital:	Col\$ 992,674,600
Total share:	49.7997%
% of investment over total assets of parent company:	0.05%
Company object:	Running operational equipment for stevedoring (stowage) and complementary services.
Liquidator:	Regular: Jaime Alberto Vargas Alternate: Harold Colino

EQUIMAC S.A. (Colombia)

Company Name:	Equimac S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	Col\$ 97,338,600
Total share:	49.9997%
% of investment over total assets of parent company:	0.31%
Company object:	Provision of towage services.
Board of Directors:	Regulars: Felipe Rioja Rodríguez (15), Yurik Díaz Reyes (16), Juan Carlos Rueda Estévez y Bernd Haubold Kausel. Alternates: Roberto Larrain Sáenz (9), Beatriz Oesterreich Groeper y José Salinas Martínez.
General Manager:	Antonio Rodríguez Martínez.

EXPERTAJES MARITIMOS S.A. (Guatemala)

Company Name:	Expertajes Marítimos S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	GTQ 5,000
Total share:	69.9996%
% of investment over total assets of parent company:	0.09%
Company object:	Provision of maritime and port services. The purchase, sale, subcontracting, rental, exchange, assignment, and any activity, legal action, contract or business, related to businesses, investments and personal and real property.
Board of Directors:	Felipe Rioja Rodríguez (15), Macario Valdés Raczynski (8), Roberto Larrain Sáenz (9), Harry Marcus Nadle.
General Manager:	Harry Marcus Nadle.

FLORIDA INTERNATIONAL TERMINAL, LLC (Estados Unidos)

Company Name:	Florida International Terminal, LLC
Legal Nature:	Limited Liability Company
Subscribed and paid-in capital:	US\$ 3,000,000
Total share:	69.9996%
% of investment over total assets of parent company:	0.64%
Company object:	Port terminal operations and stowage/stevedoring services.
Board of Directors:	Yurik Díaz Reyes (16), Felipe Joannon Vergara (1), Macario Valdés Raczynski (8), Alberto Bórquez Calbucura, Luis Mancilla Pérez, Franco Montalbetti Moltedo.
General Manager:	Klaus Stadthagen González.

GERTIL S.A. (Uruguay)

Company Name:	Gertil S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	US\$ 3,785,894
Total share:	74.5634%
% of investment over total assets of parent company:	0.31%
Company object:	Stowage/stevedoring port services.
Board of Directors:	Francisco Javier Jobson, Roberto Larrain Sáenz (9), Hernán Gómez Cisternas (10), Alfredo Nunes Pinto Junior (17), Martin Skalweit Rudloff.
General Manager:	Luis Fabini Williamson.

GIRALDIR S.A. (Uruguay)

Company Name:	Giraldir S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	Ur\$ 50,000
Total share:	99.999%
% of investment over total assets of parent company:	0.19%
Company object:	Towage and general maritime services.
Board of Directors:	Felipe Rioja Rodríguez (15), Macario Valdés Raczynski (8), Roberto Larrain Sáenz (9).
General Manager:	Luis Fabini Williamson.

INARPI S.A. (Ecuador)

Company Name:	INARPI S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	US\$ 7,215,800
Total share:	99.9995%
% of investment over total assets of parent company:	3.68%
Company object:	Company dedicated to the provision of services in port matters, cargo port operator in Terminal Portuario Guayaquil.
Administration:	Administrative Council run by their legal representatives.
General Manager:	Juan Alfredo Illingworth M.

INVERSIONES ALARIA S.A. (Perú)

Company Name:	Inversiones Alaria S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	S/. 179,475,465
Total share:	99.9995%
% of investment over total assets of parent company:	13.83%
Company object:	Purchase and sale of every type of personal and real property. General investments and operations in securities and real estate, participation in industrial, commercial or financial companies. Operation of maritime businesses in relation with fluvial or maritime transport, air or land transport, and operation of maritime agencies in the country (Peru) or abroad. Participation in Peruvian or foreign corporations.
Board of Directors:	Roberto Larraín Sáenz (9), Macario Valdés Raczynski (8), Felipe Rioja Rodríguez (15).

INVERSIONES ALARIA II S.A. (Panamá)

Company Name:	Inversiones Alaria II S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	US\$ 25,962,000
Total share:	99.9995%
% of investment over total assets of parent company:	3.41%
Company object:	Purchase and sale of every type of personal and real property. General investments and operations in securities and real estate, participation in industrial, commercial or financial companies. Operation of maritime businesses in relation with fluvial or maritime transport, air or land transport, and operation of maritime agencies in the country (Panama) or abroad. Participation in Panamanian or foreign corporations. Compra venta en general de toda clase de bienes muebles e inmuebles.
Board of Directors:	Julio Linares Franco, Felipe Rioja Rodríguez (15), Roberto Larraín Sáenz (9).

INVERSIONES HABSBURGO S.A. (Panamá)

Company Name:	Inversiones Habsburgo S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	US\$ 216,000
Total share:	99.07219%
% of investment over total assets of parent company:	21.68%
Company object:	Purchase and sale of every type of personal and real property. General investments and operations in securities and real estate, participation in industrial, commercial or financial companies. Operation of maritime businesses in relation with fluvial or maritime transport, air or land transport, and operation of maritime agencies in the country (Panama) or abroad. Participation in Panamanian or foreign corporations.
Board of Directors:	Julio Linares Franco, Felipe Rioja Rodríguez (15), Roberto Larraín Sáenz (9).

INVERSIONES MISTI S.A. (Perú)

Company Name:	Inversiones Misti S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	S/. 648,029
Total share:	99.9995%
% of investment over total assets of parent company:	11.74%
Company object:	Business and activities in the ports and maritime area, stevedoring services, warehousing, port operator, tonnage, boats, ships brokerage and agency, port equipment, transport and handling of cargo and containers, etc. Participation in other companies.
Board of Directors:	Roberto Larraín Sáenz (9), Macario Valdés Raczynski (8), Felipe Rioja Rodríguez (15).
General Manager:	Roberto Larraín Sáenz (9).

JUAN PAULO QUAY S.A.C. (Perú)

Company Name:	Juan Pablo Quay S.A.C.
Legal Nature:	Commercial Corporation (Peru)
Subscribed and paid-in capital:	S/. 2,715,820
Total share:	4.19%
% of investment over total assets of parent company:	0.00%
Company object:	1. The constitution, operation and administration of ports, wharfs, piers, berths and lashings and, in general, of a maritime terminal. 2. To perform port operations inherent, linked to, similar and/or related to the activity of general agent, port agent or maritime agent; and 3. Loading and unloading, stevedoring, transport, porter and warehousing in general, of containers and goods from ships.
Board of Directors:	Regulars: Julio de Blas Caballero, David Maurice Cass, Álvaro Galindo Neumann, Pedro García, Mario Szotierder.
General Manager:	Álvaro Galindo Neumann.

KEMFA S.A. (Bolivia)

Company Name:	Kemfa Servicios, Inversiones y Representaciones S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	BS. 16,000
Total share:	35.192%
% of investment over total assets of parent company:	0.06%
Company object:	Consolidation and deconsolidation of cargo, investments and business representations, representation of products and/or services, carrying out on its own behalf or for third parties, foreign trade operations, investments, capturing clients or partners and performing consultancy and advisory activities.
Board of Directors:	Regulars: Jamiro Franco Antezana, Luis Meneses Malpica y César de la Vega Carpio. Alternates: José Antonio Loli, Érica Palenque y Sergio Salazar Machicado.
General Manager:	Erick Hein Dupont.

KIOS S.A. (Uruguay)

Company Name:	Kios S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	Ur\$ 15,082,225
Total share:	48.9997%
% of investment over total assets of parent company:	1.87%
Company object:	General Towage Services.
Board of Directors:	Fernando Capurro Sarasketa, Felipe Rioja Rodríguez (15), Francisco Licio Siniscalchi.
General Manager:	Francisco Licio Siniscalchi.

LIMOLY S.A. (Uruguay)

Company Name:	LIMOLY S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	Ur\$ 400,000
Total share:	99.9995%
% of investment over total assets of parent company:	0.18%
Company object:	To industrialize and commercialize in all its forms, goods, rental of goods work and services.
Board of Directors:	Felipe Rioja Rodríguez (15), Macario Valdés Raczynski (8), Roberto Larraín Sáenz (9).

LOGÍSTICA PERUANA DEL ORIENTE S.A. (Perú)

Company Name:	Logística Peruana Del Oriente S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	S/. 7,500,000
Total share:	24.4964%
% of investment over total assets of parent company:	0.03%
Company object:	Design, construction and maintenance of fluvial wharfs in the jungle region, intended for the viability and fulfillment of Ransa purposes as provider of logistics and transport services.
Board of Directors:	Álvaro Galindo Neumann, Emilio Fantozzi Temple, Gustavo García Castillo, Erick Hein Dupont.
General Manager:	Álvaro Galindo Neumann.

LOGÍSTICA DE QUÍMICOS DEL SUR S.A. (Perú)

Company Name:	Logística De Químicos del Sur S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	S/. 3,644,000
Total share:	17.5%
% of investment over total assets of parent company:	0.12%
Company object:	To provide services of reception, warehousing, dispatch and transport of liquid chemical products in bulk.
Board of Directors:	Regulars: Álvaro Galindo Neumann, Erick Hein Dupont, Holder Cristian Donath y Reynaldo Llosa Martino. Alternates: Dionisio Romero Paoletti, José Antonio Onrubia Holder, Darío Di Luca y Francisco Dulante Swayne.
General Manager:	Dario Di Luca.

LUCKYMONT S.A. (Uruguay)

Company Name:	Luckymont S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	Ur\$ 9,000
Total share:	74.5635%
% of investment over total assets of parent company:	0.14%
Company object:	Set up the legal form of Zona Franca (Free Trade Zone) to develop logistics services for Montes de Plata (Punta Pereira, Colonia, Uruguay).
Board of Directors:	Francisco Javier Jobson, Roberto Larraín Sáenz (9), Hernán Gómez Cisternas (10), Alfredo Nunes Pinto Junior (17), Martin Skalweit Rudloff.
General Manager:	Luis Fabini Williamson.

MINERA PIURA S.R.L. (Perú)

Company Name:	Minera Piura S.R.L.
Legal Nature:	Limited Liability Company
Subscribed and paid-in capital:	S/. 5,190
Total share:	13.6849%
% of investment over total assets of parent company:	0.00%
Company object:	Prospecting, exploration and reporting of all types of mining substances, their purchase and sale, formulate and work all kinds of mining rights, purchase and sale, whether in the domestic market or internationally, all kinds of mining substances and their derivatives, purchase and sale of all kinds of mining rights and all types of similar or related and derived activities in relation to the mining activity. Lastly, it may operate and profit any mining substance through the grant of permits or concessions.
Administration:	Administrative Council run by their legal representatives.
General Manager:	Álvaro Galindo Neuman.

NAVIERA TRAMARSA S.A. (Perú)

Company Name:	Naviera Tramarsa S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	S/. 19,494,907
Total share:	34.9996%
% of investment over total assets of parent company:	0.26%
Company object:	Coastal freight services, maritime, river and lake cargo transportation, freight shipping activities, agency for the general operation and administration of ships, all types of shipping brokerage; maritime, river, lake, land, air and multimodal cargo freight, national or international; transport in bulk of oil and its byproducts, supply and transport of fuel in bay; dispatch of cargo; load consolidation and deconsolidation; document handling, operation of warehouses, etc.
Administration:	Álvaro Galindo Neumann, Erick Hein Dupont, Gustavo García Castillo and Enrique Tarazona Soria.
General Manager:	Erick Hein Dupont.

PARANA TOWAGE S.A. (Argentina)

Company Name:	Parana Towage S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	Ar\$ 12,000
Total share:	49.0448%
% of investment over total assets of parent company:	0.03%
Company object:	General maritime services.
Board of Directors:	Fernando Capurro Sarasketa, Jorge Portela and Sergio Pez
General Manager:	Fernando Capurro Sarasketa.

PUERTO BAYOVAR S.A. (Perú)

Company Name:	Puerto Bayovar S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	S/. 9,323,842.98
Total share:	14.00%
% of investment over total assets of parent company:	0.05%
Company object:	Establishment, operation and administration of ports, quays, wharfs and berths. Reception, dispatch and provisioning of ships, transfer of passengers embarkation and disembarkation, loading and unloading, stevedoring services, conveyance and warehousing of ships with less draught, among others.
Board of Directors:	Julio Blas Caballero, Álvaro Galindo Neumann, Felipe Vivar Jurado, Andrés Leroux Estrada and Dionisio Romero Paoletti.
General Manager:	Álvaro Galindo Neumann.

PUERTO BUENAVISTA S.A. (Colombia)

Company Name:	Puerto Buenavista S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	Col\$ 48,558,000
Total share:	33.239%
% of investment over total assets of parent company:	0.71%
Company object:	Investment in construction and maintenance of ports and their administration. Provision of services: loading, unloading and warehousing in ports, plus services directly related to port activities and all other activities allowed to port companies by virtue of Law 01/91 and complementary regulations.
Board of Directors:	Regulars: Alberto Jiménez Rojas, Álvaro González López, Federico de Vries Schuarzberg, Enrique Esparragoza de la Espriella, Yurik Díaz Reyes (16) y Alberto Borquez Calbucura. Alternates: Rafael Zorrilla Salazar, Miguel Caro Navarro, Olaf Hektoen, Carlos Castaño Muñoz, Roberto Larrain Sáenz (9) y Macario Valdés Raczynski (8).
General Manager:	Rodrigo Pommiez Aravena.

RECURSOS PORTUARIOS MAZATLÁN S.A. DE C.V. (México)

Company Name:	Recursos Portuarios Mazatlán S.A. DE C.V.
Legal Nature:	Variable Stock Corporation
Subscribed and paid-in capital:	M\$ 50,000
Total share:	99.9995%
% of investment over total assets of parent company:	0.00%
Company object:	Provision of technological services and manpower, transmission of technical knowledge, personnel training and provision of administration services.
Board of Directors:	Yurik Díaz Reyes (16), Felipe Joannon Vergara (1), Macario Valdés Raczynski (8), Roberto Larrain Sáenz (9), Felipe Rioja Rodríguez.
General Manager:	Miguel Chávez Andere.

RECURSOS PORTUARIOS S.A. DE C.V. (México)

Company Name:	Recursos Portuarios S.A. DE C.V.
Legal Nature:	Variable Stock Corporation
Subscribed and paid-in capital:	M\$ 5,729,116
Total share:	51%
% of investment over total assets of parent company:	0.04%
Company object:	Provision of technological services and manpower, transmission of technical knowledge, personnel training and provision of administration services.
Board of Directors:	Regulars: Marcelo Jullian Roig, David Bourlaouen y Jaime Romero Sabando. Alternates: Marcelo Ruiz Berardi, Beatriz García Hernández..
General Manager:	Marcelo Jullian Roig.

REENWOOD INVESTMENTS INC. (Panamá)

Company Name:	Reenwood Investments INC.
Legal Nature:	Corporation (Panama)
Subscribed and paid-in capital:	US\$ 650,193.12
Total share:	50.1247%
% of investment over total assets of parent company:	0.00%
Company object:	Investment Company.
Board of Directors:	Julio Linares Franco and Roberto Larraín Sáenz (9).

RILUC S.A. (Uruguay)

Company Name:	Riluc S.A.
Legal Nature:	Corporation (Uruguay)
Subscribed and paid-in capital:	Ur\$ 1,116,349
Total share:	74.436776%
% of investment over total assets of parent company:	0.00%
Company object:	Professional cargo transport services.
Board of Directors:	Francisco Javier Jobson, Roberto Larraín Sáenz (9), Alfredo Nunes Pinto Junior (17), Hernán Gómez Cisternas and Martin Skalweit Rudloff.
General Manager:	Luis Fabini Williamson.

ROV DEL PACÍFICO S.A.C. (Perú)

Company Name:	ROV del Pacífico S.A.C.
Legal Nature:	Commercial Corporation
Subscribed and paid-in capital:	S/. 3,991,534
Total share:	0.007%
% of investment over total assets of parent company:	0.0%
Company object:	Rental or operation of specialized vehicles in submarine activities, operation with trained personnel and/or rental of Remote Operated vehicles (ROV) to provide inspection services, maintenance activities, to the sectors such as hydrocarbon, gas, oil, among others; may provide these services in the country (Peru) or abroad.
Board of Directors:	Álvaro Galindo Neumann, Rick Hein Dupont, Gustavo García Castillo, Enrique Tarazona Soria.
General Manager:	Erick Roberto Hein Dupont.

RIVTOW MARINE INC. (Canadá)

Company Name:	Rivtow Marine Inc.
Legal Nature:	Corporation
Subscribed and paid-in capital:	C\$ 100
Total share:	51.00%
% of investment over total assets of parent company:	0.00%
Company object:	Provision of maritime towage, port and offshore services.
Administrator:	Frans Tjallingii.

SAAM FLORIDA, INC.

Company Name:	SAAM Florida, Inc.
Legal Nature:	Corporation (United States)
Subscribed and paid-in capital:	US\$ 2,100,000
Total share:	99.9995%
% of investment over total assets of parent company:	0.51%
Company object:	Investment company.
Board of Directors:	Macario Valdés Raczynski (8), Yurik Díaz Reyes (16) and Roberto Larraín Sáenz (9).
General Manager:	Klaus Stadthagen González.

SAAM DO BRASIL LIMITADA (Brasil)

Company Name:	Sudamericana Agencia Maritima do Limitada
Legal Nature:	Limited Liability Company
Subscribed and paid-in capital:	R\$ 5,000,000
Total share:	99.9995%
% of investment over total assets of parent company:	(0.01%)
Company object:	Port support navigation, terminals operations, loading and unloading; logistics organization of the transport of goods; transport, except hazardous products, between cities, inter-state and international; assistance activities of water transport not mentioned before; general storehouse – issuance of warrants; administration of port infrastructure, maintenance and repair of equipment and various products.
Administration:	Administrative Council run by their legal representatives.
General Manager:	Rosane Martins.

SAAM GUATEMALA S.A. (Guatemala)

Company Name:	SAAM Guatemala S.A.
Legal Nature:	Corporation (Guatemala)
Subscribed and paid-in capital:	GTQ10,402,701
Total share:	69.9996%
% of investment over total assets of parent company:	0.26%
Company object:	Provision of maritime and port services. The purchase, sale, subcontracting, rental, exchange, assignment, and any activity, legal action, contract or business, related to businesses, investments and personal and real property.
Board of Directors:	Felipe Rioja Rodríguez (15), Macario Valdés Raczynski (8), Roberto Larraín Sáenz (9) and Harry Marcus Nadle.
General Manager:	Harry Marcus Nadle.

SAAM OPERADORA DE PUERTOS EMPRESA DE ESTIBA Y DESESTIBA COSTA RICA S.A. (Costa Rica)

Company Name:	SAAM Operadora de Puertos Empresa de Estiba y Desestiba Costa Rica S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	\$ 10,000.00
Total share:	100%
% of investment over total assets of parent company:	0.00%
Company object:	Company object will be commerce in general. The Company may purchase, sell, lease, produce, distribute, transform, industrialize, import, export, and in general conduct operations in all aspects allowed by the laws of the Republic of Costa Rica; it may also acquire, dispose of, and tax any real property that may be necessary to develop its object and therefore grant all kinds of commercial contracts
Board of Directors:	Yurik Díaz Reyes (16), Roberto Larraín Sáenz (9) and Hernán Gómez Cisternas (10).

SAAM PARTICIPACOES LIMITADA (Brazil)

Company Name:	SAAM Participacoes Limitada.
Legal Nature:	Limited Liability Company
Subscribed and paid-in capital:	R\$ 20,000,000
Total share:	99.9995%
% of investment over total assets of parent company:	4.56%
Company object:	To participate in other companies, as partner or shareholder.
Board of Directors:	Administrative Council run by their legal representatives. .
General Manager:	Ricardo Duarte Ferreira.

SAAM REMOLCADORES COLOMBIA S.A.S. (Colombia)

Company Name:	SAAM Remolcadores Colombia S.A.S.
Legal Nature:	Simplified Joint-stock Company
Subscribed and paid-in capital:	Col\$ 3,564,959,000
Total share:	99.9995%
% of investment over total assets of parent company:	0.06%
Company object:	(i) Provide services in ports directly related to port activities, such as loading and unloading, warehousing, pilotage, towing, boats, stevedoring, cargo land handling or conveyance, dredging, classification, mooring and unmooring, conditioning and supply of booms and rigging, opening of warehouses and between-decks, tally, tie up, recognizing and classification, containers' loading and unloading, cargo packing, repairing cargo packing, weighing and determining cubic capacity, equipment rental, reception of waste ballast, container repairs.; ii) execution of various maritime activities and provision of services required by them, including (but not limited to) maritime towage activities, consisting in all operations and services in maneuvers of assistance, support, transport and salvage, provided to vessels and naval artifacts within territorial waters and Colombian ports by means of tugboats, and iii) carry out any kind of lawful activity.
Board of Directors:	Felipe Rioja Rodríguez (15), Macario Valdés Raczynski (8), and Roberto Larraín Sáenz (9).
General Manager:	Juan Pablo González Bestard.

SAAM REMOLCADORES S.A. (Panamá)

Company Name:	SAAM Remolcadores S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	US\$ 10,000
Total share:	99.9995%
% of investment over total assets of parent company:	0.59%
Company object:	To provide tugboat services in any port in accordance to a private contract or public concession.
Board of Directors:	Julio Linares Franco, Felipe Rioja Rodríguez (15) and Roberto Larraín Sáenz (9).

SAAM REMOLCADORES S.A. DE C.V. (México)

Company Name:	SAAM Remolcadores S.A. de C.V.
Legal Nature:	Variable Stock Corporation
Subscribed and paid-in capital:	M\$ 67,112,513
Total share:	49.0398%
% of investment over total assets of parent company:	0.61%
Company object:	To provide towage, securing mooring lines, boats and pilotage. Regulars: Marcelo Jullian Roig, David Bourlaouen, Jaime Romero Sabando, David Foulkes Wood y Robert Bosman Alternates: Marcelo Ruiz Berardi, Beatriz García Hernández, Miguel Martínez Ramírez y Miguel Huerta Pérez..
Board of Directors:	
General Manager:	Marcelo Jullian Roig.

SAAM REMOLQUES HONDURAS S.A. (Honduras)

Company Name:	SAAM Remolques Honduras S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	Lp\$ 25,000
Total share:	99.9995%
% of investment over total assets of parent company:	0.02%
Company object:	(a) Provide services in ports directly related to port activities, such as loading and unloading, warehousing, pilotage, towing, boats, stevedoring, cargo land handling or conveyance, dredging, classification, mooring and unmooring, conditioning and supply of booms and rigging, opening of warehouses and between-decks, tally, tie up, recognizing and classification, containers' loading and unloading, cargo packing, repairing cargo packing, weighing and determining cubic capacity, equipment rental, reception of waste ballast, container repairs.; b) execution of various maritime activities and provision of services required by them, including (but not limited to) maritime towage activities, consisting in all operations and services in maneuvers of assistance, support, transport and salvage, provided to vessels and naval artifacts within territorial waters and Honduras ports by means of tugboats, and c) carry out any kind of lawful activity.
Board of Directors:	Macario Valdés Raczynski (8), Felipe Rioja Rodríguez (15) and Hernán Gómez Cisternas (10).
General Manager:	Juan Pablo González Bestard.

SAAM SMIT CANADA INC. (Canada)

Company Name:	SAAM SMIT Canada Inc.
Legal Nature:	Corporation
Subscribed and paid-in capital:	US\$ 12,087.00
Total share:	50.9997%
% of investment over total assets of parent company:	2.31%
Company object:	Provision of maritime, port and offshore towage services.
Administrators:	Marcelo Jullian Roig y Frans Tjallingii

SAAM SMIT HARBOUR TOWAGE VANCOUVER INC. (Canada)

Company Name:	SAAM SMIT Harbour Towage Vancouver Inc.
Legal Nature:	Corporation (Canada)
Subscribed and paid-in capital:	C\$ 0.01
Total share:	51.00%
% of investment over total assets of parent company:	0.00%
Company object:	Provision of maritime, port and offshore towage services.
Administrator:	Frans Tjallingii.

SAAM SMIT HARBOUR TOWAGE WESTMINSTER INC. (Canada)

Company Name:	SAAM SMIT Harbour Towage Westminster Inc.
Legal Nature:	Corporation (Canada)
Subscribed and paid-in capital:	C\$ 1
Total share:	51.00%
% of investment over total assets of parent company:	0.00%
Company object:	Provision of maritime, port and offshore towage services.
Administrator:	Frans Tjallingii.

SAAM SMIT REMOLCADORES INC. (Panama)

Company Name:	SAAM SMIT Remolcadores Inc.
Legal Nature:	Corporation
Subscribed and paid-in capital:	US\$ 10,000
Total share:	51%
% of investment over total assets of parent company:	0.02%
Company object:	To provide port services including towage, securing mooring lines, boats and pilotage.
Board of Directors:	Marcelo Jullian Roig, Walter van der Dussen and David Bourlaouen
General Manager:	Walter van der Dussen.

SAAM SMIT TOWAGE BRASIL S.A. (Brazil)

Company Name:	SAAM SMIT Towage Brazil S.A.
Legal Nature:	Corporation
Subscribed and paid-in capital:	R\$ 199,935,473.18
Total share:	49.99975%
% of investment over total assets of parent company:	13.50%
Company object:	Provision of maritime, port and offshore towage services Regulars: Tom Richard Bennema, Robert-Jan van Acker, Petrus Adrianus Berdowski, Macario Valdés Raczynski (8), Felipe Joannon Vergara (1) y Felipe Rioja Rodríguez (15). Alternates: Johannes Hendrikus Kamps, Theodorus Lodewijk Baartmans, Frans Andries Verhoven, Humberto Ferretti Jara, Hernán Gómez Cisternas y Roberto Larraín Sáenz (9).
Board of Directors:	
General Manager:	Mauro Sales.

SAAM SMIT TOWAGE CANADA INC. (Canada)

Company Name:	SAAM SMIT Towage Canada Inc.
Legal Nature:	Corporation (Canada)
Subscribed and paid-in capital:	C\$ 14,640
Total share:	51%
% of investment over total assets of parent company:	7.59%
Company object:	Holding Company
Administrator:	Marcelo Jullian Roig.

SAAM SMIT TOWAGE MÉXICO S.A. DE C.V. (Mexico)

Company Name:	SAAM Remolques S.A. de C.V.
Legal Nature:	Variable Stock Corporation (Mexico)
Subscribed and paid-in capital:	M\$ 1,885,605,930.22
Total share:	51%
% of investment over total assets of parent company:	14.19%
Company object:	To provide port services including towage, securing mooring lines, and boats.
Board of Directors:	Regulars: Felipe Joannon Vergara (1), Macario Valdés Raczynski (8), Felipe Rioja Rodríguez (15), Tom Richard Bennema y Robert-Jan van Acker. Alternates: Hernán Gómez Cisternas (10), Humberto Ferreti Jara, Roberto Larrain Sáenz (9), Johannes Hendrikus Kamps y Frans Andries Verhoven.
General Manager:	Marcelo Jullian Roig.

SAAM SMIT TOWAGE PANAMA, INC. (Panama)

Company Name:	SAAM SMIT Towage Panama Inc.
Legal Nature:	Corporation (Panama)
Subscribed and paid-in capital:	US\$ 66,752,787
Total share:	51.00%
% of investment over total assets of parent company:	2.61%
Company object:	Provision of general maritime services, including: towage, pilotage, boats, pollution and fire control, salvage, communications, maritime traffic control in different ports of the Republic of Panama.
Board of Directors:	Marcelo Jullian Roig, David Bourlaouren and Walter van der Dussen.
General Manager:	Walter van der Dussen.

SANTA SOFÍA PUERTOS S.A. (Peru)

Company Name:	Santa Sofia Puertos S.A.
Legal Nature:	Corporation (Peru)
Subscribed and paid-in capital:	S/. 329,320,201
Total share:	49.0297%
% of investment over total assets of parent company:	4.49%
Company object:	Reception, dispatch, provisioning of ships, transfer, embarkation and disembarkation of passengers, stevedoring services, port and warehousing of containers and goods carried by ships. General port operations, port and maritime agency services.
Board of Directors:	Regulars: Luis Romero Belismellis, Emilio Fantozzi Temple, José Onrubia Holder, Calixto Romero Guzmán, Macario Valdés Raczynski (8), Felipe Joannon Vergara (1) y Felipe Rioja Rodríguez (15). Alternates: Paolo Sacchi Giurato, Dionisio Romero Paoletti, Mario Campbell García, Ángel Irazola Arribas, Hernán Gómez Cisternas (10), Yurik Díaz Reyes (16) y Roberto Larrain Sáenz (9).
General Manager:	Gustavo García Castillo.

TECNOLUM S.A. (Uruguay)

Company Name:	Tecnolum S.A.
Legal Nature:	Corporation (Uruguay)
Subscribed and paid-in capital:	US\$ 1,155,420
Total share:	18.6089%
% of investment over total assets of parent company:	0.00%
Company object:	Professional bulk load transport.
Board of Directors:	Alberto Rodríguez, Luis Barrios and Joaquín Abel
General Manager:	Luis Fabini Williamson.

TERMINAL INTERNACIONAL DEL SUR S.A. (Peru)

Company Name:	Terminal Internacional del Sur S.A.
Legal Nature:	Corporation (Peru)
Subscribed and paid-in capital:	S/. 173,510,500
Total share:	99.9970%
% of investment over total assets of parent company:	4.02%
Company object:	Operation of Matarani port concession, in the terms and conditions established in the concession contract granted by the Peruvian State.
Board of Directors:	Regulars: Luis Romero Belismeli, Emilio Fantozzi Temple, José Antonio Onrubia Holder, Calixto Romero Guzmán, Macario Valdés Raczynski (8), Felipe Joannon Vergara (1) y Felipe Rioja Rodríguez (15). Alternates: Paolo Sacchi Giurato, Dionisio Romero Paoletti, Mario Campbell García, Ángel Irazola Arribas, Hernán Gómez Cisternas (10), Yurik Díaz Reyes (16) y Roberto Larrain Sáenz (9).
General Manager:	Gabriel Monge Aguirre.

TERMINAL MARÍTIMA MAZATLÁN S.A. DE C.V. (Mexico)

Company Name:	Terminal Marítima Mazatlán S.A. de C.V.
Legal Nature:	Variable Stock Corporation (Mexico)
Subscribed and paid-in capital:	M\$ 126,427,100
Total share:	99.995%
% of investment over total assets of parent company:	1.46%
Company object:	Operation of public use goods, development and construction of port facilities; operate the port concession of Puerto Mazatlán, Sinaloa; port services, commercial and representation services; and others.
Board of Directors:	Yurik Díaz Reyes (16), Felipe Joannon Vergara (1), Macario Valdés Raczynski (8), Roberto Larraín Sáenz (9) and Felipe Rioja Rodríguez (15).
General Manager:	Miguel Chávez Andere.

TPG TRANSPORTES S.A. (Ecuador)

Company Name:	TPG Transportes S.A.
Legal Nature:	Corporation (Ecuador)
Subscribed and paid-in capital:	US\$ 800
Total share:	99.9974%
% of investment over total assets of parent company:	0.00%
Company object:	Heavy-load transportation.
Board of Directors:	Administrative Council run by their legal representatives.
General Manager:	Nelson Arancibia Rojas.

TOLKEYEN PATAGONIA TURISMO S.A. (Argentina)

Company Name:	Tolkeyen Patagonia Turismo S.A.
Legal Nature:	Corporation (Argentina)
Subscribed and paid-in capital:	US\$ 4,000,000
Total share:	24.9775%
% of investment over total assets of parent company:	0.06%
Company object:	Activities related to tourism and commerce; hotel industry, transport, export and import, etc.
Board of Directors:	Alejandro Kusanovic G.
General Manager:	César Rojas Velásquez.

TRABAJOS MARÍTIMOS S.A. (Perú)

Company Name:	Trabajos Marítimos S.A. (TRAMARSA)
Legal Nature:	Corporation (Peru)
Subscribed and paid-in capital:	S/. 108,640,343
Total share:	34.9998%
% of investment over total assets of parent company:	6.94%
Company object:	Maritime transport, coastal trade, vessel towage, maritime agent, port operator, loading and unloading of ships in port, provision of fuel, pilotage, equipment rentals, and logistic support.
Board of Directors:	Regulars: Luis Romero Belismelis, Emilio Fantozzi Temple, José Onrubia Holder, Calixto Romero Guzmán, Macario Valdés Raczynski (8), Felipe Joannon Vergara (1) y Felipe Rioja Rodríguez (15). Alternates: Paolo Sacchi Giurato, Dionisio Romero Paoletti, Mario Campbell García, Ángel Irazola Arribas, Hernán Gómez Cisternas (10), Yurik Díaz Reyes (16) y Roberto Larraín Sáenz (9).
General Manager:	Erick Hein Dupont.

TRANSAÉREO LIMITADA (Colombia)

Company Name:	Transaéreo Limitada
Legal Nature:	Limited Liability Company (Colombia)
Subscribed and paid-in capital:	Col\$ 1,000,000
Total share:	24.9775%
% of investment over total assets of parent company:	0.05%
Company object:	To provide airport services, handling of cargo in land, as well as other airport-related services and facilities.
Board of Directors:	José Gabriel Salinas Martínez, Daniel Cundy Sedán, José María Giraldo y Patricio Latorre Sepúlveda.
General Manager:	Hans Timcke.

TUG BRASIL APOIO MARITIMO PORTUARIO S.A. (Brazil)

Company Name:	Tug Brasil Apoio Maritimo Portuario S.A.
Legal Nature:	Closed Corporation (Brazil)
Subscribed and paid-in capital:	R\$ 198,818
Total share:	49.99975%
% of investment over total assets of parent company:	5.40%
Company object:	Operation of port and maritime navigation activities. Rental of equipment and vessels to third parties. Participation in civil and commercial companies, as partner or shareholder.
Board of Directors:	Administrative Council run by their legal representatives.
General Manager:	Mauro Sales.

NOTAS:

A) Directors and Senior Executives of Sociedad Matriz SAAM S.A. who hold positions in associated companies and subsidiaries:

(1) Felipe Joannon Vergara	Chairman of the Board
(2) Jean Paul Luksic Fontbona	Vice Chairman
(3) Mario Da-Bove Andrade	Director
(4) Francisco Gutiérrez Philippi	Director
(5) Jorge Gutiérrez Pubill	Director
(6) Óscar Hasbún Martínez	Director
(7) Francisco Pérez Mackenna	Director
(8) Macario Valdés Raczynski	Chief Executive Officer
(9) Roberto Larraín Sáenz	Chief Financial Officer
(10) Hernán Gómez Cisternas	Development Manager
(11) Karen Paz Berdichewsky	Legal Counsel
(12) Gastón Moya Rodríguez	Human Resources Manager
(13) Juan Antonio Núñez Parada	Controller
(14) Claudio Vera Acuña	Corporate Manager
(15) Felipe Rioja Rodríguez	Towage Division Manager
(16) Yurik Díaz Reyes	Port Terminals Division Manager
(17) Alfredo Nunes Pinto Junior	Logistics Division Manager

B) Relación Monetaria

Ch\$: Chilean Peso	Col\$: Colombian Peso
US\$: United States Dollar	UR\$: Uruguayan Peso
Ar\$: Argentine Peso	M\$: Mexican Peso
S/.: Nuevo Sol (Peru)	GTQ: Quetzal (Guatemala)
R\$: Real brasileiro	Lp\$: Lempira (Honduras)
BS.: Bolivian Sol	C\$: Canadian Dollar
₡: Costa Rican Colón	

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04

FINANCIAL
INFORMATION



SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS

as of December 31, 2016 and 2015

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ThUS\$ (amounts expressed in thousands of United States dollars)





Independent Auditor's Report

To the Shareholders and Directors
Sociedad Matriz SAAM S.A.:

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Sociedad Matriz SAAM S.A. and its subsidiary, which comprise the consolidated statements of financial position as of December 31, 2016 and 2015, and the related consolidated statements of comprehensive income, changes in equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards; this responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. As of December 31, 2016 and 2015, we did not audit the financial statements of certain indirect associates reflected in the financial statements under the equity method of accounting, whose statements reflect total consolidated assets of ThUS\$73,306 and ThUS\$19,115 as of December 31, 2016 and 2015, respectively, and accrued net profit of ThUS\$18,569 and ThUS\$3,431, respectively for the years then ended. Those financial statements were audited by other auditors, whose report have been furnished to us and our opinion, insofar as it relates to the amounts included for those indirect associates, is based solely on the report of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in Chile. Those standards require that we plan and perform an audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, based on our audit and other auditors' reports, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Sociedad Matriz SAAM S.A. and its subsidiary as of December 31, 2016 and 2015, and the results of their operations and their cash flows for the years then ended in accordance with International Financial Reporting Standards.

The above translation of the auditor's report is provided as a free translation from the Spanish language original, which is the official and binding version. Such translation has been made solely for the convenience of non-Spanish readers.


Gonzalo Rojas Ruz

KPMG Ltda.

Viña del Mar, March 3, 2017

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Consolidated Statements of Financial Position

Statement of Financial Position	Note	12-31-2016 ThUS\$	12-31-2015 ThUS\$
Assets			
Current assets			
Cash and cash equivalents	9	143,029	113,380
Other financial assets, current	10	5,906	2,007
Other non-financial assets, current	14	9,387	10,536
Trade and other receivables, current	11	81,209	81,179
Trade receivables due from related parties, current	12	15,225	20,367
Inventories, current	13	14,189	15,975
Current tax assets, current	20.1	18,341	16,922
Total current assets other than assets or asset groups for disposal classified as held for sale or held for distribution to owners		287,286	260,366
Total current assets or asset groups for disposal classified as held for sale or held for distribution to owners	8	10,445	-
Total current assets		297,731	260,366
Non-current assets			
Other non-current financial assets	10	1,751	975
Other non-current non-financial assets	14	7,558	3,945
Non-current receivables	11	19,510	9,631
Trade receivables due from related parties, non-current	12	131	79
Inventories, non-current	13	2,433	1,668
Investments recognized using the equity method	16	295,488	299,329
Intangible assets other than goodwill	17.2	96,513	101,354
Goodwill	17.1	54,661	54,661
Property, plant and equipment	18	478,205	476,735
Investment property	19	1,999	2,396
Deferred tax assets	21.1 and 21.2	11,499	9,663
Total non-current assets		969,748	960,436
Total assets		1,267,479	1,220,802

The accompanying notes are an integral part of these consolidated financial statements.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Consolidated Statements of Financial Position

Equity and liabilities	Note	12-31-2016 ThUS\$	12-31-2015 ThUS\$
Liabilities			
Current liabilities			
Other current financial liabilities	22	74,240	60,530
Trade and other payables	23	32,078	40,735
Trade payables due to related parties, current	12	1,197	1,659
Other short-term provisions	24	919	1,937
Current tax liabilities, current	20.2	4,472	3,613
Current provisions for employee benefits	26.2	12,781	14,958
Other current non-financial liabilities	25	18,909	21,866
Total current liabilities		144,596	145,298
Non-current liabilities			
Other non-current financial liabilities	22	194,895	184,946
Trade payables due to related parties, non-current	12	12	10
Other long-term provisions	24	1,089	893
Deferred tax liabilities	21.1 and 21.2	50,301	50,251
Non-current provisions for employee benefits	26.2	11,763	9,855
Other non-current non-financial liabilities	25	292	166
Total non-current liabilities		258,352	246,121
Total liabilities		402,948	391,419
Equity			
Issued capital		586,506	586,506
Retained earnings		162,533	136,586
Other reserves	27.2	(831)	(5,853)
Total equity attributable to the owners of the Parent		748,208	717,239
Non-controlling interest		116,323	112,144
Total equity		864,531	829,383
Total liabilities and equity		1,267,479	1,220,802

The accompanying notes are an integral part of these consolidated financial statements.


SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Consolidated Statements of Comprehensive Income by Function

Statement of income by function	Notes	01-01-2016	01-01-2015
		12-31-2016	12-31-2015
		ThUS\$	ThUS\$
Profit (loss)			
Revenue	28	393,932	426,273
Cost of sales	29	(291,281)	(314,226)
Gross profit		<u>102,651</u>	<u>112,047</u>
Other income	32	5,743	1,761
Administrative expenses	30	(61,858)	(70,988)
Other expenses, by function	32	(6,209)	(15,392)
Other income (expenses)	34	(740)	32,273
Income (expense) from operating activities		<u>39,587</u>	<u>59,701</u>
Finance income	31	1,453	6,712
Finance expense	31	(10,946)	(10,801)
Share of profit (loss) of equity-accounted investees and joint ventures using the equity method	16.1	42,225	37,875
Foreign currency translation differences	37	2,193	3,688
Income (expenses) from inflation-adjusted units		<u>(62)</u>	<u>34</u>
Profit (loss) before income taxes		74,450	97,209
Income tax expense, continuing operations	21.3	<u>(11,548)</u>	<u>(17,199)</u>
Profit (loss) from continuing operations		62,902	80,010
Profit attributable to:			
Owners of the Parent		54,545	68,936
Non-controlling interests		<u>8,357</u>	<u>11,074</u>
Profit (loss)		62,902	80,010
Earnings per share (see note 27)			
Basic earnings per share from continuing operations	ThUS\$/share	0.005602	0.007080
Diluted earnings per share from continuing operations	ThUS\$/share	0.005602	0.007080

The accompanying notes are an integral part of these consolidated financial statements.


SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Consolidated Statements of Comprehensive Income by Function, continued

Statements of comprehensive income	01-01-2016	01-01-2015
	12-31-2016	12-31-2015
	ThUS\$	ThUS\$
Profit (loss)	62,902	80,010
Items of other comprehensive income, before taxes		
Foreign currency translation differences (*)		
Foreign currency translation gain (loss), net of tax	6,454	(39,695)
Adjustment for the reclassification to foreign currency translation differences, net of tax	-	-
Other comprehensive income (loss), net of tax, foreign currency translation difference	6,454	(39,695)
Available-for-sale financial assets		
Other comprehensive income, net of tax for available-for-sale financial assets		
Cash flow hedges (*)		
Cash flow hedge gains (losses), net of tax	800	589
Adjustments for reclassification to cash flow hedges, net of tax	-	-
Other comprehensive income, net of tax, cash flow hedges	800	589
Other comprehensive income, net of tax, actuarial gain (losses) from defined benefit plans	(476)	36
Share of other comprehensive income (loss) of associates and joint ventures using the equity method, net of tax	-	-
Other items of other comprehensive income (loss), net of tax	6,778	(39,070)
Income tax related to items of other comprehensive income (loss) (*)		
Income tax related to foreign currency translation differences	-	-
Income tax related to cash flow hedges	(39)	(27)
Income tax related to defined benefit plans	90	(1)
Income tax related to items of other comprehensive income (loss)	51	(28)
Other comprehensive income (loss)	6,829	(39,098)
Total comprehensive income	69,731	40,912
Comprehensive income attributable to		
Owners of the Parent	60,892	36,175
Non-controlling interests	<u>8,839</u>	<u>4,737</u>
Total comprehensive income	69,731	40,912

(*) Items that are classified or may be reclassified subsequently to profit or loss for the year.

The accompanying notes are an integral part of these consolidated financial statements.


SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Consolidated Statements of Cash Flows


SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Consolidated Statements of Cash Flows, continued

	01-01-2016 12-31-2016 ThUS\$	01-01-2015 12-31-2015 ThUS\$		01-01-2016 12-31-2016 ThUS\$	01-01-2015 12-31-2015 ThUS\$
Statements of cash flows, direct method					
Cash flows from (used in) operating activities					
Classes of cash receipts from operating activities					
Cash receipts from sale of goods and provision of services	423,451	479,739			
Cash receipts from premiums and provision of services, annuities and other benefits from insurance policies underwritten	619	1,281			
Other cash receipts from operating activities	2,719	2,999			
Classes of payments for operating activities					
Payments to suppliers for goods acquired and services received	(204,588)	(265,339)			
Payments to and on behalf of employees	(114,690)	(119,156)			
Payments due to premiums and provision for services, annuities and other obligations due to insurance policies underwritten	(10,762)	(9,764)			
Other payments due to operating activities	(19,131)	(18,038)			
Net cash from (used in) operating activities	77,618	71,722			
Interest paid	(5)	(4)			
Interest received	61	39			
Income taxes reimbursed (paid)	(10,009)	(11,729)			
Net cash flows from operating activities	67,665	60,028			
Cash flows from (used in) investing activities					
Cash flows from the loss of control of subsidiaries or other businesses			15.2 and	-	2,038
Cash flows used for the acquisition of non-controlling interests			16.1	(2,332)	(5,153)
Proceeds from sale of property, plant and equipment			39	8,178	4,458
Acquisition of property, plant and equipment			39	(62,904)	(65,035)
Acquisition of intangible assets			39	(2,579)	(2,469)
Cash prepayments and loans granted to third-parties				(10,742)	-
Dividends received			39	40,162	38,310
Acquisition of other long-term assets				(66)	-
Interest received				130	126
Other cash inflows (outflows)			39	9,533	52,538
Net cash (used in) from investing activities				(20,620)	24,813
Cash flows from (used in) financing activities					
Proceeds from long-term loans			39	49,078	55,539
Proceeds from short-term loans			39	46,417	42,927
Related-party loans				-	4,125
Loan reimbursements,				(64,667)	(69,981)
Payment of finance lease liabilities				(2,605)	(2,427)
Dividends paid			39	(38,463)	(40,759)
Interest paid				(6,287)	(5,461)
Other cash inflows (outflows), classified as financing activities				(594)	121
Net cash used in financing activities				(17,121)	(15,916)
Net increase (decrease) in cash and cash equivalents before the effect of changes in the exchange rate				29,924	68,925
Effects of exchange rate fluctuations in cash and cash equivalents				(275)	(460)
Net increase (decrease) in cash and cash equivalents				29,649	68,465
Cash and cash equivalents at beginning of the period				113,380	44,915
Cash and cash equivalents at end of the period			9	143,029	113,380

The accompanying notes are an integral part of these consolidated financial statements.

The accompanying notes are an integral part of these consolidated financial statements.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Consolidated Statement of Changes in Equity

	Share capital	Foreign currency translation reserve	Cash flow hedge reserve	Defined benefit plan gain and loss reserves	Other miscellaneous reserves	Other reserves	Retained earnings (losses)	Equity attributable to the owners of the Parent	Non-controlling interest	Equity
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Equity as of January 1, 2016	586,506	(63,750)	2,177	(1,300)	57,020	(5,853)	136,586	717,239	112,144	829,383
Equity as of January 1, restated	586,506	(63,750)	2,177	(1,300)	57,020	(5,853)	136,586	717,239	112,144	829,383
Changes in equity										
Comprehensive income										
Profit (loss)	-	-	-	-	-	-	54,545	54,545	8,357	62,902
Other comprehensive income	-	5,976	745	(374)	-	6,347	-	6,347	482	6,829
Comprehensive	-	5,976	745	(374)	-	6,347	54,545	60,892	8,839	69,731
Share issuance	-	-	-	-	-	-	-	-	-	-
Increase (decrease) for transfers and other changes in equity	-	-	-	-	(1,325)	(1,325) ⁽²⁾	1,552	227	(1,007)	(780)
Dividends (note 27.3)	-	-	-	-	-	-	(30,150)	(30,150)	(3,653)	(33,803) ⁽¹⁾
Increase (decrease) in equity	-	5,976	745	(374)	(1,325)	5,022	25,947	30,969	4,179	35,148
Equity as of December 31, 2016	586,506	(57,774)	2,922	(1,674)	55,695	(831)	162,533	748,208	116,323	864,531
Notes		27.2.1	27.2.2	27.2.3	27.2.4	27.2				

	Share capital	Foreign currency translation reserve	Cash flow hedge reserve	Defined benefit plan gain and loss reserves	Other miscellaneous reserves	Other reserves	Retained earnings (losses)	Equity attributable to the owners of the Parent	Non-controlling interest	Equity
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Equity as of January 1, 2015	586,506	(30,371)	1,700	(1,441)	57,020	26,908	100,538	713,952	118,349	832,301
Equity as of January 1, restated	586,506	(30,371)	1,700	(1,441)	57,020	26,908	100,538	713,952	118,349	832,301
Changes in equity										
Comprehensive income										
Profit (loss)	-	-	-	-	-	-	68,936	68,936	11,074	80,010
Other comprehensive income	-	(33,379)	477	141	-	(32,761)	-	(32,761)	(6,337)	(39,098)
Comprehensive	-	(33,379)	477	141	-	(32,761)	68,936	36,175	4,737	40,912
Share issuance	-	-	-	-	-	-	-	-	-	-
Increase (decrease) for transfers and other changes in equity	-	-	-	-	-	-	-	-	(498)	(498)
Dividends (note 27.3)	-	-	-	-	-	-	(32,888)	(32,888)	(10,444)	(43,332) ⁽¹⁾
Increase (decrease) in equity	-	(33,379)	477	141	-	(32,761)	36,048	3,287	(6,205)	(2,918)
Equity as of December 31, 2015	586,506	(63,750)	2,177	(1,300)	57,020	(5,853)	136,586	717,239	112,144	829,383

1) See note 39 b

2) See note 27.2.4

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 1 Reporting Entity

Sociedad Matriz SAAM S.A. was incorporated on February 15, 2012 whose bylaws are contained in the public deed dated October 14, 2011, as witnessed at the Valparaíso Notary Public of Mr. Luis Enrique Fischer Yávar, which resulted from the wording of the minute of the Extraordinary Stockholders' Meeting of October 5, 2011.

Sociedad Matriz SAAM S.A., (hereinafter SM-SAAM or the Company) is incorporated with ownership of approximately 99.9995% of the shares by SAAM S.A., a closely-held corporation. The Company is engaged in providing services related to marine transportation, mainly in the tugboat, port and logistics business.

The shares of Sociedad Matriz SAAM S.A., Corporate tax number 76.196.718-5, registered under No.1.091 at the Securities Register of the Superintendencia de Securities and Insurance, first traded on March 1, 2012 and with share capital divided into 9,736,791,983 shares.

The domicile of the Company is Santiago, Hundaya 60, Las Condes, Chile. The Company is engaged in acquiring, purchasing, selling and disposing shares of closely-held corporations, shares or rights in other companies, bonds, debentures, commercial papers and other marketable securities; in administrating, transferring and operating them, receiving their benefits and taking advantage of their sale and disposal. That classifies the Company as an investment company whose economic activity code is No.1.300.

These consolidated financial statements include the indirect subsidiary Iquique Terminal Internacional S.A., registered under No.57 in the Registry of reporting Entities (Law No.20.382) of the Superintendencia de Securities and Insurance. The other indirect subsidiaries are not directly subject to the regulations of this Superintendencia.

Hereinafter "Sociedad Matriz SAAM S.A. and Subsidiary", will be SM-SAAM or the Company.

The Company conducts its business through SAAM S.A. and subsidiaries rendering tugboat, port terminal and logistics services.

SM-SAAM has been controlled since January 11, 2016, by the Quiñenco Group, as stated in articles 97 and 99 of the Securities Market Law No.18.045, with 52.20% ownership through the following entities:

Company	% interest	No. of shares
Quiñenco S.A.	15.6%	1,522,794,376
Inversiones Rio Bravo S.A.	33.25%	3,237,543,274
Inmobiliaria Norte Verde S.A.	3.31%	322,149,301
Total Quiñenco Group	52.20%	5,082,486,951

As of December 31, 2016, SM SAAM has 3,461 registered shareholders (3,451 shareholders as of December 31, 2015).

The accompanying notes are an integral part of these consolidated financial statements.

NOTE 2 Basis of Presentation of the Consolidated Financial Statements**a. Statement of compliance**

The consolidated financial statements as of December 31, 2016, have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB) and approved for issue by the Board at their Meeting of March 3, 2017.

The translation of these financial statements is provided as a free translation from the Spanish language original, which is the official and binding version. Such translation has been made solely for the convenience of non-Spanish readers.

b. Basis of preparation of the consolidated financial statements

These consolidated financial statements give a true and fair view of the consolidated financial statements of Sociedad Matriz SAAM S.A. and Subsidiary as of December 31, 2016 and 2015, of its comprehensive income by function, changes in net equity and cash flows for the periods ended December 31, 2016 and 2015.

The consolidated financial statements have been prepared following the going concern principle on the historical cost basis, except for the items recognized at fair value.

The carrying amount of assets and liabilities hedged through transactions qualifying for hedge accounting are adjusted to reflect changes in their fair value in relation to the hedged risks.

NOTE 2 Basis of Presentation of the Consolidated Financial Statements, continued**c. Use of estimates and judgments**

In the preparation of the consolidated financial statements, the Company has used critical accounting estimates to quantify some assets, liabilities, revenues, expenses and commitments. Those areas involving a higher degree of judgment or complexity or those areas in which assumptions and estimates are significant for the consolidated financial statements are described as follows:

1. Evaluation of possible impairment losses related to certain assets, (See notes, 3.6e, 3.7e, 3.8, 3.15a 2, 3.15a 7, 3.15c, 3.16).
2. Assumptions used in the actuarial estimate of employee benefit liabilities, (See note 26.3).
3. Useful life of property, plant and equipment and intangible assets, (See notes 3.6d, 3.7c).
4. Criteria used in the valuation of certain assets.
5. Probability of occurrence and valuation of certain liabilities and contingencies, (See note 24).
6. Fair value of certain financial instruments, (See note 3.19).
7. Recoverability of deferred tax assets, (See note 21).

These estimates are made based on the best information available about the facts analyzed.

Nevertheless, it is possible that events that may occur in the future require changes in such estimates in future periods. If required, such changes would be made prospectively, recognizing the effects of the changes in future financial statements.

NOTE 3 Summary of Significant Accounting Policies**3.1 Basis of Consolidation****a) Subsidiaries**

Subsidiaries are entities controlled by SM SAAM. Control exists when the Company has the power to govern financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, SM-SAAM takes into consideration potential voting that currently is exercisable or convertible in shares or other instruments that allow controlling the other entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control is transferred to SM SAAM until the date that control ceases.

b) Transactions eliminated on consolidation

Intra-group balances, transactions, and any unrealized income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Company's interest in the investee.

c) Investments in associates and entities under common control (equity method)

Associates are those entities in which SM-SAAM has significant influence but not control over the financial and operating policies. Significant influence is presumed to exist when the Company holds between 20% and 50% of the voting power of another entity. Joint ventures are those entities over whose activities SM-SAAM has joint control established by contractual agreement and requiring unanimous consent for making strategic, financial and operating decisions. Investments in associates and jointly controlled entities are accounted for using the equity method (equity-accounted investees) and are recognized initially at cost. The Company's investments include the goodwill identified on acquisition, if any, net of any accumulated impairment losses

An investment is accounted for using the equity method from the date on which it becomes an associate or a joint venture. On acquisition of the investment, any difference between the cost of the investment and the entity's share of the net fair value of the investee's identifiable assets and liabilities is accounted for as goodwill and is included in the carrying amount of the investment.

NOTE 3 Summary of Significant Accounting Policies, continued**3.1 Basis of Consolidation, continued****c) Investments in associates and entities under common control (equity method), continued**

The entity applies IAS 28 to determine whether any additional impairment loss is recognized with respect to its interest in the associate or joint venture. The entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset, by comparing its recoverable amount (higher of value in use and fair value less cost to sell) with its carrying amount, whenever application of IAS 39 indicates that the investment may be impaired. Accordingly, any reversal of that impairment loss is recognized in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Company discontinues the use of the equity method from the date the associate or joint venture is no longer classified as an associate or joint venture, or when the investment is classified as held-for-sale.

The consolidated financial statements include the Company's share of the profit or loss and equity movements of equity accounted investees after adjustments to align the accounting criteria with those of SM-SAAM, from the date that significant influence and/or joint control commences.

When the Company's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of that interest, including any long-term investments, is reduced to zero, and the recognition of further losses is discontinued except to the extent that SM-SAAM has an obligation or has made payments on behalf of the investee.

When the Company decreases its interest in an associate or joint venture, and uses the equity method, the effects previously recognized in OCI are reclassified to profit or loss, in accordance with the proportion of decrease in interest in such associate or joint venture.

When a Group company performs transactions with an associate or joint venture, gains or losses arising from such transaction with the associate or joint venture are recognized in the Company's consolidated financial statements, only to the extent of the interests of third-parties to the associate or joint venture.

NOTE 3 Summary of Significant Accounting Policies, continued
3.1 Basis of Consolidation, continued
d) Changes in the Company's interest in existing subsidiaries

Changes in a controlling entity's interest in a subsidiary that do not result in a loss of control are equity transactions. Any difference between the fair value of the consideration transferred and the carrying amount of the interest ceded is recognized directly in equity and attributed to the owners of the controlling entity.

On the loss of control of a subsidiary, a gain or loss is recognized in profit or loss and calculated as the difference between (i) the aggregated fair value of the consideration received and the fair value of any interest retained; and (ii) the prior carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest.

3.2 Entities included in the consolidation

The subsidiaries included in these consolidated financial statements are as follows:

Tax ID No.	Company	Country	Functional currency	Direct	Indirect	12-31-2016	12-31-2015
						Total	Total
92.048.000-4	SAAM S.A. and Subsidiaries	Chile	U.S. dollar	99.9995%	-	99.9995%	99.9995%
96.973.180-0	SAAM Internacional S.A. and Subsidiaries	Chile	U.S. dollar	-	100.00%	100.00%	100.00%
76.479.537-7	SAAM Inversiones SPA	Chile	U.S. dollar	-	100.00%	100.00%	100.00%
76.002.201-2	SAAM Puertos S.A. and subsidiaries	Chile	U.S. dollar	-	100.00%	100.00%	100.00%
76.708.840-K	Inmobiliaria San Marco Ltda. and subsidiaries	Chile	Chilean pesos	-	100.00%	100.00%	99.00%
96.720.220-7	Inversiones San Marco Ltda. and subsidiaries	Chile	U.S. dollar	-	100.00%	100.00%	99.00%
0-E	SAAM Remolques S.A. de C.V. and Subsidiaries	Mexico	U.S. dollar	-	51.00%	51.00%	51.00%
0-E	Concesionaria SAAM Costa Rica S.A	Costa Rica	U.S. dollar	-	100.00%	100.00%	100.00%
0-E	Ecuastibas S.A	Equator	U.S. dollar	-	100.00%	100.00%	100.00%
0-E	SAAM Remolcadores Colombia S.A.	Colombia	U.S. dollar	-	100.00%	100.00%	100.00%
0-E	Inversiones Habsburgo S.A. ⁽¹⁾	Panama	U.S. dollar	-	100.00%	100.00%	-
0-E	Inversiones Alaria S.A.-II ⁽¹⁾	Panama	U.S. dollar	-	100.00%	100.00%	-
0-E	Saam Remolcadores Panamá S.A. ⁽¹⁾	Panama	U.S. dollar	-	100.00%	100.00%	-

(1) Due to the corporate restructuring process performed during the last quarter of 2016, these companies are consolidated by the direct subsidiary SAAM S.A. They were previously part of the indirect subsidiary Saam Internacional S.A. (See note 15.2)

To ensure consistency in the presentation of the Company's consolidated financial statements, the subsidiary being consolidated has adopted the same accounting policies as the parent.

NOTE 3 Summary of Significant Accounting Policies, continued
3.3 Functional and presentation currency
a) Functional currency

These interim consolidated financial statements are presented in US dollars, which is the Company's functional currency. Each of the Group's entities has determined its functional currency based on the currency of the main economic environment in which it operates.

Transactions in currencies other than the functional currency are considered in foreign currencies and are initially recognized at the exchange rate at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Non-monetary items in foreign currency are translated using the exchange rate at the date of transaction.

The item foreign currency translation differences in the consolidated statement of comprehensive income by function includes the recognition of the effects of changes in exchange rates in assets and liabilities denominated in foreign currency.

b) Presentation currency

Some of the Group's entities with a functional currency different from the Company's functional currency have to translate, at the reporting date, their results and financial position into the presentation currency of the parent by translating their assets and liabilities at the closing rate and its results at the average exchange rate, the main companies reporting using the presentation currency are:

Inmobiliaria San Marco S.A. and subsidiaries
SAAM SMIT Marine Canada Inc. and subsidiaries
SAAM Extraportuarios S.A.

Exchange rate differences arising from the translation to the presentation currency are recognized as a separate component of equity under foreign currency translation reserve in other comprehensive income.

NOTE 3 Summary of Significant Accounting Policies, continued
3.4 Basis of translation of foreign currency transactions and adjustable units

The main assets and liabilities in foreign currency are stated in U.S. dollars and have been translated as follows:

Currency	12-31-2016	12-31-2015
Chilean peso	669.47	710.16
Mexican peso	20.6273	17.3404
Canadian dollar	1.3433	1.3884

Assets and liabilities in Unidades de Fomento (UF) are translated into U.S. dollars using the exchange rate at the reporting date as follows.

Financial statement closing date	12-31-2016 US\$	12-31-2015 US\$
(UF/US\$)	39.36	36.09

3.5 Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated selling expenses.

Spare-parts are valued at historical cost and recognized in profit or loss using the FIFO method.

Low turnover spare-parts, mainly those used for repairing and maintaining the Company's main assets, tugboats and cranes, are considered as strategic inventories, and given demands unlikely to be forecasted, they are recognized under non-current inventories.

NOTE 3 Summary of Significant Accounting Policies, continued
3.6 Intangible assets

Intangible assets include those identifiable non-monetary assets with no physical substance resulting from commercial transactions. The Company recognizes only those intangible assets whose costs can be fairly estimated and from which economic benefits are probable to be obtained in the future.

Intangible assets with finite useful lives are initially recognized at acquisition or development cost and are valued at cost less accumulated amortization and possible impairment losses.

a) Port concessions

Assets for port concessions are recognized as intangible assets when there is the right to collect revenue based on use in conformity with IFRIC 12. The cost of the related intangible assets includes mandatory infrastructure works defined in the concession contracts and the present value of all minimum contract payments. Accordingly, a financial liability at the present value equivalent to the value of the recognized intangible asset is recorded.

These consolidated financial statements include concession agreements recorded in the indirect subsidiaries Iquique Terminal Internacional S.A. and Terminal Marítima Mazatlán S.A. de C.V. (See note 35).

b) Relationship with customers

Intangible assets classified as "Relationship with customers" generated during the business combinations, are amortized in the expected term of return of benefits associated with the current customer portfolio of each company, at the acquisition date. These assets are amortized starting on July 1, 2014, which is the same date these operations were conducted.

NOTE 3 Summary of Significant Accounting Policies, continued
3.6 Intangible assets, continued
c) Goodwill

Goodwill is the difference between the acquisition cost of the subsidiaries, associates and joint ventures shares or rights, and the fair value of identifiable contingent assets and liabilities at the acquisition date. Goodwill related with acquisition of associates and joint ventures is included in investments under the equity method and joint ventures.

Goodwill from acquisition of subsidiaries, joint ventures and associated with a functional currency other than US dollar is measured using the functional currency of the acquiree, performing the currency translation to U.S. dollar using the Exchange rate in force at the reporting date.

Goodwill is not amortized and at the reporting date is reviewed to determine whether there is any indication of impairment that may decrease its recoverable amount to an amount lower than the recorded cost. If such indication exists, an adjustment for impairment is performed.

At the reporting date, there is no impairment indication that can cause an adjustment.

d) Amortization of intangible assets

Amortization will be recognized in the consolidated statement of income on the basis of the estimated straight-line depreciation method starting from the date in which the asset is available for use.

The estimated useful lives by type of asset are as follows:

Class	Minimum range	Maximum range
Goodwill		Indefinite
Water rights		Indefinite
Licenses and franchises	5 years	20 years
Port concessions (Note 35)	Concession period	
Concession for the use of tugboats (Note 35)	Concession period	
Relationship with customers (Note 17.2)	10 years	15 years
IT software	3 years	7 years

NOTE 3 Summary of Significant Accounting Policies, continued
3.6 Intangible assets, continued
e) Impairment of intangible assets

Intangible assets with indefinite useful lives are stated at cost and annually are tested for impairment.

The Company and subsidiaries assess at the reporting date, or when necessary, whether there is any indication that an asset may be impaired, if such indication exists, the recoverable amount of that asset is estimated. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

In order to determine the fair value less costs to sell, reports from an independent valuation company and/or objective information available is used. To determine the value in use, the estimated cash flows shall be discounted from the Company's WACC rate.

3.7 Property, plant and equipment
a) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if applicable.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labor, financial expenses related to external financing and any other costs directly attributable to bringing the assets to a working condition for their intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment, and is recognized net within other income/other expenses in profit or loss.



SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 3 Summary of Significant Accounting Policies, continued

3.7 Property, plant and equipment, continued

b) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow for more than a period to SM-SAAM, and its cost can be measured reliably.

The costs of the day-to-day servicing of property, plant and equipment are recognized in the consolidated statement of comprehensive income as incurred.

Subsequent to acquisition, only those disbursements that increase the asset's useful life or economic capacity, other than routine servicing, are capitalized.

c) Depreciation and useful lives

Depreciation is recognized in the consolidated statement of comprehensive income by function on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. This is the method that best reflects the use and consumption of the assets.

The estimated useful lives for the years are as follows:

Class	Year range	
	Minimum	Maximum
Buildings and constructions	40	80
Port terminal infrastructure ⁽¹⁾	Concession period	
Facilities and improvements in leased properties	Lease period	
Vessels, tugboats, barges, boats	10	30
Machinery	5	15
Transportation equipment	3	10
Office equipment	1	3
Furniture, fixtures and accessories	3	5

(1) Includes assets that cannot be controlled by the grantor of the concession, the useful lives of these assets may exceed the concession period when the assets can be transferred to other Company's operations.



SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 3 Summary of Significant Accounting Policies, continued

3.7 Property, plant and equipment, continued

d) Leases

Leases in terms of which SM-SAAM assumes substantially all the risks and rewards of ownership are classified as finance leases; otherwise, they are classified as operating leases.

Upon inception of the finance lease, the Company shall record an asset for the difference between the lower of the fair value of the leased asset and the present value of minimum lease payments.

Minimum lease payments are composed of the finance cost and amortization of the principal. Minimum lease payments related to operating leases are recorded as expenses on a straight-line basis during the term of the lease.

Finance lease liabilities are recognized under Interest-bearing liabilities, current and non-current. The Company holds no embedded leases in contracts that need to be separated.

e) Impairment of property, plant and equipment

The Company and subsidiary assess at the reporting date, or when necessary, whether there is any indication that an asset may be impaired. If such indication exists, the recoverable amount of that asset is estimated. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

In order to determine the fair value less costs to sell, reports from an independent valuation company and/or objective information available is used. To determine the value in use, the estimated cash flows shall be discounted using SAAM's Weighted Average Cost of Capital rate.

If the Company's management notes impairment indicators on assets non-related to CGU, the Company shall determine the impairment based on the group of assets that generate the identifiable cash flows (cash-generating units).

If the recoverable amount of an asset is less than its carrying amount, the Company will record a provision for impairment with debit to profit or loss, recording the asset at its fair value.

Because impairment losses correspond to revalued assets, they are recognized in equity up to the amount of the previous revaluation.

NOTE 3 Summary of Significant Accounting Policies, continued**3.7 Property, plant and equipment, continued*****e) Impairment of property, plant and equipment, continued***

Impairment losses recognized in prior periods are assessed annually to determine whether there is any indication that the loss may have decreased or may no longer exist, crediting the reversal to profit or loss unless an asset is recognized at its revalued amount, in which case the reversal is debited to equity.

At the reporting date, the SM SAAM S.A. and its subsidiary SAAM S.A. show no evidence of impairment loss due to any significant change such as the decrease in the market value, obsolescence, physical damage, market return, etc., which may affect the measurement of property, plant and equipment.

3.8 Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost less accumulated depreciation and accumulated impairment losses. When the use of a property changes, it is reclassified to the caption in the statement of financial position which best reflects its new use.

3.9 Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The amount recognized as a provision shall be the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

When the estimated time to settle the obligation is in the long-term and the obligation can be estimated reliably, the provision will be recorded at its present value by discounting the expected future cash flows at a pre-tax rate that reflects the risks specific to the liability.

Provisions shall be reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

NOTE 3 Summary of Significant Accounting Policies, continued**3.10 Employee Benefits*****a) Defined benefit plans***

For the Company, severance payments are defined benefits plans; the Company estimates the amount of the future benefits employees have earned in return for their service in the current and prior periods. The risk free interest rate is used to estimate the present value of the benefit (see note 26.3). The calculation is made using the projected credit unit method.

The Company recognizes all actuarial gains and losses arising from defined benefit plans directly in equity in other comprehensive income, servicing costs are recognized directly in profit or loss by function.

b) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

3.11 Revenue and cost of sales

Revenue from services rendered and the cost of sales are recognized in profit or loss on an accrual basis.

Revenue is recognized only to the extent that services have been provided, can be measured reliably and it is probable that the related economic benefits will flow to the Company regardless of the time when such benefits are received.

The costs of sales related to services provided are recognized on an accrual basis directly in the Company's different business areas.

Revenue is recognized net of usual discounts and bonuses.

3.12 Finance income and finance expense

Interest income is recognized as it accrues in the statement of comprehensive income by function.

Finance expenses are usually recognized in profit or loss as incurred with the exception of those incurred to finance the construction or development of qualifying assets that require a substantial time period to prepare the asset for its intended use, and those related to the actuarial cost of employee benefits.

NOTE 3 Summary of Significant Accounting Policies, continued**3.13 Income tax**

The Company and its subsidiaries in Chile account for income tax on a net taxable income basis determined according to the standards established in the Income Tax Law. The Company's foreign subsidiaries are subject to the standards established in each country in which they are located.

On September 29, 2014, the Tax Reform Law was enacted, which, among other aspects, defines the default tax system applicable to the Company, the corporate income tax rate that will be gradually applied to companies between 2014 and 2018 and allows companies to opt for one of two tax systems established, being: the attributed income system or the partially-integrated system, which results in entities being subject to different tax rates starting from 2017.

Note that, in accordance with the Tax Reform established by Laws Nos.20.780 and 20.899 the latter simplifying the former, companies could have been, by default or choice, subject to one of these tax systems or regimes established by the new tax regulation. The attributed-income system implies that entities must pay a corporate tax rate of 25% for 2017. The partially-integrated system, implies that entities must pay a corporate tax rate of 25.5% for 2017 and 27% for 2018 and thereafter

Accordingly and depending on the regime elected or assigned by default, the Company will determine the income tax and deferred tax rates, considering the tax rate effective at the date of the reversal of temporary differences.

For the 2016 period, the current income tax rate will be 24%. The deferred tax rate for companies subject to the attributed-income system will be 25% whereas for companies subject to the partially-integrated system such rate will be of 25.5%, if the Company expects that temporary differences will reverse during commercial year 2017 and 27% if they are expected to be reversed starting from commercial year 2018 or in subsequent years.

3.14 Deferred taxes

Deferred tax assets and liabilities are recognized in the statement of financial position in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. They are recognized in accordance with IAS 12 "Income Taxes".

Deferred taxes are measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by each reporting date.

NOTE 3 Summary of Significant Accounting Policies, continued**3.15 Financial instruments****a) Non-derivative financial instruments**

Financial instruments are initially recognized as financial assets, financial liabilities or equity securities depending on the economic substance of the agreement.

In addition and for purposes of measurement, financial instruments are classified as financial assets at fair value through profit or loss, loans and receivables, investments held- to maturity and financial liabilities. The classification depends on the characteristics of the instrument and the purpose for which it was acquired. SM-SAAM derecognizes a financial liability when its contractual obligations are cancelled or expire.

Subsequent to initial recognition, non-derivative financial assets are measured as follows:

a) 1. Cash and cash equivalents

Cash and cash equivalents comprise cash in bank and on hand and other highly liquid short-term investments (with original maturities of three months or less) with no significant risk of changes in value.

a) 2. Trade and other receivables

Trade and other receivables are initially recognized at fair value. Subsequent to initial recognition, they are measured at amortized cost using the effective interest method, less impairment losses.

Trade and other receivables also includes non-trade receivables such as other receivables, loans to personnel and loans to other foreign entities.

NOTE 3 Summary of Significant Accounting Policies, continued**3.15 Financial instruments, continued****a) Non-derivative financial instruments, continued****a) 3. Financial assets at fair value through profit or loss**

A financial asset is classified at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition.

A financial asset or liability is classified as held for trading when:

- It is acquired or incurred mainly with the purpose of selling or repurchasing in the near future;
- It is part of a portfolio of identified financial instruments that are managed jointly and for which there is a recent pattern of short-term benefits; or
- It is a derivative, except for those derivatives that have been designated as hedging instruments and meet the conditions to be effective.

Financial assets at fair value through profit or loss are initially measured at fair value. Transaction costs directly attributable to the purchase or issuance are recognized as expenses as incurred. Subsequent to initial recognition, they are measured at fair value through profit or loss.

a) 4. Investments held-to-maturity

Investments held-to-maturity are those non-derivative financial assets with fixed or determinable payments and fixed maturities for which SM-SAAM has the positive intent and ability to hold to maturity. Measurement criteria applicable to financial instruments held-to-maturity are the same than those for loans and receivables.

a) 5. Financial liabilities

These liabilities are initially recognized at their transaction cost. Incurred costs that are directly attributable to the transaction are amortized during the period of the loan and are presented deducting the liability, they are measured at amortized cost using the effective interest method (equivalent annual charge).

a) 6. Trade and other payables

This item records unpaid balances for commercial purchases and related expenses as well as other non-trade payables such as other payables and other withholdings related to payroll and others.

NOTE 3 Summary of Significant Accounting Policies, continued**3.15 Financial instruments, continued****a) Non-derivative financial instruments, continued****a) 7. Other**

Other non-derivative financial instruments including loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

b) Derivative financial instruments

Derivative financial instruments maintained to hedge foreign currency and interest rate risk exposures are initially recognized at fair value; directly attributable transactions costs are recognized in profit or loss as incurred.

Subsequent to initial recognition, derivative financial instruments are measured at fair value and changes therein are accounted for as described below:

b.1) Hedge accounting

Derivative financial instruments meeting the criteria for hedge accounting are initially recognized at fair value plus/less those transaction costs directly attributable to their contracting or issue.

Gains or losses resulting from the measurement of the hedging instrument are recognized immediately in comprehensive income as well as any changes in the fair value of the hedged item attributable to the hedged risk.

If the hedging instrument no longer meets the criteria for hedge accounting then hedge accounting is discontinued prospectively. Accumulated gains or losses previously recognized in equity will remain until the forecasted transactions occur.

b.2) Economic hedge

Hedge accounting is not applicable to derivative instruments that provide economic hedge to monetary assets and liabilities in foreign currency. Changes in the fair value of such derivatives are recognized in profit or loss by function as part of foreign currency translation gains or losses.

Derivative financial instruments not meeting the criteria to qualify for hedge accounting are classified and measured as financial assets or liabilities at fair value through profit or loss by function.

NOTA 3 Summary of Significant Accounting Policies, continued**3.15 Financial instruments, continued****c) Impairment of financial assets**

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired (including equity instruments) can include default or delinquency by a debtor, restructuring of an amount due to SM-SAAM on terms that SM-SAAM would not consider otherwise, indications that a debtor or issuer will enter bankruptcy or the disappearance of an active market for a security.

In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

In assessing impairment the Company uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account against financial assets. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

3.16 Non-current assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, that are expected to be recovered primarily through sale rather than through continuing use, are classified as held for sale and carried at the lower of their carrying amount and fair value less cost to sell.

Immediately before this classification, the assets, or component of an available-for-sale group are measured at the lower of their carrying amount and fair value less the cost to sell.

NOTE 3 Summary of Significant Accounting Policies, continued**3.16 Non-current assets held for sale, continued**

Any impairment loss on a disposal group first is allocated to goodwill, and then to remaining assets and liabilities on a pro rata basis. Impairment losses on initial classification as held for sale or distribution and subsequent gains and losses on remeasurement are recognized in profit or loss. Gains are not recognized in excess of any cumulative impairment loss.

3.17 Onerous contracts

A provision for onerous contracts is recognized when the expected benefits to be derived from a contract are lower than the unavoidable cost of meeting the obligations under the contract. As of December 31, 2016 and 2015, SM-SAAM does not have this type of contracts and therefore, does not record any provision for onerous contracts.

3.18 Cash and cash equivalent

The Company considers cash and cash equivalents in banks and on hand and other highly liquid short-term investments with original maturities of three months or less with no risk on changes in value to be cash and cash equivalents. Cash and cash equivalents also include investments related to cash management such as repurchase and resale agreements with original maturities of three months or less.

Bank overdrafts used are included within short-term loans in current liabilities.

3.19 Determination of fair values

Certain of the Company's accounting criteria and disclosures require the determination of fair value of certain financial assets, as follows:

a) Financial assets

The fair value of financial assets at fair value through profit or loss and available-for-sale financial assets are determined at market value.

b) Trade and other receivables

Considering that trade receivables are performed at less than 120 days, it has been estimated that their fair values do not significantly differ from their carrying amounts.

c) Derivatives

The fair value of derivatives is based on their market price.

NOTE 3 Summary of Significant Accounting Policies, continued
3.20 Minimum dividend

As of December 31, 2016 and 2015, the Company has accrued the minimum dividend in accordance with Article 79 of the Chilean Corporations Law which established that, unless otherwise agreed unanimously by all the issued shares at the respective shareholders' meeting, publicly-held corporations should distribute annually as a cash dividend to their shareholders, pro rata to their shares or in the proportion established in the by-laws if preferred shares exist, at least 30% of the profits of each year, except when accumulated losses from previous years have first to be absorbed. SM-SAAM, determines the amount of minimum dividends it will have to pay to its shareholders during the following year, and is recorded under the caption "Other current non-financial liabilities" charged to the account Accumulated gains (losses) under Net Equity.

3.21 Environment

Disbursements associated with environmental protection are debited to profit or loss when incurred.

NOTE 3 Summary of Significant Accounting Policies, continued
3.22 New standards and interpretations issued but not effective
a) Standards early adopted by the Group

SM-SAAM has not early adopted or applied standards issued by the International Accounting Standards Board (hereinafter IASB), which are available for early adoption.

(b) Standards, amendments and interpretations effective on or after January 1, 2016:

Standard and/or amendment	Mandatory application for:
IFRS 14, Regulatory deferral accounts This standard allows a first-time adopter to maintain the application of previous accounting policies on regulatory deferral accounts for the initial adoption of IFRSs and subsequent financial statements.	Annual periods beginning on or after January 1, 2016.
Accounting for acquisitions of interests in joint operations (amendments to IFRS 11). This standard amends IFRS 11 Joint arrangements to request an acquirer of interest in a joint operation in which the activity corresponds to a business (as defined in IFRS 3 Business combinations) to: - apply to all business combinations that represent the principles of IFRS 3 and other IFRSs – disclose the information required by IFRS 3 and other IFRSs for business combinations purposes.	Annual periods beginning on or after January 1, 2016.
Investment Entities: Applying the Consolidation Exception (amendments to IFRS 10, IFRS 12 and IAS 28). On December 18, 2014, the IASB published Investment Entities: applying the consolidation exception, amendments to IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of interest in Other Entities, and IAS 28 Investments in Associates and Joint Ventures (2011) to address issues arising from the application of the consolidation exception to investment entities.	Annual periods beginning on or after January 1, 2016.
Equity method in separate financial statements (Amendments to IAS 27) This standard allows that investments in subsidiaries, joint ventures and associates are optionally measured using the equity method.	Annual periods beginning on or after January 1, 2016.
Clarification of acceptable methods of depreciation and amortization (amendments to IAS 16 and IAS 38). It clarifies that a revenue-based method of amortization generated by an activity that includes the use of an asset is not appropriate for property, plant and equipment – introduces a rebuttable presumption that the use of a revenue-based amortization method for intangible assets is inappropriate. This presumption can be overcome only when revenue and the consumption of the economic benefits of the intangible asset are "highly correlated" - includes guidance on future deductions on the sale price of an element produced using an asset, may indicate the expectation of technological or commercial obsolescence of an asset. Accordingly, this might reflect a decrease of future economic benefits included in the asset.	Annual periods beginning on or after January 1, 2016.
Disclosure initiative (amendments to IAS 1). On December 18, 2014, the IASB included an initiative with respect to disclosure of its work program 2013, to complete the work performed in the Conceptual Framework project. The initiative is composed of a series of smaller projects intended to study the possibilities of improving the presentation and disclosure of principles and requirements of standards already in force.	Annual periods beginning on or after January 1, 2016.

NOTE 3 Summary of Significant Accounting Policies, continued

3.22 New standards and interpretations issued but not effective, continued

(b) Standards, amendments and interpretations effective on or after January 1, 2016, continued:

Standard and/or amendment	Mandatory application for:
Annual Improvements to Cycle 2012-2014. They amend the following standards: IFRS 5 – Introduces specific guidance in IFRS 5 for when an entity reclassifies an asset from held-for-sale to held-for-distribution or vice versa, or when held for distribution is discontinued. IFRS 7 – Provides additional guidance to clarify whether a service contract is continuing involvement in a transferred asset, and clarifications on offsetting disclosures in interim financial statements. IAS 9 – Clarifies that the high quality corporate bonds used to estimate the discount rate for post-employment benefits should be issued in the same currency as the benefit to be paid. IAS 34 - Clarifies the meaning of “elsewhere in the interim report” and requires cross reference. Annual periods beginning on or after July 1, 2016 Disclosure initiative (amendments to IAS 1). On December 18, 2014, the IASB included an initiative with respect to disclosure of its work program 2013, in order to complete the work performed in the Conceptual Framework project. The initiative is composed of a series of smaller projects intended to study the possibilities of improving the presentation and disclosure of principles and requirements of standards already in force.	Annual periods beginning on or after July 1, 2016.

(c) The following new Standards and Interpretation have been issued, but their application date is not yet effective:

Standard and/or amendment	Mandatory application for:
IFRS 9: Financial Instruments introduces new requirements for the classification and measurement of financial assets. IFRS specifies how an entity should classify and measure its financial assets at amortized cost or fair value. It requires that all financial assets are classified in their entirety on the basis of the entity's business model for the management of financial assets and the characteristics of contractual cash flows from financial assets. Financial assets are measured at either amortized cost or fair value. Solely those financial statements classified at amortized cost will be tested for impairment. On November 19, 2013, the IASB issued a new revised version of IFRS 9, which introduces a new chapter in IFRS 9 on hedge accounting, implementing a new hedge accounting model that is designed to be closely aligned to how entities conduct risk management activities when they cover the exposure to financial and non-financial risks. The revised version of IFRS 9 allows an entity to apply solely the requirements introduced in IFRS 9 (2010) for the presentation of gains and losses from financial liabilities designated to be measured at fair value through profit or loss without applying the other requirements in IFRS 9, which means that the portion of changes in fair value related to changes in the entity's own credit risk may be presented in other comprehensive income instead of profit or loss.	Effective application date January 1, 2018.
IFRS 15 Revenue from contracts with customers This standard contains a five-step model that applies to contracts with customers. Five steps are as follows: - Identify the contract(s) with a customer - Identify the performance obligations in the contract - Determine the transaction price - Allocate the transaction price to the performance obligations in the contract - Recognize revenue when (or as) the entity satisfies a performance obligation. Guidance is provided on matters such as revenue recognition and several related matters. Also, new disclosures on revenue are included.	Annual periods beginning on or after January 1, 2018.
IFRS 16 Leases: on January 13, 2016, the IASB published a new standard, IFRS 16 “Leases”. The new standard will require most of the leases to be presented in the balance sheet under a single lessee accounting model, eliminating the classification of leases as either operating leases or finance leases. However, lessor accounting remains mostly unchanged and continues to classify its leases as operating leases and financial leases. IFRS 16 replaces IAS 17 “Leases” and related interpretations and is effective for period beginning on or after January 1, 2019. Early adoption is permitted, as long as IFRS 15 “Revenue from contracts with customers” is also applied.	Annual periods beginning on or after January 1, 2019.

NOTE 3 Summary of Significant Accounting Policies, continued

3.22 New standards and interpretations issued but not effective, continued

(c) The following new Standards and Interpretation have been issued, but their application date is not yet effective, continued:

Standard and/or amendment	Mandatory application for:
IAS 7: Disclosure initiative, amendments to IAS 7. Such amendments were issued on February 1, 2016 and requests the disclosure which may allow that the users of Financial Statements to assess changes in liabilities arising from financing activities, including both changes which may affect cash and non-cash transactions. One option to comply with such requirement may be disclosing a reconciliation between opening balance and closing balance of liabilities arising from financing activities. However, the objective may be achieved using different methods, which could release financial institutions or other entities which already presented improved disclosures in such area. Although disclosure of changes in other assets and liabilities is possible, such supplementary disclosure should be presented separately from changes in liabilities from financing activities	Annual periods beginning on or after January 1, 2017.
IAS 12, Recognition of Deferred Tax Assets for Unrealized Losses (amendments to IAS 12). This amendment was issued on January 19, 2016 and it clarifies that the existence of a deductible temporary difference depends solely on the comparison between the carrying amount of an asset and its tax base at the reporting date, and is not affected by possible future changes in the carrying amount or in the way the asset is expected to be recovered. Consequently, assuming that the tax base remains at the initial cost of the debt instrument, there is a temporary difference. The question is whether you will be able to recognize a deferred tax asset if the future tax result is expected to be a loss. The amendments showed that the answer is “yes”, under certain conditions.	Annual periods beginning on or after January 1, 2017. Early adoption is permitted.
Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28). This amendment clarifies the treatment of the sale or contribution between the investor and its associate, as follows: - requires full recognition of profit or loss in the investor's financial statements arising from the sale or contribution of assets that comprise a business (as indicated in IFRS 3 Business combinations) - requires the partial recognition of profit and loss where assets are not part of a business, i.e., profit or loss recognized only to the extent of investor's interests that are not related to an associate or joint venture. These requirements are applied regardless the legal form of the transaction, for instance, if the sale or contribution of assets arise from a transfer of assets made by the investor to a subsidiary that owns the assets (which results in the loss of control of the subsidiary), or for direct sale of the same assets.	Effective date deferred indefinitely.
IFRIC 22: Foreign Currency Transactions and Advance Consideration	Annual periods beginning on or after January 1, 2018
IFRS 2 (Amendment), Share-based payments: Clarifies how to account for certain types of share-based payment transactions.	Annual periods beginning on or after January 1, 2018
IFRS 15 (Amendment), Revenue from Contracts with Customers: Amendment clarifying requirements and providing additional relief for companies that are implementing the new Standard.	Annual periods beginning on or after January 1, 2018. Early adoption is permitted.

The Company's management are assessing the impact that these standards will have on the effective application date.

NOTE 4 Accounting changes

During the period between January 1 and December 31, 2016, the Company has uniformly applied all the accounting principles compared with the same period of 2015.

NOTE 5 Risk management

The Company has exposure to the following risks from its operations: credit risk, liquidity, market risk, currency risk, operating risk and capital management risk. The Company manages exposure to them using SM- SAAM's strategy.

SM-SAAM's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

The Company's financing sources correspond mainly to equity, loans and leases as well as the balance of the Company's payables. The policy defined to mitigate the credit effects is intended to reach a balanced structure between long and short-term financing sources, low credit exposure and credits in line with the flows generated by the Company.

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. In granting credits, clients are assessed in order to reduce the risk of default. The credits granted are reviewed on a periodical basis to apply the controls defined by the Company and monitor the status of pending receivables.

Most services to the direct subsidiary SAAM S.A.'s clients are rendered under market conditions which are simple loans, currently with a term up to 120 days (120 days as of December 31, 2015).

In the indirect subsidiary Iquique Terminal Internacional S.A. (ITI), the services sold on credit are provided to clients which have established pledges in favor of ITI, thus securing compliance with its payment obligations.

NOTE 5 Risk management, continued
a) Credit risk, continued

Transactions are not concentrated on significant clients; on the contrary, the Company's clients are much diversified which allows distributing the risk.

Starting from November 1, 2013, the direct subsidiary SAAM S.A. has a hedging credit insurance of 90% for clients with credit revolving facilities exceeding UF20, that are previously approved by the insurance company. For notes receivable issued subsequent to November 1, 2013.

However, SAAM makes an allowance in the event that evidence of impairment of trade receivables is found, per the following criterion:

	12.31.2016	12.31.2015
Asset aging	Factor	Factor
After 90 days from the maturity date of the notes receivable	25%	25%
After 180 days from the maturity date of the notes receivable	50%	50%
After 270 days from the maturity date of the notes receivable	75%	75%
After 360 days from the maturity date of the notes receivable	100%	100%
Legal collection, rubber checks and others	100%	100%
High risk clients reviewed individually	100%	100%

The carrying amount of financial assets represents the maximum credit exposure. The maximum credit exposure at the reporting date is as follows:

In relation to the indirect subsidiary Terminal Internacional S.A., when this company grants credits to its clients, they are assessed in order to reduce the default risk. Credits granted are regularly reviewed to apply the controls established by the Company's policies and monitor the statements of accounts receivable. Services sold on credit are rendered to clients which have established pledges in favor of ITI, thus securing compliance with their payment obligations.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 5 Risk management, continued

a) Credit risk, continued

Impairment losses

The maximum exposure to credit risk for trade receivables as of December 31, 2016 and 2015 is as follows:

Note	12-31-2016 ThUS\$			12-31-2015 ThUS\$		
	Current	Non-current	Total	Current	Non-current	Total
Trade receivables	79,356	-	79,356	79,752	-	79,752
Impairment of trade receivables	(5,752)	-	(5,752)	(6,982)	-	(6,982)
Trade receivables, net	73,604		73,604	72,770		72,770
Other accounts receivable	7,605	19,510	27,115	8,416	9,631	18,047
Impairment of other accounts receivable	-	-	-	(7)	-	(7)
Other accounts receivable, net	7,605	19,510	27,115	8,409	9,631	18,040
Total Trade and other receivables	11	81,209	100,719	81,179	9,631	90,810

	12-31-2016 ThUS\$	12-31-2015 ThUS\$
Variations in the provision for impairment		
Opening balance as of January 1	6,989	5,232
Increase (decrease) in provision ⁽¹⁾	1,187	3,802
Reversal of impairment loss ⁽²⁾	(1,893)	-
Write-down of receivables ⁽³⁾	(1,087)	(1,913)
Foreign currency translation difference	556	(132)
Total allowance for impairment	5,752	6,989

(1) See note 30
(2) See note 32
(3) See note 11.c

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 5 Risk management, continued

b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

SM-SAAM believes the forecasted liquidity needs between receivables (balances receivable from customers, dividends, etc.), the related expenses (trade, financial expenses, etc.) and the cash amounts so that the Company does not have to request any short-term external financing.

Should cash surpluses exist, these may be invested in low risk financial instruments.

b.1) Exposure to liquidity risk

Contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of balance offsetting agreements are as follows:

12-31-2016	Note	Carrying amount ThUS\$	Contractual cash flows ThUS\$	6 months or less ThUS\$	6 - 12 months ThUS\$	1 - 2 years ThUS\$	2 - 5 years ThUS\$	More than 5 years ThUS\$
Non-derivative financial liabilities								
Secured bank loans	22.1	(70,057)	(78,795)	(5,829)	(5,979)	(12,143)	(39,826)	(15,018)
Unsecured bank loans	22.1	(162,873)	(172,948)	(44,645)	(18,539)	(35,979)	(61,594)	(12,191)
Finance lease liabilities under agreements	22.2	(7,849)	(8,239)	(1,302)	(1,303)	(2,501)	(3,133)	-
Trade and other payables and due to related parties	12 and 23	(33,287)	(33,287)	(33,275)	-	-	-	(12)
Derivative financial assets								
Foreign exchange derivative forwards	10.a	187	187	187	-	-	-	-
Currency derivative financial liabilities								
Change in exchange rate used for hedging purposes	22.3	(212)	(212)	(102)	-	(73)	(37)	-
Total		(274,091)	(293,294)	(84,966)	(25,821)	(50,696)	(104,590)	(27,221)

Payment dates for cash flows included in the analysis of maturities are not expected to significantly differ from the date of settlement.

NOTE 5 Risk management, continued
b) Liquidity risk, continued
b.1 Exposure to liquidity risk, continued

12-31-2015		Carrying amount	Contractual cash flows	6 months or less	6 – 12 months	1 – 2 years	2 – 5 years	More than 5 years
	Note	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Non-derivative financial liabilities								
Secured bank loans	22.1	(54,132)	(57,941)	(6,143)	(3,762)	(9,322)	(27,087)	(11,627)
Unsecured bank loans	22.1	(147,158)	(162,928)	(16,849)	(32,717)	(31,542)	(67,918)	(13,902)
Finance lease liabilities under agreements	22.2	(10,190)	(10,844)	(1,302)	(1,302)	(2,605)	(5,635)	-
Trade and other payables and due to related parties	12 and 23	(42,404)	(42,404)	(34,898)	(7,496)	-	-	(10)
Currency derivative financial liabilities								
Change in exchange rate used for hedging purposes	22.3	(321)	(321)	(46)	-	(275)	-	-
Total		(254,205)	(274,438)	(59,238)	(45,277)	(43,744)	(100,640)	(25,539)

c) Market risk

Market risk is the risk that changes in rates and market prices, such as foreign exchange rates, interest rates and equity prices will affect the SM-SAAM' income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Company buys and sells derivatives, and also incurs financial liabilities, in order to manage market risks. Generally, SM-SAAM seeks to apply hedge accounting in order to manage volatility in profit or loss resulting from net exposure of assets and liabilities in foreign currency, mainly in foreign currency.

The Company regularly evaluates the profitability of its business, in accordance with market changes that might significantly affect the Company's profitability, as the closure of the Line Brokerage and Container Deposit activities in the Chilean Central area, added to the closure of the logistic operations in Brazil and Uruguay, all of these generated at the end of 2015.

NOTE 5 Risk management, continued
c) Market risk, continued
c.1) Interest rate risk and sensitivity analysis

Interest rate risk arises mainly from sources of financing that exposed the Company to variable interest rates indexed on the London Inter-Bank Off Rate ("LIBOR").

At every year-end, the financial instruments of SM-SAAM and its subsidiary, subject to changes in rates, is as follows:

As of December 31, 2016

Debtor entity	Acquirer	Total Debt	Interest rate agreed	Effective tax rate	Financial cost for the period ThUS\$	Sensitivity analysis finance costs +100 bp ThUS\$	Sensitivity analysis finance costs -100 bp ThUS\$
Iquique Terminal Internacional S.A.	Banco Estado Banco Santander	6,070	Libor 180+2.5%	3.93%	260	326	194
SAAM S.A.	Chile	24,948	Libor 30+2.1%	2.85%	828	1,119	537
Inarpi S.A.	Banco Santander Corpbanca New Yor	7,092	Libor +1.8%	3.12%	14	18	10
SAAM Remolques S. A. de C. V.	Branch	40,837	Libor 180+3%	3.91%	1,661	2,086	1,236
Total fixed rate financial liabilities		78,947			2,749	3,549	1,977
Total interest-bearing financial liabilities (Notes 22.1 and 22.2)		240,779					
Proportion of financial liabilities with variable rate		32.79%					

As of December 31, 2015

Debtor Entity	Acquirer	Total Debt	Interest rate agreed	Effective tax rate	Financial cost for the period ThUS\$	Sensitivity analysis finance costs +100 bp ThUS\$	Sensitivity analysis finance costs -100 bp ThUS\$
Iquique Terminal Internacional S.A.	Banco Estado Banco Santander	9,079	Libor 180+2.5%	3.08%	316	419	213
SAAM S.A.	Chile	34,911	Libor 180+1.48%	2.33%	762	1,089	435
SAAM S.A.	Banco Estado Corpbanca New	25,002	Libor 90+0.83%	1.22%	147	267	27
SAAM Remolques S. A. de C. V.	York Branch	40,732	Libor 180+3%	3.44%	1,445	1,865	1,025
Total fixed rate financial liabilities		109,724			2,670	3,640	1,700
Total interest-bearing financial liabilities (Notes 22.1 and 22.2)		211,480					
Proportion of financial liabilities with variable rate		51.88%					

NOTE 5 Risk management, continued

c) Market risk, continued

c.1) Interest rate risk and sensitivity analysis, continued

The method used to determine the effect of interest rate variations for floating rate financial instruments that are not hedged is by increasing the interest rate by 100 basis points in order to determine an adjusted rate and its effect at each period-end.

As of December 31, 2016, liabilities at variable interest rates amounted to ThUS\$ 78,957 (ThUS\$ 109,724 in 2015). A variation of 100 basis points in the interest rate would generate an effect on finance costs of ThUS\$782 (ThUS\$970 in 2015).

d) Currency sensitivity

	Average rate 12-31-2016	Spot rate 12-31-2016	Average rate 12-31-2015	Spot rate 12-31-2015
Chilean peso	676.83	669.47	654.25	710,16
Mexican peso	18.6634	20.6273	15.8604	17.3404
Canadian dollar	1.3251	1.3433	1.2780	1.3884

Main currencies other than the functional currency to which the Company is exposed to are the Chilean peso, Mexican peso and Canadian dollar. On the basis of the Company's net financial assets and liabilities at period-end, an appreciation/depreciation of the value of U.S. dollars compared to these currencies and all other variables maintained, could have affected profit after tax and equity as follows:

As of December 31, 2016 the foreign currency exposure is presented as follows:

Currency	Effects on profit or loss					Effect on Equity ⁽¹⁾				
	Assets ThUS\$	Liabilities ThUS\$	Net position ThUS\$	+10% exchange rate	-10% exchange rate	Assets ThUS\$	Liabilities ThUS\$	Net position ThUS\$	+10% exchange rate	-10% exchange rate
Ch\$	34,280	(33,154)	1,126	(102)	125	122,655	(8,481)	114,174	(10,380)	12,687
CAD	-	-	-	-	-	68,784	(31,294)	37,490	(3,408)	4,166
MXP	30,214	(19,788)	10,426	(948)	1,158	-	-	-	-	-
Effects on profit or loss				(1,050)	1,283				(13,788)	16,853

⁽¹⁾ The effect of the exchange rate variation is recorded against equity, in translation reserves.

NOTE 5 Risk management, continued

d) Currency sensitivity, continued

As of December 31, 2015 the foreign currency exposure exercise is presented as follows:

Currency	Effects on profit or loss					Effect on Equity ⁽¹⁾				
	Assets ThUS\$	Liabilities ThUS\$	Net position ThUS\$	+10% exchange rate	-10% exchange rate	Assets ThUS\$	Liabilities ThUS\$	Net position ThUS\$	+10% exchange rate	-10% exchange rate
Ch\$	42,401	(51,736)	(9,335)	849	(1,037)	120,915	(9,450)	111,465	(10,133)	12,385
CAD	-	-	-	-	-	66,941	(33,703)	33,238	(3,022)	3,693
MXP	29,929	(25,006)	4,923	(448)	547	-	-	-	-	-
Effect on profit or loss				401	(490)				(13,155)	16,078

⁽¹⁾ The effect of the exchange rate variation is recorded against equity, in translation reserves.

The variables used to calculate the currency sensitivities for 2016 and 2015 are as follows:

Currency	2016			2015		
	Exchange rate	+10% Exchange rate variation	-10% Exchange rate variation	Exchange rate	+10% Exchange rate variation	-10% Exchange rate variation
Ch\$	669.47	736.42	602.52	710.16	781.18	639.14
MXP	20.6273	22.6900	18.5645	17.3404	19.0744	15.6064
CAD	1.3433	1.4776	1.2090	1.3884	1.5272	1.2496

The effects recorded in equity correspond to the conversion effect of those companies whose functional currency is equivalent to the currency of the country in which they operate, considering the conversion criteria established in IAS 21.

NOTE 5 Risk management, continued**d) Operational risk**

Operational risk is the risk of direct or indirect losses resulting from a variety of causes associated to the processes, personnel, technology and infrastructure of the Company and to external factors other than liquidity, market and credit risks such as those derived from legal and regulatory requirements. Operational risks arise from all of the operations of the SM-SAAM.

The main responsibility for the development and implementation of controls to manage the operational risk is assigned to senior management within each business activity. This responsibility is supported by the development of organizational standards for managing the operational risk such as: adequate segregations of duties including the independent authorization of transactions, reconciliation and monitoring of transactions, compliance with regulatory and other legal requirements, documentation of controls and procedures, periodical assessment of the operational risk faced and the adequacy of the controls and procedures to manage the risks identified, periodical reporting of operating losses and proposed remediation actions, development of contingency plans, professional training and development, ethic and business standards and mitigation of risks, including insurance when effective.

e) Capital management

SM-SAAM's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital on a monthly basis.

The Company's senior management maintains a balance between the higher returns that can be obtained from higher credit levels and the advantages and security provided by a strong capital base.

SM-SAAM's capital management policy is restricted exclusively to the covenants agreed in debt agreements with domestic banks, these covenants are detailed on note 36.6.

NOTE 6 Segment reporting**a) Segmenting criteria**

According to the definitions in IFRS 8, SM-SAAM has defined the following operating segments:

- Tugboats
- Ports
- Logistics and other

The main services of the mentioned segments are the following:

- The Tugs segment comprises the berthing, unloading, towing, salvage and offshore assistance services provided by the Company with its own fleet in different countries of America.
- The Ports segment provides port operator services in Chile, the United States, Mexico and Ecuador.
- The main services of the Logistics segment and others are cargo services such as stowage, storage, documentary, warehousing, warehousing, logistics and transportation, rendered in various countries of America. In fiscal year 2015, the Company disposed of the closures of logistics activities in Brazil and Uruguay, as well as the closure of the Line Agencies and Container Deposits activities in central Chile.

b) Operational segments reporting:

The Company used the following criteria to measure revenue, assets and liabilities of the reported segments:

- (i) Revenue of each segment is comprised of income and expenses from operations which are directly attributable to each of the reported segments.
- (ii) Reported assets and liabilities for each operating segment correspond to those that are directly related to the rendering of the service or operation which are directly attributable to each segment.
- (iii) Transactions between segments are not material and they have been removed at segment level.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 6 Segment reporting, continued

b.1) Segments assets, liabilities, equity and impairment

	Tugboats		Port		Logistics		Total	
	12-31-2016	12-31-2015	12-31-2016	12-31-2015	12-31-2016	12-31-2015	12-31-2016	12-31-2015
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Assets	533,384	546,442	231,045	209,030	207,562	166,001	971,991	921,473
Equity accounted investees	133,843	130,919	128,491	132,179	33,154	36,231	295,488	299,329
Total Assets	667,227	677,361	359,536	341,209	240,716	202,232	1,267,479	1,220,802
Total Liabilities	(211,365)	(194,328)	(149,189)	(153,667)	(42,394)	(43,424)	(402,948)	(391,419)
Equity	(455,862)	(483,033)	(210,347)	(187,542)	(198,322)	(158,808)	(864,531)	(829,383)
(Losses), reversal of impairment recognized in profit or loss for the period	(500)	(1,517)	(3,238)	(1,250)	(849)	(9,385)	(4,587)	(12,152)

b.2) Non-current assets by geographical area:

	Chile		South America		Central America		North America		Total	
	12-31-2016	12-31-2015	12-31-2016	12-31-2015	12-31-2016	12-31-2015	12-31-2016	12-31-2015	12-31-2016	12-31-2015
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Non-current assets other than financial instruments, investments accounted for using the equity method and deferred tax assets	249,182	241,955	101,276	86,980	12,482	11,561	298,070	309,973	661,010	650,469
Total	249,182	241,955	101,276	86,980	12,482	11,561	298,070	309,973	661,010	650,469

b.3) Revenue by geographical areas:

	Tugboats		Port		Logistics		Total	
	01-01-2016	01-01-2015	01-01-2016	01-01-2015	01-01-2016	01-01-2015	01-01-2016	01-01-2015
	12-31-2016	12-31-2015	12-31-2016	12-31-2015	12-31-2016	12-31-2015	12-31-2016	12-31-2015
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Chile	39,412	37,304	42,364	43,018	94,123	80,080	175,899	160,402
South America	28,963	25,434	29,522	44,825	-	32,011	58,485	102,270
Central America	13,012	11,638	-	-	-	-	13,012	11,638
North America	103,767	114,448	42,769	37,515	-	-	146,536	151,963
Total	185,154	188,824	114,655	125,358	94,123	112,091	393,932	426,273

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 6 Segment reporting, continued

b.4) Revenue by business and services opened by clients:

Segment	Service:	Clients	01-01-2016	01-01-2015
			12-31-2016	12-31-2015
			ThUS\$	ThUS\$
Tugboats	Ships docking and undocking	Total ships docking and undocking	185,154	188,824
		Services rendered income to clients is higher than 10% of total revenue associated to this segment.	28,987	32,120
		Services rendered income to clients is lower than 10% of total revenue associated with this segment.	156,167	156,704
Ports	Port operation	Total Port operations	114,655	125,358
		Services rendered income to clients is higher than 10% of total revenue associated to this segment.	-	-
		Services rendered income to clients is lower than 10% of total revenue associated with this segment.	114,655	125,358
Logistics and other	Contract Logistics	Total Logistics and other	94,123	112,091
		Total Contract Logistics	44,784	51,860
		Services rendered income to clients is higher than 10% of total revenue associated to this segment.	-	6,031
	Vessel service	Services rendered income to clients is lower than 10% of total revenue associated to this segment.	44,784	45,829
		Total Vessel service	20,392	32,618
		Services rendered income to clients is higher than 10% of total revenue associated with this segment.	6,340	8,582
	Other services	Services rendered income to clients is lower than 10% of total revenue associated to this segment.	14,052	24,036
		Total Other services	28,947	27,613
		Services rendered income to clients is higher than 10% of total revenue associated to this segment.	-	-
		Services rendered income to clients is lower than 10% of total revenue associated to this segment.	28,947	27,613
		Total Income	393,932	426,273

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 6 Segment reporting, continued
b.5) The detail of revenue per segment is as follows:

Continuing operations	Notes	01-01-2016	01-01-2015
		12-31-2016	12-31-2015
		ThUS\$	ThUS\$
Revenue	28	393,932	426,273
Tugboats		185,154	188,824
Ports		114,655	125,358
Logistics		94,123	112,091
Sale cost	29	(291,281)	(314,226)
Tugboats		(130,641)	(130,863)
Ports		(79,819)	(85,731)
Logistics		(80,821)	(97,632)
Gross profit		102,651	112,047
Tugboats		54,513	57,961
Ports		34,836	39,627
Logistics		13,302	14,459
Administrative expenses	30	(61,858)	(70,988)
Tugboats		(25,820)	(26,860)
Ports		(19,174)	(21,736)
Logistics		(16,864)	(22,392)
Operating income		40,793	41,059
Tugboats		28,693	31,101
Ports		15,662	17,891
Logistics		(3,562)	(7,933)
Non-operational profit or loss		33,657	56,150
Other income (expenses), by function	32	(466)	(13,631)
Other gain (loss)	34	(740)	32,273
Finance income	31	1,453	6,712
Finance expenses	31	(10,946)	(10,801)
Share in earnings of associates accounted for using the equity method	16	42,225	37,875
Foreign currency translation differences	37	2,193	3,688
Income by unit indexation		(62)	34
Gain (loss) before taxes		74,450	97,209
Income taxes levied expense	21.3	(11,548)	(17,199)
Gain (loss)		62,902	80,010

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 6 Segment reporting, continued
b.6) Cash flows by segment:

	12-31-2016	12-31-2015
Net cash flows from (used in) operating	Total Flows	Total Flows
	ThUS\$	ThUS\$
Operating	67,665	60,028
Tugboats	41,138	41,442
Ports	27,762	28,978
Logistics	(1,235)	(10,392)
Investment	(20,620)	24,813
Tugboats	(25,322)	5,235
Ports	(16,189)	1,568
Logistics	20,891	18,010
Financing	(17,121)	(15,916)
Tugboats	(21,550)	2,918
Ports	4,095	(19,618)
Logistics	334	784
Net increase (decrease) in cash and cash equivalent associated to segments	29,924	68,925
Tugboats	(5,734)	49,595
Ports	15,668	10,928
Logistics	19,990	8,402
Net cash flows from (used in) financing activities, that cannot be allocated to segments	-	-
Net increase (decrease) in cash and cash equivalent	29,924	68,925
Effect of exchange rate fluctuations on cash equivalents held	(275)	(460)
Net increase (decrease) in cash and cash equivalent	29,649	68,465
Cash and cash equivalents at beginning of the period	113,380	44,915
Cash and cash equivalents at end of the period	143,029	113,380

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 7 Fair value of financial assets and liabilities

Financial assets and liabilities	Notes	12-31-2016		12-31-2015	
		Carrying amount ThUS\$	Fair value ThUS\$	Carrying amount ThUS\$	Fair value ThUS\$
Cash and cash equivalent	9	143,029	143,029	113,380	113,380
Derivative instruments and other	10 a	7,657	7,657	2,007	2,007
Trade and other receivables	11	100,719	100,719	90,810	90,810
Trade receivables due from related parties	12	15,356	15,356	20,446	20,446
Total financial assets		266,761	266,761	226,643	226,643
Bank loans ⁽¹⁾	22	(232,930)	(233,007)	(201,290)	(201,364)
Finance lease	22	(7,849)	(7,849)	(10,190)	(10,190)
Hedging liabilities	22	(212)	(212)	(321)	(321)
Trade and other payables	23	(32,078)	(32,078)	(40,735)	(40,735)
trade and other payables due to related parties	12	(1,209)	(1,209)	(1,669)	(1,669)
Total financial liabilities		(274,278)	(274,355)	(254,205)	(254,279)
Net financial position		(7,517)	(7,594)	(27,562)	(27,636)

(1) In order to determine the fair value, the market rates at the end of each reporting period are considered, based on quotations for transactions with similar characteristics and the new financial cost that would affect the company's financial statements.

Average interest rate used in the determination of financial liability fair value:

December 2016	Financial liability currency	
	Unidad de fomento	US dollar
Financial liability at variable rate	-	3.67%
Financial liability at fixed rate	4.3%	3.79%

December 2015	Financial liability currency	
	Unidad de fomento	US dollar
Financial liability at variable rate	-	3.16%
Financial liability at fixed rate	4.7%	3.44%

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 8 Non-current assets held-for-sale

A portion of the property, plant and equipment is presented as a group of assets held for sale in accordance with the commitment assumed by the Management of the following companies:

- In the third quarter of 2016, the Company started the sale of real estate assets and expendable industrial facilities, associated with the Logistics segment not used in its activities, through the indirect subsidiaries Cosem SA, Inmobiliaria Maritima Portuaria SpA and Aquasaam SA, reclassifying the land and buildings located in the cities of Iquique, Valparaíso, Talcahuano, Puerto Montt and Chiloé of ThUS\$13,171 to non-current assets held for sale. The results of sales of these assets are classified as "other gains (losses)." Management has started the actions for the sale of these assets, which it expects to materialize before twelve months. During December, Iquique land, owned by Inmobiliaria Maritima Portuaria Spa, was sold at ThUS\$2,511, generating a loss of ThUS\$(3), see the detail in Note 34.
- In 2015, the indirect subsidiary SAAM Brasil S.A., of the Logistics segment, has reclassified container cranes and machinery which were in Cubatao's deposit from property, plant and equipment for ThUS\$3,271. The abovementioned is due to the consistent decrease in deposit operations and dockyard workshops in Brazil as a result of the termination of the contract with Compañía Sudamericana de Vapores (CSAV).
- In 2014, the indirect subsidiary Iquique Terminal Internacional S.A., of the Port segment, has reclassified ThUS\$700 from property, plant and equipment, 2 Gottwald cranes acquired at the beginning of the concession in 2002. As of the closing date of these financial statements, these assets were disposed, generating a profit amounting to ThUS\$ 115.

	12-31-2016 ThUS\$	12-31-2015 ThUS\$
Opening balance	-	700
Transfers from property, plant and equipment (Note 18.3 and 19)	13,171	3,271
Transfer to inventories	-	(36)
Disposal of assets held for sale	(2,514)	(3,507)
Impairment recognized for the year	-	(428)
Presentation currency	(212)	-
Total Non-current assets classified as held-for-sale	10,445	-

NOTE 9 Cash and cash equivalents

The detail of cash and cash equivalents comprises the following:

	12-31-2016	12-31-2015
	ThUS\$	ThUS\$
Cash on hand	197	298
Cash in banks and overnight	79,086	38,202
Short-term deposits	63,160	70,994
Other cash and cash equivalents	586	3,886
Total cash and cash equivalents	143,029	113,380

Cash and cash equivalents relates to cash on hand and current bank accounts. Short-term deposits corresponds to fixed term deposits with bank institutions and are recognized at their investment value plus its respective accrued interests at the end of the period. Other cash and cash equivalents are related to the purchase of financial instruments with repurchase agreement.

The detail of cash and cash equivalents by currency is as follows:

	12-31-2016	12-31-2015
	ThUS\$	ThUS\$
United States dollar	131,426	98,684
Canadian dollar	2,176	1,374
Chilean peso	6,684	9,301
Brazilian real	51	669
Mexican peso	1,083	2,619
Other currencies	1,609	733
Total cash and cash equivalents by currency	143,029	113,380

NOTE 10 Other financial assets, current and non-current

	12-31-2016	12-31-2015
	ThUS\$	ThUS\$
Total other current financial assets (Note 10.a)	5,906	2,007
Total other non-current financial assets (Note 10.b)	1,751	975
Total other financial assets	7,657	2,982

Financial assets held to maturity are financial assets with fixed or determinable payment and fixed maturity that the Company's management has the positive intent and ability to hold to maturity. Should SM SAAM sell a non-insignificant amount of financial assets held to maturity, the whole category would be classified as available for sale.

a) Other current financial assets

The detail of other current financial assets is as follows:

	12-31-2016	12-31-2015
	ThUS\$	ThUS\$
Currency derivative (forward) ⁽¹⁾	187	-
Restricted cash ⁽²⁾	350	-
Financial instrument held to maturity ⁽³⁾	2,503	-
Term deposits over 90 days	2,866	2,007
Total other financial assets at fair value, current	5,906	2,007

⁽¹⁾It relates to the currency derivatives agreements (forward) subscribed by the Company to minimize the risk of fluctuations in the exchange rate of balance sheet unhedged items.

⁽²⁾It relates to funds held to cover obligations with the Company's employees of the indirect subsidiaries SAAM SMIT Canadá Holdings Inc, and Virtual Logistics Marine Services Inc.

⁽³⁾It relates to sight drafts for the sale of land located in Alto Hospicio, in the province of Iquique, performed by the indirect subsidiary Inmobiliaria Marítima Portuaria SPA, whose value will be settled in March 2017.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 10 Other financial assets, current and non-current, continued
b) Other non-current financial assets held to maturity

	12-31-2016 ThUS\$	12-31-2015 ThUS\$
Non-current		
Investment in other companies	1,708	937
Other financial assets, non-current	43	38
Total other financial assets, non-current	1,751	975

NOTE 11 Trade and other receivables
a) Detail by collection currency of trade and other receivables, current and non-current to:

	Currency	12-31-2016			12-31-2015		
		Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Trade receivables	Ch\$	24,010	-	24,010	30,763	-	30,763
	US\$	20,799	-	20,799	16,387	-	16,387
	CAD	3,365	-	3,365	3,424	-	3,424
	BRL	-	-	-	-	-	-
	MX	25,149	-	25,149	21,480	-	21,480
	Other currencies	281	-	281	716	-	716
Total trade receivables	Total	73,604	-	73,604	72,770	-	72,770
Other receivables	Ch\$	946	2,415	3,361	1,476	2,240	3,716
	US\$	6,207	17,095	23,302	6,017	7,391	13,408
	BRL	-	-	-	-	-	-
	MX	452	-	452	647	-	647
	CAD	-	-	-	267	-	267
	Other currencies	-	-	-	2	-	2
Total other receivables	Total	7,605	19,510	27,115	8,409	9,631	18,040
Total trade and other receivables		81,209	19,510	100,719	81,179	9,631	90,810

Trade receivables relates to receivables from customers for rendering of services mainly associated with shipping business, such as: tugboat services, ship agency services, port operations and cargo logistics.

The balance of other long-term receivables is mainly composed of loans to foreign entities at different interest rates and collection terms, which are duly documented by these debtors. In addition, loans to personnel and advances for severance indemnities are part of the aforementioned balance.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 11 Trade and other receivables, continued
b) Detail by number and type of portfolio of trade and other receivables, current and non-current to:

Stages in arrears	12-31-2016				12-31-2015			
	No. of customers in non-renegotiated portfolio	Amount of gross non-renegotiated portfolio (ThUS\$)	No. of customers in renegotiated portfolio	Amount of gross renegotiated portfolio (ThUS\$)	No. of customers in non-renegotiated portfolio	Amount of gross non-renegotiated portfolio (ThUS\$)	No. of customers in renegotiated portfolio	Amount of gross renegotiated portfolio (ThUS\$)
Current	1,926	81,927	-	-	2,879	60,643	-	-
Between 1 and 30 days	1,146	8,571	-	-	1,024	9,101	-	-
Between 31 and 60 days	369	2,000	-	-	630	7,935	-	-
Between 61 and 90 days	226	1,259	-	-	399	7,589	-	-
Between 91 and 120 days	110	424	-	-	345	3,431	-	-
Between 121 and 150 days	76	275	-	-	288	1,930	-	-
Between 151 and 180 days	80	479	-	-	219	1,423	-	-
Between 181 and 210 days	80	6,515	-	-	228	584	-	-
Between 211 and 250 days	68	972	-	-	234	803	-	-
More than 250 days	772	4,049	-	-	1,900	4,360	-	-
Total	4,853	106,471	-	-	8,146	97,799	-	-

As of December 31, 2016 and 2015, the Company recognizes no customers classified under the secured portfolio category.

The Company, through its indirect subsidiary SAAM S.A., engaged a trade credit insurance, to minimize the risk of uncollectibility of its customer portfolio. This is effective from November 1, 2013 and lasts two years, which was extended until December 31, 2016.

c) Detail of bounced receivables or receivables in legal collection, current and non-current to:

	Unsecured portfolio			
	12-31-2016		12-31-2015	
	No. Customer in portfolio	Portfolio amount ThUS\$	No. Customer in portfolio	Portfolio amount ThUS\$
Protested notes receivables and receivables in legal collection	39	1,007	132	1,409

Provision for impairment of trade receivables				
	Non-renegotiated portfolio ThUS\$	Renegotiated portfolio ThUS\$	Write-offs for the period ThUS\$	Recovery for the period ThUS\$
12-31-2016	5,752	-	1,087	1,881
12-31-2015	6,989	-	1,913	-

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 12 Balances and transactions with related parties

The net balance of receivables due from related parties and payables due to related parties not consolidated is as follows:

	Current 12-31-2016 ThUS\$	Non-current 12-31-2016 ThUS\$	Total 12-31-2016 ThUS\$	Current 12-31-2015 ThUS\$	Non-current 12-31-2015 ThUS\$	Total 12-31-2015 ThUS\$
Trade receivables due from related parties	15,225	131	15,356	20,367	79	20,446
Trade payables due to related parties	(1,197)	(12)	(1,209)	(1,659)	(10)	(1,669)
Total	14,028	119	14,147	18,708	69	18,777

All the current balances, pending with related parties, are valued on an arm's length and will be settled within twelve months after the reporting date.

(12.1) Accounts receivable due from related parties

The detail of accounts receivable due from related parties is as follows:

Tax ID No.	Domestic companies	Receivables currency	Relationship	Transaction	Current 12-31-2016 ThUS\$	Non-current 12-31-2016 ThUS\$	Current 12-31-2015 ThUS\$	No Current 12-31-2015 ThUS\$
90.160.000-7	Compañía Sud Americana de Vapores S.A.	Chilean peso and US dollars	Common shareholders	Services	2,675 ⁽²⁾	-	2,110 ⁽²⁾	-
86.547.900-K	Sociedad Anónima Viña Santa Rita	Chilean peso	Common shareholder	Services	-	-	313	-
93.007.000-9	Soc. Química y Minera de Chile S.A.	Chilean peso	Common director	Services	-	-	3	-
96.840.950-6	Odfjell y Vapores S.A.	Chilean peso	Common shareholder	Services	13	-	75	-
77.261.280-K	Falabella Retail S.A.	Chilean peso	Common director	Services	-	-	88	-
96.657.210-8	Transportes Fluviales Corral S.A.	Chilean peso	Indirect Associated	Services	196	-	130	-
81.148.200-5	Ferrocarril de Antofagasta a Bolivia FCAB	Chilean peso	Common shareholder	Services	1	-	1	-
99.567.620-6	Terminal Puerto Arica S.A.	Chilean peso	Indirect associated	Dividends	378	-	383	-
99.511.240-K	Antofagasta Terminal Internacional S.A.	Chilean peso	Indirect associated	Dividends	-	-	-	-
96.908.970-K	San Antonio Terminal Internacional S.A.	Chilean peso and US dollars	Indirect associated	Services	406	-	140	-
				Dividends	64	-	10	-
				Dividends	1,362	-	2,293	-
76.028.651-6	Lng Tugs Chile S.A.	US Dollar	Indirect associated	Total	152	-	91	-
				Services	135	-	83	-
				Dividends	17	-	8	-
76.140.270-6	Inmobiliaria Carriel Ltda.	Chilean peso	Indirect associated	Services	-	131 ⁽¹⁾	3	79 ⁽¹⁾
87.941.700-7	Viña Carmen S.A.	Chilean peso	Common shareholder	Services	-	-	59	-
90.331.000-6	Cristalerías Chile S.A.	Chilean peso	Common shareholder	Services	-	-	192	-

(1) It is related to a loan of the indirect subsidiary Inmobiliaria San Marco for the payment of contributions; this will be paid in the long term.

(2) To date, the Company continues rendering services to Compañía Sud Americana de Vapores S.A., mainly associated with car carrier services, port operations, tugboats and bulk loads.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 12 Balances and transactions with related parties, continued
(12.1) Trade receivables due from related parties, continued

Tax ID No.	Domestic companies	Receivables currency	Relationship	Transaction	Current 12-31-2016 ThUS\$	Non-current 12-31-2016 ThUS\$	Current 12-31-2015 ThUS\$	Non-current 12-31-2015 ThUS\$
86.963.200-7	Forus S.A.	Chilean peso	Common director	Services	8	-	20	-
76.028.758-K	Norgistics Chile S.A.	Chilean pesos	Common shareholder	Services	123	-	53	-
76.009.053-0	Madeco Mills S.A.	Chilean peso	Common directors	Services	3	-	3	-
78.353.000-7	Servicios Portuarios Reloncaví Ltda.	Chilean peso	Indirect associated	Services	287	-	209	-
96.610.780-4	Portuaria Corral S.A.	Chilean peso	Indirect Associated	Services	68	-	59	-
82.074.900-6	Transbordadora Austral Broom S.A.	Chilean peso	Indirect associated	Services	-	-	23	-
94.627.000 - 8	Parque Arauco S.A.	Chilean peso	Common director	Services	-	-	4	-
96.783.150-6	St. Andrews Smoky Delicacies S.A.	Chilean peso	Common director	Services	1	-	65	-
96.908.930-0	San Vicente Terminal Internacional S.A.	US Dollar	Indirect associated	Dividends	1,841	-	1,911	-
76.014.281-6	Antartic Seafood S.A.	Chilean peso	Indirect	Services	33	-	-	-
76.068.303-5	Nativa Eco Wines S.A.	Chilean peso	Common shareholder	Services	-	-	3	-
77.755.610-K	Comercial Patagona Ltda.	Chilean peso	Common shareholder	Services	14	-	-	-
96.885.450-K	Aerosán Airport Services S.A.	Chilean peso	Indirect associated	Services	2	-	-	-
99.506.030-2	Muellaje del Maipo S.A.	Chilean peso	Indirect associated	Services	4	-	-	-
99.501.760-1	Embotelladoras Chilenas Unidas S.A.	Chilean peso	Common director	Services	11	-	-	-
96.757.010-9	Vitivinícola del Maipo S.A.	Chilean peso	Common shareholder	Services	-	-	1	-
96.969.180-9	Viña Altair S.A.	Chilean peso	Common director	Services	1	-	1	-
91.041.000-8	Viña San Pedro Tarapacá S.A.	Chilean peso	Common director	Services	9	-	8	-
96.566.940-K	Agencias Universales S.A.	Chilean peso	Indirect	Services	246	-	382	-
76.350.651-7	CSAV Agenciamiento Marítimo SPA	Chilean peso and US dollars	Common shareholders	Services	19	-	1,124	-
76.049.840-8	Happag Lloyd S.A.	Chilean peso and US dollars	Common shareholders	Services	2,514	-	3,858	-
89.602.300-4	CSAV Austral SPA S.A.	Chilean peso and US dollars	Common shareholders	Services	435	-	397	-
87.001.500-3	Quimetal Industrial S.A.	Chilean peso	Common director	Services	-	-	3	-
78.896.610-5	Minera El Tesoro S.A.	Chilean peso	Common director	Services	-	-	4	-
76.380.217-5	CSAV Portacontenedores SPA	Chilean peso	Common shareholders	Services	-	-	1,874	-
79.862.750-3	Transporte CCU Ltda.	Chilean peso	Common shareholders	Services	49	-	-	-
76.727.040-2	Minera Esperanza S.A.	Chilean peso	Common director	Services	-	-	2	-
Total domestic companies					10,915	131	15,895	79

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 12 Balances and transactions with related parties, continued
(12.1) Trade receivables due from related parties, continued

Tax ID No.	Country	Currency Trade receivables	Foreign companies	Relationship	Transaction	Current 12-31-2016 ThUS\$	Non-current 12-31-2016 ThUS\$	Current 12-31-2015 ThUS\$	Non-current 12-31-2015 ThUS\$
0-E	Panama	US Dollar	CSAV Sudamericana de Vapores S.A.	Common shareholder	Services	-	-	368	-
0-E	Panama	US Dollar	Southern Shipmanagement Co. S.A.	Common shareholder	Services	947	-	516	-
0-E	Brazil	US Dollar	Companhia Libra de Navegação S.A.	Common shareholder	Services	6	-	1,034	-
0-E	Germany	US Dollar	Hapag Lloyd AG	Common shareholder	Services	1,581	-	-	-
0-E	Peru	US Dollar	Consorcio Naviero Peruano S.A.	Common shareholder	Services	109	-	265	-
0-E	Brazil	US Dollar	Norgistics Brasil Operador Multimodal Ltda.	Common shareholder	Services	215	-	235	-
0-E	Peru	US Dollar	Tramarsa S.A.	Indirect associated	Services	79	-	80	-
0-E	Brazil	US Dollar	Tug Brasil Apoio Marítimo Portuario S.A.	Joint venture	Services	989	-	989	-
0-E	Uruguay	US Dollar	Gertil S.A.	Indirect associated	Services	18	-	10	-
0-E	Uruguay	US Dollar	Riluc S.A.	Indirect associated	Services	14	-	-	-
0-E	Malta	US Dollar	Norasia Container Lines Ltd.	Common shareholder	Services	3	-	211	-
0-E	Netherlands	US Dollar	Boskalis Finance BV	Partner	Other	6	-	421	-
0-E	Uruguay	US Dollar	Luckymont	Indirect associated	Borrowing ^(*)	343	-	343	-
Total foreign companies						4,310	-	4,472	-
Trade receivables due from related parties						15,225	131	20,367	79

(*) Loan without interest or adjustments.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 12 Balances and transactions with related parties, continued
(12.2) Payables due to related parties

Tax ID No.	Domestic companies	Payables currency	Relationship	Transaction	Current 12-31-2016 ThUS\$	Non-current 12-31-2016 ThUS\$	Current 12-31-2015 ThUS\$	Non-current 12-31-2015 ThUS\$
87.987.300-2	Southern Ship management (Chile) Ltda.	Chilean pesos	Common shareholder	Services	622	-	113	-
96.566.940-K	Agencias Universales S.A.	Chilean pesos	Indirect	Services	19	-	-	-
79.574.560-2	Framberry S.A.	Chilean peso	Common director	Services	-	-	1	-
99.567.620-6	Terminal Puerto Arica S.A.	Chilean pesos	Indirect associated	Services	55	-	7	-
90.413.000-1	Cia. Cervecerías Unidas S.A.	Chilean peso	Common director	Services	1	-	1	-
96.908.970-K	San Antonio Terminal Internacional S.A.	Chilean pesos	Indirect associated	Total Other Services	19 - 19	12 12 ⁽¹⁾ -	78 - 78	10 10 ⁽¹⁾ -
96.908.930-0	San Vicente Terminal Internacional S.A.	Chilean pesos	Indirect associated	Total Services Other	33 33 -	- - -	77 77 -	- - -
94.058.000-5	Servicio Aeroportuarios Aerosan S.A.	Chilean pesos	Indirect associated	Commercial current account	1	-	2	-
92.011.000-2	Empresa Nacional de Energía Enx S.A.	Chilean pesos	Common director	Services	59	-	160	-
95.134.000-6	Grupo Empresas Navieras S.A.	US Dollar	Partner	Dividends	78	-	420	-
76.727.040-2	Minera Esperanza S.A.	Chilean peso	Common shareholder	Services	-	-	1	-
80.186.300-0	Consorcio Industrial de Alimentos S.A.	Chilean pesos	Common director	Services	-	-	3	-
83.628.100-4	Sonda S.A.	Chilean pesos	Common director	Services	6	-	-	-
82.074.900-6	Transbordadora Austral Broom S.A.	Chilean peso	Indirect associated	Services	14	-	-	-
Total domestic companies					907	12	863	10

⁽¹⁾It relates to the balance for IAS payment obligation due to personnel transferred to San Antonio Terminal Internacional S.A., such obligation will be extinguished when the personnel no longer works for those companies.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 12 Balances and transactions with related parties, continued
(12.2) Payables due to related parties, continued

Tax ID No.	Country	Currency Payables	Foreign companies	Relationship	Transaction	Current	Non-current	Current	Non-current
						12-31-2016	12-31-2016	12-31-2015	12-31-2015
						ThUS\$	ThUS\$	ThUS\$	ThUS\$
0-E	Peru	US Dollar	Tramarsa S.A.	Indirect associated	Commercial current account	38	-	17	-
0-E	Brazil	US Dollar	Tug Brasil Apoio Marítimo Portuario S.A.	Indirect associated	Services	166	-	-	-
0-E	Brazil	US Dollar	Companhia Libra de Navegação S.A.	Common shareholder	Services	1	-	35	-
0-E	Guatemala	Guatemalan Quetzal	Harry Nadle	Partner	Other	6	-	3	-
0-E	Netherlands	US Dollar	Boskalis Finance BV	Partner	Commercial current account	79	-	741	-
Total foreign companies						290	-	796	-
Total trade payables due to related parties						1,197	12	1,659	10

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 12 Balances and transactions with related parties, continued
(12.3) Transactions with related parties and their impact on profit or loss

Tax ID No.	Company	Relationship	Country	Transactions with impact on profit or loss	12-31-2016	12-31-2015
					ThUS\$	ThUS\$
90.160.000-7	Compañía Sudamericana de Vapores S.A.	Common shareholders	Chile	Container deposit operations and dockyard workshops	-	66
				Port operations	611	571
				Ship agency services	361	232
				Logistics	1	7
				Tugboats	601	279
				Leases	(279)	(12)
76.350.651-7	CSAV Agenciamiento Marítimo SPA	Common shareholders	Chile	Ship agency services	-	522
				Container deposit operations and dockyard workshops	-	4,450
				Logistics	-	275
				Cold storage terminal	-	52
				Bulk load and storage	-	32
				Tugboats	-	734
				Import-Export services	-	-
				Port operations	-	16
				Logistics	-	(28)
76.049.840-8	Happag Lloyd S.A.	Common shareholders	Chile	Port operations	6,244	7,426
				Engaged logistics	(648)	172
				Container deposit operations and dockyard workshops	1,377	986
				Cold storage terminal	-	66
				Tugboats	1,236	958
89.602.300-4	CSAV Austral SPA S.A.	Common shareholders	Chile	Logistics	808	(23)
				Cold storage terminal	7	-
				Port operations	32	1,500
				Tugboats	801	-
96.908.970-K	San Antonio Terminal Internacional S.A.	Indirect associated	Chile	Ship agency services	11	-
				Back Office	-	30
				Container deposit operations and dockyard workshops	8	20
				Bulk load and storages	26	140
				Tugboats	3	56
				Logistics	23	3
				Cost of port terminal services	(303)	(1,371)
96.908.930-0	San Vicente Terminal Internacional S.A.	Indirect associated	Chile	Logistics	110	6
				Computer services	11	12
				Tugboats	63	70
				Container deposit operations and dockyard workshops	705	600
				Ship agency services	39	7
				Cost of port terminal services	(847)	(139)
99.511.240-K	Antofagasta Terminal Internacional S.A.	Indirect associated	Chile	Container deposit operations and dockyard workshops	270	285
				Logistics	36	36
				Personnel services	5	44
				Port operations	8	12
				License sales	-	1
				Cost of port terminal services	(136)	(95)
				Computer services	148	140
				Advisory SAAM Group	106	-
				Tugboats	-	8
99.567.620-6	Terminal Puerto Arica S.A.	Indirect associated	Chile	Personnel services	70	-
				Cost of port terminal services	(184)	(35)

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 12 Balances and transactions with related parties, continued
(12.3) Transactions with related parties and their impact on profit or loss, continued

Tax ID No.	Company	Relationship	Country	Transactions with impact on profit or loss	12-31-2016	12-31-2015
					ThUS\$	ThUS\$
82.074.900-6	Transbordadora Austral Broom S.A.	Indirect associated	Chile	Ship agency services	40	51
				Hired logistics	(34)	(9)
87.987.300-2	Southern Shipmanagement Ltda.	Common shareholder	Chile	Port equipment	4	1
				Ship agency services	1,028	901
				Container deposit operations and dockyard workshops	26	31
				Logistics	5	1
				Tugboats	-	1
0-E	Southern Shipmanagement Co. S.A.	Common shareholder	Panama	Ship agency services	539	71
				Tugboats	-	1
96.840.950-6	Odfjell & Vapores S.A.	Common shareholder	Chile	Tugboats	335	311
0-E	Norgistic Brasil Operador Multimodal Ltda.	Common shareholder	Brazil	Logistics	-	1
				Deposit services and dockyard workshop	-	51
				Ship agency services	-	1
				Port equipment	-	131
76.028.758-k	Norgistics Chile S.A.	Common shareholder	Chile	Logistics	23	11
				Ship agency services	20	51
0-E	Norasía Container Lines Ltd.	Common shareholder	Malta	Deposit services and dockyard workshop	-	351
				Cold storage terminal	-	41
				Port operations	297	2,511
				Port equipment	-	1,051
				Tugboats	-	121
0-E	Compañía Libra Navegación (Uruguay) S.A.	Common shareholder	Uruguay	Port operations	1	131
				Port equipment	-	81
0-E	Companhia Libra de Navegação S.A.	Common shareholder	Brazil	Container deposit operations and dockyard workshops	-	551
				Tugboats	-	131
				Port operations	-	1
				Port equipment	-	11
				Logistics	-	21
				Ship agency services	-	11
0-E	CSAV Sudamericana de Vapores S.A.	Common shareholder	Panama	Container deposit operations and dockyard workshops	-	31
				Tugboats	-	61
				Ship agency services	-	101
				Leases	-	(19)
0-E	Consortio Naviero Peruano S.A.	Common shareholder	Peru	Ship agency services	1	71
				Tugboats	16	101
0-E	Hapag Lloyd AG	Common directors	Germany	Port operations	8,361	
				Tugboats	971	
90.596.000-8	Cía. Chilena de Navegación Interoceánica S.A.	Indirect	Chile	Port operations	-	741
				Port terminal	-	(61)
76.380.217-5	CSAV Portacontenedores SPA	Common shareholders	Chile	Ship agency services	73	
				Container deposit operations and dockyard workshops	1,363	
				Logistics	368	
				Cold storage terminal	147	
				Port operations	270	
				Tugboats	935	

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 12 Balances and transactions with related parties, continued
(12.3) Transactions with related parties and their impact on profit or loss, continued

Tax ID No.	Company	Relationship	Country	Transactions with impact on profit or loss	12-31-2016	12-31-2015
					ThUS\$	ThUS\$
91.840.000-1	Minera Michilla S.A.	Common shareholder	Chile	Deposit services and dockyard workshop	6	13
				Logistics	-	-
77.261.280-K	Falabella Retail S.A.	Common director	Chile	Logistics	203	617
				Container deposit operations and dockyard workshops	-	-
90.331.000-6	Cristalerías Chile S.A.	Common director	Chile	Bulk load and storages	424	2,018
				Logistics	-	(2)
87.001.500-3	Quimetal Industrial S.A.	Common director	Chile	Container deposit operations and dockyard workshops	-	2
				Logistics	-	59
86.547.900-K	Soc. Anónima Viña Santa Rita	Common director	Chile	Logistics	143	611
				Container deposit operations and dockyard workshops	1	6
				Ship agency services	-	(15)
92.011.000-2	Empresa Nacional de Energía ENEX S.A.	Common director	Chile	Logistics	10	2,943
				Hired logistics	(425)	(7)
97.004.000-5	Banco de Chile S.A.	Common director	Chile	Logistics	20	10
				Interests	(14)	(5)
79.862.750-3	Transportes CCU Ltda.	Common shareholder	Chile	Logistics	-	30
81.148.200-5	Ferrocarril de Antofagasta a Bolivia S.A.	Common director	Chile	Container deposit operations and dockyard workshops	3	5
91.041.000-8	Viña San Pedro Tarapacá S.A.	Common director	Chile	Container deposit operations and dockyard workshops	6	8
93.007.000-9	Sociedad Química y Minera de Chile S.A.	Common director	Chile	Logistics	1	8
				Container deposit operations and dockyard workshops	-	2
				Port operations	-	2
86.963.200-7	Forus S.A.	Common director	Chile	Logistics	158	207
96.956.680-K	Alusa S.A.	Common shareholder	Chile	Logistics	3	-
83.628.100-4	Sonda S.A.	Common director	Chile	Logistics	44	-
				Administrative expenses	(18)	-
90.320.000-6	Cía. Electrometalúrgica S.A.	Common director	Chile	Logistics	1	1
94.058.000-5	Servicio Aeroportuarios Aerosan S.A.	Common director	Chile	Hired logistics	(5)	(4)
76.727.040-2	Minera Esperanza S.A.	Common shareholder	Chile	Deposit services and dockyard workshop	2	4
				Logistics	-	2
79.534.600-7	Viña Centenario S.A.	Common shareholder	Chile	Logistics	1	2
96.981.310-6	Compañía Cervecería Kunstmann S.A.	Common shareholder	Chile	Logistics	1	2
				Deposit services and dockyard workshop	-	4
99.586.280-8	Compañía Píscuera de Chile S.A.	Common shareholder	Chile	Logistics	3	-
96.711.590-8	Manantial S.A.	Common shareholder	Chile	Logistics	1	-
				Other administrative expenses	(10)	-
94.036.000-5	Minera Cerro Centinela S.A.	Common director	Chile	Port operations	6	7
96.919.980-7	Cervecería Austral S.A.	Common director	Chile	Logistics	-	1

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 12 Balances and transactions with related parties, continued

(12.3) Transactions with related parties and their impact on profit or loss, continued

Tax ID No.	Company	Relationship	Country	Transactions with impact on profit or loss	12-31-2016	12-31-2015
					ThUS\$	ThUS\$
76.068.303-5	Nativa Eco Wines S.A.	Common shareholder	Chile	Logistics	1	4
87.941.700-7	Viña Carmen S.A.	Common shareholder	Chile	Logistics Deposit services and dockyard workshop	31 -	1 153
96.783.150-6	St. Andrews Smocky Delicacies S.A.	Common director	Chile	Logistics Container deposit operations and dockyard workshops Cold storage Other operational services	14 - 27 12	64 12 415 -
99.501.760-1	Embotelladoras Chilenas Unidas S.A.	Common director	Chile	Logistics Container deposit operations and dockyard workshops	108 2	- -
96.566.940-K	Agencias Universales S.A.	Indirect	Chile	Port services Tugboats Ship agency services Logistics Hired logistics Cost of fleet lease	1,981 342 - 1,107 (211) (131)	1,184 - 487 - - (479)
78.353.000-7	Servicios Portuarios Reloncavi Ltda.	Indirect associated	Chile	Bulk load and storages Ship agency services Container deposit operations and dockyard workshops Cost of port terminal services	349 2 40 (173)	469 3 8 (167)
79.574.560-2	Framberry S.A.	Common director	Chile	Logistics	-	11
76.028.651-6	Lng Tugs Chile S.A.	Indirect associated	Chile	Tugboats	2,497	1,635
99.506.030-2	Muellaje del Maipo S.A.	Indirect associated	Chile	Leases Cost of hired logistics Other operational services	8 (10) -	- (95) 16
0-E	Tramarsa S.A.	Indirect associated	Peru	Leases Computer services	(3) 16	- -
0-E	Boskalis Finance BV	Partner	Netherlands	Tugboat leases	-	(582)
86.150.200-7	Fábrica de Envases Plásticos S.A.	Common director	Chile	Logistics	-	2
96.610.780-4	Portuaria Corral	Indirect associated	Chile	Container deposit operations and dockyard workshops Tugboats	- 3	21 -
0-E	Marsud Amazens Gerais Ltda.	Indirect	Brazil	Leases	-	(37)
96.279.000-3	Recsol	Common director	Chile	Container deposit operations and dockyard workshops	-	5
79.970.740-3	Protección de Madera Ltda.	Common director	Chile	Logistics	-	2
76.178.803-5	Viña Tabalí	Common director	Chile	Logistics	-	1
90.266.000-3	Enaex S.A.	Common shareholder	Chile	Port operations	-	(376)
89.602.300-4	Empresa de Transportes Sudamericana Austral Ltda.	Common shareholder	Chile	Container deposit operations and dockyard workshops Logistics Tugboats Ship agency services Port operations Port equipment	- - 76 - - -	10 - 19 - - 7
76.014.281-6	Antartic Seafood S.A.	Indirect	Chile	Logistics	30	-
77.755.610-K	Comercial Patagona Ltda.	Common shareholder	Chile	Logistics	8	-
96.657.210-8	Transportes Fluviales Corral S.A.	Associate	Chile	Tugboats	58	-
0-E	Hapag Lloyd México S.A de C.V.	Common shareholders	Mexico	Port operations	705	-

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 12 Balances and transactions with related parties, continued

(12.3) Effects in profit or loss of transactions with related parties, continued

Current transactions with related companies relate to business operations which are conducted on an arm's length basis similar to those under market conditions for price and payment terms.

Sale transactions correspond to services related to load, lease of equipment, advisory services and software acquisition provided by the Parent and its subsidiaries to related companies.

Purchase transactions with related parties mainly refer to port operation, logistic and deposit, as well as advisory services, among other.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 12 Balances and transactions with related parties, continued
(12.4) Payments to the Board of Directors

This caption is comprised of the following:

Director	Tax ID Number	Relationship	Company	2015 Profit sharing 12-31-2016 ThUS\$	Fees to Board of Directors 12-31-2016 ThUS\$	2014 Profit sharing 12-31-2015 ThUS\$	Fees of 12- 1
Felipe Joannon V.	6.558.360-7	Chairman (1), (5) and (13)	SM SAAM and SAAM and ITI	230	98	203	
Jean-Paul Luksic Fontbona	6.372.368-1	Vice-president (2)	SM SAAM and SAAM	115	31	102	
Juan Antonio Álvarez A.	7.033.770-3	Director (8)	SM SAAM and SAAM	115	11	102	
Hernán Büchi Buc	5.718.666-6	Director (8)	SM SAAM and SAAM	115	11	102	
Arturo Claro Fernández	4.108.676-9	Director (8)	SM SAAM and SAAM	115	7	102	
Mario Da-Bove A.	4.175.284-K	Director (12)	SM SAAM and SAAM	153	61	135	
Oscar Hasbún Martínez	11.632.255-2	Director (4)	SM SAAM and SAAM	77	46	-	
Francisco Gutiérrez Ph.	7.031.728-1	Director (12) and (13)	SM SAAM, SAAM and ITI	115	54	102	
Gonzalo Menendez Duque	5.569.043-K	Director (7)	SM SAAM and SAAM	38	-	102	
Francisco Pérez Mackenna	6.525.286-4	Director	SM SAAM and SAAM	153	60	135	
Christoph Schiess Schmitz	6.371.875-0	Director (8)	SM SAAM and SAAM	115	7	102	
Ricardo Waidele C.	5.322.238-2	Director (8)	SM SAAM	153	15	135	
Jorge Gutiérrez Pubill	5.907.040-1	Director (9)	SM SAAM and SAAM	-	47	-	
Javier Bitar Hirmas	6.379.676-K	Chairman (3)	ITI	-	3	-	
Macario Valdés Raczynski	14.123.555-9	Vice-president (10)	ITI	-	6	-	
Yurik Diaz Reyes	8.082.982-5	Director (6)	ITI	-	13	-	
Franco Montalbetti Moltedo	5.612.820-4	Director	ITI	-	2	-	
Rodrigo Faura Soletic	8.465.039-0	Director (11)	ITI	-	1	-	
Diego Urenda Salamanca	8.534.822-1	Director	ITI	-	7	-	
Alberto Bórquez Calbucura	6.642.301-8	Director (11)	ITI	-	5	-	
Roberto Larraín Saenz	9.487.060-7	Alternate director	ITI	-	1	-	
Juan Esteban Bilbao	6.177.043-7	Director	ITI	-	6	-	
Miguel Tortello Schuwirth	6.401.435-8	Director	ITI	-	2	-	
Total				1,494	494	1,322	

(1) President of SM SAAM y SAAM since April 26, 2013.

(2) Vice-president of SM SAAM and SAAM since April 5, 2013

(3) President of ITI until March 15, 2016.

(4) Director of SM SAAM since May 8, 2015.

(5) Director of ITI since April 8, 2015.

(6) President of ITI since April 19, 2016.

(7) Director of SM SAAM and SAAM until May 8, 2015.

(8) Director of SM SAAM and SAAM until April 8, 2016.

(9) Director of SM SAAM since April 8, 2016.

(10) Vice-president of ITI since April 19, 2016.

(11) Director of ITI since April 7, 2016.

(12) Director of SAAM since April 8, 2016.

(13) In addition to fees and profit sharing, remunerations amounting to ThUS\$ 274 (ThUS\$147 in 2015) were paid in the current period.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 12 Balances and transactions with related parties, continued
(12.4) Payments to the Board of Directors

As of December 31, 2016, the Company has recognized a provision for 2016 totalling ThUS\$767 (ThUS\$1,494 in December 2015) that will be paid to SM- SAAM's Board of Directors in the following year. See Note 24.

NOTE 13 Current and non-current inventories

Current and non-current inventories comprise the following:

	Current ThUS\$	12-31-2016 Non-current ThUS\$	Total ThUS\$	Current ThUS\$	12-31-2015 Non-current ThUS\$	Total ThUS\$
Supplies for the rendering of services						
Fuel	3,202	-	3,202	4,119	-	4,119
Spare-parts	8,048	2,433 ⁽¹⁾	10,481	7,596 ⁽²⁾	1,668 ⁽¹⁾	9,264
Containers	1,883	-	1,883	3,380 ⁽²⁾	-	3,380
Supplies	573	-	573	708	-	708
Lubricants	114	-	114	172	-	172
Other	369	-	369	-	-	-
Total inventories	14,189	2,433	16,622	15,975	1,668	17,643

(1) It has been classified as non-current inventories, containers, spare-parts and specific parts with a low turnover which will be used to render services in the future.

(2) Includes the inventory write-off related to the Deposit and maintenance area amounting to ThUS\$ 970. These assets correspond mainly to reefer spare parts which are not currently being used.

As of December 31, 2016 and 2015, there are no inventories pledged as guarantee

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 14 Other current and non-current non-financial assets

The detail of Other current and non-current non-financial assets is the following:

Note	12-31-2016			12-31-2015		
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Prepaid insurance	4,471	1,167	5,638	4,233	785	5,018
Fiscal credit	4,484	5,849	10,333	5,594	3,027	8,621
Other non-financial assets	432	542	974	709	133	842
Total other non-financial assets	9,387	7,558	16,945	10,536	3,945	14,481

14.1 Prepayments	12-31-2016			12-31-2015		
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Prepaid insurance	3,742	-	3,742	3,403	-	3,403
Prepaid rental	-	1,167	1,167	83	785	868
Licenses and subscriptions	153	-	153	299	-	299
Other(*)	576	-	576	448	-	448
Total	4,471	1,167	5,638	4,233	785	5,018

(*)Corresponds mainly to deferred expenses that will be amortized with a debit to profit or loss during the current year

14.2 Fiscal credit	12-31-2016			12-31-2015		
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Remnant of Fiscal Credit	4,315	5,849 ⁽¹⁾	10,164	4,832	3,027 ⁽¹⁾	7,859
Value-added tax	169	-	169	762	-	762
Total	4,484	5,849	10,333	5,594	3,027	8,621

(*)Corresponds to the remnant of fiscal credit of indirect subsidiaries Ecuastibas S.A. and Inarpi S.A., expected to be recovered in the long-term.

14.3 Other non-financial assets	12-31-2016			12-31-2015		
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Guarantees for compliance with concession contract ⁽²⁾	249	-	249	248	-	248
Guarantees for tax and labor lawsuits ⁽¹⁾	-	15	15	75	36	111
Guarantees for suppliers ⁽¹⁾	156	408	564	366	-	366
Guarantees for customs	-	82	82	-	78	78
Other guarantees ⁽¹⁾	27	37	64	20	19	39
Total	432	542	974	709	133	842

(2) Relates to guarantees provided in cash that will be recovered upon expiration of the Company's obligation.

(3) Guarantee in cash that is renewed annually in accordance with the concession contract

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 15 Financial information of subsidiaries, associates and joint ventures

(15.1) Financial Information on subsidiary, total amounts.

As of December 31, 2016, the financial information of consolidated subsidiary comprises the following:

Tax ID Number	Company	Country	Functional currency	Ownership percentage			Total Current assets	Total Non-current assets	Total Current liabilities	Total Non-current liabilities	Revenue	Cost of sales	Profit or loss for the period attributable to owners of the parent
				% direct	% indirect	% total							
92.048.000-4	SAAM S.A.	Chile	US dollar	99.9995%	-	99.9995%	297,727	969,748	144,513	258,352	393,932	(291,281)	56,830

As of December 31, 2015, the financial information of consolidated subsidiary comprises the following:

Tax ID Number	Company	Country	Functional currency	Ownership percentage			Total Current assets	Total Non-current assets	Total Current liabilities	Total Non-current liabilities	Revenue	Cost of sales	Profit or loss for the period attributable to owners of the parent
				% direct	% indirect	% total							
92.048.000-4	SAAM S.A.	Chile	US dollar	99.9995%	-	99.9995%	260,355	960,436	143,704	247,621	426,273	(314,226)	72,128

(15.2) Detail of changes in investments in 2016 and 2015

2016

- On April 26, 2016, the indirect subsidiary, SAAM Inversiones SPA incorporated in June 2015, acquired from Compañía Sud Americana de Vapores S.A. (CSAV), the minority interest (1%) of the social rights of Inversiones San Marco Ltda. This transaction amounted to ThUS\$ 472, generating an impact on reserves of ThUS\$ 396 (note 27.2.4) due to the difference between the amount paid and the carrying amount of the investment (ThUS\$ 76).
- On April 27, 2016, the indirect subsidiary SAAM Inversiones SPA acquired from Compañía Sud Americana de Vapores S.A. (CSAV), the minority interest (1%) of Inmobiliaria San Marco Ltda. This transaction amounted to ThUS\$ 1,860, generating an impact on reserves of ThUS\$ 929 (note 27.2.4) due to the difference between the amount paid and the carrying amount of the investment (ThUS\$ 931).

The amount paid to CSAV for both interests amounted to ThUS\$ 2,332 and was funded by the subsidiary SAAM S.A. through a capital contribution in SAAM Inversiones SPA of ThUS\$ 500 and a commercial current account of ThUS\$ 1,832.

The effect on reserves of ThUS\$ 1,325, corresponds to changes in the ownership interest of the subsidiaries and the difference between the amount paid and the carrying amount of the acquired interest, is recognized in Equity (see note 3.1d).

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

**NOTE 15 Financial information of subsidiaries, associates and joint ventures, continued
(15.2) Detail of changes in investments in 2016 and 2015, continued**

- On August 1, 2016, a merger was undertaken between indirect subsidiaries Inmobiliaria Placeres, Inmobiliaria Barón, Inmobiliaria Rehue e Inmobiliaria Malvilla, all limited liability companies, into the indirect subsidiary Marítima Portuaria SpA, the surviving entity.
- On September 2, 2016, SAAM Operadora de Puertos Empresa de Estiba y Desestiba Costa Rica S.A. was incorporated, whose line of business is the ownership of shares in all types of companies, in all aspects under the law of the Republic of Costa Rica. The Company's initial capital amounts to 10,000 Colones, represented by 100 ordinary and nominative shares.
- On October 20, 2016, through a corporate reorganization, the indirect subsidiary SAAM Internacional S.A. was divided, incorporating immediately SAAM Internacional II S.A., assigning it the shares of the indirect subsidiaries Inversiones Alaria II S.A., Inversiones Habsburgo S.A. and SAAM Remolcadores S.A. During this process, the shareholders of SAAM Internacional S.A., SAAM S.A. and Inversiones San Marco Ltda., had maintained their interest percentages 99.9986% and 0.0014% respectively.
- On November 3, 2016, through a capital increase in the indirect subsidiary Sepsa S.A., its shareholders Inversiones San Marco Ltda (99%) and SAAM S.A. (1%), paid via the contribution of shares at tax cost in the companies Saam Contenedores S.A., Servicios de Aviación y Terminales S.A., Terminal Barrancas S.A., Terminal El Caliche S.A. and Terminal Peñuelas S.A., resulting in the merger of the five aforementioned companies resulting in the ownership of 100% of the interest in Sepsa S.A.
- On December 30, 2016, the direct subsidiary SAAM S.A., acquired from Inversiones San Marco Ltda. 0.0014% of the shares in Saam Internacional II S.A., resulting in the merger with the latter, including all the assets held by the merged company, consisting in the shares in the indirect subsidiaries Inversiones Alaria II S.A., Inversiones Habsburgo S.A. and SAAM Remolcadores S.A., to the direct subsidiary SAAM S.A.

2015

- On January 26, 2015, the direct subsidiary SAAM S.A., entered, as seller, into a purchase and sales agreement with K+S Chile S.A., for all the shares of Servicios Marítimos Patillos S.A., in which the company had an interest of 50%. This transaction had no impact on profit or loss, as shareholders agreed the distribution of 100% of retained earnings, before the sale of shares. (See note 16.1).

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

**NOTE 15 Financial information of subsidiaries, associates and joint ventures, continued
(15.2) Detail of changes in investments in 2016 and 2015, continued**

- On August 3, 2015, SAAM Internacional S.A. and SAAM S.A. acquired 84.5% and 15.5% of interest in the Brazilian Company SAAM Participacao Ltda.
- On August 6, 2015, Inversiones Alaria S.A. transferred to SAAM Participacao Ltda. the total of its interest in Saam SMIT Towage Brasil S.A., corresponding to 465,430 shares, representing 32.09% of the Company's share capital.
- On August 13, 2015, Inversiones Alaria S.A., disposed of its interest in the Company's rights in the former subsidiary Marsud Servicios Marítimos e Portuarios Ltda. to JB Assessoria, Consultoria e Planejamento Ltda., generating a cash inflow of ThUS\$2,038. This sale generated a profit of ThUS\$ 940.
- On September 1, 2015 Inversiones Alaria S.A. was divided, creating the new company "Inversiones Alaria II S.A.". The division was conducted on a pro rata of the ownership interest of each shareholder, i.e., SAAM S.A. with 15.5% interest and SAAM Internacional with 84.5% interest.
- On September 25, 2015, as a result of a corporate reorganization, Construcciones Modulares S.A., performed a capital reimbursement to its shareholders. Inversiones Misti S.A., had an interest of 9.97%; therefore, the investment was derecognized. The indirect associate Tramarsa S.A., through a capital increase, acquired 99.9% of the total shares in Construcciones Modulares S.A.; therefore, Inversiones Misti S.A. has an indirect ownership percentage in this company, and therefore, the effects were not recognized in profit or loss.
- Until November 18, 2015, the direct subsidiary SAAM S.A. was indirect shareholder, with a 49% of the ownership interest of Trabajos Marítimos S.A. ("TRAMARSA"), in conjunction with Inversiones Piuranas S.A. (part of the Romero Group in Peru). TRAMARSA is a company engaged in the maritime logistics business, fleet and towage operations and port operations in Peru. TRAMARSA's shareholders agreed this company to be the only vehicle of investment in the business. As conditions to implement such decision have been met, the shareholders agreed, on the same date, a capital increase in TRAMARSA allowing this company to acquire the ownership of Santa Sofía Puertos S.A. ("SSP"), which has been fully subscribed and paid by the Romero Group. SSP owns 100% of Terminal Internacional del Sur S.A. As a result of the capital increase in TRAMARSA, SAAM S.A.'s ownership of such company decreased, retaining 35% of its share capital. Also, the shareholders have entered into an agreement that regulates its management, governance and transfer of shares. This transaction generated a profit for SAAM of ThUS\$ 31,997, due to the capital increase subscription price. (Notes 16).
- On December 31, 2015, the indirect subsidiary Inversiones Habsburgo S.A., acquired through a transfer of share, 100% of the ownership of Mahe Holding N.V.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

**NOTE 15 Financial information of subsidiaries, associates and joint ventures, continued
(15.3) Summarized financial information on Associates and Joint Ventures as of December 31, 2016**

Associates	Current Assets	Non-current assets	Current liabilities	Non-current liabilities	Operating revenue	Operating costs	Profit (loss) Associates
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Aerosan Airport Services S.A.	1,921	9,418	1,943	751	16,702	(12,345)	1,829
Antofagasta Terminal Internacional S.A.	13,863	138,491	28,745	104,303	46,121	(41,289)	(5,418)
Empresa de Servicios Marítimos Hualpén Ltda.	255	255	532	9	669	(794)	(324)
Inmobiliaria Carriel Ltda.	22	489	268	-	17	(91)	(80)
Inmobiliaria Sepbío Ltda.	150	3,802	841	2,694	272	(58)	(63)
LNG Tugs Chile S.A.	1,235	25	630	-	7,301	(6,938)	150
Muellaje ATI S.A.	516	836	2,619	419	5,668	(5,952)	(413)
Muellaje del Maipo S.A.	3,821	61	3,491	215	19,266	(18,808)	143
Muellaje STI S.A.	3,650	996	924	3,149	9,440	(8,570)	118
Muellaje SVTI S.A.	2,776	1,026	2,378	488	19,761	(19,537)	126
Portuaria Corral S.A.	5,510	12,871	2,625	2,855	10,557	(6,853)	2,256
San Antonio Terminal Internacional S.A. and subsidiary	64,517	175,331	22,834	126,142	103,482	(82,265)	9,082
San Vicente Terminal Internacional S.A. and subsidiaries	43,045	139,740	48,489	68,754	72,730	(56,097)	7,362
Puerto Buenavista S.A.	341	20,448	397	9,960	2,382	(1,516)	282
Serviair Ltda.	-	-	-	-	-	-	-
Servicios Logísticos Ltda.	1,326	286	283	-	1,178	(898)	265
Servicios Aeroportuarios Aerosan S.A.	9,763	2,429	3,122	1,417	16,646	(10,908)	4,403
Servicios Marítimos Patillos S.A.	-	-	-	-	-	-	-
Servicios Portuarios Reloncaví Ltda.	8,367	12,449	4,540	3,584	20,096	(17,443)	792
Servicios Portuarios y Extraportuarios Bío Ltda.	6	-	10	-	-	-	(2)
Terminal Puerto Arica S.A.	16,739	98,334	19,091	49,653	50,693	(36,059)	8,405
Transbordadora Austral Broom S.A.	13,628	43,980	5,021	5,960	28,175	(12,718)	8,873
Transportes Fluviales Corral S.A.	2,209	3,825	1,128	830	3,565	(2,682)	547
Elequip S.A.	189	836	250	-	-	-	(43)
Equimac S.A.	649	4,869	9	702	-	-	1,801
Reenwood Investment Co.	20	3,604	55	-	-	-	440
Construcciones Modulares S.A.	-	-	-	-	-	-	-
Tramarsa S.A. and subsidiaries	125,354	401,401	110,366	264,105	232,022	(137,666)	43,767
Gertil S.A.	3,045	6,439	2,143	2,559	3,449	(3,064)	(288)
Riluc S.A.	54	-	54	-	-	-	-
G-Star Capital, Inc. Holding	42	-	-	-	-	-	-
Luckymont S.A.	2,811	5,969	2,423	4,183	9,252	(7,262)	1,049
SAAM SMIT Towage Brasil S.A.	59,128	251,671	28,168	120,139	121,283	(69,417)	22,181
Almacenes Pacifico Sur S.A.	3,531	520	2,532	158	6,884	(4,805)	1,583
Kemfa Servicios, Inversiones y Representaciones S.A.	199	3,048	312	1,595	661	(606)	(52)
Diving del Peru S.A.C.	4,162	1,827	3,438	299	3,211	(2,500)	57

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 15 Financial information of subsidiaries, associates and joint ventures, continued
(15.3) Summarized financial information on Associates and Joint Ventures as of December 31, 2015

Associates	Current Assets	Non-current assets	Current liabilities	Non-current liabilities	Operating revenue	Operating costs	Profit (loss) Associates
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Aerosan Airport Services S.A.	2,459	9,801	1,795	661	15,065	(11,332)	1,336
Antofagasta Terminal Internacional S.A.	15,651	146,631	23,221	114,328	38,864	(35,984)	(2,684)
Empresa de Servicios Marítimos Hualpén Ltda.	111	254	97	11	520	(446)	(54)
Inmobiliaria Carriel Ltda.	5	461	162	-	12	(84)	(78)
Inmobiliaria Sepbío Ltda.	179	3,576	593	2,710	378	-	57
LNG Tugs Chile S.A.	894	17	269	-	5,976	(5,682)	68
Muellaje ATI S.A.	437	879	2,246	342	5,327	(6,130)	(492)
Muellaje del Maipo S.A.	2,124	120	2,105	107	15,831	(15,676)	(37)
Muellaje STI S.A.	3,152	841	916	2,620	8,663	(7,877)	26
Muellaje SVTI S.A.	2,047	602	1,703	183	17,799	(17,622)	122
Portuaria Corral S.A.	3,811	12,134	2,141	3,450	6,596	(5,146)	692
San Antonio Terminal Internacional S.A. and subsidiary	78,089	165,899	23,339	133,076	104,761	(74,859)	15,287
San Vicente Terminal Internacional S.A. and subsidiaries	32,396	137,366	57,216	50,697	68,582	(53,012)	7,642
Puerto Buenavista S.A.	434	18,814	639	9,257	1,318	(874)	(74)
Serviair Ltda.	-	-	-	-	-	-	-
Servicios Logísticos Ltda.	935	332	204	-	896	(701)	230
Servicios Aeroportuarios Aerosan S.A.	12,480	2,651	2,766	1,142	16,214	(10,051)	4,773
Servicios Marítimos Patillos S.A.	-	-	-	-	-	-	-
Servicios Portuarios Reloncaví Ltda.	9,455	11,336	5,999	2,687	20,091	(16,484)	314
Servicios Portuarios y Extraportuarios Bío Ltda.	5	-	8	-	-	-	(2)
Terminal Puerto Arica S.A.	14,332	100,460	15,299	60,017	51,425	(36,196)	8,517
Transbordadora Austral Broom S.A.	13,743	41,783	5,921	7,088	27,882	(12,227)	11,833
Transportes Fluviales Corral S.A.	1,822	3,737	956	1,242	2,457	(1,980)	303
Elequip S.A.	881	2,123	575	-	-	(3)	(1,058)
Equimac S.A.	794	4,867	5	1,987	-	-	1,998
Reenwood Investment Co.	-	3,179	50	-	-	-	(1,090)
Construcciones Modulares S.A.	-	-	-	-	-	-	-
Tramarsa S.A. and subsidiaries	151,358	364,704	81,496	262,710	225,229	(146,037)	25,227
Gertil S.A.	3,599	8,723	2,710	4,544	5,893	(5,451)	(2,992)
Riluc S.A.	219	-	109	-	578	(586)	12
G-Star Capital, Inc. Holding	42	-	-	-	110	(121)	(3,293)
Luckymont S.A.	2,797	6,524	4,219	3,977	8,511	(6,721)	858
SAAM SMIT Towage Brasil S.A.	52,642	205,649	18,609	75,803	98,762	(55,850)	19,507
Almacenes Pacifico Sur S.A.	4,725	548	2,816	179	8,564	(6,607)	1,251
Kemfa Servicios, Inversiones y Representaciones S.A.	436	3,173	348	1,870	-	-	(116)
Diving del Peru S.A.C.	4,667	3,171	3,983	482	4,480	(3,639)	(335)

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 16 Investment in associates and joint ventures
16.1) Detail of investments in associates and joint ventures

Associates	Country	Currency	Ownership interest	Balance as of	Capital contributions	Interest in profit or loss	Dividend received	Foreign currency translation reserve	Hedging reserve	Unrealized gain (loss)	Sale of investment	Other changes	Balance as of
				December 31, 2015									December 31, 2016
				ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Aerosán Airport Services S.A. ⁽⁷⁾	Chile	US dollar	50.00%	4,901	-	915	(1,500)	-	-	-	6	-	4,322
Antofagasta Terminal Internacional S.A.	Chile	US dollar	35.00%	8,655	-	(1,896)	-	-	-	10	-	-	6,769
Empresa de Servicios Marítimos Hualpén Ltda.	Chile	Chilean peso	50.00%	128	-	(151)	-	7	-	-	-	-	(16)
Inmobiliaria Carriel Ltda.	Chile	Chilean peso	50.00%	152	-	(41)	-	10	-	-	-	-	121
Inmobiliaria Sepbio Ltda.	Chile	Chilean peso	50.00%	226	-	(31)	-	13	-	-	-	-	208
LNG Tugs Chile S.A.	Chile	US dollar	40.00%	253	-	60	(73)	-	-	-	-	8 ⁽⁵⁾	248
Muellaje ATI S.A.	Chile	Chilean peso	0.50%	(6)	-	(2)	-	-	-	-	-	-	(8)
Muellaje del Maipo S.A.	Chile	US dollar	50.00%	16	-	72	-	-	-	-	-	-	88
Muellaje STI S.A.	Chile	Chilean peso	0.50%	2	-	1	-	-	-	-	-	-	3
Muellaje SVTI S.A.	Chile	Chilean peso	0.50%	4	-	1	-	-	-	-	-	-	5
Portuaria Corral S.A.	Chile	Chilean peso	50.00%	5,176	-	1,123	(168)	319	-	-	-	-	6,450
San Antonio Terminal Internacional S.A.	Chile	US dollar	50.00%	44,287	-	4,416 ⁽¹⁾	(2,891)	-	-	-	-	-	45,812
San Vicente Terminal Internacional S.A.	Chile	US dollar	50.00%	30,696	-	3,681	(1,841)	24	-	-	-	-	32,560
Serviair Ltda.	Chile	Chilean peso	1.00%	-	-	-	-	-	-	-	-	-	-
Servicios Aeroportuarios Aerosan S.A. ⁽⁷⁾	Chile	US dollar	50.00%	5,611	-	2,201	(4,000)	-	-	-	13	-	3,825
Servicios Logísticos Ltda. ⁽⁷⁾	Chile	US dollar	1.00%	11	-	2	-	-	-	-	-	-	13
Servicios Marítimos Patillos S.A.	Chile	US dollar	50.00%	-	-	-	-	-	-	-	-	-	-
Servicios Portuarios Reloncaví Ltda.	Chile	Chilean peso	50.00%	6,053	-	389	(347)	251	-	-	-	-	6,346
Servicios Portuarios y Extraportuarios Bío Bío Ltda.	Chile	Chilean peso	50.00%	(1)	-	(1)	-	-	-	-	-	-	(2)
Terminal Puerto Arica S.A.	Chile	US dollar	15.00%	5,922	-	1,261	(378)	-	145	-	-	-	6,950
Transbordadora Austral Broom S.A.	Chile	Chilean peso	25.00%	10,629	-	2,218	(1,758)	566	-	-	-	-	11,655
Transportes Fluviales Corral S.A.	Chile	Chilean peso	50.00%	1,568	-	252	-	104	-	20	-	-	1,944
Elequip S.A.	Colombia	US dollar	50.00%	1,215	-	(21)	(806)	-	-	-	-	-	388
Equimac S.A.	Colombia	US dollar	50.00%	1,834	-	901	(331)	-	-	-	-	-	2,404
Puerto Buenavista S.A. ⁽³⁾	Colombia	Chilean peso	33.33%	5,184	-	94	-	149	-	-	-	-	5,427
G-Star Capital. Inc. Holding	Panama	US dollar	50.00%	15	-	-	-	-	-	-	-	(15) ⁽⁶⁾	-
Reenwood Investment Co.	Panama	US dollar	0.0038%	-	-	-	-	-	-	-	-	-	-
Construcciones Modulares S.A.	Peru	Per. Nuevo Sol	0.00%	-	-	-	-	-	-	-	-	-	-
Tramarsa S.A.	Peru	US dollar	35.00%	59,663	-	15,318	(23,915)	66	492	-	-	1,552 ⁽⁸⁾	53,176
Gertil S.A.	Uruguay	US dollar	49.00%	2,484	-	(141)	-	-	-	-	-	-	2,343
Riluc S.A.	Uruguay	US dollar	17.70%	14	-	-	-	-	-	-	-	(14)	-
Luckymont S.A.	Uruguay	US dollar	49.00%	552	-	514	-	-	-	-	-	-	1,066
SAAM SMIT Towage Brasil S.A. ⁽²⁾	Brazil	US dollar	50.00%	104,076	-	11,091	(1,142)	(642)	-	-	-	(10,000) ⁽⁴⁾	103,383
Kemfa Servicios, Inversiones y Representaciones S.A.	Bolivia	Chilean peso	0.63%	9	-	(1)	-	-	-	-	-	-	8
Total				299,329	-	42,225	(39,150)	867	637	30	19	(8,469)	295,488
							Note 39 a)	Note 27,2,1	Note 27,2,2	Note 27,2,3			

(1) Net of amortization of the supplementary investment, the VP corresponds to ThUS\$ 4,541 and amortization for 2016 amounts to ThUS\$ 125

(2) Goodwill related to the acquisition of the interest in SAAM SMIT Towage Brazil is recorded as part of the investment and amounts to ThUS\$ 22,136. Interest at equity value amounts to ThUS\$ 81,247.

(3) Goodwill related to the acquisition of the interest in Puerto Buenavista is recorded as part of the investment and amounts to ThUS\$ 1,950. Interest at equity value amounts to ThUS\$ 3,477

(4) Corresponds to the reimbursement of capital of ThUS\$ 10,000 (note 39 a)

(5) The associate LNG Tug S.A., opted not to pay the provisional dividends accrued in December 2015.

(6) Corresponds to the dissolution of the company.

(7) These companies changed their functional currency to US dollar from 01.01.2016

(8) Corresponds to the effect recognized in retained earnings, due to the assessment of residual value and useful life, related to the intangible asset of the port concession in the indirect associate Terminal Internacional del Sur S.A, part of the Tramarsa group.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 16 Investment in associates and joint ventures, continued

16.1) Detail of investments in associates and joint ventures, continued

Associates	Country	Currency	Ownership interest	Balance as of December 31, 2014 ThUS\$	Capital contributions ThUS\$	Interest in profit or loss ThUS\$	Dividend received ThUS\$	Foreign currency translation reserve ThUS\$	Hedging reserve ThUS\$	Unrealized gain (loss) ThUS\$	Sale of investment ThUS\$	Other changes ThUS\$	Balance as of December 31, 2015 ThUS\$
Aerosán Airport Services S.A.	Chile	Chilean pesos	50.00%	5,028	-	668	-	(795)	-	-	-	-	4,901
Antofagasta Terminal Internacional S.A.	Chile	US dollar	35.00%	9,441	-	(939)	-	-	-	-	-	153 ⁽²⁾	8,655
Empresa de Servicios Marítimos Hualpén Ltda.	Chile	Chilean pesos	50.00%	179	-	(27)	-	(24)	-	-	-	-	128
Inmobiliaria Carriel Ltda.	Chile	Chilean pesos	50.00%	220	-	(39)	-	(29)	-	-	-	-	152
Inmobiliaria Sepbio Ltda.	Chile	Chilean pesos	50.00%	236	-	29	-	(39)	-	-	-	-	226
LNG Tugs Chile S.A.	Chile	US dollar	40.00%	265	-	27	(44)	-	-	-	-	5 ⁽²⁾	253
Muellaje ATI S.A.	Chile	Chilean pesos	0.50%	(4)	-	(2)	-	-	-	-	-	-	(6)
Muellaje del Maipo S.A.	Chile	US dollar	50.00%	34	-	(18)	-	-	-	-	-	-	16
Muellaje STI S.A.	Chile	Chilean pesos	0.50%	2	-	-	-	-	-	-	-	-	2
Muellaje SVTI S.A.	Chile	Chilean pesos	0.50%	4	-	1	-	(1)	-	-	-	-	4
Portuaria Corral S.A.	Chile	Chilean pesos	50.00%	5,864	-	346	(172)	(862)	-	-	-	-	5,176
San Antonio Terminal Internacional S.A.	Chile	US dollar	50.00%	42,007	-	7,518 ⁽¹⁾	(5,315)	-	77	-	-	-	44,287
San Vicente Terminal Internacional S.A.	Chile	US dollar	50.00%	32,636	-	3,821	(5,700)	(61)	-	-	-	-	30,696
Serviair Ltda.	Chile	Chilean pesos	1.00%	-	-	-	-	-	-	-	-	-	-
Servicios Aeroportuarios Aerosan S.A.	Chile	Chilean pesos	50.00%	3,963	-	2,387	-	(739)	-	-	-	-	5,611
Servicios Logísticos Ltda.	Chile	Chilean pesos	1.00%	10	-	2	-	(1)	-	-	-	-	11
Servicios Marítimos Patillos S.A.	Chile	Chilean pesos	50.00%	103	-	-	(102)	-	-	-	(1) ⁽⁵⁾	-	-
Servicios Portuarios Reloncaví Ltda.	Chile	Chilean pesos	50.00%	7,042	-	157	(435)	(711)	-	-	-	-	6,053
Servicios Portuarios y Extraportuarios Bío Bío Ltda.	Chile	Chilean pesos	50.00%	-	-	(1)	-	-	-	-	-	-	(1)
Terminal Puerto Arica S.A.	Chile	US dollar	15.00%	4,921	-	1,278	(383)	-	106	-	-	-	5,922
Transbordadora Austral Broom S.A.	Chile	Chilean pesos	25.00%	12,811	-	2,958	(3,265)	(1,875)	-	-	-	-	10,629
Transportes Fluviales Corral S.A.	Chile	Chilean pesos	50.00%	1,670	-	150	-	(271)	-	19	-	-	1,568
Elequip S.A.	Colombia	US dollar	50.00%	7,957	-	(529)	(6,213)	-	-	-	-	-	1,215
Equimac S.A.	Colombia	US dollar	50.00%	1,082	-	1,000	(248)	-	-	-	-	-	1,834
Puerto Buenavista S.A. ⁽⁴⁾	Colombia	Chilean pesos	33.33%	5,294	113	(25)	-	(198)	-	-	-	-	5,184
G-Star Capital. Inc. Holding	Panama	US dollar	50.00%	3,131	-	(1,099)	(1,023)	(32)	-	-	-	(962) ⁽⁸⁾	15
Reenwood Investment Co.	Panama	US dollar	0.0038%	1	-	-	-	-	-	-	-	(1)	-
Construcciones Modulares S.A.	Peru	Peruvian Nuevo Sol	0.00%	357	-	51	-	(56)	-	-	(352)	-	-
Tramarsa S.A.	Peru	US dollar	35.00%	32,626	5,040	11,449	(17,797)	(3,652)	-	-	-	31,997 ⁽⁸⁾	59,663
Gertil S.A.	Uruguay	US dollar	49.00%	3,950	-	(1,466) ⁽⁷⁾	-	-	-	-	-	-	2,484
Riluc S.A.	Uruguay	US dollar	17.70%	12	-	2	-	-	-	-	-	-	14
Luckymont S.A.	Uruguay	US dollar	49.00%	131	-	421	-	-	-	-	-	-	552
SAAM SMIT Towage Brasil S.A. ⁽³⁾	Brazil	US dollar	50.00%	114,795	-	9,754	-	(473)	-	-	-	(20,000) ⁽⁹⁾	104,076
Kemfa Servicios, Inversiones y Representaciones S.A. ⁽⁶⁾	Bolivia	Chilean pesos	0.63%	-	-	1	-	-	-	-	-	8	9
Total				295,768	5,153	37,875	(40,697)⁽⁹⁾	(9,819)	183	19	(353)	11,200	299,329

Note 27.2.1

Note 27.2.2

(1) Net of amortization of the supplementary investment, the VP corresponds to ThUS\$7,643 and amortization for 2015 amounts to ThUS\$125.

(2) Associates Antofagasta Terminal Internacional S.A. and LNG Tug S.A., opted not to pay the provisional dividends accrued in December 2014.

(3) Goodwill related to the acquisition of the interest in SAAM SMIT Towage Brazil is recorded as part of the investment and amounts to ThUS\$81,940. Interest at equity value amounts to ThUS\$81,940.

(4) Goodwill related to the acquisition of the interest in Puerto Buenavista is recorded as part of the investment and amounts to ThUS\$2,067. Interest at equity value amounts to ThUS\$3,117.

(5) See Note 15.2

(6) Corresponds to the corporate restructuring in Peru. (Note 15.2)

(7) Includes a loss of ThUS\$1,856 for the closure of harvesting activities in Uruguay.

(8) See Note 34.

(9) See Note 39

SOCIEDAD MATRIZ SAAM S.A. Y SUBSIDIARIA

Notes to the Consolidated Financial Statements

NOTE 16 Investment in associates and joint ventures, continued**16.2) Description of the activities in joint ventures and associates**

In accordance with IFRS 12.21 (a)(ii), the most significant strategic interests of the Company in its associates and joint ventures correspond to the following investments:

San Antonio Terminal Internacional S.A. (Chile)

The Company's objective is developing, maintaining and operating "Docking front Molo Sur of the San Antonio Port", including the docking and storage business of such docking front, following the awarding of the concession by Empresa Portuaria San Antonio.

San Vicente Terminal Internacional S.A (Chile)

The Company's objective is developing, maintaining and operating "Docking front of the San Vicente Port at Talcahuano, including the docking and storage business of such docking front, following the awarding of the concession by Empresa Portuaria San Vicente - Talcahuano.

Transboradora Austral Broom S.A. – Tabsa (Chile)

The Company's line of business is the marine transportation of freight, vehicles and passengers, mainly through the Strait of Magellan (Punta Arenas).

Antofagasta Terminal Internacional S.A. (Chile)

The Company's line of business is developing, maintaining and operating docking front No.2 which operates sites 4-5, 6 and 7 of the Antofagasta Port, including the possibility of performing docking activities of ship docking and cargo storage in such docking front, following the awarding of the concession by Empresa Portuaria de Antofagasta.

SOCIEDAD MATRIZ SAAM S.A. Y SUBSIDIARIA

Notes to the Consolidated Financial Statements

NOTE 16 Investment in associates and joint ventures, continued**16.2) Description of the activities in joint ventures and associates****Aerosán (Chile)**

Through its indirect associates Aerosán Airport Services S.A. and Servicios Portuarios Aerosan S.A., the Company's line of business is the provision of airport service to airplanes, cargo and passengers, airport maintenance, aircraft maintenance and repairing, cargo handling and reception, storage and delivery of shipment, as well as passenger and cargo land transportation from and to airports. All the mentioned activities are performed at Comodoro Arturo Merino Benítez International Airport.

Reloncaví (Chile)

Through its indirect associates Empresa de Servicios Hualpén Ltda, Servicios Portuarios Reloncaví Ltda., Portuaria Corral S.A. and Transportes Fluviales Corral S.A., the Company's line of business is the cargo stowage and unstowage, waterway and maritime transportation, port operations, and the provision of services related to the forestry and agriculture industries.

Trabajos Marítimos S.A. – Tramarsa (Peru)

The Company's line of business is towage and pilotage operations between oil platforms, marine brokering, storage and unloading of containers and goods, towage and unstowage operations, transportation and portage in the main Peruvian ports.

SAAM SMIT Towage Brasil S.A. (Brazil)

The Company's line of business is the provision of services to companies from the maritime and port industry, using its fleet of 48 tugboats distributed in the main Brazilian ports: Santos, Sao Luis, Paranaguá, Itaguaí, Itajaí, Vitória, Río Grande, Recife, Salvador, Santana, Angra dos Reis.



SOCIEDAD MATRIZ SAAM S.A. Y SUBSIDIARIA

Notes to the Consolidated Financial Statements

NOTE 16 Investment in associates and joint ventures, continued

16.3) Restrictions and contingent liabilities

a) Significant restrictions to associates and joint ventures

Antofagasta Terminal Internacional S.A. Restrictions on the distribution of dividends, while the Net Financial Debt ratio on EBITDA is higher or equal to four point five times or the EBITDA ratio plus Cash and cash equivalents on the Debt service is lower or equal to one point one times. Service debt means the current portion of the long-term debt, plus finance costs during the same period. As of December 31, 2016 and 2015, the Company has not distributed dividends and therefore, it complies with such restriction.

SAAM SMIT Towage Brasil S.A. In order to distribute dividends, it requires the prior approval of the creditor banks Banco Do Brasil and Banco Nacional de Desenvolvimento Económico y Social (BNDES).

b) Contingent liabilities

As described in Note 36.1, the direct subsidiary SAAM S.A., has issued a stand-by credit letter to guarantee credit facilities in its indirect associates Luckymont S.A. and Gertil S.A.

Contingent liabilities related to associates and joint ventures, have been disclosed in note 36.2 and correspond to performance bonds and co-debtors, granted by the direct and indirect subsidiaries SAAM S.A. and SAAM Puertos S.A. to the associates Tug Brasil S.A. y Puerto Buenavista S.A., respectively.



SOCIEDAD MATRIZ SAAM S.A. Y SUBSIDIARIA

Notes to the Consolidated Financial Statements

NOTE 16 Investment in associates and joint ventures, continued

16.4) Investments in related companies includes investments the direct percentages of which are lower than 20% because of the following:

- At Terminal Puerto Arica S.A., there is representation in the company's Board of Directors.
- In the companies indicated below, the total percentage of interest (direct plus indirect percentage) exceeds 20%.

Company	% Direct investment	% Indirect investment	% Total investment	% Direct investment	% Indirect investment	% Total investment
	12.31.2016	12.31.2016	12.31.2016	12.31.2015	12.31.2015	12.31.2015
Muellaje ATI S.A. ⁽¹⁾	0.5%	34.825%	35.325%	0.5%	34.825%	35.325%
Muellaje STI S.A. ⁽¹⁾	0.5%	49.75%	50.25%	0.5%	49.75%	50.25%
Muellaje SVTI S.A. ⁽¹⁾	0.5%	49.75%	50.25%	0.5%	49.75%	50.25%
Servair Ltda.	1.00%	49.00%	50.00%	1.00%	49.00%	50.00%
Reenwood Investment Inc. ⁽²⁾	0.02%	49.99%	50.01%	0.02%	49.99%	50.01%
Servicios Logísticos Ltda.	1.00%	49.00%	50.00%	1.00%	49.00%	50.00%
Construcciones Modulares S.A.	-	40.02%	40.02%	-	40.02%	40.02%
Almacenes Pacifico Sur S.A. ⁽³⁾	0.01%	34.99%	35.00%	0.01%	34.99%	35.00%
Kemfa Servicios, Inversiones y Representaciones S.A. ⁽³⁾	0.63%	34.563%	35.193%	0.63%	34.563%	35.193%
Diving del Peru S.A.C. ⁽³⁾	0.003%	34.998%	35.001%	0.003%	34.998%	35.001%

⁽¹⁾ These companies are consolidated by their Parents,, STI S.A. y SVTI S.A., respectively.

⁽²⁾ Company consolidated by associate Servicios Portuarios Reloncaví Ltda.

⁽³⁾ Company consolidated by Trabajos Marítimos S.A.

NOTE 17 Intangible assets and goodwill

(17.1) Goodwill paid in investments in related companies as per company is as follows:

	12-31-2016			12-31-2015		
	Gross ThUS\$	Accumulated amortization ThUS\$	Net ThUS\$	Gross ThUS\$	Accumulated amortization ThUS\$	Net ThUS\$
Goodwill						
Saam Remolques S.A. de C.V.	36	-	36	36	-	36
SAAM SMIT Marine Canada Inc.	54,625	-	54,625	54,625	-	54,625
Total Goodwill	54,661	-	54,661	54,661	-	54,661

SOCIEDAD MATRIZ SAAM S.A. Y SUBSIDIARIA

Notes to the Consolidated Financial Statements

NOTE 17 Intangible assets and goodwill, continued

(17.2) The balance of intangible assets other than goodwill is as follows:

	12-31-2016			12-31-2015		
	Gross ThUS\$	Accumulated amortization ThUS\$	Net ThUS\$	Gross ThUS\$	Accumulated amortization ThUS\$	Net ThUS\$
Patents, trade-marks and other rights	1,858	(975)	883	1,858	(794)	1,064
Computer programs	17,225	(8,031)	9,194	14,947	(6,145)	8,802
Port concessions, tugboat operation and other concessions (17.4)	123,684	(47,583)	76,101	123,684	(43,025)	80,659
Relationship with customers	12,541	(2,206)	10,335	11,698	(869)	10,829
Total intangible assets	155,308	(58,795)	96,513	152,187	(50,833)	101,354

(17.3) As of December 31, 2016 and 2015, the reconciliation of changes in intangible assets per class for the period is as follows:

	Goodwill	Patents, trade-marks and other rights	Computer programs	Port concessions and tugboat operation concession	Relationship with customers	Total intangible assets
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Net balance as of December 31, 2014 and opening balance as of January 1, 2015	54,661	1,016	10,165	85,757	14,220	111,158
Acquisitions	-	238	2,205	-	-	2,443
Acquisitions for business combination	-	-	-	-	-	-
Amortization	-	(133)	(2,165)	(5,098)	(869)	(8,265) ⁽¹⁾
Impairment loss	-	-	(1,393) ⁽²⁾	-	-	(1,393)
Increase (decrease) in Currency Translation	-	(57)	(10)	-	(2,522)	(2,589)
Net balance as of December 31, 2015 and opening balance as of January 1, 2016	54,661	1,064	8,802	80,659	10,829	101,354
Acquisitions	-	-	2,243	-	-	2,243
Acquisitions for business combination	-	-	-	-	-	-
Amortization	-	(202)	(1,890)	(4,558)	(838)	(7,488) ⁽¹⁾
Impairment loss	-	-	-	-	-	-
Increase (decrease) in Currency Translation	-	21	39	-	344	404
Net balance as of December 31, 2016	54,661	883	9,194	76,101	10,335	96,513

⁽¹⁾ See Note 29 and 30.

⁽²⁾ During 2015, due to the closure of the of the Marine Brokering (Line) activity, the Company recognized an impairment associated with the computer programs (SAP) related to such business area.

SOCIEDAD MATRIZ SAAM S.A. Y SUBSIDIARIA

Notes to the Consolidated Financial Statements

NOTE 17 Intangible assets and goodwill, continued

(17.4) Concessions

Port concessions and tugboat operation concessions is mainly composed of:

	Carrying amount ThUS\$	Carrying amount ThUS\$
	12. 31.2016	12. 31.2015
Port Concession of Iquique Terminal Internacional	43,003	45,143
Port Concession of Florida International Terminal, LLC	587	753
Port Concession of Terminal Marítima Mazatlán S.A. de C.V.	30,528	32,529
Total port concession	74,118	78,425
Tugboat Concession of SAAM Remolques S.A. de C.V.	-	51
Tugboat Concession of Concesionaria SAAM Costa Rica S.A.	1,983	2,183
Total tugboat concession	1,983	2,234
Total intangibles for port concessions and tugboat concessions	76,101	80,659

Port concessions are composed of the present value of the opening payment for the concession and the minimum payments provided, as well as funding costs when applicable plus the value of the compulsory work controlled by the grantor in accordance with the service concession arrangement. See the detail of these concessions in note 35.

NOTE 18 Property, Plant and Equipment
(18.1) This caption comprises of the following:

Property, plant and equipment	12-31-2016			12-31-2015		
	Gross Amount ThUS\$	Accumulated Depreciation ThUS\$	Net Amount ThUS\$	Gross Amount ThUS\$	Accumulated Depreciation ThUS\$	Net Amount ThUS\$
Land	49,645	-	49,645	57,632	-	57,632
Buildings	71,237	(30,258)	40,979	74,239	(31,535)	42,704
Vessels, tugboats, barges and boats	479,342	(169,648)	309,694	444,189	(158,198)	285,991
Machinery	113,531	(64,556)	48,975	115,300	(59,329)	55,971
Transportation equipment	6,338	(3,660)	2,678	7,430	(3,551)	3,879
Office equipment	12,074	(9,402)	2,672	10,665	(8,075)	2,590
Furniture, supplies and accessories	2,527	(2,096)	431	2,444	(1,949)	495
Construction in progress	20,631	-	20,631	25,001	-	25,001
Other property, plant and equipment	4,134	(1,634)	2,500	3,541	(1,069)	2,472
Total property, plant and equipment	759,459	(281,254)	478,205	740,441	(263,706)	476,735

The caption "Buildings and constructions" includes constructions and offices destined to administrative use and destined to operation as warehouses and container terminal.

Under leasehold agreements the Company holds in the caption "Machinery", Container Crates at the indirect subsidiary Florida International Terminal LLC for ThUS\$1,310 and 2 Gottwald Cranes and 14 Tractor units in the indirect subsidiary Iquique Terminal Internacional S.A. for ThUS\$8,407 and ThUS\$ 945, respectively (ThUS\$10,511 and ThUS\$1,479 as of December 31, 2015, respectively).

NOTE 18 Property, Plant and Equipment
(18.2) Purchase commitments and construction of asset:

The item "Construction-in-progress" refers to expenditure incurred for constructions to support operations at container terminals. At the closing date of the financial statements, payments were made for projects associated with the Ecuador port of ThUS\$14,835, construction of dining areas and improvements to the Port in Iquique of ThUS\$281, civil works performed in Chile for ThUS\$5,391, and other minor assets for ThUS\$124.

a) Inmobiliaria San Marco Ltda.

The company has assets under construction for the development for drinkable water and other improvements in the area of Placilla in the city of Valparaíso and other works in Arica, Iquique, Puerto Montt and San Antonio for ThUS\$5,391, (ThUS\$319 as of December 31, 2015).

b) Inarpi S.A.

The Company has assets under construction associated with two Granty cranes acquired from the Chinese company ZPMC, for ThUS\$11,519 and ThUS\$3,316, related to port expansion works.

c) Tugboats under construction
2015

The direct subsidiary SAAM S.A. has a tugboat under construction in the Bonny Fair Development Limited shipbuilding yard reflecting an investment to-date of ThUS\$6,313.

The indirect subsidiary Habsburgo S.A. has three tugboats under construction in the China Machinery Engineering Wuxi Co., Ltd. Shipbuilding yard reflecting an investment to-date of ThUS\$10,480.

The indirect subsidiary SMIT Marine Canada Inc. S.A. has one tugboat under construction as of December 31, 2015, reflecting an investment made to-date of ThUS\$3,405.

The indirect subsidiary Virtual Logistics Marine Services, Inc. has one tugboat under construction as of December 31, 2015, reflecting an investment made to-date of ThUS\$1,641.

SOCIEDAD MATRIZ SAAM S.A. Y SUBSIDIARIA

Notes to the Consolidated Financial Statements

NOTE 18 Property, Plant and Equipment, continued
(18.3) Reconciliation of changes in property, plant and equipment for 2016 and 2015:

	Land ThUS\$	Buildings and constructions ThUS\$	Vessels, tugboats, barges and boats ThUS\$	Machinery ThUS\$	Transportation equipment ThUS\$	Office equipment ThUS\$	Furniture, supplies and accessories ThUS\$	Constructions in process ThUS\$	Other property, plant and equipment ThUS\$	Total Property, Plant and Equipment ThUS\$
Net balance as of December 31, 2014	66,522	49,600	269,915	64,184	2,739	3,188	875	29,001	1,940	487,964
Additions	-	1,459	25,014	3,945	2,293	1,087	155	27,970	316	62,239 ⁽⁵⁾
Disposals (sale of assets)	(81)	(357)	(106)	(118)	(186)	(3)	(60)	(10)	-	(921)
Transfers from (to) assets held-for-sale	-	(279)	-	(2,832)	(71)	(44)	(45)	-	-	(3,271) ⁽⁴⁾
Transfers (to) Plant and Equipment	-	2,332	24,823	804	270	(458)	(237)	(28,225)	691	-
Sale of subsidiaries	(423)	(760)	-	-	-	-	-	-	-	(1,183)
Write-offs	-	(942)	(420)	(264)	(52)	(2)	(13)	(164)	(2)	(1,859)
Depreciation expense	-	(4,103)	(27,956)	(7,499)	(1,026)	(1,149)	(162)	-	(523)	(42,418) ⁽²⁾
Impairment loss recognized in profit or loss	-	-	(1,442)	(2,355) ⁽⁷⁾	-	-	-	-	-	(3,797)
Increase (decrease) in the change from functional currency to presentation currency of subsidiaries	(8,386) ⁽¹⁾	(4,273) ⁽¹⁾	(4,878) ⁽³⁾	(330)	(2)	(29)	(18)	(3,571)	(178)	(21,665)
Other increases (decreases)	-	27	1,041	436	(86)	-	-	-	228	1,646
Net balance as of December 31, 2015	57,632	42,704	285,991	55,971	3,879	2,590	495	25,001	2,472	476,735
Additions ⁽⁵⁾	-	1,436	11,204	1,185	392	1,409	73	45,419	376	61,494 ⁽⁵⁾
Disposals (sale of assets)	(352)	(819)	(5,190)	(552)	(561)	(1)	-	-	-	(7,475)
Transfers from (to) assets held-for-sale	(11,018)	(1,616)	-	-	-	-	-	-	-	(12,634) ⁽⁴⁾
Transfers (to) Plant and Equipment	-	2,479	46,105	424	101	13	16	(49,408)	270	-
Write-offs	-	(22)	(236)	-	(40)	(9)	-	(25)	(1)	(333)
Depreciation expense	-	(3,822)	(29,842)	(6,293)	(1,093)	(1,322)	(155)	-	(565)	(43,092) ⁽²⁾
Impairment loss	-	(892)	(74)	(2,434)	-	-	-	-	-	(3,400) ⁽⁶⁾
Increase (decrease) in the change from functional currency to presentation currency of subsidiaries	3,185 ⁽¹⁾	1,488 ⁽¹⁾	1,492 ⁽³⁾	-	-	11	4	19	3	6,202
Other increases (decreases)	198	43	244	674	-	(19)	(2)	(375)	(55)	708
Net balance as of December 31, 2016	49,645	40,979	309,694	48,975	2,678	2,672	431	20,631	2,500	478,205

¹ Corresponds to the effect of stating in US dollars, lands and buildings of the Group's real estate companies, whose functional currency is the Chilean peso.

² See Note 29 and 30

³ Corresponds to the effect of stating in US dollars, tugboats of SMIT Canadá Inc., whose functional currency is the Canadian Dollar.

⁴ See Note 8.

⁵ See Note 39 (a).

⁶ See Note 32

⁷ Corresponds mainly to the impaired assets during 2015, due to the closure of deposits in the Chilean central area and line brokering. Currently, such assets are being used on a partially basis awaiting for define its use in the future.

SOCIEDAD MATRIZ SAAM S.A. Y SUBSIDIARIA

Notes to the Consolidated Financial Statements

NOTE 18 Property, Plant and Equipment, continued
(18.4) Guarantees and settlements
a) Guarantees

The indirect subsidiary SAAM SMIT Marine Canada Inc. has a ship mortgage in favor of Scotiabank Canada to guarantee the financial obligation agreed. The carrying amount of assets pledged as guarantee amounts to ThUS\$20,704 (ThUS\$21,199 in 2015). In addition, Inmobiliaria Marítima Portuaria SpA has a mortgage in favor of Banco Estado to guarantee the loans granted by such bank. The carrying amount of assets pledged as guarantee amounts to ThUS\$1,238, (ThUS\$1,222 in 2015). (Note 36.3).

b) Settlements

The Company has recognized ThUS\$563 (ThUS\$546 in 2015) in profit or loss for the year, for claims settled relating to items of property, plant and equipment (Note 32).

SOCIEDAD MATRIZ SAAM S.A. Y SUBSIDIARIA

Notes to the Consolidated Financial Statements

NOTE 19 Investment Property

	12-31-2016 ThUS\$	12-31-2015 ThUS\$
Investment property initial balance	2,396	3,540
Depreciation expense (Notes 29 and 30)	(6)	(22)
Sale of investment property		(608)
Transfers from (to) assets held for sale (See note 8)	(537)	-
Increase (decrease) in the change from functional currency to presentation currency of subsidiaries	146	(514)
Changes in investment properties	(397)	(1,144)
Investment property final balance	1,999	2,396

Investment properties are land and property located in Chile held to earn rental and goodwill and are measured at cost. Buildings are depreciated on a straight-line basis over their estimated useful life.

The fair value of the Company's investment properties at the reporting date amounts to ThUS\$3,993, which was determined on the basis of transactions performed by independent experts in 2014, updated to the UF value at the reporting date.

NOTE 20 Current Tax receivables and payables

This caption comprises the following:

(20.1) Current tax receivables

	Current 12-31-2016 ThUS\$	Current 12-31-2015 ThUS\$
Monthly provisional income tax payments	7,501	11,076
Credits to income tax expense	15,986	13,897
Provision for income tax	(5,146)	(8,051)
Total current income tax receivables	18,341	16,922

(20.2) Current tax payables

	12-31-2016 ThUS\$	12-31-2015 ThUS\$
Provision for income tax	10,546	7,960
Monthly provisional income tax payments	(5,925)	(4,088)
Credits to income tax expense	(149)	(259)
Total current income tax payables	4,472	3,613

SOCIEDAD MATRIZ SAAM S.A. Y SUBSIDIARIA

Notes to the Consolidated Financial Statements

NOTE 21 Income Tax and Deferred Taxes
Deferred taxes

Deferred taxes correspond to the amount of income taxes that the Company and its subsidiaries will have to pay (liabilities) or recover (assets) in the future related to temporary differences between the tax base and the carrying amounts of certain assets and liabilities.

(21.1) Detail of deferred taxes:

Temporary differences	Deferred tax assets	Deferred tax liability	Net
	12-31-2016	12-31-2016	
	ThUS\$	ThUS\$	ThUS\$
Provision for employee benefits	2,187	(809)	1,378
Tax losses	1,121	-	1,121
Derivative instruments	43	(18)	25
Property, plant and equipment	3,942	(11,616)	(7,674)
Depreciation	-	(29,433)	(29,433)
Lease obligations/leased assets	75	(1,847)	(1,772)
Tugboats and port concessions	-	(6,507)	(6,507)
Unrealized gains	930	-	930
Impairment of trade receivables	1,167	-	1,167
Provisions for expenses and others	2,034	-	2,034
Provision for income	-	(71)	(71)
Total	11,499	(50,301)	(38,802)

Temporary differences	Deferred tax assets	Deferred tax liability	Net
	12-31-2015	12-31-2015	
	ThUS\$	ThUS\$	ThUS\$
Provision for employee benefits	2,575	(886)	1,689
Tax losses	174	-	174
Derivative instruments	82	(16)	66
Property, plant and equipment	2,255	(10,701)	(8,446)
Depreciation	-	(31,210)	(31,210)
Lease obligations/leased assets	41	(1,697)	(1,656)
Tugboats and port concessions	-	(5,701)	(5,701)
Unrealized gains	970	-	970
Impairment of trade receivables	1,719	-	1,719
Provisions for expenses and others	1,847	-	1,847
Provision for income	-	(40)	(40)
Total	9,663	(50,251)	(40,588)

SOCIEDAD MATRIZ SAAM S.A. Y SUBSIDIARIA

Notes to the Consolidated Financial Statements

NOTE 21 Income Tax and Deferred Taxes, continued
(21.2) Changes in deferred tax assets and liabilities recognized during the period:

El The reconciliation of deferred taxes for December 31, 2016 is detailed as follows

Types of assets temporary differences	Balance as of	Recognized in	Recognized in equity		Balance as of
	12.31.2015	profit or loss	Translation adjustment of companies' balances in currency other than US dollar	Debited to comprehensive income	12.31.2016
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Provision for employee benefits	2,575	(395)	7	-	2,187
Tax losses	174	947	-	-	1,121
Derivative instruments	82	-	-	(39)	43
Property, plant and equipment	2,255	1,538	149	-	3,942
Leased assets	41	34	-	-	75
Impairment of trade receivables	1,719	(552)	-	-	1,167
Unrealized gain (loss)	970	(52)	12	-	930
Provisions for expenses and others	1,847	186	1	-	2,034
Total deferred tax assets	9,663	1,706⁽¹⁾	169	(39)	11,499

Types of liabilities temporary differences	Balance as of	Recognized in	Recognized in equity		Balance as of
	12.31.2015	profit or loss	Translation adjustment of companies' balances in currency other than US dollar	Debited to comprehensive income	12.31.2016
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Provision for employee benefits	886	11	2	(90)	809
Derivative instruments	16	2	-	-	18
Intangible assets/property, plant and equipment	10,701	512	403	-	11,616
Depreciation	31,210	(1,777)	-	-	29,433
Leased assets	1,697	150	-	-	1,847
Port concessions and tugboats	5,701	806	-	-	6,507
Provision for income	40	32	(1)	-	71
Total deferred tax liabilities	50,251	(264)⁽¹⁾	404	(90)	50,301

(1) Net effect in profit or loss ThUS\$1,970, see note 21.3

SOCIEDAD MATRIZ SAAM S.A. Y SUBSIDIARIA

Notes to the Consolidated Financial Statements

NOTE 21 Income Tax and Deferred Taxes, continued
(21.2) Changes in deferred tax assets and liabilities recognized during the period, continued:

The reconciliation of deferred taxes for 2015 is detailed as follows:

Types of assets temporary differences	Balance as of	Recognized in profit or loss	Recognized in equity		Balance as of
	12.31.2014		Translation adjustment of companies' balances in currency other than US dollar	Debited to comprehensive income	12.31.2015
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Provision for employee benefits	1,648	1,007	(79)	(1)	2,575
Tax losses	2,818	(2,632)	(12)	-	174
Derivative instruments	178	(69)	-	(27)	82
Property, plant and equipment	2,065	649	(459)	-	2,255
Leased assets	93	(52)	-	-	41
Impairment of trade receivables	1,071	648	-	-	1,719
Unrealized gain (loss)	761	215	(6)	-	970
Provisions for expenses and others	2,085	55	(293)	-	1,847
Total deferred tax assets	10,719	(179)	(849)	(28)	9,663

Types of liabilities temporary differences	Balance as of	Recognized in profit or loss	Recognized in equity		Balance as of
	12.31.2014		Translation adjustment of companies' balances in currency other than US dollar	Debited to comprehensive income	12.31.2015
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Provision for employee benefits	801	90	(5)	-	886
Derivative instruments	5	11	-	-	16
Intangible assets/property, plant and equipment	12,165	547	(2,011)	-	10,701
Depreciation	31,279	417	(486)	-	31,210
Leased assets	1,397	300	-	-	1,697
Port concessions and tugboats	3,500	2,201	-	-	5,701
Provision for income	552	(512)	-	-	40
Total deferred tax liabilities	49,699	3,054	(2,502)	-	50,251

SOCIEDAD MATRIZ SAAM S.A. Y SUBSIDIARIA

Notes to the Consolidated Financial Statements

NOTE 21 Income Tax and Deferred Taxes, continued
(21.3) Income tax expense

The detail of income tax expense for the period between January and December 2016 and 2015 is as follows:

	12-31-2016	12-31-2015
	ThUS\$	ThUS\$
Current income tax expense		
Current tax expense	15,183	16,047
Fiscal benefit from tax assets	(704) ¹	(2,502) ¹
Credit for absorption of tax losses	(1,169)	-
Tax expense Art. 21 LIR	208	400
Other expenses	-	21
Total current tax expense, net	13,518	13,966
Deferred tax expense		
Origination and reversal of temporary differences (Note 21.2)	(1,970)	3,233
Total deferred tax expense, net	(1,970)	3,233
Income tax expense	11,548	17,199

(1) Corresponds to a corporate loan of the Mexican Company Saam Remolques S.A. de C.V. for dividends received by the subsidiary Saam S.A.

(21.4) Analysis and reconciliation of the income tax rate calculated in conformity with Chilean tax legislation and the effective tax rate:

	12-31-2016		12-31-2015	
	%	ThUS\$	%	ThUS\$
Profit excluding income tax		74,450		97,209
Reconciliation of effective tax rate	(24.00)%	(17,868)	(22.50)%	(21,872)
Income tax expense using the legal rate				
Tax effect of rates in other jurisdictions	(7.04)%	(5,240)	(13.45)%	(13,076)
Tax effect of non-taxable revenue	23.11%	17,208	23.06%	22,418
Tax effect of non-deductible expenses	(6.75)%	(5,027)	(10.55)%	(10,254)
Other increases (decreases) with a debit for legal taxes	(0.83)%	(621)	5.75%	5,585
Total adjustments to tax expense using the legal tax rate	8.49%	6,320	4.81%	4,673
Income tax expense using the effective tax rate	(15.51)%	(11,548)	(17.69)%	(17,199)


SOCIEDAD MATRIZ SAAM S.A. Y SUBSIDIARIA

Notes to the Consolidated Financial Statements

NOTE 22 Other Financial Liabilities

The balance of current and non-current financial liabilities is as follows:

	Note	Current ThUS\$	12-31-2016 Non-current ThUS\$	Total ThUS\$	Current ThUS\$	12-31-2015 Non-current ThUS\$	Total ThUS\$
Interest-bearing loans	22.1	69,987	162,943	232,930	56,231	145,059	201,290
Finance lease arrangements	22.2	2,409	5,440	7,849	2,341	7,849	10,190
Derivatives	22.3	102	110	212	46	275	321
Subtotal financial liabilities		72,498	168,493	240,991	58,618	153,183	211,801
Service concession arrangement liability ⁽¹⁾	22.4	1,742	26,402	28,144	1,912	31,763	33,675
Total other financial liabilities		74,240	194,895	269,135	60,530	184,946	245,476

⁽¹⁾The service concession arrangement liability corresponds to the installments of the annual rental established in the concession contracts related to indirect subsidiaries Iquique Terminal Internacional S.A. for ThUS\$ 14,575 (ThUS\$15,219 in 2015) and Terminal Marítima Mazatlán S.A. de C.V. for ThUS\$ 13,569 (ThUS\$ 18,456 in 2015) (see note 22.4). As required by IAS 37, these liabilities have been recorded at its present value considering an estimated annual discount rate of 6.38% and 12.00% respectively.

During 2016, the Company changed the classification of the liabilities associated with such service concession arrangements of indirect subsidiaries Iquique Terminal Internacional S.A. and Terminal Marítima Mazatlán S.A. de C.V., which up to December 31, 2015, were recognized under the caption "Other non-financial liabilities".

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 22 Other Financial Liabilities

(22.1) Interest bearing loans

As of December 31, 2016 this caption is composed of the following:

Debtor Tax Identification Number	Debtor entity	Debtor company country	Creditor entity Tax Identification Number	Creditor entity (Banks)	Creditor company country	Currency	Amortization type	Up to 90 days ThUS\$	Over 90 days to 1 year ThUS\$	Current portion ThUS\$	1 to 2 years ThUS\$	2 to 3 years ThUS\$	3 to 4 years ThUS\$	4 to 5 years ThUS\$	More than 5 years ThUS\$	Non-current portion ThUS\$	Total debt ThUS\$	Average interest rate		
																		Nominal	Effective	
96.696.270-4	Inmobiliaria Marítima Portuaria SpA	Chile	97.030.000-7	Banco Estado	Chile	UF	Monthly	35	105	140	62	-	-	-	-	62	202	4.5%	4.5%	
96.915.330-0	Iquique Terminal Internacional S.A.	Chile	97.030.000-7	Banco Estado	Chile	US dollar	Semi-annual	1,577	1,498	3,075	2,995	-	-	-	-	2,995	6,070	Libor+2.5%	3.93% ⁽²⁾	
96.915.330-0	Iquique Terminal Internacional S.A.	Chile	97.006.000-6	Banco Crédito e Inversiones	Chile	US dollar	Semi-annual	-	2,705	2,705	2,589	2,589	2,589	-	-	7,767	10,472	Libor+2.3%	4.94 ^(1,2) %	
92.048.000-4	SAAM S.A.	Chile	97.036.000-K	Banco Santander Chile	Chile	US dollar	Semi-annual	-	9,995	9,995	9,969	4,984	-	-	-	14,953	24,948	Libor +2.1%	2.85%	
92.048.000-4	SAAM S.A.	Chile	97.036.000-K	Banco Santander Chile	Chile	US dollar	Monthly	29,992	-	29,992	-	-	-	-	-	-	29,992	1.49%	1.49%	
92.048.000-4	SAAM S.A.	Chile	97.030.000-7	Banco Estado	Chile	US dollar	Semi-annual	-	101	101	4,521	4,521	4,521	4,521	6,782	24,866	24,967	3.12%	3.12% ⁽²⁾	
92.048.000-4	SAAM S.A.	Chile	97.030.000-7	Banco Estado	Chile	US dollar	Semi-annual	-	1,595	1,595	3,262	3,262	3,262	3,262	4,894	17,942	19,537	3.12%	3.12% ⁽²⁾	
TMM1201098F6	Terminal Marítima Mazatlán S.A. de C.V.	Mexico	76.645.030-K	Banco Itaú Chile	Chile	US dollar	Semi-annual	-	3,052	3,052	3,000	3,000	-	-	-	6,000	9,052	4.00%	4.66% ⁽²⁾	
SRE970108SXA	SAAM Remolques S. A. de C. V.	México	0-E	Banco Inbursa	Mexico	US dollar	Semi-annual	-	4,050	4,050	2,000	-	-	-	-	2,000	6,050	4.60%	4.70% ⁽²⁾	
SRE970108SXA	SAAM Remolques S. A. de C. V.	México	0-E	Corpbanca New York Branch	Mexico	US dollar	Semi-annual	4,837	4,000	8,837	8,000	8,000	8,000	8,000	-	32,000	40,837	Libor+3%	3.91% ⁽²⁾	
0992247932001	Inarpi S.A.	Equator	97.030.000-7	Banco Estado	Chile	US dollar	Semi-annual	1,125	947	2,072	1,895	1,895	1,895	1,895	2,841	10,421	12,493	3.21%	3.21%	
0992247932001	Inarpi S.A.	Equator	97.030.000-7	Banco Estado	Chile	US dollar	Semi-annual	-	61	61	937	1,875	1,875	1,875	8,438	15,000	15,061	3.95%	3.95%	
0992247932001	Inarpi S.A.	Equator	97.006.000-6	Banco Crédito e Inversiones	Chile	US dollar	Semi-annual	663	625	1,288	1,250	1,250	625	-	-	3,125	4,413	3.5%	3.5%	
0992247932001	Inarpi S.A.	Equator	97.006.000-6	Banco Crédito e Inversiones	Chile	US dollar	Semi-annual	399	375	774	750	750	375	-	-	1,875	2,649	3.5%	3.5%	
0992247932001	Inarpi S.A.	Equator	97.006.000-6	Banco Santander	Chile	US dollar	Semi-annual	14	885	899	885	885	885	885	2,653	6,193	7,092	Libor +1.8%	3.12%	
864121926RC0002	SAAM SMIT Marine Canadá Inc	Canada	0-E	Scotiabank Canada	Canada	Canadian dollar	Monthly	338	1,013	1,351	1,351	1,351	15,042	-	-	17,744	19,095	2.62%	2.62% ⁽²⁾	
Total										69,987							162,943	232,930		

(1) Corresponds to financial liabilities on which the company has minimized the interest rate exchange risk by contracting derivative hedging instruments (swaps).

(2) Loans related to the compliance of covenants, are disclosed in note 36.6

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 22 Other Financial Liabilities, continued

(22.1) Interest bearing loans, continued

As of December 31, 2015 this caption is composed of the following:

Debtor Tax Identification Number	Debtor entity	Debtor company country	Creditor entity Tax Identification Number	Creditor entity (Banks)	Creditor company country	Currency	Amortization type	Up to 90 days ThUS\$	Over 90 days to 1 year ThUS\$	Current portion ThUS\$	1 to 2 years ThUS\$	2 to 3 years ThUS\$	3 to 4 years ThUS\$	4 to 5 years ThUS\$	More than 5 years ThUS\$	Non-current portion ThUS\$	Total debt ThUS\$	Average annual interest rate	
																		Nominal	Effective
96.696.270-4	Inmobiliaria Marítima Portuaria Limitada	Chile	97.030.000-7	Banco Estado	Chile	UF	Monthly	31	93	124	129	56	-	-	-	185	309	4.5%	4.5%
96.915.330-0	Iquique Terminal Internacional S.A.	Chile	97.030.000-7	Banco Estado	Chile	Us dollar	Semi-annual	3,091	-	3,091	2,994	2,994	-	-	-	5,988	9,079	Libor+2.5%	3.08% ⁽²⁾
96.915.330-0	Iquique Terminal Internacional S.A.	Chile	97.006.000-6	Banco Crédito e Inversiones	Chile	US dollar	Semi-annual	2,733	-	2,733	2,588	2,588	2,588	2,587	-	10,351	13,084	Libor+2.3%	4.94% ^(1 y 2)
92.048.000-4	SAAM S.A.	Chile	97.036.000-K	Banco Santander Chile	Chile	US dollar	Semi-annual	-	9,989	9,989	9,969	9,969	4,984	-	-	24,922	34,911	Libor+1.48%	2.33%
92.048.000-4	SAAM S.A.	Chile	97.030.000-7	Banco Estado	Chile	US dollar	Quarterly	2	25,000	25,002	-	-	-	-	-	-	25,002	Libor+0.83%	1.22%
211 55152 0017	Kios S.A.	Uruguay	0-E	Santander	Uruguay	US dollar	Monthly	1,267	-	1,267	-	-	-	-	-	-	1,267	5.00%	5.00%
212 55152 0017	Kios S.A.	Uruguay	97.030.000-7	Banco Estado	Chile	US dollar	Semi-annual	-	-	-	1,083	2,167	2,167	2,167	5,416	13,000	13,000	3.68%	3.68% ⁽²⁾
TMM1201098F6	Terminal Marítima Mazatlán S.A. de C.V.	Mexico	76.645.030-K	Banco Itaú Chile	Chile	US dollar	Semi-annual	1,569	1,500	3,069	3,000	3,000	3,000	-	-	9,000	12,069	4.66%	4.66% ⁽²⁾
SRE970108SXA	SAAM Remolques S. A. de C. V.	Mexico	0-E	Banco Inbursa	Mexico	US dollar	Semi-annual	83	4,000	4,083	4,000	2,000	-	-	-	6,000	10,083	4.70%	4.70% ⁽²⁾
SRE970108SXA	SAAM Remolques S. A. de C. V.	Mexico	0-E	Corpbanca New York Branch	Mexico	US dollar	Semi-annual	-	732	732	8,000	8,000	8,000	8,000	8,000	40,000	40,732	Libor+3%	3.44% ⁽²⁾
0992247932001	Inarpi S.A.	Equator	97.030.000-7	Banco Estado	Chile	US dollar	Semi-annual	2,095	-	2,095	1,895	1,895	1,895	1,894	4,736	12,315	14,410	3.21%	3.21%
0992247932001	Inarpi S.A.	Equator	97.006.000-6	Banco Crédito e Inversiones	Chile	US dollar	Semi-annual	45	625	670	1,250	3,125	-	-	-	4,375	5,045	3.5%	3.5%
0992247932001	Inarpi S.A.	Equator	97.006.000-6	Banco Crédito e Inversiones	Chile	US dollar	Semi-annual	27	375	402	750	1,875	-	-	-	2,625	3,027	3.5%	3.5%
864121926RC0002	SAAM SMIT Marine Canadá Inc	Canada	0-E	Banck is ABN AMRO	Canada	Canadian dollar	Monthly	1,798	-	1,798	-	-	-	-	-	-	1,798	2.1%	2.1%
864121926RC0002	SAAM SMIT Marine Canadá Inc	Canada	0-E	Scotiabank Canada	Canada	Canadian dollar	Monthly	294	882	1,176	1,175	1,175	1,175	6,114	6,659	16,298	17,474	2.62%	2.62% ⁽²⁾
Total										56,231						145,059	201,290		

(1) Corresponds to financial liabilities on which the company has minimized the interest rate exchange risk by contracting derivative hedging instruments (swaps).

(2) Loans related to the compliance of covenants, are disclosed in note 36.6

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 22 Other Financial Liabilities, continued

(22.2) Financial lease payables

As of December 31, 2016, this caption is composed of the following:

Creditor Tax Identification Number	Bank or financial institution	Debtor Entity Tax Identification Number	Debtor entity name	Debtor Company country	Currency	Amortization type	Up to 90 days ThUS\$	Over 90 days to 1 year ThUS\$	Total current ThUS\$	1 to 2 years ThUS\$	2 to 3 years ThUS\$	3 to 4 years ThUS\$	4 to 5 years ThUS\$	More than 5 years ThUS\$	Total non-current ThUS\$	Total debt ThUS\$	Average annual interest rate	
																	Nominal	Effective
97.036.000-K	Banco Santander	96.915.330-0	Iquique Terminal Internacional SA	Chile	US dollar	Monthly	431	1,310	1,741	1,790	1,841	940	940	-	4,571	6,312	2.86%	2.86%
97.036.000-K	Banco Santander	96.915.330-0	Iquique Terminal Internacional SA	Chile	US dollar	Monthly	89	269	358	244	-	-	-	-	244	602	2.35%	2.35%
94-1347393	Well Fargo Equipment Finance, Inc.	0-E	Florida International Terminal LLC	USA	US dollar	Monthly	21	65	86	109	-	-	-	-	109	195	4.00%	4.00%
94-1347393	Well Fargo Equipment Finance, Inc.	0-E	Florida International Terminal LLC	USA	US dollar	Monthly	55	169	224	233	242	41	41	-	516	740	3.74%	3.74%
							Total		2,409						5,440	7,849		

As of December 31, 2015, this caption is composed of the following:

Creditor Tax Identification Number	Bank or financial institution	Debtor Entity Tax Identification Number	Debtor entity name	Debtor Company country	Currency	Amortization type	Up to 90 days ThUS\$	Over 90 days to 1 year ThUS\$	Total current ThUS\$	1 to 2 years ThUS\$	2 to 3 years ThUS\$	3 to 4 years ThUS\$	4 to 5 years ThUS\$	More than 5 years ThUS\$	Total non-current ThUS\$	Total debt ThUS\$	Average annual interest rate	
																	Nominal	Effective
97.036.000-K	Banco Santander	96.915.330-0	Iquique Terminal Internacional SA	Chile	US dollar	Monthly	418	1,273	1,691	1,740	1,790	1,841	940	-	6,311	8,002	2.86%	2.86%
97.036.000-K	Banco Santander	96.915.330-0	Iquique Terminal Internacional SA	Chile	US dollar	Monthly	87	263	350	358	243	-	-	-	601	951	2.35%	2.35%
94-1347393	Well Fargo Equipment Finance, Inc.	0-E	Florida International Terminal LLC	USA	US dollar	Monthly	21	63	84	87	110	-	-	-	197	281	4.00%	4.00%
94-1347393	Well Fargo Equipment Finance, Inc.	0-E	Florida International Terminal LLC	USA	US dollar	Monthly	53	163	216	224	233	242	41	-	740	956	3.74%	3.74%
							Total		2,341						7,849	10,190		

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 22 Other Financial Liabilities, continued
(22.3) Derivatives

As of December 31, 2016 and 2015, this caption is composed of the following:

December 2016

Creditor Tax Identification Number	Debtor Entity Tax Identification Number	Debtor entity name	Debtor Company country	Currency	Type of hedge	Notional value	Up to 90 days ThUS\$	Over 90 days to 1 year ThUS\$	Total current ThUS\$	1 to 3 years ThUS\$	3 to 5 years ThUS\$	More than 5 years ThUS\$	Total non-current ThUS\$	Total liability ThUS\$
Banco Scotiabank	92.048.000-4	SAAM S.A.	Chile	Uruguayan peso	Forward	53,675,000	65	-	65	-	-	-	-	65
Banco de Crédito e Inversiones	96.915.330-0	Iquique Terminal Internacional SA	Chile	US dollar	Swap	6,975,000	-	37	37	110	-	-	110	147
Total							65	37	102	110	-	-	110	212

December 2015

Creditor Tax Identification Number	Debtor Entity Tax Identification Number	Debtor entity name	Debtor Company country	Currency	Type of hedge	Notional value	Up to 90 days ThUS\$	Over 90 days to 1 year ThUS\$	Total current ThUS\$	1 to 3 years ThUS\$	3 to 5 years ThUS\$	More than 5 years ThUS\$	Total non-current ThUS\$	Total liability ThUS\$
Banco de Crédito e Inversiones	96.915.330-0	Iquique Terminal Internacional SA	Chile	US dollar	Swap	9,200,750	-	46	46	275	-	-	275	321
Total							-	46	46	275	-	-	275	321

Currency derivatives “forwards”, corresponds to contracts entered into by the Company to minimize the exchange rate fluctuation risk for assets and liabilities controlled in a currency other than the functional currency.

“Interest rate swaps” comprises derivatives that the Company has for hedging interest rate risks that comply with hedge accounting criteria. To verify the compliance with these requirements, the effectiveness of hedges have been verified and confirmed, and accordingly, a hedge reserve has been recognized in equity under other comprehensive income.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 22 Other Financial Liabilities, continued
(22.4) Service concession arrangement liabilities

Port Company	Debtor Tax Identification Number	Debtor Name	Debtor country	Currency	Up to 90 days ThUS\$	Over 90 days to 1 year ThUS\$	Total current ThUS\$	1 to 3 years ThUS\$	3 to 5 years ThUS\$	More than 5 years ThUS\$	Total non- current ThUS\$	Total liability ThUS\$
Empresa Portuaria Iquique	96.915.330-0	Iquique Terminal Internacional SA	Chile	US Dollar	168	519	687	2,340	1,826	9,722	13,888	14,575
Administración Portuaria Integral de Mazatlán	TMM1201098F6	Terminal Marítima Mazatlán S.A. de C.V.	Mexico	Mexican peso	260	795	1,055	1,357	2,171	8,986	12,514	13,569
Total							1,742				26,402	28,144

As of December 31, 2015, service concession arrangement liabilities are composed as follows:

Port Company	Debtor Tax Identification Number	Debtor Name	Debtor country	Currency	Up to 90 days ThUS\$	Over 90 days to 1 year ThUS\$	Total current ThUS\$	1 to 3 years ThUS\$	3 to 5 years ThUS\$	More than 5 years ThUS\$	Total non- current ThUS\$	Total liability ThUS\$
Empresa Portuaria Iquique	96.915.330-0	Iquique Terminal Internacional SA	Chile	US Dollar	157	487	644	1,417	1,609	11,549	14,575	15,219
Administración Portuaria Integral de Mazatlán	TMM1201098F6	Terminal Marítima Mazatlán S.A. de C.V.	Mexico	Mexican peso	310	958	1,268	2,935	2,770	11,483	17,188	18,456
Total							1,912				31,763	33,675



SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 22 Other Financial Liabilities, continued

(22.5) Undiscounted financial liabilities

(22.5.1) As of December 31, 2016, this caption is composed as follows:

Debtor Entity Tax Identification Number	Debtor Entity	Debtor Company country	Creditor Tax Identification Number	Creditor entity (Banks)	Creditor company country	Currency	Amortization type	Up to 180 days ThUS\$	Over 180 days to 1 year ThUS\$	Current portion ThUS\$	1 to 2 years ThUS\$	2 to 5 years ThUS\$	More than 5 years ThUS\$	Non-current portion ThUS\$	Total debt ThUS\$	Interest rate	
																Nominal	Effective
96.696.270-4	Inmobiliaria Marítima Portuaria SpA	Chile	97.030.000-7	Banco Estado	Chile	UF	Monthly	70	70	140	62	-	-	62	202	4.5%	4.5%
96.915.330-0	Iquique Terminal Internacional S.A.	Chile	97.030.000-7	Banco Estado	Chile	US dollar	Semi-annual	1,580	1,500	3,080	3,000	-	-	3,000	6,080	Libor+2.5%	3.93% ⁽²⁾
96.915.330-0	Iquique Terminal Internacional S.A.	Chile	97.006.000-6	Banco Crédito e Inversiones	Chile	US dollar	Semi-annual	115	2,600	2,715	2,600	5,200	-	7,800	10,515	Libor+2.3%	4.94 ^{(1) (2)} %
92.048.000-4	SAAM S.A.	Chile	97.036.000-K	Banco Santander Chile	Chile	US dollar	Semi-annual	5,232	5,186	10,418	10,232	5,046	-	15,278	25,696	Libor +2.1%	2.849%
92.048.000-4	SAAM S.A.	Chile	97.036.000-K	Banco Santander Chile	Chile	US dollar	Quarterly	30,035	-	30,035	-	-	-	-	30,035	1.49%	1.49%
92.048.000-4	SAAM S.A.	Chile	97.030.000-7	Banco Estado	Chile	US dollar	Semi-annual	392	399	791	5,300	15,039	7,033	27,372	28,163	3.12%	3.12%(2)
92.048.000-4	SAAM S.A.	Chile	97.030.000-7	Banco Estado	Chile	US dollar	Semi-annual	315	1,984	2,299	3,887	11,029	5,158	20,074	22,373	3.12%	3.12%(2)
TMM1201098F6	Terminal Marítima Mazatlán S.A. de C.V.	Mexico	76.645.030-K	Banco Itaú Chile	Chile	US dollar	Semi-annual	1,653	1,681	3,334	3,213	3,091	-	6,304	9,638	4.66%	4.66%(2)
SRE970108SXA	SAAM Remolques S. A. de C. V.	Mexico	0-E	Banco Inbursa	Mexico	US dollar	Semi-annual	2,139	2,093	4,232	2,047	-	-	2,047	6,279	4.70%	4.70%(2)
SRE970108SXA	SAAM Remolques S. A. de C. V.	Mexico	0-E	Corpbanca New York Branch	Mexico	US dollar	Semi-annual	4,837	4,777	9,614	8,913	25,280	-	34,193	43,807	Libor+3%	3.91%(2)
0992247932001	Inarpi S.A.	Equator	97.030.000-7	Banco Estado	Chile	US dollar	Semi-annual	1,150	1,301	2,451	2,187	6,146	2,935	11,268	13,719	3.21%	3.21%
0992247932001	Inarpi S.A.	Equator	97.030.000-7	Banco Estado	Chile	US dollar	Semi-annual	296	303	599	1,538	7,034	9,282	17,854	18,453	3.95%	3.95%
0992247932001	Inarpi S.A.	Equator	97.006.000-6	Banco Crédito e Inversiones	Chile	US dollar	Semi-annual	702	692	1,394	1,350	1,941	-	3,291	4,685	3.5%	3.5%
0992247932001	Inarpi S.A.	Equator	97.006.000-6	Banco Crédito e Inversiones	Chile	US dollar	Semi-annual	421	415	836	810	1,165	-	1,975	2,811	3.5%	3.5%
0992247932001	Inarpi S.A.	Equator	97.006.000-6	Banco Santander	Chile	US dollar	Semi-annual	561	548	1,109	1,073	3,044	2,801	6,918	8,027	3.12%	3.12%
864121926RC0002	SAAM SMIT Marine Canadá Inc	Canadá	0-E	Scotiabank Canada	Canada	Canadian dollar	Monthly	976	969	1,945	1,910	17,405	-	19,315	21,260	2.62%	2.62%(2)
Total										74,992				176,751	251,743		

(1) Corresponds to financial liabilities on which the company has minimized the tax rate exchange risk by contracting derivative hedging instruments (swaps).

(2) Loans related to the compliance of covenants, are disclosed in note 36.6.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 22 Other Financial Liabilities, continued

(22.5) Undiscounted financial liabilities, continued

(22.5.1) As of December 31, 2015, this caption is composed as follows:

Debtor Entity Tax Identification Number	Debtor Entity	Debtor Company country	Creditor Tax Identification Number	Creditor entity (Banks)	Creditor company country	Currency	Amortization type	Up to 180 days	Over 180 days to 1 year	Current portion	1 to 2 years	2 to 5 years	More than 5 years	Non-current portion	Total debt	Interest rate	
								ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	Nominal
96.696.270-4	Inmobiliaria Marítima Portuaria Limitada	Chile	97.030.000-7	Banco Estado	Chile	UF	Monthly	68	68	136	136	90	-	226	362	4.5%	4.5%
96.915.330-0	Iquique Terminal Internacional S.A.	Chile	97.030.000-7	Banco Estado	Chile	US dollar	Semi-annual	3,097	-	3,097	3,000	3,000	-	6,000	9,097	Libor+2.5%	3.08% ⁽²⁾
96.915.330-0	Iquique Terminal Internacional S.A.	Chile	97.006.000-6	Banco Crédito e Inversiones	Chile	US dollar	Semi-annual	2,745	-	2,745	2,600	7,800	-	10,400	13,145	Libor+2.3%	4.94% ^(2 y 2)
92.048.000-4	SAAM S.A.	Chile	97.036.000-K	Banco Santander Chile	Chile	US dollar	Semi-annual	5,368	5,320	10,688	10,504	20,458	-	30,962	41,650	Libor+1.48%	2.33%
92.048.000-4	SAAM S.A.	Chile	97.030.000-7	Banco Estado	Chile	US dollar	Quarterly	70	25,210	25,280	-	-	-	-	25,280	Libor+0.83%	1.22%
211 55152 0017	Kios S.A.	Uruguay	O-E	Santander	Uruguay	US dollar	Monthly	1,267	-	1,267	-	-	-	-	1,267	5.00%	5.00%
212 55152 0017	Kios S.A.	Uruguay	97.030.000-7	Banco Estado	Chile	US dollar	Semi-annual	-	-	-	2,055	8,615	5,720	16,390	16,390	3.68%	3.68% ⁽²⁾
TMM1201098F6	Terminal Marítima Mazatlán S.A. de C.V.	Mexico	76.645.030-K	Banco Itaú Chile	Chile	US dollar	Semi-annual	1,500	1,670	3,170	3,170	7,062	-	10,232	13,402	4.66%	4.66% ⁽²⁾
SRE970108SXA	SAAM Remolques S. A. de C. V.	Mexico	O-E	Banco Inbursa	México	US dollar	Semi-annual	2,234	2,187	4,421	4,233	2,046	-	6,279	10,700	4.70%	4.70% ⁽²⁾
SRE970108SXA	SAAM Remolques S. A. de C. V.	Mexico	O-E	Corpbanca New York Branch	México	US dollar	Semi-annual	2,068	-	2,068	9,150	25,999	8,182	43,331	45,399	Libor+3%	3.44% ⁽²⁾
0992247932001	Inarpi S.A.	Equator	97.030.000-7	Banco Estado	Chile	US dollar	Semi-annual	2,342	-	2,342	2,451	6,300	4,968	13,719	16,061	3.21%	3.21%
0992247932001	Inarpi S.A.	Equator	97.006.000-6	Banco Crédito e Inversiones	Chile	US dollar	Semi-annual	88	714	802	1,494	3,191	-	4,685	5,487	3.5%	3.5%
0992247932001	Inarpi S.A.	Equator	97.006.000-6	Banco Crédito e Inversiones	Chile	US dollar	Semi-annual	53	428	481	896	1,915	-	2,811	3,292	3.5%	3.5%
864121926RC0002	SAAM SMIT Marine Canadá Inc	Canada	O-E	Banck is ABN AMRO	Canada	Canadian dollar	Monthly	1,798	-	1,798	-	-	-	-	1,798	2.1%	2.1%
864121926RC0002	SAAM SMIT Marine Canadá Inc	Canada	O-E	Scotiabank Canada	Canada	Canadian dollar	Monthly	294	882	1,176	1,175	8,529	6,659	16,363	17,539	2.62%	2.62% ⁽²⁾
									Total	59,471				161,398	220,869		

(1) Corresponds to financial liabilities on which the company has minimized the tax rate exchange risk by contracting derivative hedging instruments (swaps).

(2) Loans related to the compliance of covenants, are disclosed in note 36.6.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 22 Other Financial Liabilities, continued

(22.5) Undiscounted financial liabilities, continued

(22.5.2) As of December 31, 2016, the detail of finance lease payables is as follows:

Creditor Tax Identification Number	Bank or financial institution	Debtor Entity Tax Identification Number	Debtor entity name	Debtor Company country	Currency	Amortization type	Up to 180 days	Over 180 days to 1 year	Total current	1 to 2 years	2 to 5 years	More than 5 years	Non-current total	Total debt	Interest rate	
							ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	Nominal	Effective
97.036.000-K	Banco Santander	96.915.330-0	Iquique Terminal Internacional SA	Chile	US dollar	Monthly	948	948	1,896	1,896	2,844	-	4,740	6,636	2.86%	2.86%
97.036.000-K	Banco Santander	96.915.330-0	Iquique Terminal Internacional SA	Chile	US dollar	Monthly	184	184	368	245	-	-	245	613	2.35%	2.35%
94-1347393	Well Fargo Equipment Finance, Inc.	O-E	Florida International Terminal LLC	USA	US dollar	Monthly	46	46	92	112	-	-	112	204	4.00%	4.00%
94-1347393	Well Fargo Equipment Finance, Inc.	O-E	Florida International Terminal LLC	USA	US dollar	Monthly	124	124	248	248	290	-	538	786	3.74%	3.74%
Total									2,604				5,635	8,239		

(22.5.2) As of December 31, 2015, the detail of finance lease payables is as follows:

Creditor Tax Identification Number	Bank or financial institution	Debtor Entity Tax Identification Number	Debtor entity name	Debtor Company country	Currency	Amortization type	Up to 180 days	Over 180 days to 1 year	Total current	1 to 2 years	2 to 5 years	More than 5 years	Non-current total	Total debt	Interest rate	
							ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	Nominal	Effective
97.036.000-K	Banco Santander	96.915.330-0	Iquique Terminal Internacional SA	Chile	US dollar	Monthly	948	948	1,896	1,896	4,740	-	6,636	8,532	2.86%	2.86%
97.036.000-K	Banco Santander	96.915.330-0	Iquique Terminal Internacional SA	Chile	US dollar	Monthly	184	184	368	368	246	-	614	982	2.35%	2.35%
94-1347393	Well Fargo Equipment Finance, Inc.	O-E	Florida International Terminal LLC	USA	US dollar	Monthly	46	46	92	92	112	-	204	296	4.00%	4.00%
94-1347393	Well Fargo Equipment Finance, Inc.	O-E	Florida International Terminal LLC	USA	US dollar	Monthly	124	124	248	248	538	-	786	1,034	3.74%	3.74%
Total									2,604				8,240	10,844		

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 22 Other Financial Liabilities, continued

(22.5) Undiscounted financial liabilities, continued

(22.5.3) As of December 31, 2016, service concession arrangement liabilities are composed as follows:

Port Company	Debtor Tax Identification Number	Debtor Name	Debtor country	Currency	Up to 90 days	Over 90 days to 1 year	Total current	1 to 3 years	3 to 5 years	More than 5 years	Total non-current	Total liability
					ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	
Empresa Portuaria Iquique	96.915.330-0	Iquique Terminal Internacional SA	Chile	US dollar	400	1,200	1,600	3,200	3,200	14,000	20,400	22,000
Administración Portuaria Integral de Mazatlán	TMM1201098F6	Terminal Marítima Mazatlán S.A. de C.V.	Mexico	Mexican peso	589	1,781	2,370	4,888	5,769	43,067	53,724	56,094
Total							3,970				74,124	78,094

(22.5.3) As of December 31, 2015, service concession arrangement liabilities are composed as follows:

Port Company	Debtor Tax Identification Number	Debtor Name	Debtor country	Currency	Up to 90 days	Over 90 days to 1 year	Total current	1 to 3 years	3 to 5 years	More than 5 years	Total non-current	Total liability
					ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	
Empresa Portuaria Iquique	96.915.330-0	Iquique Terminal Internacional SA	Chile	US dollar	400	1,200	1,600	3,200	3,200	15,600	22,000	23,600
Administración Portuaria Integral de Mazatlán	TMM1201098F6	Terminal Marítima Mazatlán S.A. de C.V.	Mexico	Mexican peso	643	1,958	2,601	6,354	7,294	54,611	68,259	70,860
Total							4,201				90,259	94,460

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTA 23 Trade and Other payables

This caption is composed of:

	12-31-2016 ThUS\$	12-31-2015 ThUS\$
Trade payables	30,730	39,095
Other payables	1,348	1,640
Total trade and other payables	32,078	40,735

Other payables mainly correspond to liabilities with third parties for customary concepts not directly related to operating activities.

As of December 31, 2016 and 2015, current trade payables and those past due, are as follows:

a) Trade payables up to date

Supplier	Amounts according to payment terms				Total payments to date ThUS\$ 12.31.2016
	Until 30 days ThUS\$	31-60 days ThUS\$	61-90 days ThUS\$	91-120 days ThUS\$	
Goods	1,653	184	115	200	2,152
Services	20,999	2,315	1,488	685	25,487
Other	-	-	888	-	888
Total	22,652	2,499	2,491	885	28,527

Supplier	Amounts according to payment terms				Total payments to date ThUS\$ 12.31.2015
	Until 30 days ThUS\$	31-60 days ThUS\$	61-90 days ThUS\$	91-120 days ThUS\$	
Goods	4,108	240	76	184	4,608
Services	22,662	2,385	300	1,264	26,611
Other	3,342	533	30	546	4,451
Total	30,112	3,158	406	1,994	35,670

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTA 23 Trade and Other payables, continued

b) Trade payable past due ⁽¹⁾:

Supplier	Amounts according to payment terms						Total payments past due ThUS\$ 12.31.2016
	Until 30 days ThUS\$	31-60 days ThUS\$	61-90 days ThUS\$	91-120 days ThUS\$	121-180 days ThUS\$	180 days or more ThUS\$	
Goods	-	-	-	-	-	-	-
Services	993	187	40	146	837	-	2,203
Other	-	-	-	-	-	-	-
Total	993	187	40	146	837	-	2,203

Supplier	Amounts according to payment terms						Total payments past due ThUS\$ 12.31.2015
	Until 30 days ThUS\$	31-60 days ThUS\$	61-90 days ThUS\$	91-120 days ThUS\$	121-180 days ThUS\$	180 days or more ThUS\$	
Goods	-	-	-	-	-	-	-
Services	1,481	147	73	18	1,706	-	3,425
Other	-	-	-	-	-	-	-
Total	1,481	147	73	18	1,706	-	3,425

(1) The Company has a strong liquidity position, which allows it to meet its obligations with different providers without any inconvenience. Accordingly, amounts recorded as trade payables past due as of December 31, 2016 and 2015, relate mainly to invoices containing differences in documentary reconciliation, which in most cases, are resolved in the short-term.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 24 Provisions

	31-12-2016			31-12-2015		
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Legal provisions ⁽¹⁾	-	714	714	-	518	518
Decommissioning, restoration and rehabilitation ⁽²⁾	-	375	375	-	375	375
Profit-sharing ⁽³⁾	767	-	767	1,494	-	1,494
Other provisions	152	-	152	443	-	443
Total provisions	919	1,089	2,008	1,937	893	2,830

⁽¹⁾ Provision of ThUS\$714 (ThUS\$518 in 2015), of indirect subsidiary SAAM do Brasil Ltda. for current processes on import tax applied to damaged container under brokerage activities by the Company, notification and subsequent claim against Fazenda Nacional de Brasil, with the purpose of suspending the tax payments to COFINS calculated on the basis of sales to foreign companies

The expected schedule of economic outflows generated by the current processes will depend on their evolution. However, the Company believes no payments will be made in the short-term.

⁽²⁾ Corresponds to the provision for decommissioning warehouses located in Iquique's port area.

⁽³⁾ From the current period, profit sharing is determined based on 2.5% of the amount of the dividends received through profit or loss for the period. As at 2015, they were determined based on 2% of profit for each year.

(24.1) Reconciliation of provisions by class for the year:

	Legal provision non-current	Other provisions current	Other non-current provisions	Total provisions
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Closing balance for 2014 and opening balance for 2015	725	2,033	375	3,133
Additional provisions	-	1,455 ⁽¹⁾	-	1,455
Use of provisions	(109)	(1,459) ⁽¹⁾	-	(1,568)
Reversal of provisions	-	-	-	-
Increase (decrease) in foreign currency translation	(98)	(92)	-	(190)
Total changes in provisions	(207)	(96)	-	(303)
Closing balance for 2015 and opening balance for 2016	518	1,937	375	2,830
Additional provisions	181	905 ⁽¹⁾	-	1,086
Use of provisions	-	(1,923) ⁽¹⁾	-	(1,923)
Increase (decrease) in foreign currency translation	15	-	-	15
Total changes in provisions	196	(1,018)	-	(822)
Closing balance as of December 31, 2016	714	919	375	2,008

(1) Corresponds mainly to the accrual and payment of interest to Directors of the Company of ThUS 1,494 (ThUS\$ 1,322 in 2015).

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 25 Other non-financial liabilities

This caption is composed of:

	Current 12-31-2016 ThUS\$	Non-current 12-31-2016 ThUS\$	Total 12-31-2016 ThUS\$	Current 12-31-2015 ThUS\$	Non-current 12-31-2015 ThUS\$	Total 12-31-2015 ThUS\$
Minimum dividends to pay next year (note 27.3).	16,363	-	16,363	20,681	-	20,681
Dividends payable	187	-	187	131	-	131
Other non-financial liabilities	135	292	427	122	166	288
Value added tax payable	2,224	-	2,224	932	-	932
Total other non-financial liabilities	18,909	292	19,201	21,866	166	22,032

NOTE 26 Employee Benefits and Personnel Expenses
(26.1) Employee benefit expenses for the period:

	01-01-2016 12-31-2016 ThUS\$	01-01-2015 12-31-2015 ThUS\$
Profit-sharing and bonuses		
Profit-sharing and bonuses, current	7,069	7,905
Total	7,069	7,905
Classes of expenses by employee		
Salaries and wages	94,067	101,048
Short-term employee benefits	10,163	10,451
Defined benefit obligation expenses	2,870	3,877
Other long-term benefits	426	392
Other expenses by employee ⁽¹⁾	6,982	4,246
Total expenses by employee	114,508	120,014
Total⁽¹⁾	121,577	127,919

⁽¹⁾ Expenses associated with personnel remunerations are recorded in operating costs for ThUS\$ 86,793 (ThUS\$ 91,857 in 2015) and administrative expenses of ThUS\$ 34,784 (ThUS\$ 36,062 in 2015)

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 26 Employee Benefits and Personnel Expenses, continued
(26.2) Breakdown of Benefits Pending Settlement:

Benefit	12-31-2016			12-31-2015		
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Defined benefit obligations (IAS) (Note 26.3)	1,291	11,763	13,054	1,753 ^(*)	9,855	11,608
Vacations	3,452	-	3,452	2,613	-	2,613
Profit-sharing and bonuses	4,221	-	4,221	6,829	-	6,829
Tax and social laws	3,002	-	3,002	3,649	-	3,649
Severance indemnity payments and remuneration payables	815	-	815	114	-	114
Total personnel benefits	12,781	11,763	24,544	14,958	9,855	24,813

(*) As of December 31, 2015, includes ThUS\$1,693 in expenses related to the closure of the logistics activities in Chile.

(26.3) Defined benefit obligations (IAS)

As of December 31, 2016 and 2015, SM-SAAM and subsidiary's responsibility is determined in accordance with IAS 19.

The defined benefit obligation relates to the severance indemnity which will be paid to all the Company's employees by virtue of the collective bargaining agreement entered into by the Company and its employees. This includes the liabilities of Iquique Terminal Internacional S.A. recognized due to the legal indemnity that it will have to pay to all employees at the end of the service concession arrangement and the liabilities of the Mexican subsidiaries where severance indemnity is a labor right of the employees.

The actuarial valuation is based on the following assumptions:

- Discount rate used 2.30% (2.99% in 2015)
- Salary increase rate of 1.2% (1.4% in 2015)
- Company's average turnover rate of 4.65% and a 5.60% for voluntary resignation and a 0.6% and 6.7% for dismissal (4.65% and a 5.60% for voluntary resignation and 0.6% and 6.7% for dismissal in 2015).
- Mortality table rv-2014 (rv-2009 in 2015)

Changes in obligation payable to personnel for post-employment benefits are composed of:

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 26 Employee Benefits and Personnel Expenses, continued

(26.3) Defined benefit obligations, continued, continued

Present value of defined benefit plan obligations	12-31-2016	12-31-2015
	ThUS\$	ThUS\$
Balance as of January 1	11,608	12,334
Cost of service	2,550	4,125
Interest cost (Note 31)	227	287
Actuarial gains	393	(36)
Change in foreign currency exchange rate	1,939	(1,209)
Settlements	(3,663)	(3,893)
Total present value of the defined benefit plan obligation	13,054	11,608
Current obligation (*)	1,291	1,753
Non-current obligation	11,763	9,855
Total obligation	13,054	11,608

(*) Corresponds to the Company's best estimate of the amount payable during the following twelve months.

(26.4) Sensitivity analysis for actuarial variables

The method used to quantify the effect that the allowance for severance indemnity payment would have, considers an increase and decrease of 10 percentage points in the actuarial variables used in the calculation of the allowance.

The actuarial variables used by SM-SAAM to measure this liability, and the ones used in the sensitivity analysis are the following:

Actuarial assumptions	+10%	Current	-10%
Discount rate	2.53%	2.30%	2.07%
Rate of salary increase	1.32%	1.2%	1.00%
(*)Dismissal turnover rate	5.12% - 6.16%	4.65% - 5.60%	4.19% - 5.04%
(*)Resignation turnover rate	0.66% - 7.37%	0.60% - 6.70%	0.54% - 6.03%

(*) Resignation turnover and redundancy rates considered in the analysis include several variables applied to each company.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 26 Employee Benefits and Personnel Expenses, continued

(26.4) Sensitivity analysis for actuarial variables, continued

The analysis results, considering the variations referred to above are summarized as follows:

Effect of increase of 10% in variables used in actuarial calculation	ThUS\$
Account balance as of 12.31.2016	13,054
Actuarial variation	(245)
Balance after actuarial variation	12,809
Effect of decrease of 10% in variables used in actuarial calculation	ThUS\$
Account balance as of 12.31.2016	13,054
Actuarial variation	254
Balance after actuarial variation	13,308

NOTE 27 Capital and reserves

As of December 31, 2016, authorized share capital is divided into 9,736,791,983 fully-paid shares

Number of shares

Series	Number of shares subscribed	Number of shares paid	Number of voting shares
SINGLE	9,736,791,983	9,736,791,983	9,736,791,983

These shares have no par value and the Company has no own shares in portfolio.

Profit per share is calculated based on the profit attributable to the owners of the Parent divided by the number of shares subscribed and paid.

27.1) Share capital

Number of shares for 2016	Ordinary shares
On issue and paid as of January 1	9,736,791,983
Issued in business combinations	-
Exercise of share options	-
Issue and paid as of December 31, 2016	9,736,791,983

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 27 Capital and reserves, continued
27.2) Reserves

	12-31-2016 ThUS\$	12-31-2015 ThUS\$
Translation reserve (Note 27.2.1)	(57,774)	(63,750)
Cash flow hedging reserves (Note 27.2.2)	2,922	2,177
Actuarial gains or losses reserve in defined benefits plans (Note 27.2.3)	(1,674)	(1,300)
Other reserves (Note 27.2.4)	55,695	57,020
Total	(831)	(5,853)

Detail of movements:
27.2.1) Translation reserve

The translation reserve comprises the conversion of the financial statements of subsidiaries and associates in a currency other than the Parent's functional currency.

	12-31-2016 ThUS\$	12-31-2015 ThUS\$
Initial balance	(63,750)	(30,371)
Changes generated in:		
Associates (Note 16.1)	867	(9,819)
Subsidiaries (*)	5,109	(23,560)
Total	(57,774)	(63,750)

(*) Corresponds mainly to the conversion effects on the indirect subsidiary Inmobiliaria Marítima Portuaria SpA, whose functional currency is the Chilean peso of ThUS\$4,924 in 2016 and ThUS\$(14,439) in 2015, and complemented with a negative effect on the indirect subsidiary SAAM SMIT Marine Canadá Inc. of ThUS\$(6,344), whose functional currency is the Canadian dollar.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 27 Capital and reserves, continued
27.2) Reserves, continued
27.2.2) Cash flow hedging reserves

The hedging reserve comprises the effective portion of cumulative net change in the fair value of cash flow hedges related to hedged transactions that have not yet occurred.

	12-31-2016 ThUS\$	12-31-2015 ThUS\$
Opening balance	2,177	1,700
Profit (loss) recorded in comprehensive income:		
Associates (Note 16.1)	637	183
Subsidiaries	108	294
Total	2,922	2,177

27.2.3) Actuarial gains or losses reserve in defined benefits plans

The reserve for actuarial gains for post-employment benefits comprises the change in the actuarial amounts in the provision for defined benefit plans of the Company's employees.

	12-31-2016 ThUS\$	12-31-2015 ThUS\$
Opening balance	(1,300)	(1,441)
Profit (loss) recorded in comprehensive income:		
Associates (Note 16.1)	19	-
Subsidiaries	(393)	141
Total	(1,674)	(1,300)

27.2.4) Other reserves

As of December 31, 2016, other reserves amounts to ThUS\$ 55,695 (as of December 31, 2015 ThUS\$ 57,020).

- In the spin-off of CSAV, Sociedad Matriz SAAM S.A. was assigned as the only asset, the financial value of the investment in SAAM as of January 1, 2012 which amounted to ThUS\$603,349. In the opening balance of Sociedad Matriz SAAM S.A. as of February 15, 2012 the difference between the initial equity of the company and share capital of ThUS\$586,506, established in the incorporation statutes of October 5, 2011, presents in the equity of SM SAAM in other several reserves for the amount of ThUS\$16,843.
- The recognition of additional reserves for ThUS\$6, in accordance with legal regulations relevant in countries where foreign subsidiaries operate.
- Additionally, from the association agreement entered into between SAAM and Boskalis on July 1, 2014, due to a change in interest without loss of control in the indirect subsidiary SAAM Remolques S.A. de C.V, led to the recognition of a credit in other reserves amounting to ThUS\$40,171

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 27 Capital and reserves, continued
27.2.4) Other reserves, continued

- d) Finally, according to note 15.2, on April 26, 2016 and April 27, 2016, the Company acquired 1% of the rights of Inversiones San Marco Ltda. and Inmobiliaria San Marco Ltda. This transaction, which corresponds to an increase in controlling interest, resulted in the recognition of ThUS\$ 1,325 in other reserves.

This caption comprises the following:

	ThUS\$
SM SAAM incorporation (a)	16,843
Legal reserves (b)	6
Partnership with Boskalis (c)	40,171
Acquisition of non-controlling interest to a CSAV (d)	(1,325)
Total	55,695

27.3) Net profit for distribution and dividends

Net profit for distribution is determined based upon the "gain attributable to the controllers", presented in the Statement of Income per Function for each period. Such profit shall be adjusted to all those profits deriving from the variation in the fair value of certain assets and liabilities that are not realized or accrued at the end of the period.

Thus, those profits will be reimbursed when the net profit for distribution is determined in the exercise in which they are realized or accrued.

In addition, the Company controls all the previously described profits that have not been realized or accrued by the end of the year or quarter.

On March 4, 2016, the Company's Board of Directors agreed to the distribution of 50% of the 2015 balance, that is, ThUS\$ 34,468. During 2015, the Company accrued as a minimum a compulsory dividend of 30% of profits for such period, equivalent to ThUS\$ 20,681. The additional 20% agreed and approved in 2016, amounted to ThUS\$ 13,787. For the current period, the provision for the minimum provisional dividend amounts to ThUS\$ 16,363.

On March 6, 2015, the Company's Board of Director agreed to the distribution of 50% of the 2014 balance, that is, ThUS\$ 30,518. During 2014, the Company accrued as a minimum a compulsory dividend of 30% of profits for such period, equivalent to ThUS\$ 18,311. The additional 20% agreed and approved in 2015, amounted to ThUS\$ 12,207. As of December 31, 2015, the provision for the minimum provisional dividend amounted to ThUS\$ 20,681.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 28 Revenue

Business area	Service:	01-01-2016	01-01-2015
		12-31-2016	12-31-2015
		ThUS\$	ThUS\$
Tugboats	Docking and undocking of ships	185,154	188,824
Ports	Port operations	114,655	125,358
Logistics and others	Contract Logistics	44,784	51,860
	Vessel servicing	20,392	32,618
	Other services	28,947	27,613
Total services rendering		393,932	426,273

NOTE 29 Cost of sales

	01-01-2016	01-01-2015
	12-31-2016	12-31-2015
	ThUS\$	ThUS\$
Operating costs ⁽¹⁾	(244,215)	(267,272)
Depreciation (Notes 18 and 19)	(41,474)	(40,608)
Amortization (Note 17.3)	(5,592)	(6,346)
Total cost of sales	(291,281)	(314,226)

(1) Variation mainly corresponds to a decrease in sales related to Line brokering and Container deposit business in the Chilean Central area.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 30 Administrative expenses

	01-01-2016 12-31-2016 ThUS\$	01-01-2015 12-31-2015 ThUS\$
Marketing expenses	(459)	(243)
Advertising expenses	(383)	(220)
Other marketing expenses	(76)	(23)
Administrative expenses	(61,399)	(70,745)
Personnel remuneration expenses	(34,784)	(36,062)
Administrative advisory expenses	(5,166)	(5,092)
Travel expenses	(2,494)	(2,912)
Profit-sharing and director's fees allowance	(1,259)	(2,109)
Impairment of trade receivables (Note 5a)	(1,187)	(3,802)
Project expenses	(1,399)	(3,735)
Depreciation of property, plant and equipment (Notes 18 and 19)	(1,624)	(1,832)
Amortization of intangible assets (Note 17.3)	(1,896)	(1,919)
Communication and information expenses	(1,073)	(1,050)
Patent expenses	(609)	(532)
IT expenses	(1,417)	(1,207)
Utility expenses	(1,227)	(1,150)
Public relations expenses	(840)	(1,041)
ISO, penalties and other expenses	(121)	(190)
Conservation and maintenance expenses	(204)	(429)
Office rental expenses	(698)	(849)
Other administrative expenses	(5,401)	(6,834)
Total administrative expenses	(61,858)	(70,988)

NOTE 31 Finance income and Finance cost

	01-01-2016 12-31-2016 ThUS\$	01-01-2015 12-31-2015 ThUS\$
Finance income recognized in profit or loss	1,453	6,712
Profit for investment in business with third parties	-	5,260
Financial interest income	1,157	1,184
Other finance income	296	268
Finance costs recognized in profit or loss	(10,946)	(10,801)
Interest expenses on financial liabilities and financial leases	(7,615)	(7,189)
Interest expenses on port concessions	(2,188)	(2,423)
Interest expenses on financial instruments	(10)	(433)
Actuarial IAS Financial Expense (Note 26.3)	(227)	(287)
Other financial expense	(906)	(469)

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 32 Other income and other expenses by function

	01-01-2016 12-31-2016 ThUS\$	01-01-2015 12-31-2015 ThUS\$
Other income		
Computer services	161	164
Insurance recovery	563	546
Reversal of impairment related to doubtful accounts ⁽¹⁾ (Note 5.a)	1,893	-
Reversal of impairment related to fiscal credit in Ecuador	987	-
Back Office services	95	-
Lease	64	-
Investment results	795	-
Reversal of administrative provision	739	-
Tax refund	-	203
Other operating income	446	848
Total other income	5,743	1,761

⁽¹⁾ Corresponds to the reversal of the allowance for doubtful accounts in the direct subsidiary SAAM S.A. of ThUS\$1,700, mainly due to receivables from clients related to the Logistics segment.

	Notes	01-01-2016 12-31-2016 ThUS\$	01-01-2015 12-31-2015 ThUS\$
Other expenses by function			
Impairment of property, plant and equipment	18.3	-	(2,355)
Impairment of intangible assets		-	(1,393)
Impairment of inventories		-	(970)
Equipment transport		-	(362)
Closure of the logistics activities in Chile		-	(1,693)
Subtotal closure of the logistics activity in Chile		-	(6,773)
Impairment of property, plant and equipment ⁽¹⁾	18.3	(3,400)	(1,442)
Impairment of assets held-for-sale		-	(428)
Impairment of fiscal credit in Ecuador		-	(1,762)
Contribution to the government of Ecuador ⁽²⁾		(635)	-
Closure of the business activity in Brazil		-	(2,926)
Fees		(76)	(39)
Preventive drug tests		(39)	(57)
Unrecoverable VAT and additional tax		(1,108)	(491)
Contributions		(126)	(35)
Expenses of the Veracruz office		-	(641)
Other operating losses		(825)	(798)
Total other expenses by function		(6,209)	(15,392)

⁽¹⁾ In 2016, corresponds mainly to the impairment of ThUS\$2,271 of Gottwald cranes and Port equipment in the indirect subsidiary Terminal Marítima Mazatlán S.A. de C.V. During 2016, the Mexican subsidiary has centered the use of port facilities in the car carrier business resulting in a decrease in cranes usage and ThUS\$892, due to the write-off of port infrastructure in the indirect subsidiary Iquique Terminal Internacional S.A.

In 2015, corresponds to the impairment of the indirect subsidiary SAAM Brasil Ltda, due to the end of operations of the Cubatao deposit.

⁽²⁾ Corresponds to a contribution companies in Ecuador must pay to the government, to support the reconstruction after the earthquake of 2016.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 33 Board of Directors and Key Management Personnel

For these purposes, the Company has defined key management personnel as those individuals with authority and responsibility for planning, managing and controlling the Company's activities, considering directors, and managers, who are part of the Group's management.

As of December 31, 2016, the Company's senior management is comprised of 18 executives (7 directors and 11 managers). At the shareholders' meeting held on April 8, 2016, it was agreed to reduce the number of Board Members of Sociedad Matriz SAAM to 7.

These professionals received compensation and other benefits detailed as follows:

	01-01-2016 12-31-2016 ThUS\$	01-01-2015 12-31-2015 ThUS\$
Salaries	4,358	4,123
Manager's fees	768	729
Profit sharing	2,089	1,917
Total	7,215	6,769

NOTE 34 Other income (expenses)

	01-01-2016 12-31-2016 ThUS\$	01-01-2015 12-31-2015 ThUS\$
Profit or loss from forward derivatives and other	(1,734)	4,090
Profit (loss) on disposal of held-for-sale assets (Note 8a)	(3)	(2,031) ⁽¹⁾
Profit from disposal of subsidiaries	-	940
Profit (loss) for asset disposal (Note 39.a)	1,009	474 ⁽¹⁾
Profit from change in interest in the associate Tramarsa S.A. (Note 15.2 and 16)	-	31,997
Loss from change in interest in the associate G-Star Capital Inc.(Note 16)	-	(962)
Profit from disposal of investment property	-	979 ⁽¹⁾
Loss from settlement of investment in business with third party	-	(2,837)
Other profit (loss)	(12)	(377)
Total other profit (loss)	(740)	32,273

(1) See note 39a)

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 35 Service Concession and other agreements
Iquique Terminal Internacional S.A. (Chile)

Empresa Portuaria de Iquique (EPI) by means of the "Service Concession Arrangement for dockings front No.2 of the Iquique Port", on May 3, 2000 granted to the indirect subsidiary Iquique Terminal Internacional S.A. (ITI) an exclusive concession to develop, maintain and operate the docking front, including the right to collect basic rates for utility services and special rates for special services rendered in the docking front.

The original contract validity is for 20 years, starting from the date of delivery of the docking front, paid on July 1, 2000. There is an option for extending the term for a period of 10 years if it performs the infrastructure projects indicated in the concession contract.

At the end of the concession, the docking front, all the assets included in the concession contract, necessary or useful for the continuous operation of the docking front or rendering of services will be immediately transferred to EPI, in good operating conditions and unencumbered.

Terminal Marítima Mazatlán S.A. de C.V (México)

Administración Portuaria Integral de Mazatlán (API) by means of the "Agreement for the Partial Assignment of Rights", on April 16, 2012, assigned to the indirect subsidiary Terminal Marítima Mazatlan S.A. de C.V. (concessionaire) the exclusive right for exploitation and use of an area of water and lands located in the port premises of Mazatlán de Sinaloa, the construction of buildings in such area and the rendering of port services.

The term of the concession contract is for 20 years, and can be extended until July 26, 2044

At the end of the concession period, the area and all the projects and improvements permanently attached to the area, made by the concessionaire, for exploiting the area, will be transferred to API, unencumbered and with no charges The concessionaire shall perform, on its own account, the repairing required at the moment of its return, or it will pay an indemnity to API for the flaws suffered by the area or by the assets involved due to the inappropriate handling or as a consequence of an inappropriate maintenance.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 35 Service Concession and other agreements, continued**Florida International Terminal (FIT), LLC (USA)**

On April 18, 2005, the indirect subsidiary was awarded the concession of operation of the Port Everglade Florida USA containers terminal, for an initial period of 10 years, renewable for 2 periods of 5 years each. On July 1, 2015, FIT renegotiated the contract extending its maturity in 10 years, renewable for 2 periods of 5 years each. The terminal has 15 hectares and the capacity to store and move up to 170,000 containers per year. For the stowage and unstowage operation, FIT's clients will have the docking priority in a special port with guaranteed use of container-carry cranes.

SAAM Remolques S.A. de C.V. (México)

The subsidiary Saam Remolques S.A. de C.V. has entered into agreements for the partial assignment of rights and obligations through which Administración Portuaria Integral of Lázaro Cárdenas, Veracruz, Tampico, Altamira, and Tuxpan assign to the Company the rights and obligations with respect to the port tugboat and offshore services in ports, unencumbered and without limitations to their exercise.

On February 14, 2015, November 1, 2015 and December 26, 2015, the Company renewed concessions in Lázaro Cárdenas, Veracruz and Tuxpan Ports, for a period of 8, 10 and 8 years, respectively, which may be extended for an additional 8-year period each.

On January 16, 2016 and May 21, 2016, the concessions in the Altamira Port and Tampico port were renewed, both extendable for an additional 8-year period.

Concesionaria SAAM Costa Rica S.A. (Costa Rica)

On August 11, 2006, the indirect subsidiary, Concesionaria SAAM Costa Rica S.A. won the International Public Bidding No.03-2001, "Concession of Tugboats Public Service Management for the Pacific Side", contract countersigned by the Comptroller General of the Republic through official document No.10711, which allow it to commence operations on December 12, 2006. The period of validity of the concession is for 20 years, renewable for 5 additional years.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 35 Service Concession and other agreements, continued**Inarpi S.A. (Ecuador)**

On September 25, 2003, the indirect subsidiary Inarpi S.A. signed an agreement for "Commercialization, operation and administration Services for the Multi-purpose terminal" with the company Fertilizantes Granulados Fertigran S.A., which grants an exclusive right to commercialization, operation and administration of the Multi-purpose Terminal, in the port of Guayaquil, Ecuador.

The term of the contract is for 40 years, which during 2016 was extended for an additional 10-year period, and at the end of that period all the investments and improvements made by a common agreement with Fertilizantes Granulados Fertigran S.A. will be attached to the Multi-purpose Terminal.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 36 Contingencies and Commitments
(36.1) Guarantees provided

The Company recognized no guarantees granted directly.
Guarantees granted by its direct subsidiary SAAM S.A., are as follows:

2016

Company	Guarantee	Purpose	Beneficiary	12.31.2016		12.31.2016	
				ThUS\$	Maturity	Currency	US\$ - UF - Ch\$
SAAM S.A.	Bank guarantee certificates	Guarantee the compliance with the contract/obligations	ENAP Refinerías S.A., Dirección de Contabilidad de la Armada, Terminal Cerros de Valparaíso S.A., Empresa Portuaria de Antofagasta, Empresa Portuaria de Arica, Empresa Portuaria Valparaíso, Empresa Portuaria Austral, Talcahuano Terminal Portuaria S.A., Empresa Portuaria Iquique, Empresa Portuaria San Antonio, Empresa Portuaria Coquimbo, Odfjell y Vapores S.A., ZEAL Sociedad Concesionaria, Fisco de Chile Rep. por el Director Nacional de Aduanas, Antofagasta Terminal Internacional S.A., Oxiquim S.A., Dirección General del Territorio Marítimo y Marina Mercante, Corporación Nacional del Cobre	2,800	Several maturities	Ch\$	1,874,833,381
Saam Extraportuarios S.A.	Bank guarantee certificates	Guarantee obligation as warehouse company	Fisco de Chile - Director Nacional de Aduanas	2,125	03.31.2017	UF	54,000.00
Saam Extraportuarios S.A.	Bank guarantee certificates	Guarantee obligation as warehouse company	Fisco de Chile - Director Nacional de Aduanas	236	08.01.2017	UF	6,000.00
Saam Extraportuarios S.A.	Bank guarantee certificates	Guarantee obligation as warehouse company	Fisco de Chile - Director Nacional de Aduanas	236	09.09.2017	UF	6,000.00
Iquique Terminal Internacional S.A.	Bank guarantee certificates	Guarantee the compliance with concession agreement	Empresa Portuaria Iquique	4,040	10.31.2017	US\$	4,039,574
Iquique Terminal Internacional S.A.	Bank guarantee certificates	Guarantee obligation as warehouse company	Servicio Nacional de Aduanas	236	03.31.2017	UF	6,000
Iquique Terminal Internacional S.A.	Bank guarantee certificates	Guarantee the compliance with health care and social security obligations	Inspección Provincial del Trabajo de Iquique	117	03.31.2017	UF	2,979
Muellaje ITI S.A.	Bank guarantee certificates	Guarantee the compliance with health care and social security obligations	Inspección Provincial del Trabajo de Iquique	809	03.31.2017	UF	20,559
Inmobiliaria Marítima Portuaria SPA.	Bank guarantee certificates	Guarantee the compliance with the contract/obligations	Esval S.A.	6	03.30.2017	UF	148.00
Inmobiliaria Marítima Portuaria SPA.	Bank guarantee certificates	Guarantee the compliance with the contract/obligations	Empresa de los Ferrocarriles del Estado	12	12.31.2017	UF	300.00
Cosem S.A.	Bank guarantee certificates	Guarantee obligation as docking company	Inspección del Trabajo de Antofagasta, Huasco, Puerto Aysén y Punta Arenas	109	03.31.2017	UF	2,763.51
Terminal Chinchorro S.A.	Bank guarantee certificates	Guarantee obligation as warehouse company	Fisco de Chile - Director Nacional de Aduanas	236	07.31.2017	UF	6,000.00
Terminal El Colorado S.A.	Bank guarantee certificates	Guarantee obligation as docking company	Inspección del Trabajo de Iquique	70	03.31.2017	UF	1,770.24
Terminal Las Golondrinas S.A.	Bank guarantee certificates	Guarantee obligation as docking company	Inspección del Trabajo de Tho. y Pto.Montt.	194	03.31.2017	UF	4,931.78
				11,226			



SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 36 Contingencies and Commitments, continued

(36.1) Guarantees provided, continued

The Company recognized no guarantees granted directly.
Guarantees granted by its direct subsidiary SAAM S.A., are as follows:

2016

Company	Guarantee	Purpose	Beneficiary	ThUS\$	Maturity	Currency	US\$ - UF - MXN - COL\$
Concesionaria Saam Costa Rica S.A.	Credit letter Sby LC	Guarantee the issuance of the contract performance guarantee through Banco de Costa Rica to secure the obligations in the concession contract.	INCOP	246	08.18.2017	US\$	246,316
Saam Remolcadores Colombia S.A.	Credit letter Sby LC	Credit letter Sby LC Guarantee the issuance of the uryty bond in compliance with the custom duties from temporary storage standards, through Cía. De Seguros Mapfre Chile, to secure the obligations of the subsidiary Saam Remolcadores Colombia S.A.	Aduana Colombia	132	01.02.2018	US\$	131,600
SAAM S.A.	Credit letter Sby LC	Guarantee the provision of port and storage services in Punta Pereira, pressure washing of structures, reception equipment, administration, storage and distribution of products with the reference numbers 401, CEPP 1007/13 and CEPP/2013/13	Celulosa y Energía Punta Pereira	627	06.14.2017	US\$	627,200
SAAM S.A.	Credit letter Sby LC	Credit facilities granted to Luckymont S.A. Banco Scotiabank	Banco Scotiabank	245	06.30.2017	US\$	245,000
SAAM S.A.	Credit letter Sby LC	Credit facilities granted to Gertil S.A. Banco Santander	Banco Santander Uruguay	294	06.24.2017	US\$	294,000
Florida International Terminal LLC.	Credit letter Sby LC	Credit letter Sby LC Guarantee the compliance with the obligations in the "Broward County Marine Terminal Lease and Operating Agreement".	Broward County, Board of Country Comissioners, Port Everglades, USA	490	05.18.2017	US\$	490,000
Florida International Terminal LLC.	Credit letter Sby LC	Guarantee the payments related to the Workers Compensation insurance policy (insurance policy against accidents and occupational disease) to employees who belong to ILA union.	Broward County, Board of Country Comissioners, Port Everglades, USA	413	05.18.2017	US\$	412,807
Saam Remolques S.A. de C.V.	Standby letter	Guarantee the compliance with concession contracts for the ports in Veracruz, Altamira, Tampico Lázaro Cárdenas and Tuxpan.	Administradoras Portuarias Integrales	698	Other annual maturities	MXN	14,395,220
Saam Puertos S.A.	Standby letter	Guarantee the compliance with the obligations in the "Partial assignment of concession rights agreement" entered into by Terminal Marítima Mazatlán S.A.	Administración Portuaria Integral de Mazatlán	4,848	12.31.2031	MXN	100,000,000
Ecuaestibas S.A.	Insurance policy	Guarantee for the temporary import of tugboats, boats, container carriers, tractor units and trailers.	Servicio Nacional de Aduana del Ecuador	2,392	Several maturities	US\$	2,392,067
Inarpi S.A.	Insurance policy	Guarantee the compliance with custom duties for temporary storage.	Servicio Nacional de Aduana del Ecuador	11,021	Several maturities	US\$	11,020,560
Terminal Marítima Mazatlán S.A. de C.V.	Standby letter	Guarantee the compliance with the obligations in the "Partial assignment of concession rights agreement"	Administración Portuaria Integral de Mazatlán	1,592	04.15.2017	MXN	32,843,021
Terminal Marítima Mazatlán S.A. de C.V.	Standby letter	Guarantee tax interest arising from the authorization of August 29, 2012, issued by the Central Administration of Customs Standards of the Tax Administration System through official communication 800-02-00-00-2012-10284 to provide handling, storage and custody of foreign trade goods services.	Administración Portuaria Integral de Mazatlán	1,331	12.31.2017	MXN	27,455,492

24,329



SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 36 Contingencies and Commitments, continued

(36.1) Guarantees provided, continued

The Company recognized no guarantees granted directly.

Guarantees granted by its direct subsidiary SAAM S.A., are as follows:

2015

Company	Guarantee	Purpose	Beneficiary	Balance as of 12.31.2015		Balance as of 12.31.2015	
				ThUS\$	Maturity	Currency	US\$ - UF - CLP
SAAM S.A.	Bank guarantee certificates	Guarantee the compliance with the contract/obligations	Empresas Portuarias, Transportes Containers S.A, Universidad Arturo Prat, Enap S.A., Gobernación Provincial del Loa, Talcahuano Terminal Portuario S.A., Terminal Cerros de Valparaíso, Dirección Regional del Territorio Marítimo, Anglo American Norte. Compañía Siderúrgica Huachipato, Odfjell y Vapores S.A., Astilleros y Maestranza de la Armada, ENAP, Dirección Nacional de Aduanas and Zeal Sociedad Concesionaria S.A.	2,627	Several maturities	Ch\$	1,865,754,053
Saam Extraportuarios S.A.	Bank guarantee certificates	Guarantee obligation as warehouse company	Fisco de Chile - Director Nacional de Aduanas	2,165	03.31.2016	UF	60,000.00
Iquique Terminal Internacional S.A.	Bank guarantee certificates	Guarantee the compliance with concession agreemnt	Empresa Portuaria Iquique	4,197	10.31.2016	US\$	4,196,538
Iquique Terminal Internacional S.A.	Bank guarantee certificates	Guarantee obligation as warehouse company	Servicio Nacional de Aduanas	216	03.31.2016	UF	6,000
Iquique Terminal Internacional S.A.	Bank guarantee certificates	Guarantee the compliance with health care and social security obligations	Inspección Provincial del Trabajo de Iquique	76	03.31.2016	UF	2,108
Muellaje ITI S.A.	Bank guarantee certificates	Guarantee the compliance with health care and social security obligations	Inspección Provincial del Trabajo de Iquique	716	03.31.2016	UF	19,838
Cosem S.A.	Bank guarantee certificates	Guarantee obligation as docking company	Inspección del Trabajo de Arica, Antofagasta, Huasco, Valparaíso, Puerto Aysén y Punta Arenas	266	03.31.2016	UF	7,374.72
Inmobiliaria Marítima Portuaria Ltda.	Bank guarantee certificates	Guarantee the compliance with the contract/obligations	ESVAL S.A.	5	10.10.2016	UF	150.00
Inmobiliaria Carriel Ltda.	Bank guarantee certificates	Guarantee the compliance with urban infrastructure	Municipalidad de Talcahuano	490	12.05.2016	UF	13,574.00
Terminal El Colorado S.A.	Bank guarantee certificates	Guarantee obligation as docking company	Inspección del Trabajo de Iquique	49	03.31.2016	UF	1,348.05
Terminal El Caliche S.A.	Bank guarantee certificates	Guarantee obligation as docking company	Inspección del Trabajo de Antofagasta	28	03.31.2016	UF	775.92
Terminal El Chinchorro S.A.	Bank guarantee certificates	Guarantee obligation as docking company	Inspección del Trabajo de Arica	10	03.31.2016	UF	286.52
Terminal Las Golondrinas S.A.	Bank guarantee certificates	Guarantee obligation as docking company	Inspección del Trabajo de Tho. y Pto.Montt.	166	03.31.2016	UF	4,598.48
				11,011			

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 36 Contingencies and Commitments, continued

(36.1) Guarantees provided, continued

The Company recognized no guarantees granted directly.
Guarantees granted by its direct subsidiary SAAM S.A., are as follows:

2015

Company	Guarantee	Purpose	Beneficiary	ThUS\$	Maturity	Currency	US\$ - UF - CLP
Concesionaria Saam Costa Rica S.A.	Credit letter Sby LC	Guarantee the issuance of the contract performance guarantee through Banco de Costa Rica to secure the obligations in the concession contract	INCOP	246	08.18.2016	US\$	246,316
SAAM S.A.	Credit letter Sby LC	Guarantee the "Lease of two (2) marine tugboat type vessels for the docking and undocking service at Puerto Cortes, Oma and Tela"	Empresa Nacional Portuaria - Honduras	650	11.30.2016	US\$	650,000
SAAM S.A.	Credit letter Sby LC	Credit letter Sby LC Guarantee the issuance of the surety bond in compliance with the standards contained in the Merchant Shipping Act - Colombia, through Cia. De Seguros Mapfre Chile, to secure the obligations of the subsidiary Saam Remolcadores Colombia S.A.	Aduana Colombia	132	01.02.2018	US\$	131,600
SAAM S.A.	Credit letter Sby LC	Guarantee the provision of port and storage services in Punta Pereira, pressure washing of structures, reception equipment, administration, storage and distribution of products with the reference numbers 401, CEPP 1007/13 and CEPP/2013/13	Celulosa y Energía Punta Pereira	627	06.14.2016	US\$	627,200
Florida International Terminal LLC.	Credit letter Sby LC	Credit letter Sby LC Guarantee the compliance with the obligations in the "Broward County Marine Terminal Lease and Operating Agreement".	Broward County, Board of Country Comissioners, Port Everglades, USA	490	05.18.2016	US\$	490,000
Inversiones Habsburgo S.A.	Standby letter	Guarantee contract performance in accordance with the tender process No. 01/2014 "Lease of two (2) marine tugboat type vessels for the towage, docking and undocking service in Puerto Cortes, Omoa and Tela"	Empresa Nacional Portuaria - Honduras	569	10.31.2016	LPS	12,728,723
Saam Remolques S.A. de C.V.	Standby letter	Guarantee the compliance with concession contracts for the ports in Veracruz, Altamira, Tampico Lázaro Cárdenas and Tuxpan.	Administradoras Portuarias Integrales	652	Other annual maturities	MXN	11,299,600
Saam Puertos S.A.	Standby letter	Guarantee the compliance with the obligations in the "Partial assignment of concession rights agreement" entered into by Terminal Marítima Mazatlán S.A.	Administración Portuaria Integral de Mazatlán	5,767	12.31.2031	MXN	100,000,000
Ecuastibas S.A.	Insurance policy	Guarantee for the temporary import of tugboats, boats, container carriers, tractor units and trailers.	Servicio Nacional de Aduana del Ecuador	2,682	Several maturities	US\$	2,682,400
Inarpi S.A.	Insurance policy	Guarantee the compliance with custom duties for temporary storage	Servicio Nacional de Aduana del Ecuador	14,517	Several maturities	US\$	14,517,256
Terminal Marítima Mazatlán S.A. de C.V.	Standby letter	Guarantee the compliance with the obligations in the "Partial assignment of concession rights agreement"	Administración Portuaria Integral de Mazatlán	1,831	04.15.2016	MXN	31,744,184
Terminal Marítima Mazatlán S.A. de C.V.	Standby letter	Guarantee tax interest arising from the authorization of August 29, 2012, issued by the Central Administration of Customs Standards of the Tax Administration System through official communication 800-02-00-00-2012-10284 to provide handling, storage and custody of foreign trade goods services.	Administración Portuaria Integral de Mazatlán	1,313	12.31.2015	MXN	22,761,091
				29,476			

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 36 Contingencies and Commitments, continued
(36.2) Co-debtors

As of December 31, 2016, the Company has not been recognized as co-debtor of subsidiaries and associates. The detail of obligations recorded by its direct subsidiary SAAM S.A., are as follows:

2016

Company	Guarantee	Purpose	Beneficiary	12.31.2016		12.31.2016	
				ThUS\$	Maturity	Currency	US\$
Saam Puertos S.A.	Guarantor and joint debtor	Guarantee obligations for loan granted to Terminal Marítima Mazatlán S.A. de C.V.	Banco Itaú Chile	9,052	11.09.2019	US\$	9,052,000
Saam Puertos S.A.	Guarantor and joint debtor	Guarantee obligations for loan granted to Inarpi S.A.	Banco del Estado de Chile	12,492	01.22.2023	US\$	12,492,155
Saam Puertos S.A.	Guarantor and joint debtor	Guarantee obligations for loan granted to Inarpi S.A.	Banco de Crédito e Inversiones	4,413	03.30.2020	US\$	4,412,918
Saam Puertos S.A.	Guarantor and joint debtor	Guarantee obligations for loan granted to Inarpi S.A.	Banco de Crédito e Inversiones	2,649	03.30.2020	US\$	2,648,610
Saam Puertos S.A.	Guarantor and joint debtor	Guarantee obligations for loan granted to Inarpi S.A.	Banco del Estado de Chile	15,061	05.23.2026	US\$	15,060,895
Saam Puertos S.A.	Guarantor and joint debtor	Guarantee obligations for loan granted to Inarpi S.A.	Banco Santander Chile	7,092	11.20.2024	US\$	7,092,014
Saam Puertos S.A.	Guarantor and joint debtor	Guarantee obligations for loan granted to Inarpi S.A.	Bancolombia S.A.S.	2,477	12.28.2024	COL\$	7,432,590,000
SAAM S.A.	Guarantor and joint debtor	Guarantee obligations for loan granted in conformity with Financing Contracts No. 97.2.491.3.1	Banco Nacional do Desenvolvimento Econômico e Social - BNDES	28,900	Several maturities	US\$	28,899,997
SAAM S.A. y Alaria S.A.	Guarantor and joint debtor	Guarantee obligations for loan granted in conformity with Financing Contract through Fixed Credit Merchant Marine No. 20/00503-2	Banco do Brasil S.A.	25,909	Several maturities	US\$	25,908,877
				108,045			

2015

	Guarantee	Purpose		Balance as of 12-31-2015		Balance as of 12-31-2015	
				ThUS\$	Maturity	Currency	US\$
Saam Puertos S.A.	Guarantor and joint debtor	Guarantee obligations for loan granted to Terminal Marítima Mazatlán S.A. de C.V.	Banco Itaú Chile	12,069	9-11-2019	USD	12,069,333
Saam Puertos S.A.	Guarantor and joint debtor	Guarantee obligations for loan granted to Inarpi S.A.	Banco del Estado de Chile	14,410	1-22-2023	USD	14,410,199
Saam Puertos S.A.	Guarantor and joint debtor	Guarantee obligations for loan granted to Inarpi S.A.	Banco de Crédito e Inversiones	5,045	3-30-2020	USD	5,044,722
Saam Puertos S.A.	Guarantor and joint debtor	Guarantee obligations for loan granted to Inarpi S.A.	Banco de Crédito e Inversiones	3,027	3-30-2020	USD	3,026,833
Saam Puertos S.A.	Guarantor and joint debtor	Guarantee obligations for loan granted to Puerto Buena Vista S.A.	Leasing Colombia S.A.	7,083	12-28-2024	COL\$	22,307,913,980
SAAM S.A.	Guarantor and joint debtor	Guarantee obligations for loan granted in conformity with Financing Contracts No. 97.2.491.3.1	Banco Nacional do Desenvolvimento Econômico e Social - BNDES	32,361	Several maturities	USD	32,361,053
SAAM S.A. and Alaria S.A.	Guarantor and joint debtor	Guarantee obligations for loan granted in conformity with Financing Contract through Fixed Credit Merchant Marine No. 20/00503-2	Banco do Brasil S.A.	29,448	Several maturities	USD	29,447,949
				103,443			

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 36 Contingencies and Commitments, continued

(36.3) Pledge and mortgages

As of December 31, 2016, the Company has not been recognized as co-debtor of subsidiaries and associates. The detail of obligations recorded by its direct subsidiary SAAM S.A., are as follows

2016

Company	Guarantee	Purpose	Beneficiary	12.31.2016		12.31.2016	
				ThUS\$	Maturity	Currency	US\$ -UF - CAD
Saam Puertos S.A.	Pledge on shares of San Antonio Terminal Internacional S.A.	Guarantee obligations for loan granted	Banco de Crédito e Inversiones	50,444	03.31.2025	US\$	50,444,160
Saam Puertos S.A.	Pledge on shares of Antofagasta Terminal Internacional S.A.	Guarantee obligations for loan granted	Banco Estado	35,604	12.23.2024	US\$	35,603,998
Saam Puertos S.A.	Pledge on shares of Terminal Puerto Arica S.A.	Guarantee obligations for loan granted	Banco de Crédito e Inversiones	2,526	12.15.2019	US\$	2,525,612
Inmobiliaria Marítima Portuaria Ltda.	Mortgage	Guarantee obligations for loan granted	Banco del Estado de Chile	202	05.28.2018	UF	5,129
Tugbrasil Apoio Portuário S.A.	Marine Mortgage	Guarantee obligations for loan granted in conformity with Financing Contracts No. 97.2.491.3.1	Banco Nacional do Desenvolvimento Econômico e Social – BNDES	28,900	Several maturities	US\$	28,899,997
Tugbrasil Apoio Portuário S.A.	Marine Mortgage	Guarantee obligations for loan granted in conformity with Financing Contracts No. 97.2.491.3.1	Banco do Brasil S.A.	25,909	Several maturities	US\$	25,908,877
SAAM SMIT Canadá Inc.	Marine Mortgage	Guarantee obligations for loan granted	Banco Scotiabank Canadá	19,095	11.30.2020	CAD	25,369,000
Kios S.A.	Certificate of deposit	Guarantee obligations as port operator in Uruguay in conformity with Decree No.413 of September 1, 1992.	Administración Nacional de Puertos	150	No maturity	US\$	150,000
				162,830			

2015

Company	Guarantee	Purpose	Beneficiary	Balance as of 12.31.2015		Balance as of 12.31.2015	
				ThUS\$	Maturity	Currency	US\$ - UF - CLP
Saam Puertos S.A.	Pledge on shares of San Antonio Terminal Internacional S.A.	Guarantee obligations for loan granted	Banco de Crédito e Inversiones	50,338	03.31.2025	US\$	50,338,414
Saam Puertos S.A.	Pledge on shares of Antofagasta Terminal Internacional S.A.	Guarantee obligations for loan granted	Banco Estado	36,933	12.23.2024	US\$	36,932,821
Saam Puertos S.A.	Pledge on shares of Terminal Puerto Arica S.A.	Guarantee obligations for loan granted	Banco de Crédito e Inversiones	2,920	12.15.2019	US\$	2,919,667
Inmobiliaria Marítima Portuaria Ltda.	Mortgage	Guarantee obligations for loan granted	Banco del Estado de Chile	309	05.28.2018	UF	8,556
Tugbrasil Apoio Portuário S.A.	Marine mortgage	Guarantee obligations for loan granted in conformity with Financing Contracts No. 97.2.491.3.1	Banco Nacional do Desenvolvimento Econômico e Social – BNDES	32,361	Several maturities	US\$	32,361,053
Tugbrasil Apoio Portuário S.A.	Marine mortgage	Guarantee obligations for loan granted in conformity with Financing Contracts No. 97.2.491.3.1	Banco do Brasil S.A.	29,448	Several maturities	US\$	29,447,949
SAAM SMIT Canadá Inc.	Marine mortgage	Guarantee obligations for loan granted	Scotiabank Canadá	17,539	11.30.2020	CAD	24,351,148
Kios S.A.	Guarantee deposit	Guarantee obligations as port operator in Uruguay in conformity with Decree No.413 of September 1, 1992.	Administración Nacional de Puertos	150	No maturity	US\$	150,000
				169,998			

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 36 Contingencies and Commitments, continued

(36.4) Mutual guarantee

Guarantee of the absolute compliance of the liabilities contained in the stockholders' agreements entered into between Saam Puertos S.A. and SSAHI-Chile on December 26, 2007, related to shares of San Antonio Terminal Internacional S.A. and San Vicente Terminal Internacional S.A., by virtue of which SAAM and Carrix Inc., mutually guarantee to indemnify its subsidiaries SSAHI-Chile and Saam Puertos S.A., respectively. These guarantees will be held during the valid period of the contract.

(36.5) Lawsuits

On September 16, 2016, the Chilean National Economic Attorney (FNE) filed a lawsuit at the Defense of Free Competition Court (TDLC) against the indirect associate Antofagasta Terminal Internacional S.A. (ATI) and the indirect subsidiary Saam Puertos S.A. for alleged breaches of the free competition regulation governing the concession of ATI.

Currently, the term to answer to the mentioned lawsuit is almost completed, and the Company is not yet in conditions to determine the likelihood that the ruling by the TDLC would negatively affect its equity.

The Company has some pending litigation and lawsuits for compensation for damages from its operating activity. Amounts below the deductible have been provisioned and the Company also has insurance policies as hedging for possible loss contingencies.

(36.6) Restrictions to management or financial indicators

The Parent and its subsidiaries have complied with all the contractual provisions regulating their management activities and financial ratios.

- a) Line of credit contract with Banco Crédito e Inversiones and Banco Estado, obtained by the indirect subsidiary Iquique Terminal Internacional S.A. (ITI).

As long as the payment of any loans granted under the credit contract is pending, ITI is obliged to maintain the following financial ratios in its consolidated financial statements as of December 31 of each year:

1. Net financial debt ratio on equity should not be higher than 3 times (≤ 3).
2. As of December 31, 2015, the net financial debt ratio on EBITDA should not be higher than 4 times (≤ 4) and as of December 31, 2016, should not be higher than three point five times (≤ 3.5).

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 36 Contingencies and Commitments, continued

(36.6) Restrictions to management or financial indicators, continued

- b) Line of credit contract with Banco Estado, obtained by the indirect subsidiary Iquique Terminal Internacional S.A. (ITI).

As long as the payment of any loans granted under the credit contract is pending, ITI is obliged to maintain the following financial ratios in its consolidated financial statements as of December 31 of each year:

1. Net financial debt ratio on equity should not be higher than three times (≤ 3)
2. Debt service hedging ratio, should not be less than one time (≥ 1).
3. Maintain in the financial statements as of December 31 of each year equity not lower than ThUS\$ 10,000.

- c) Line of credit contract with Banco Inbursa, obtained by indirect subsidiary Saam Remolques S.A. de C.V.

As long as the payment of any loans granted under the credit contract is pending, Saam Remolques is obliged to maintain the following financial ratios in its consolidated financial statements for each quarter:

1. Financial debt ratio on, maximum two point five times (≤ 2.5)
2. Interest rate hedging ratio (> 3).
3. Minimum equity MX\$ 600,000.

- d) Line of credit contract with Banco Corpbanca NY, obtained by indirect subsidiary Saam Remolques S.A. de C.V.

As long the payment of any loans granted under the credit contract is pending, Saam Remolques is obliged to maintain the following financial ratio in Saam Remolques's financial statements under local accounting principles (Mexico) as of December 31 of each year:

1. Net financial debt/EBITDA (≤ 3)

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 36 Contingencies and Commitments, continued

(36.6) Restrictions to management or financial indicators, continued

- e) Line of credit contract with Banco Itaú Chile, obtained by indirect subsidiary Terminal Marítima Mazatlán S.A. de C.V.

As long as the payment of any loans granted under the credit contract is pending, Terminal Marítima Mazatlán is obliged to maintain the following financial ratios in its consolidated financial statements as of December 31 of each year:

1. Debt ratio on equity not higher than 5 and 4 for years 2013 and 2014, respectively. For 2015, should not be higher than 2.5 times, while for 2016 and 2018, this ratio should not be higher than 1.5 times.
2. Financial debt ratio on Ebitda. Starting from 2015 to 2018, this ratio should not be higher than 4.0, 3.0, 2.0 and 1.5 times, respectively.

- f) Line of credit contract with Banco Estado, obtained for the indirect subsidiary Kios S.A.

As long as the repayment of any loans granted under the credit contract is pending, SAAM, as guarantor, is obliged to maintain the following financial ratios in its consolidated financial statements as of December 31, of each period:

1. Financial debt ratio not exceeding 1.2 times
2. Interest hedging ratio (>2.75)

During 2016, the Company repaid the financial obligation held; therefore, as of December 31, 2016, the measurement of this covenant is not applicable.

- g) Financing contract with Banco Scotiabank Canada, obtained by the indirect subsidiary Smit Marine Canadá Inc.

As long as the payment of any loan granted under the credit contract is pending, SMIT Marine Canadá Inc., is obliged to maintain the following financial ratios in its quarterly consolidated financial statements:

1. Net tangible asset ratio not higher than 2.5 times. It is the total liabilities on investment net assets, trade receivables due from related parties and intangible assets.
2. Consolidated EBITDA on financial expense and debt repayment ($> 0 = 1.25$).

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 36 Contingencies and Commitments, continued

(36.6) Restrictions to management or financial indicators, continued

- h) Financing contract with Banco Estado, obtained for the subsidiary SAAM SA for ThUS\$20,000.

As long as the payment of any loan granted under the credit contract is pending, SAAM is obliged to maintain the following financial ratios in its annual consolidated financial statements:

1. Net financial debt not higher than 1.2 times. It is the ratio between the net financial debt and the debtor's total equity.
2. Net financial expenses hedging not less than 2.75 times.

- i) Financing contract with Banco Estado, obtained for the subsidiary SAAM S.A. for ThUS\$ 25,000.

As long as the payment of any loan granted under the credit contract is pending, SAAM is obliged to maintain the following financial ratios in its annual consolidated financial statements:

1. Net financial debt not exceeding 1.2 times. It is the ratio between the net financial debt and the debtor's total equity.
2. Net financial expenses hedging not less than 2.75 times.

NOTE 36 Contingencies and Commitments, continued
(36.6) Restrictions to management or financial indicators, continued

Company	Financial institution	Name	Condition	12-31-2016	12-31-2015
SAAM S.A. (As guarantor of Kios S.A.)	Banco Estado	Net debt on equity ratio	As of December 31, should be less than or equal to 1.2.	N/A	0.12
		Interest hedging ratio	As of December 31, should be higher than 2.75.	N/A	5.04
SAAM S.A. (ThUS\$ 20,000)	Banco Estado	Net debt on equity ratio	As of December 31, should be less than or equal to 1.2.	0.31	-
		Interest hedging ratio	As of December 31, should be higher than 2.75.	8.48	-
SAAM S.A. (ThUS\$ 25,000)	Banco Estado	Net debt on equity ratio	As of December 31, should be less than or equal to 1.2.	0.31	-
		Interest hedging ratio	As of December 31, should be higher than 2.75.	8.48	-
Iquique Terminal Internacional S.A. (ITI)	Banco de Crédito e Inversiones	Net financial debt ratio / EBITDA	As of December 31, should not exceed 4.0 in 2015 and 3.5 from 2016 and after. As of December 31, should be less than or equal to 3.	0.89	1.36
		Net debt on equity ratio		0.62	1.30
Iquique Terminal Internacional S.A. (ITI)	Banco Estado	Net financial debt ratio / EBITDA	As of December 31, should be less than or equal to 3.	0.62	1.08
		Debt service hedging ratio	As of December 31, should not be less than 1.	1.84	1.83
		Maintain in financial statements an equity not less than ThUS\$ 10,000	As of December 31, should not be less than ThUS\$ 10,000.	ThUS\$ 28,227	ThUS\$ 24,018
Saam Remolques S.A. de C.V.	Banco Inbursa	Net financial debt ratio / EBITDA	In each quarter, should be less than or equal to 2.5 times.	1.45	1.54
		Interest hedging ratio	In each quarter, should be higher than 3	5.5	8.83
		Maintain in financial statements an equity not less than MX\$ 600,000	In each quarter, should be less than MX\$ 600,000.	MX\$ 4,405,152	MX\$ 3,602,677
Saam Remolques S.A. de C.V.	Banco Corpbanca NY	Net financial debt ratio / EBITDA	As of December 31, should be less than or equal to three times.	2.12	1.95
		Terminal Marítima Mazatlán. De C.V.	Banco Itaú	Net financial debt ratio / Equity	As of December 31, 2016 and 2015, should not be higher than 1.5 and 2.5, respectively.
	Net financial debt ratio / EBITDA	As of December 31, 2016 and 2015, should not be higher than 3 and 4, respectively.		0.80	1.44
SAAM SMIT Marine Canadá Inc	Banco Scotiabank Canadá	Net tangible asset ratio	In each quarter, should be less than 2.5 times.	0.58	0.60
		Consolidated EBITDA, on financial expense and debt repayment	In each quarter, should be less than or equal to 1.25 times.	4.74	3.66

N/A: As of December 31, 2016, the Company has settled its financial obligations.

S/Th: Financial indicator which requires no measurement during interim periods; therefore, its calculation as of December 31, 2016, is not required.

At the reporting date, the Company complies with all its restrictions related to financial obligations assumed.

NOTE 37 Foreign currency translation difference

Foreign currency translation differences generated by items in foreign currencies were credited (debited) to profit or loss, as follows:

	01-01-2016 12-31-2016 ThUS\$	01-01-2015 12-31-2015 ThUS\$
Chilean companies		
Current assets	4,159	(3,186)
Non-current assets	55	(727)
Current liabilities	(2,272)	2,461
Non-current liabilities	(777)	652
Subtotal Chilean companies	1,165	(800)
Mexican companies		
Current assets	(3,432)	(1,249)
Non-current assets	-	-
Current liabilities	2,156	(61)
Non-current liabilities	2,516	6,234
Subtotal Mexican companies	1,240	4,924
Companies in other jurisdictions		
Current assets	(115)	(893)
Non-current assets	-	120
Current liabilities	13	537
Non-current liabilities	(110)	(200)
Subtotal companies in other jurisdictions	(212)	(436)
Total exchange rate difference	2,193	3,688

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 38 Foreign currency

a) As of December 31, 2016, this caption is composed as follows:

Assets	US\$	Ch\$	CAD	MXP	Other currency	Total
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Current assets						
Cash and cash equivalents	131,426	6,684	2,176	1,083	1,660	143,029
Other current financial assets	3,357	2,503	46	-	-	5,906
Other current non-financial assets	6,655	1,202	336	860	334	9,387
Trade and other receivables	27,006	24,956	3,365	25,601	281	81,209
Accounts receivables due from related parties, current	10,009	5,216	-	-	-	15,225
Inventories, current	11,578	177	430	1,900	104	14,189
Current tax assets	17,049	729	396	24	143	18,341
Total current assets other than assets or asset groups for disposal classified as held for sale or held for distribution to owners	207,080	41,467	6,749	29,468	2,522	287,286
Total current assets or asset groups for disposal classified as held for sale or held for distribution to owners	482	9,963	-	-	-	10,445
Total current assets	207,562	51,430	6,749	29,468	2,522	297,731
Non-current assets						
Other non-current financial assets	1,751	-	-	-	-	1,751
Other non-current non-financial assets	7,183	2	-	358	15	7,558
Non-current receivables	17,095	2,415	-	-	-	19,510
Accounts receivables due from related parties, current	-	131	-	-	-	131
Inventories, non-current	2,422	11	-	-	-	2,433
Investments recognized using the equity method	263,347	26,706	-	-	5,435	295,488
Intangible assets other than goodwill	85,449	451	10,335	278	-	96,513
Goodwill	54,661	-	-	-	-	54,661
Property, plant and equipment	356,645	70,018	51,542	-	-	478,205
Investment property	-	1,999	-	-	-	1,999
Deferred tax assets	7,458	3,772	158	110	1	11,499
Total non-current assets	796,011	105,505	62,035	746	5,451	969,748
Total assets	1,003,573	156,935	68,784	30,214	7,973	1,267,479

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 38 Foreign currency, continued

b) As of December 31, 2016, this caption is composed as follows:

Liabilities	US\$	Ch\$	UF	CAD	MXP	Other currency	Total
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Current liabilities							
Other current financial liabilities	71,693	-	140	1,351	1,056	-	74,240
Trade and other payables	10,787	14,468	-	4,680	1,885	258	32,078
Trade payables due to related parties, current	14	1,183	-	-	-	-	1,197
Other short-term provisions	816	103	-	-	-	-	919
Current tax liabilities, current	1,465	471	-	-	1,942	594	4,472
Current provisions for employee benefits	1,927	9,322	-	-	571	961	12,781
Other current non-financial liabilities	16,550	623	-	-	1,715	21	18,909
Total current liabilities	103,252	26,170	140	6,031	7,169	1,834	144,596
Non-current liabilities							
Other non-current financial liabilities	164,576	-	62	17,744	12,513	-	194,895
Trade payables due to related parties, non-current	-	12	-	-	-	-	12
Other long-term provisions	374	-	-	-	-	715	1,089
Deferred tax liabilities	38,124	4,656	-	7,519	-	2	50,301
Non-current provisions for employee benefits	1,071	10,505	-	-	106	81	11,763
Other non-current non-financial liabilities	-	292	-	-	-	-	292
Total non-current liabilities	204,145	15,465	62	25,263	12,619	798	258,352
Total liabilities	307,397	41,635	202	31,294	19,788	2,632	402,948

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 38 Foreign currency, continued

a) As of December 31, 2015, this caption is composed as follows:

Assets	US\$	Ch\$	CAD	MXP	Other currency	Total
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Current assets						
Cash and cash equivalents	98,684	9,301	1,374	2,619	1,402	113,380
Other current financial assets	2,007	-	-	-	-	2,007
Other current non-financial assets	8,889	314	263	1,053	17	10,536
Trade and other receivables	22,404	32,239	3,691	22,127	718	81,179
Accounts receivables due from related parties, current	13,193	7,174	-	-	-	20,367
Inventories, current	11,665	130	322	3,605	253	15,975
Current tax assets	16,091	335	-	11	485	16,922
Total current assets other than assets or asset groups for disposal classified as held for sale or held for distribution to owners	172,933	49,493	5,650	29,415	2,875	260,366
Total current assets or asset groups for disposal classified as held for sale or held for distribution to owners	-	-	-	-	-	-
Total current assets	172,933	49,493	5,650	29,415	2,875	260,366
Non-current assets						
Other non-current financial assets	975	-	-	-	-	975
Other non-current non-financial assets	3,942	3	-	-	-	3,945
Non-current receivables	7,391	2,240	-	-	-	9,631
Accounts receivables due from related parties, current	-	79	-	-	-	79
Inventories, non-current	1,658	10	-	-	-	1,668
Investments recognized using the equity method	259,691	34,454	-	-	5,184	299,329
Intangible assets other than goodwill	89,570	441	10,829	514	-	101,354
Goodwill	54,661	-	-	-	-	54,661
Property, plant and equipment	360,176	66,231	50,328	-	-	476,735
Investment property	-	2,396	-	-	-	2,396
Deferred tax assets	1,537	7,977	134	-	15	9,663
Total non-current assets	779,601	113,831	61,291	514	5,199	960,436
Total assets	952,534	163,324	66,941	29,929	8,074	1,220,802

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 38 Foreign currency, continued

a) As of December 31, 2015, this caption is composed as follows:

Liabilities	US\$	Ch\$	UF	CAD	MXP	Other currency	Total
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Current liabilities							
Other current financial liabilities	56,165	-	123	2,974	1,268	-	60,530
Trade and other payables	10,910	20,541	-	4,713	4,358	213	40,735
Trade payables due to related parties, current	1,213	402	-	44	-	-	1,659
Other short-term provisions	1,686	251	-	-	-	-	1,937
Current tax liabilities, current	1,685	615	-	-	832	481	3,613
Current provisions for employee benefits	3,130	10,523	-	-	1,246	59	14,958
Other current non-financial liabilities	20,819	1,047	-	-	-	-	21,866
Total current liabilities	95,608	33,379	123	7,731	7,704	753	145,298
Non-current liabilities							
Other non-current financial liabilities	151,274	-	185	16,299	17,188	-	184,946
Trade payables due to related parties, non-current	-	10	-	-	-	-	10
Other long-term provisions	374	-	-	-	-	519	893
Deferred tax liabilities	21,324	19,088	-	9,673	-	166	50,251
Non-current provisions for employee benefits	975	8,709	-	-	114	57	9,855
Other non-current non-financial liabilities	166	-	-	-	-	-	166
Total non-current liabilities	174,113	27,807	185	25,972	17,302	742	246,121
Total liabilities	269,721	61,186	308	33,703	25,006	1,495	391,419

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 39 Statements of Cash Flows

2016

a) Cash flows from investing activities

As of December 31, 2016, disbursements for the acquisition of property, plant and equipment amounted to ThUS\$ 62,904, including value-added tax of ThUS\$2,604 and ThUS\$ 188 for the acquisition of assets in 2015, paid during 2016. Note 18.3 details the additions of ThUS\$ 61,494. The difference is explained by the capitalization of computer equipment of ThUS\$494 and purchases pending payment of ThUS\$ 888 at the reporting date.

As of December 31, 2016, disbursements for the acquisition of intangible assets amounted to ThUS\$ 2,579 including value-added tax of ThUS\$ 336. Note 17.3 details the additions of ThUS\$ 2,243.

As of December 31, 2016, the sale value agreed for the items of property, plant and equipment amounted to ThUS\$ 8,484, from which ThUS\$ 8,178 correspond to cash flows from the period arising from the sale of properties located in Valdivia, Santiago and Iquique, owned by the indirect subsidiary Inmobiliaria Marítima Portuaria SpA for ThUS\$ 2,833, the sale of tug boats by the indirect subsidiaries Saam Remolques S.A. de C.V and Concesionaria Saam Costa Rica S.A. for ThUS\$ 4,810 and other sales of assets for ThUS\$ 535. The cost of sale of these assets amounts to ThUS\$ 7,475 (Note 18.3), generating profit of ThUS\$ 1,009 (Note 34).

As of December 31, 2016, cash flows from dividends received amounted to ThUS\$ 40,162. Note 16.1 details the dividends distributed by associates amounting to ThUS\$39,150. The difference of ThUS\$1,012 is reconciled as follows:

- i) Plus dividends agreed in the current period pending payment at reporting date of ThUS\$ 3,598, of indirect associates Terminal Puerto Arica S.A of ThUS\$ 378, San Antonio Terminal Internacional S.A. of ThUS\$ 1,362, San Vicente Terminal Internacional S.A. of ThUS\$1,841 and LNG Tug Chile S.A of ThUS\$17.
- ii) Less dividends agreed in 2015 and paid in 2016 for ThUS\$ 4,587 from indirect associates San Antonio Terminal Internacional S.A. of ThUS\$ 2,293, San Vicente Terminal Internacional S.A. of ThUS\$ 1,911 and Terminal Puerto Arica S.A. of ThUS\$ 383.
- iii) Less exchange rate differences for dividends pending payment of ThUS\$23

Other cash inflows (outflows) of ThUS\$ 9,533, are mainly due to the capital reimbursement of Saam SMIT Towage Brasil S.A. of ThUS\$ 10,000 (Note 16.1), redemption of term deposits of ThUS\$1,033, less placement of the same financial instrument for ThUS\$1,500 in the indirect subsidiary Concesionaria Saam Costa Rica S.A.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 39 Statements of Cash Flows, continued

b) Cash flows from financing activities

As of December 31, 2016, dividends paid and/or profit distributions amounted to ThUS\$ 38,463, which is composed of dividends paid by Sociedad Matriz SAAM S.A. of ThUS\$ 34,435 and dividends and profit distribution paid to non-controlling interests of ThUS\$ 4,028, paid by Iquique Terminal Internacional of ThUS\$ 1,009, Florida International Terminal Llc of ThUS\$ 952, Inversiones San Marco Ltda of ThUS\$ 40 Saam Guatemala S.A. and Expertajes Marítimos S.A of ThUS\$ 200 and Saam Remolques S.A. de C.V. of ThUS\$ 1,827.

Dividends recognized in the statement of changes in equity amounted to ThUS\$ 33,803. The difference of ThUS\$ 4,660 is explained by dividends accrued and agreed upon during the current period of ThUS\$ 16,441 (which at reporting date are pending payment) and dividends accrued and agreed upon in 2015 and paid during 2016 of ThUS\$ 21,101.

The Company obtained long-term financing of ThUS\$ 49,078, through its indirect subsidiary SAAM S.A. of ThUS\$ 20,000 and indirect subsidiaries Kios S.A. of ThUS\$ 7,000 and Inarpi S.A. of ThUS\$ 22,078. In addition, the Company obtained short-term financing of ThUS\$ 46,417 from subsidiary SAAM S.A. of ThUS\$ 40,000 and indirect subsidiaries SAAM SMIT Marine Canadá Inc. of ThUS\$2,234 and Saam Remolques S.A de C.V. of ThUS\$ 4,183.

2015

a) Cash flows from investing activities

As of December 31, 2015, disbursements for the acquisition of property, plant and equipment amounted to ThUS\$ 65,035, including value-added tax of ThUS\$ 4,182. Additions of ThUS\$ 62,239 were reported in Note 18.3 corresponding to the same period. This difference is explained by the acquisition of a crane from indirect subsidiary Florida Terminal Internacional Inc. for ThUS\$ 1,198 under finance lease agreement, and other acquisitions pending payment amounting to ThUS\$ 188 at the reporting date.

As of December 31, 2015, disbursements for the acquisition of intangible assets amounted to ThUS\$ 2,469 including value-added tax supporting by the investment of ThUS\$ 26. Additions amounted to ThUS\$ 2,443 are informed in Note 17.3.

As of December 31, 2015 sale proceeds for property, plant and equipment amounted to ThUS\$ 4,458. The cost of sale of these assets amounted to ThUS\$ 921 (Note 18.3), ThUS\$ 3,507 (Note 8) y ThUS\$ 608 (Note 19), generating a profit of ThUS\$ 578 (Note 34).

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 39 Statements of Cash Flows, continued**2015, continued**

a) Cash flows from investing activities, continued

As of December 31, 2015 cash flows from dividends received amounted to ThUS\$ 38,310. Dividends distributed by associates amount to ThUS\$ 40,697. The difference of ThUS\$ 2,387 is reconciled as follows:

- i) Plus, dividends agreed in 2014 and paid in 2015, for a total of ThUS\$ 2,298, from Servicios Marítimos Patillos S.A. of ThUS\$ 754, Terminal Puerto Arica S.A. of ThUS\$ 249 and San Antonio Terminal Internacional S.A. of ThUS\$ 1,295.
- ii) Less dividends pending payment for a total of ThUS\$ 4,595, of the associate San Antonio Terminal Internacional S.A. for ThUS\$ 2,293, Lng Tugs S.A. for ThUS\$ 8, Terminal Puerto de Arica S.A. for ThUS\$ 383 and San Vicente Terminal Internacional S.A. for ThUS\$ 1,911, which will be paid in the next period.
- iii) Less ThUS\$90 corresponding to the adjustment for exchange difference associated with dividends agreed in a currency other than the US dollar.

The other cash inflows (outflows) of ThUS\$52,538, comprise the capital return of Saam SMIT Towage Brasil S.A. of ThUS\$20,000 (Note 16.1), cash flows from the settlement of the investment in business with third parties of ThUS\$34,423, less term deposits exceeding 90 days, of the indirect subsidiary Inarpi S.A. and Saam Costa Rica S.A. of ThUS\$2,007 (Note 10.a) and other cash inflows of ThUS\$122.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 39 Statements of Cash Flows, continued**2015, continued**

b) Cash flows from financing activities

As of December 31, 2015, dividends paid and/or profit distributions amounted to ThUS\$ 40,759, which corresponds to a dividend paid by Sociedad Matriz SAAM S.A. of ThUS\$ 30,519 and dividends and profit distribution paid to non-controlling interests of ThUS\$ 10,240 (paid by the indirect subsidiaries Florida International Terminal Llc of ThUS\$ 1,484, Iquique Terminal Internacional S.A. pf ThUS\$ 750, Inversiones San Marco Ltda. of ThUS\$ 48, Inmobiliaria San Marco Ltda. of ThUS\$ 14, Saam Remolques S.A. de C.V. of ThUS\$ 7,489, Marsud Servicios Marítimos y Portuarios Ltda. and Marsud Armazens Gerais Ltda. of ThUS\$ 455).

Dividends recognized in the statement of changes in equity amount to ThUS\$ 43,332, The difference of ThUS\$ 2,573 is explained by dividends accrued and agreed upon during 2015 which at reporting date of such financial statements were pending payment for ThUS\$ 21,104, less dividends agreed in 2014 and paid during 2015 for ThUS\$ 18,653, plus ThUS\$ 122 for exchange rate fluctuations between the payment date and the date agreed for the payment.

The Company obtained long-term financing of ThUS\$ 55,539, through agreements entered into by the indirect subsidiary SAAM S.A. of ThUS\$ 25,000, the indirect subsidiary Kios S.A. of ThUS\$ 13,000 and for the direct subsidiary SAAM SMIT Marine Canadá Inc. For ThUS\$ 17,539. Additionally, the Company has obtained short-term financing for ThUS\$ 42,927, for the subsidiary SAAM S.A. for ThUS\$ 30,000, SAAM SMIT Marine Canadá Inc. for ThUS\$ 1,734, Florida International Terminal Llc., for ThUS\$ 1,200, Kios S.A. for ThUS\$ 590 and Iquique Terminal Internacional for ThUS\$ 9,403.

NOTA 40 Environment

The Parent is not affected by this concept, because SM-SAAM is an investment company.

At the closing date of the financial statements, SAAM S.A. and subsidiaries have written civil liability insurance policies in favor of third parties against pollution damages and/or fines resulting from pollution associated with its tugboat fleet up to a limit of ThUS\$500,000 as an annual aggregated amount.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 41 Closure of logistics activities

Due to the strong decline in the shipping industry, which reached its peak when CSAV established its own agencies and no longer required the services rendered by SAAM, the Logistics business in Chile, as well as in Brazil and Uruguay, suffered a significant decrease in profit, confirming the internalization trend in the industry with respect to these activities. Note that activities affected currently represent a total of 4.3% (5.8% as of December 2015) of the consolidated income of SAAM.

As a result, during 2015, the Company's Management decided to terminate the business of Agenciamiento Línea y Depósito de Contenedores in the central part of Chile, in Brazil and part of the business in Uruguay. This generated the recognition of a debit to profit or loss of ThUS\$6,773, including impairment of property, plant and equipment and inventory, write-off of the SAP system (intangible asset) and costs of employment termination, according to the following:

	ThUS\$
Impairment of property, plant and equipment	(2,355)
Impairment of intangible assets	(1,393)
Impairment of inventories	(970)
Transfer of equipment	(362)
Closure of logistics activities in Chile	(1,693)
Closure of logistics activities in Chile	(6,773)

Both the impairment and the provisions of ThUS\$6,773 were recognized in profit or loss for the year 2015. At the reporting date, the Company has used the provisions made during 2015, and no balance remains as of December 31, 2016.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 42 Subsequent events

On January 17, 2017, a placement of Series B and C bonds of SM SAAM was made at the Santiago Stock Exchange under a Dutch auction.

The Series B bonds were placed for a total of UF1,400,000 [US\$56,243,446], at an annual placement rate of 1.88%, maturing on December 15, 2021 and a spread of 92 points over the reference rate. Series C bonds were placed for a total of UF1,400,000, at an annual placement rate of 2.3%, maturing on December 15, 2026 and a spread of 101 points over the reference rate.

The funds obtained from the mentioned placement will be used to finance, pay or prepay the short or long-term liabilities of SM SAAM and/or its subsidiaries.

On February 8, 2017, the acquisition of shares between SAAM Operadora de Puertos Empresa Estiba y Desestiba Costa Rica S.A. (as purchaser), a subsidiary fully owned by SAAM Puertos S.A., and Sociedad Portuaria Regional Buenaventura S.A. (as seller) was completed.

Therefore, through the purchase of shares of Sociedad Portuaria de Caldera S.A and Sociedad Portuaria Granelera S.A., they are now indirectly controlled by SAAM Puertos S.A., an indirect subsidiary of SM SAAM.

The transaction price was ThUS\$48,500 for 51% interest in such companies.

Between January 1, 2017, and the date of issuance of these financial statements, there have been no financial or other events that could significantly affect their presentation and/or interpretation

MANAGEMENT'S ANALYSIS

CONSOLIDATED FINANCIAL STATEMENTS SOCIEDAD MATRIZ SAAM S.A.
For the year ended December 31, 2016

I) SUMMARY OF THE PERIOD

Sociedad Matriz SAAM S.A. (SM SAAM) obtained a net income of US\$54,545 for the 2016 exercise, representing a decrease of 21% with respect to 2015, whose results were US\$ 68,936 million. This variation is mainly due to the recording of extraordinary results in 2015 as a consequence of the restructuring of its Tramarsa business in Peru.

During 2016, the Company reported sales for US\$717,096 million (considering affiliated companies at their proportional value), representing 4.4% lower than in 2015. EBITDA reached US\$204.9 million at December, 2016, including the results of affiliates at their proportional value, representing 1% higher than in 2015.

Among the most important milestones of 2016 should be mentioned: the agreement to acquire 51% of the companies that operate Puerto Caldera, second largest port in Costa Rica; inauguration of the new docks in San Vicente Terminal Internacional (SVTI) and in Terminal Internacional del Sur (Tisur) in Peru; extension works in Terminal Portuario Guayaquil (TPG) in Ecuador; acquisition of 8 new tugboats, and SAAM's incorporation to the Dow Jones Sustainability Index in Chile.

Results for the fourth quarter? of 2016 by business division

This year, the Port Terminals Division's revenues increased by 12.1% (US\$275,615 million), while Ebitda reached US\$89,919 million, 25.8% higher with respect to 2015.

Outstanding in 2016 were the good performances of: Florida International Terminal (FIT) in the United States; San Vicente Terminal Internacional (SVTI) in Chile; and Terminal Internacional del Sur (Tisur) in Peru.

Revenues of the Towage Division reached US\$273,995 million and Ebitda was US\$100,931 million. During this year, there was an increase in special services and new contracts were signed in Panama and Honduras. Likewise, the division was awarded the Altamira concession in Mexico, and 8 new tugboats were incorporated to the fleet.

Lastly, the Logistics Division's revenues amounted to US\$167,486 million, and Ebitda was US\$14,074 million, figure that reflects the drop in the sale of services to shipping companies and the closing of module-construction services for containers in Peru, part of the adjusting process of the division to the new business strategy focused on Supply Chain services.

SAAM, a subsidiary of Sociedad Matriz SAAM S.A., is a multinational company that provides services to international trade through its three business divisions: Port Terminals, Towage, and Logistics. With 55 years of experience, SAAM is present in 15 countries in North, Central and South America, generating jobs for more than 11 thousand employees. It is one of the leading companies in port operations in South America and in towage services at world level.

II) FINANCIAL INDICATORS

Following are the consolidated results of SM SAAM S.A. and Subsidiaries, for the period between January 1 and December 31, 2016 and January 1 and December 31, 2015.

Ownership	Unit	12.31.2016	12.31.2015
Number of shares of SM SAAM	N°	9,736,791,983	9,736,791,983
Majority Shareholder - Quiñenco Group	%	52.20%	42.44%
Share value at closing	\$	51.61	44.85

Liquidity	Unit	12.31.2016	12.31.2015
Current ratio (Total current assets / Total current liabilities)	times	2.06	1.79
Acid ratio (Total current assets minus non-current assets held for sale, inventories, and advance payments / Total current liabilities).	times	1.86	1.65

Liquidity ratio at December 31, 2016, shows an increase in relation to December 2015, varying from 1.79 to 2.06 times. This increase is explained by higher cash and cash equivalents in 2016 originated by dividends paid by affiliates in Peru and by lower current liabilities (mainly commercial accounts payable and dividends payable).

Debt Indicators	Unit	12.31.2016	12.31.2015
Leverage (Total liabilities/ Total equity)	times	0.47	0.47
Proportion of short-term debt (Current liabilities/Total liabilities)	%	35.88	37.12
Proportion of long-term debt (Non-current liabilities /Total liabilities)	%	64.12	62.88
Financial expenses coverage (Results before taxes and interests / Financial costs)	times	7.80	10.00

The leverage ratio, the current debt ratio and the non-current debt ratio do not present significant variations with respect to December 2015. Financial expenses coverage is lower in 2016 due to the lower result before taxes.

II) FINANCIAL INDICATORS, continued

Profitability	Unit	12.31.2016	12.31.2015
Earnings per share (Net income attributable to controller / N° of subscribed and paid-in shares)	US\$	0.005602	0.007080
Return on Equity (Net income attributable to controller / Equity attributable to controller)	%	7.44	9.63
Return on assets (Net income attributable to controller / Total assets)	%	4.38	5.64

Profitability indicators for this exercise are lower, due to the decreased non-operational result at December 2016.

Results	Unit	12.31.2016	12.31.2015
Operating Income	ThUS\$	40,793	41,059
Interest expense	ThUS\$	(10,946)	(10,801)
Non-operating Income	ThUS\$	33,657	56,150
EBITDA	ThUS\$	91,379	91,765
Net income for the year attributable to controller	ThUS\$	54,545	68,936

The reduction in non-operating income is mainly due to the net effect resulting from recognizing the result of equity investments and the result from the sale of a share in affiliates generated in 2015.

II) FINANCIAL INDICATORS, continued

Activity Indicators	Unit	12.31.2016	12.31.2015
Rotation of Total Assets (Sales / Total Assets)	times	0.31	0.35
Rotation of Total Fixed Assets (Sales / Fixed assets)	times	0.82	0.89
Rotation of Working Capital ((Sales/(Current Assets – Current Liabilities))	Times	2.57	3.70

Overall, the financial indicators show a stable enterprise, presenting liquidity indicators that allow it to cover without problems its short-term obligations, with a mainly non-current debt structure.

The decrease in these activity indicators is mainly given by the lower sales with respect to December 2015.

III) DIFFERENCE BETWEEN ECONOMIC VALUES AND BOOK VALUE OF MAIN ASSETS

In management's opinion, at December 31, 2016, overall, there are no significant differences between economic and book values of the main consolidated assets, such as land, tugboats and port equipment.

IV) ANALYSIS OF OPERATING INCOME BY SEGMENT

Regarding the areas, SM SAAM has defined three business segments as representatives of operational activities, developed in 14 countries through SAAM and subsidiaries, which are the following:

- **Towage Segment**, includes such services as docking and undocking, towing, rescuing, assistance to LNG plants and off-shore assistance services provided by the Company with its own fleet of 179 units (2 of which are under construction), in the principal ports of Chile, Peru, Ecuador, Mexico, Colombia, Uruguay, Brazil, Guatemala, Honduras, Costa Rica, Panama and Canada.
- **Port Terminals Segment**, provides port terminal operator services in Chile, USA, Ecuador, Mexico and Colombia.

IV) ANALYSIS OF OPERATING INCOME BY SEGMENT, continued.

- **Logistics and Other Related Business Segment**: provides services to (i) shipping and airline companies: agency services, aviation and passenger services, stevedoring in terminals not under concession, and container depots and dock workshop services (ii) exporters and importers: warehousing, cold storage, cargo consolidation and deconsolidation, bulk and break bulk cargo, ground transportation and distribution, and (iii) special services such as sale and lease of containers and modules, connection and disconnection of flexible tubes, discharge of oil, liquid storage, and services to the timber industry, among others. These services are primarily in Chile and Peru.

Segment	Continuing Operations	12.31.2016 ThUS\$	12.31.2015 ThUS\$	S. Dev.	Var.%
Towage	Income from Ordinary Activities	185,154	188,824	(3,670)	(2%)
	Cost of Sales	(130,641)	(130,863)	222	0%
	Gross Margin	54,513	57,961	(3,448)	(6%)
	General and Administrative Expenses	(25,820)	(26,860)	1,040	(4%)
	Operating Income (Loss)	28,693	31,101	(2,408)	(8%)
	EBITDA	61,238	62,430	(1,192)	(2%)
	EBITDA Margin (EBITDA/Income from Ord. Act.)	33%	33%		
Port Terminals	Income from Ordinary Activities	114,655	125,358	(10,703)	(9%)
	Cost of Sales	(79,819)	(85,731)	5,912	(7%)
	Gross Margin	34,836	39,627	(4,791)	(12%)
	General and Administrative Expenses	(19,174)	(21,736)	2,562	(12%)
	Operating Income (Loss)	15,662	17,891	(2,229)	(12%)
	EBITDA	27,314	29,502	(2,188)	(7%)
	EBITDA Margin (EBITDA/Income from Ord. Act.)	24%	24%		
Logistics	Income from Ordinary Activities	94,123	112,091	(17,968)	(16%)
	Cost of Sales	(80,821)	(97,632)	16,811	(17%)
	Gross Margin	13,302	14,459	(1,157)	(8%)
	General and Administrative Expenses	(16,864)	(22,392)	5,528	(25%)
	Operating Income (Loss)	(3,562)	(7,933)	4,371	55%
	EBITDA	2,827	(167)	2,994	(1,793%)
	EBITDA Margin (EBITDA/Income from Ord. Act.)	3%	0%		
Total	Income from Ordinary Activities	393,932	426,273	(32,341)	(8%)
	Cost of Sales	(291,281)	(314,226)	22,945	(7%)
	Gross Margin	102,651	112,047	(9,396)	(8%)
	General and Administrative Expenses	(61,858)	(70,988)	9,129	(13%)
	Operating Income (Loss)	40,793	41,059	(267)	(1%)
	EBITDA	91,379	91,765	(387)	(0%)
	EBITDA Margin (EBITDA/Income from Ord. Act.)	23%	22%		

IV) ANALYSIS OF OPERATING INCOME BY SEGMENT, continued

Participation of the operations of Tugboats, Port Terminals and Logistics segments in consolidated company sales, their gross profit, operating income and EBITDA are shown in the following table, where it may be seen that the segment with the largest contribution to the Company's consolidated EBITDA is the Towage segment with 67%, and Port Terminals and Logistics segments have a participation of 30% and 3%, respectively. In the 2015 exercise, Towage participation was 68%, with Port Terminals and Logistics having had a participation of 32% and 0%, respectively.

Continuing Operations December 2016	Tugboats	Port Terminals	Logistics
Inclome from Ordinary Activities	47%	29%	24%
Gross Profit	53%	34%	13%
Operating Income	71%	38%	(9)%
E B I T D A	67%	30%	3%

Continuing Operations December 2015	Tugboats	Port Terminals	Logistics
Inclome from Ordinary Activities	44%	30%	26%
Gross Profit	52%	35%	13%
Operating Income	75%	44%	(19)%
E B I T D A	68%	32%	0%

Tugboats Segment:

As at December 31, 2016, the Tugboats segment operations in Chile amounted to 13,015 (12,638 at December 2015). This activity takes place in Chile's Northern Zone, in the ports of Arica, Iquique, Antofagasta and Chañaral; Central Zone, in the ports of Coquimbo, Quintero, Valparaíso and San Antonio, and Southern Zone, in the following ports: Lirquén, Talcahuano, San Vicente, Coronel, Puerto Corral, Puerto Montt, Puerto Chacabuco and Punta Arenas.

At an international level, tugboats' total operations during the period amounted to 64,059 (62,783 at December 2015). This activity is carried out, through its subsidiaries, in ports of Ecuador, Mexico, Uruguay, Brazil, Guatemala, Costa Rica, Colombia and Honduras, and, starting in July 2014 in Canada and Panama. In Peru it operates through TRAMARSA, an affiliated company, therefore does not consolidate in SM SAAM.

IV) ANALYSIS OF OPERATING INCOME BY SEGMENT, continued

Logistics Segment:

Operational activity generated in Chile during the period, considering the main services that make up this segment, was as follows:

- At the warehouse, there was a total of 108,836 containers mobilized (gate-in gate-out), which implied a decrease of 51% of containers in comparison with the 2015 exercise, where 223,209 containers were mobilized, and at the workshop, a total of 10,273 containers were repaired, 68% less than in December 2015, when 31,631 containers were repaired.
- At the cold storage terminal, 1,503,025 tons were stored, 52% less than in December 2015, when 3,149,786 tons were stored during the period.
- With respect to warehousing square meters sold for storage during the 2016 exercise, these amounted to 746,628 m², 5% less than at December 2015 (787,349 m²). Lastly, 31,747 route trips were carried out in 2016 versus 44,730 in the 2015 period, thus generating a drop of 29% in trips.
- As refers to the logistics activity in foreign companies, we do not have information since they were disposed of.

IV) ANALYSIS OF OPERATING INCOME BY SEGMENT, continued

Port Terminals Segment:

The subsidiary Iquique Terminal Internacional S.A., concessionaire of Dock N°2 of Iquique port, mobilized a total of 2,205,368 metric tons of cargo in 2016 (2,061,602 at December 2015), of which 1,985,771 tons correspond to container-transferred tons (1,738,425 at December 2015), representing 149,531 containers (126,926 in 2015) equivalent to 271,867 TEUs, 44,337 less than at December 2015, when 227,530 TEUs had been transferred.

In ports outside of Chile, Terminal Portuario de Guayaquil S.A. (TPG) and Florida Terminal Internacional LLC (FIT), transferred 2,792,362 metric tons of cargo in 2016 (3,365,070 in 2015), of which 2,790,223 correspond to container-transferred tons (3,362,688 in 2015), representing 244,835 containers (285,619 in 2015) equivalent to 406,893 TEUs (481,397 in 2015).

On the other hand, Terminal Marítima Mazatlán (TMAZ) mobilized a total of 978,068 tons during 2016 (677,199 in 2015), of which 441,382 correspond to tons transferred in containers (460,849 at December 2015), representing 24,891 containers (26,127 in 2015) equivalent to 34,696 TEUs (35,918 at December 2015).

NOTE:

Considering that SAAM participates in a significant amount of operations through non-consolidated companies (affiliated companies) and considering their importance, particularly in the Port Terminals and Logistics segments, following is a summary of the main indicators, taking into account both consolidated operations and affiliates at their proportional participation (prorated) in the ownership of each company (PV).

IV) ANALYSIS OF OPERATING INCOME BY SEGMENT, continued

	December 2016 - ThUS\$			
Consolidated + affiliated PV	Tugboats	Ports	Logistics	Total
Income from Ordinary Activities	273,995	275,615	167,486	717,096
% over total	38%	39%	23%	100%
E B I T D A	100,931	89,919	14,074	204,924
% over total	49%	44%	7%	100%
Consolidated EBITDA Margin + PV	37%	33%	8%	29%

	December 2015 - ThUS\$			
Consolidated + affiliated PV	Tugboats	Ports	Logistics	Total
Income from Ordinary Activities	279,946	245,945	223,957	749,848
% over total	37%	33%	30%	100%
E B I T D A	102,495	71,468	28,952	202,915
% over total	51%	35%	14%	100%
Consolidated EBITDA Margin + PV	37%	29%	13%	27%

As may be seen, in 2016, taking into account affiliated companies, the Tugboats segment is the one that contributes the most to the generation of EBITDA, with 37%, followed by Ports with 33% and Logistics with 8%, increasing the EBITDA margin total of 23% to 29% in 2016 and increasing to 27% the one in 2015.

V) CASH FLOW SUMMARY

	December 2016	December 2015	S. Dev.	Var %
Cash Flow	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Net Cash Flow provided by (used in):				
Operating Activities	67,665	60,028	7,637	13%
Investing Activities	(20,620)	24,813	(45,433)	(183%)
Financing Activities	(17,121)	(15,916)	(1,205)	8%
Increase in Net cash flow and equivalent	29,924	68,925	(39,001)	(57%)
Effect of foreign exchange variations over cash and cash equivalents	(275)	(460)	185	(40%)
Net Variation	29,649	68,465	(38,816)	(57%)
Cash and cash equivalents at the beginning of the period	113,380	44,915	68,465	152%
Cash and cash equivalents at the end of the period	143,029	113,380	29,649	26%

V) CASH FLOW SUMMARY, continued

At December 2016, the net variation in cash and cash equivalents showed a decrease of ThUS\$29,649 generated by negative flows of investment activities for ThUS\$20,620, financing activities for ThUS\$ 17,121, net of the positive operating flows for ThUS\$67,665 and by the negative effect of the variation in the currency exchange rate on cash and cash equivalents amounting to ThUS\$275.

Net cash flows from **operating activities** are mostly composed by collection of accounts receivables for services rendered and other income from ordinary activities, net of payments to suppliers, remunerations, insurance and payments of other operating activities.

Net cash flows from **financing activities** during the period are made up by the following:

- The company obtained long-term financing through contracts subscribed by direct subsidiary SAAM S.A. for ThUS\$20,000, and indirect subsidiaries Inarpi S.A. for ThUS\$22,078 and Kios S.A. for ThUS\$7,000. In addition, the Company obtained short-term financing for ThUS\$46,417, by direct subsidiary SAAM S.A. for ThUS\$40,000 and by indirect subsidiaries Saam Remolques S.A. de C.V. for ThUS\$4,183 and Smit Marine Canada Inc. for ThUS\$2,234.
- Payment of bank loans made by direct subsidiary SAAM S.A. ThUS\$20,000 and indirect subsidiaries Iquique Terminal Internacional S.A. ThUS\$5,600, Inarpi S.A. ThUS\$2,895, Terminal Marítima Mazatlán S.A. de C.V. Th\$3,512, Kios S.A. ThUS\$21,267, Saam Remolques S.A. de C.V. ThUS\$8,183 and Smit Marine Canada Inc. ThU\$3,027 and other minor ones for ThUS\$183.
- Payment of financial interests made by subsidiary SAAM S.A. ThUS\$1,638 and by indirect subsidiaries Saam Remolques S.A. de C.V. ThUS\$1,922, Inarpi S.A. ThUS\$1,035, Kios S.A. ThUS\$259, Smit Marine Canada Inc. ThUS\$563, Iquique Terminal Internacional S.A. ThUS\$858 and other minor ones for ThUS\$12.
- Payments for financial leasing by indirect subsidiaries Iquique Terminal Internacional S.A. ThUS\$ 2,264 and Florida International Terminal, Llc, ThUS\$341.
- At December 31, 2016, dividend distribution and/or profit distribution amounted to ThUS\$38,463, corresponding to dividend payments by Sociedad Matriz SAAM for ThUS\$34,435 and payment of dividends to minority shareholders for ThUS\$4,028 paid by Iquique Terminal Internacional, for ThUS\$1,009, Florida International Terminal, Llc for ThUS\$952, Inversiones San Marco Ltda for ThUS\$40, Saam Guatemala S.A. and Expertajes Marítimos S.A. for ThUS\$200, and Saam Remolques S.A. de C.V. for ThUS\$1,827.

V) CASH FLOW SUMMARY, continued

Net cash flows from **investing activities** were used in, and were provided by:

- Revenues for the sale of property, plant and equipment at December 31, 2016, amounted to ThUS\$8,178 corresponding to the sale of real estate located in Valdivia, Santiago and Iquique, all of them owned by indirect subsidiary Inmobiliaria Marítima Portuaria SpA, for ThUS\$2,833, sale of tugboats by indirect subsidiaries Saam Remolques S.A. de C.V and Concesionaria Saam Costa Rica S.A., for ThUS\$4,810 and other goods sold for ThUS\$ 535.
- Purchase of property, plant and equipment, by subsidiary SAAM S.A. ThUS\$16,968, Inversiones Habsburgo S.A. ThUS\$3,134, Inarpi S.A. ThUS\$14,157, Iquique Terminal Internacional S.A. ThUS\$1,665, Smit Marine Canada Inc., ThUS\$4,748, Virtual Logistics Marine Services, Inc. ThUS\$7,198, Saam Remolques S.A. de C.V. ThUS\$3,581, Inmobiliaria Marítima Portuaria Ltda. ThUS\$7,004, Saam Extraportuarios S.A. ThUS\$726, Concesionaria Costa Rica S.A. ThUS\$482, Ecuastibas S.A. ThUS\$411, Kios S.A. ThUS\$ 1,917, Florida International Terminal, Llc ThUS\$490 and others for ThUS\$423, corresponding to the purchase of cranes, partial payments for the construction of tugboats and boats, maintenance plan (careening and overhaul) for tugboats carried out in Chile and Mexico, and other acquisition of property, plant and equipment.
- Purchase of intangible assets, mainly computer programs, by subsidiary SAAM S.A. for ThUS\$2.579.
- Other revenues from interests received ThUS\$130 and disbursements for the long-term purchase of other assets ThUS\$66.
- Flows for dividends received at December 31, 2016, amounted to ThUS\$40,162, and correspond to San Antonio Terminal Internacional S.A. ThUS\$3,822, San Vicente Terminal Internacional S.A. ThUS\$1,911, Terminal Puerto Arica S.A. ThUS\$383, Servicios Portuarios Reloncaví Ltda. ThUS\$347, SAAM SMIT Towage Brasil S.A. for ThUS\$1,172, Equimac S.A. ThUS\$331, Servicios Aeroportuarios Aerosan S.A. ThUS\$5,500, Tramarsa S.A. ThUS\$23,915, Transbordadora Austral Broom ThUS\$1,749, Transportes Fluviales Corral S.A. ThUS\$190, Elequip S.A. ThUS\$806 and others for ThUS\$36.
- Other inflows (outflows) of cash for ThUS\$9,533, correspond mainly to devolution of capital by Saam SMIT Towage Brasil S.A., for ThUS\$10,000, recovery of term deposits for ThUS\$1,033, minus placement of the same financial instrument for ThUS\$1,500, in indirect subsidiary Concesionaria Saam Costa Rica S.A.

VI) ANALYSIS OF MARKETS, COMPETITION AND RELATIVE MARKET SHARE

Annually, SAAM and its subsidiaries estimate the market share of the various segments in which they participate. Such estimates are mostly based on the analysis of the available information, which is comprised by internal data regarding operations and sales, reports issued by the industry's regulatory authorities, and other obtained from the market.

In the **Tugboats Segment**, SAAM is one of the relevant actors in every country where it operates. Each tugboat market has its own particularities, due to the existence of different types of regulations concerning this activity, with a coexistence of free competition markets with closed markets, concessions or private contracts, competing, daily and/or in public or private tenders, with the most important tugboat operators at a global level, such Svitzer, Smit, Boluda, and at a regional level, with Wilson Sons, Intertug, Ultratug, CPT Remolcadores, among others.

In the **Segment of Logistics and others**, estimated market shares differ depending on the service provided; thus, the services of Depots for containers and Dock Workshops have an estimated market share of around 7% (17% at December, 2015), approximately 5% in Document Management services (10% at December 2015), 11% in Cold Storage Services in the South of Chile (20% in 2015) and 2% in Bulk and Break Bulk Cargo in San Antonio (9% in 2015). The most significant competitors of this segment in Chile are the companies: Servicios Integrados de Transporte Ltda. (Sitrans), Depósitos de Contenedores S.A. (DyC), Ultramar Agencia Marítima Ltda., Agencias Universales S.A. (Agunsa), Frigorífico Puerto Montt S.A., Containers Operators S.A. (Contopsa) and Mascato Chile S.A.

Foreign operations of the Logistics and other segment are quite varied, and react to the number of services provided in such markets; for example, in Brazil the main competitors are container warehousing companies belonging to the principal Shipping lines.

With respect to the **Port Terminals Segment**, in Chile at a regional level, SAAM and its subsidiaries have a market share of 35% of the transferred volume measured in total tons (41% in 2015) and approximately 49% in containers transferred (55% in 2015).

Abroad, this segment has a market share of approximately 20% of the total containers transferred (18% in 2015), where the main direct competitor is CROWLEY in Miami. In Guayaquil, Terminal Portuario Guayaquil is the second largest operator with a market share of 14% in mobilized tons (18% in 2015), after CONTECON, its major competitor.

VII) RISK FACTORS

The following are deemed risk factors that may affect the company to a certain extent:

Financial Risk

Is the risk that changes in rates and market prices, for example foreign currency exchange rates or interest rates, may have an effect in SAAM and its subsidiaries' income or in the value of the financial instruments they hold. The objective of financial risk management is to manage and control exposures to this risk within reasonable parameters while simultaneously optimizing profitability.

SM SAAM endeavors to maintain equilibrium in the net financial positions in SAAM and subsidiaries that will lessen the effects of the exchange rate risk to which the Company is exposed in Chile, Mexico and Brazil, and when this balance is not possible, financial derivatives—Forwards—are contracted in order to be able to manage these risks effectively. In general, SM SAAM seeks to apply hedge accounting so as to mitigate the volatility in the results generated by the existence of assets and liabilities' net positions in foreign currency that are not covered.

Aiming at minimizing the interest rate risk with obligations contracted at a variable rate and/or in a currency other than the United States dollar, SAAM and subsidiaries contract hedge instruments such as IRS, Interest Rate Swap, and instruments that cover interest rates and currencies such as CCS, Cross Currency Swap.

Credit Risk

Credit risk is the risk of a financial loss incurred in the event that a client or a counterpart of a financial instrument does not fulfill its contractual obligations. This is particularly sensitive in the case of accounts receivable from SAAM and subsidiaries' clients. At the time of granting credit to clients, they are assessed from a credit point of view, in order to reduce the risks of default. All credits granted are regularly reviewed so as to apply the controls defined by the policies established and to monitor the outstanding receivables.

Services provided to clients are under market conditions, which are simple credits that in average are not due beyond 90 days. These transactions are not concentrated in relevant clients, on the contrary, the clients of SAAM and subsidiaries are quite atomized, which allows distributing the risk.

Additionally, there is a credit insurance policy that covers current and future sales on credit for services provided in Chile.

VII) RISK FACTORS, continued

Increased Competition in the Various Business Segments

The various structural and technological changes in the shipping and port sector, as well as the arrival of mega-operators, could place a constant pressure on operating rates and costs. This implies a permanent revision of internal processes in order to be continually optimizing them.

Competition in port terminals, tugboats and logistics in which SAAM operates involves factors such as price, service, safety statistics and reputation, and the quality and availability of the services for the client. A reduction in rates offered by competitors, may cause SAAM to reduce its own and to decrease the use of its services, which will negatively affect its results.

In addition, consolidation in the industry of maritime transport or the verticalization of the clients' operations could result in the loss of some businesses. Companies with significant shipping operations could decide to perform some tasks that are currently provided to them by SAAM, and stop using its services. The decision of any of its key clients to verticalize its operations, could negatively affect the use of its services, which would impact its results.

Likewise, the increasing competition and the imposition of regulation standards in some countries, compel companies to make high investments both in tugboats and in land equipment, in order to avoid the risk of becoming obsolete and lack of productivity. It should be noted that the percentage of SAAM tugboats with azimuth technology has grown continuously from 30% in 2004 to 73% at September, 2016.

Skilled Labor

The ability to compete successfully depends on the ability to attract and maintain highly skilled labor. The loss of their services or the inability to hire and keep key personnel could have an adverse effect in SM SAAM's financial performance. Furthermore, the ability to operate the tugboats, the equipment in the port terminals and to offer logistics services depends on the ability to attract and retain skilled and experienced personnel.

Furthermore, notwithstanding maintaining good relationships with employees, the risks of strikes, stoppages or other conflicts with labor unions, or workers, cannot be discarded. In the event of a stoppage, this could have a detrimental effect on the Company's performance.

VII) RISK FACTORS, continued

Renewal of Concessions

The non-renewal of any of the port concessions is a long-term risk and it will depend on future market conditions and on negotiations with port authorities. This could affect revenues, especially in the case of San Antonio Terminal Internacional, with maturity in 2019. However, all remaining port concessions have been or are in the process of extension or renewal. This depends on having achieved and maintained a certain operational standard, which has been met by far by SAAM in all its operation locations. Additionally, SAAM has concessions in the business of tugboats in Mexico and Costa Rica, the former being the most important, and the subsidiary SAAM Remolques is constantly attentive to the renewal or extension of said concessions.

Economic cycle

The demand for SM SAAM services depends largely on the levels of international trade and, in particular, of the shipping industry in exports and imports of goods, especially those handled in the port terminals under concession. Downturns in the business cycle could adversely affect the operating results, because during economic crises or periods of decline in activity, shipping companies may experience a reduction in their cargo volumes. Despite this, SM SAAM is well positioned to face these cycles through a relevant geographical and business diversification.

Accidents and natural disasters

Both the fleet and equipment used in port terminals and in the logistics area face the risk of damage or loss due to events such as mechanical failure, installation faults, fires, explosions and collisions, accidents at sea and human error. In addition, assets can also be affected as a result of earthquakes, tsunamis or other natural disasters. However, SM SAAM, through its subsidiaries and affiliates, has contracted insurance with ample coverage to mitigate eventual damages.

VII) RISK FACTORS, continued

Environmental standards

Ports, tugboats and logistics operations are subject to extensive environmental laws. Failure to comply with these laws may result in the imposition of administrative sanctions. These sanctions may include, among others, closure of facilities that do not comply, cancellation of operation licenses, and the imposition of sanctions and fines when companies act with negligence or recklessness with regard to environmental issues. Approval of tougher environmental laws and regulations may require that additional investments be made to comply with these regulations and, as a result, alter investment plans. To mitigate this risk SAAM and its subsidiaries have subscribed civil liability insurance in favor of third parties, and insurance policies for damages and/or fines for pollution, associated with its fleet of tugboats.

Risk of political and economic conditions

A significant part of SAAM assets is located in Chile. Likewise, about 52% of consolidated sales considering affiliates at their proportional value originate in Chilean operations. Consequently, business results depend quite significantly on economic conditions in Chile. The future evolution of Chilean economy could have adverse effects on SM SAAM financial condition or results and could limit the ability to implement its business plan. The Chilean state has had, and continues to have, a substantial influence on many aspects of the private sector and in the past has modified monetary, fiscal, and tax policies, as well as other regulations with effects on the economy.

Besides Chile, SAAM has operations in Peru, Ecuador, Mexico, Brazil, Colombia, Argentina, Uruguay, Guatemala, Costa Rica, Panama, Canada and the United States. Some of these countries have gone through periods of political and economic instability during recent decades, periods in which Governments have intervened in business and financial aspects with effects on foreign investors and companies. It is not possible to maintain that these situations could not recur in future, or that they may occur in a new country to which SAAM enters, and therefore, adversely affect Company operations in those countries.



SAAM S.A. AND SUBSIDIARY

SUMMARIZED FINANCIAL STATEMENTS

as of December 31, 2016 and 2015



SAAM S.A. Summarized Statements of Financial Position

At December 31, 2016 and 2015

	2016 ThUS\$	2015 ThUS\$
ASSETS		
Current Assets	297.727	260.355
Non-Current Assets	969.748	960.436
Total Assets	1.267.475	1.220.791
EQUITY AND LIABILITIES		
Current liabilities	144.513	145.235
Non-current liabilities	258.352	246.121
Capital and Reserves	157.706	152.684
Accumulated Net Income (losses)	590.585	564.610
Non-controlling interests	116.319	112.141
Total liabilities and equity	1.267.475	1.220.791

SAAM S.A. Summarized Statements of Comprehensive Income by Function

For the exercises ended December 31, 2016 and 2015

	2016 ThUS\$	2015 ThUS\$
Income from ordinary activities	393.932	426.273
Cost of Sales	(291.281)	(314.226)
Gross profit	102.651	112.047
Administrative Expenses	(60.418)	(68.629)
Other Income (Expenses) (net)	230	(13.148)
Other Income	(740)	32.273
Financial Costs (net)	(9.493)	(4.089)
Share of profit of affiliates	42.225	37.875
Foreign currency translation differences and Indexation adjustments	2.129	3.696
Profit (Loss) before income taxes	76.584	100.025
Income tax expense	(11.398)	(16.824)
Profit (loss) from continuing operations	65.186	83.201
Profit (loss) attributable to owners of the Parent Company	56.829	72.128
Profit (loss) attributable to non-controlling interests	8.357	11.073
Profit (loss)	65.186	83.201
Other items of other comprehensive income, net of tax	6.778	(39.070)
Income taxes related to items of other comprehensive income (loss)	51	(28)
Total Comprehensive Income	72.015	44.103
Comprehensive Income attributable to owners of Parent Company	63.176	39.367
Comprehensive Income attributable to non-controlling interests	8.839	4.736


SAAM S.A. Summarized Statements of Cash Flows, Direct Method

For the exercises ended December 31, 2016 and 2015

	2016	2015
	ThUS\$	ThUS\$
NET CASH FLOWS		
Cash flows from (used in) operating activities	69.905	63.195
Cash flows from (used in) investing activities	(20.620)	24.813
Cash flows from (used in) financing activities	(19.686)	(18.897)
Net increase (decrease) in cash and cash equivalents, before the effect of changes in the exchange rate	29.599	69.111
Effects of exchange rate fluctuations in cash and cash equivalents	57	(608)
Net increase (decrease) in cash and cash equivalents, before the effect of changes in the exchange rate	29.656	68.503
Cash and cash equivalents at beginning of the period	113.369	44.866
Cash and cash equivalents at the end of the period	143.025	113.369

SAAM S.A. Summarized Statements of Changes in Equity

For the exercises ended December 31, 2016 and 2015

	2016	2015
	ThUS\$	ThUS\$
Equity initial balance	829.435	832.272
Comprehensive income	72.015	44.103
Increase (decrease) for transfers and other changes in equity	(780)	(498)
Dividends	(36.060)	(46.442)
Equity final balance	864.610	829.435

The explanatory note on "transactions with related parties" of SAAM S.A. is contained in the Financial Statements of the Reporting Company.

Likewise, the Financial Statements of the subsidiary SAAM S.A., are available to the public at SM SAAM's offices, the Superintendency of Securities and Insurance, and at the Company's web site (www.smsaam.com).



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STATEMENT OF RESPONSIBILITY



STATEMENT OF RESPONSIBILITY

There are no comments nor proposals set forth by the Directors' Committee or by Shareholders holding or representing 10% or more of social shares, in relation to the progress of SM SAAM's businesses.

The Directors and Chief Executive Officer who sign this Annual Report for the year ended December 31, 2016, declare under oath that its content is truthful, in accordance to the information that they had in their possession.

**Felipe
Joannon Vergara**
Chairman
6.558.360-7

**Jean-Paul
Luksic Fontbona**
Vice Chairman
6.372.368-1

**Mario
Da-Bove Andrade**
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4.175.284-K

**Francisco
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Director
7.031.728-1

**Jorge
Gutiérrez Pubill**
Director
5.907.040-1

**Óscar
Hasbún Martínez**
Director
11.632.255-2

**Francisco
Pérez Mackenna**
Director
6.525.286-4

**Macario
Valdés Raczynski**
Chief Executive Officer
14.123.555-9

This Statement of Responsibility has been signed by the Directors and the Chief Executive Officer, in accordance with the contents of "Norma de Carácter General N°30 (General Rule N°30), whose signatures are recorded in the duplicates of this document that are in the Company's possession.



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BAOBAB DISEÑO LIMITADA



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