



SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Interim Consolidated Financial Statements
as of June 30, 2016

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

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

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Interim Consolidated Statements of Financial Position
(Unaudited June 2016)

Statement of Financial Position	Note	06-30-2016 ThUS\$	12-31-2015 ThUS\$
Assets			
Current assets			
Cash and cash equivalents	9	112,897	113,380
Other financial assets, current	10	1,679	2,007
Other non-financial assets, current	14	10,594	10,536
Trade and other receivables, current	11	84,391	81,179
Trade receivables due from related parties, current	12	15,244	20,367
Inventories, current	13	15,386	15,975
Current tax assets, current	20.1	17,735	16,922
Total current assets other than assets or asset groups for disposal classified as held for sale or held for distribution to owners		257,926	260,366
Total current assets or asset groups for disposal classified as held for sale or held for distribution to owners	8	-	-
Total current assets		257,926	260,366
Non-current assets			
Other non-current financial assets	10	1,453	975
Other non-current non-financial assets	14	5,410	3,945
Non-current receivables	11	14,802	9,631
Trade receivables due from related parties, non-current	12	109	79
Inventories, non-current	13	2,183	1,668
Investments recognized using the equity method	16	301,427	299,329
Intangible assets other than goodwill	17.2	99,683	101,354
Goodwill	17.1	54,661	54,661
Property, plant and equipment	18	500,275	476,735
Investment property	19	2,570	2,396
Deferred tax assets	21.1 and 21.2	9,897	9,663
Total non-current assets		992,470	960,436
Total assets		1,250,396	1,220,802

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

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Interim Consolidated Statements of Financial Position
(Unaudited June 2016)

Equity and liabilities	Note	06-30-2016	12-31-2015
Liabilities		ThUS\$	ThUS\$
Current liabilities			
Other current financial liabilities	22	68,903	59,030
Trade and other payables	23	35,528	40,735
Trade payables due to related parties, current	12	1,222	1,659
Other short-term provisions	24	633	1,937
Current tax liabilities, current	20.2	1,450	3,613
Current provisions for employee benefits	26.2	11,856	14,958
Other current non-financial liabilities	25	10,164	21,866
Total current liabilities		129,756	143,798
Non-current liabilities			
Other non-current financial liabilities	22	213,408	186,446
Trade payables due to related parties, non-current	12	12	10
Other long-term provisions	24	1,037	893
Deferred tax liabilities	21.1 y 21.2	50,956	50,251
Non-current provisions for employee benefits	26.2	9,838	9,855
Other non-current non-financial liabilities	25	481	166
Total non-current liabilities		275,732	247,621
Total liabilities		405,488	391,419
Equity			
Issued capital		586,506	586,506
Retained earnings		143,206	136,586
Other reserves	27.2	(765)	(5,853)
Total equity attributable to the owners of the Parent		728,947	717,239
Non-controlling interest		115,961	112,144
Total equity		844,908	829,383
Total liabilities and equity		1,250,396	1,220,802

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



SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Interim Consolidated Statements of Comprehensive Income by Function (Unaudited)

Statement of income by function	Note	<u>01-01-2016</u> <u>06-30-2016</u> ThUS\$	<u>01-01-2015</u> <u>06-30-2015</u> ThUS\$	<u>04-01-2016</u> <u>06-30-2016</u> ThUS\$	<u>04-01-2015</u> <u>06-30-2015</u> ThUS\$
Profit (loss)					
Revenue	28	194,624	223,376	98,927	106,791
Cost of sales	29	(143,112)	(163,800)	(71,887)	(78,453)
Gross profit		<u>51,512</u>	<u>59,576</u>	<u>27,040</u>	<u>28,338</u>
Other income	32	1,640	1,512	1,135	1,149
Administrative expenses	30	(29,337)	(33,533)	(14,815)	(17,693)
Other expenses, by function	32	(3,163)	(2,384)	(593)	(1,443)
Other income (expenses)	34	173	1,363	(1,284)	17
Income (expense) from operating activities		<u>20,825</u>	<u>26,534</u>	<u>11,483</u>	<u>10,368</u>
Finance income	31	648	2,300	372	1,984
Finance expense	31	(5,546)	(5,054)	(3,085)	(2,628)
Share of profit (loss) of equity-accounted investees and joint ventures using the equity method	16.1	22,245	16,051	10,716	8,516
Foreign currency translation differences	37	1,361	(1,242)	716	(661)
Profit (expressed) due to adjustment unit		<u>(36)</u>	<u>10</u>	<u>(18)</u>	<u>8</u>
Profit (loss) before income taxes		39,497	38,599	20,184	17,587
Income tax expense, continuing operations	21.3	(5,703)	(9,097)	(3,409)	(5,394)
Profit (loss) from continuing operations		<u>33,794</u>	<u>29,502</u>	<u>16,775</u>	<u>12,193</u>
Profit attributable to:					
Owners of the Parent		29,153	23,150	14,459	9,241
Non-controlling interests		<u>4,641</u>	<u>6,352</u>	<u>2,316</u>	<u>2,952</u>
Profit (loss)		<u>33,794</u>	<u>29,502</u>	<u>16,775</u>	<u>12,193</u>
Earnings per share (see note 27)					
Basic earnings per share from continuing operations	US\$/share	0.002994	0.002378	0.001485	0.000949
Diluted earnings per share from continuing operations	US\$/share	0.002994	0.002378	0.001485	0.000949

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



SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Interim Consolidated Statements of Comprehensive Income by Function, continued (Unaudited)

Statements of comprehensive income	01-01-2016 06-30-2016 ThUS\$	01-01-2015 06-30-2015 ThUS\$	04-01-2016 06-30-2016 ThUS\$	04-01-2015 06-30-2015 ThUS\$
Profit (loss)	33,794	29,502	16,775	12,193
Components of other comprehensive income, before taxes				
Foreign currency translation differences (*)				
Foreign currency translation gain (loss), before tax	9,148	(14,885)	1,147	(4,210)
Adjustment for foreign currency translation differences, before tax	-	-	-	-
Other comprehensive income, before tax, foreign currency translation differences	9,148	(14,885)	1,147	(4,210)
Financial assets held-for-sale				
Other comprehensive income before tax, financial assets held-for-sale				
Cash flow hedges (*)				
Cash flow hedge gains (losses), before tax	(1,644)	212	118	(24)
Adjustment for cash flow hedge differences, before tax	-	-	-	-
Other comprehensive income, before taxes, cash flow hedges	(1,644)	212	118	(24)
Other comprehensive income, before taxes, actuarial gains (losses) from defined benefit plans	37	13	37	5
Share of other comprehensive income of associates and joint ventures using the equity method, before tax	-	-	-	-
Other components of other comprehensive income, before taxes	7,541	(14,660)	1,302	(4,229)
Income tax related to components of other comprehensive income (*)				
Income tax related to foreign currency translation differences	-	-	-	-
Income tax related to cash flow hedges	27	(16)	(14)	24
Income tax related to defined benefit plans	-	(3)	-	(1)
Income tax related to components of other comprehensive income	27	(19)	(14)	23
Other comprehensive income	7,568	(14,679)	1,288	(4,206)
Total comprehensive income	41,362	14,823	18,063	7,987
Comprehensive income attributable to:				
Owners of the Parent	35,566	12,043	15,845	5,378
Non-controlling interests	5,796	2,780	2,218	2,609
Total comprehensive income	41,362	14,823	18,063	7,987

(*) Items that are reclassified or may be reclassified subsequently to profit or loss.

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



SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Interim Consolidated Statements of Cash Flows (Unaudited)

	01-01-2016 06-30-2016 ThUS\$	01-01-2015 06-30-2015 ThUS\$
Statements of Cash Flows – direct method		
Cash flows from (used in) operating activities		
Classes of collection for operating activities		
Collections from sale of goods and provision of services	210,544	264,601
Collections from premiums and provision of services, annuities and other benefits from subscribed insurance policies	503	491
Other collections from operating activities	2,083	1,835
Classes of payments		
Payments to suppliers for goods purchased and services received	(111,190)	(159,561)
Payments to and on behalf of employees	(56,220)	(61,533)
Payments due for premiums and provision of services, annuities and other obligations due to subscribed insurance policies	(1,540)	(1,153)
Other payments due to operating activities	(16,226)	(12,466)
Net cash flows from (used in) operating activities	27,954	32,214
Interest paid	(8)	(2)
Interest received	28	43
Reimbursement of tax (paid)	(4,548)	(5,694)
Other cash inflows (outflows)	-	-
Net cash flows from (used in) operating activities	23,426	26,561

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

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Interim Consolidated Statements of Cash Flows, continued
(Unaudited)

	Note	01-01-2016 06-30-2016 ThUS\$	01-01-2015 06-30-2015 ThUS\$
Cash flows from (used in) investing activities:			
Cash flows used for the acquisition of non-controlling interests	15.2	(2,332)	-
Proceeds from sale of property, plant and equipment	39	1,335	2,441
Acquisition of property, plant and equipment	39	(38,102)	(36,940)
Acquisition of intangible assets	39	(1,482)	(1,149)
Cash prepayments and loans granted to third-parties		(6,400)	-
Dividends received	39	11,862	15,601
Acquisition of other long-term assets		(66)	(11)
Interest received		58	44
Other cash inflows (outflows)	39	11,000	-
Cash flows from sale of non-controlling interest		-	1
Net cash flows from (used in) investing activities		(24,127)	(20,013)
Cash flows from (used in) financing activities			
Proceeds from long-term loans	39	42,000	43,098
Proceeds from short-term loans	39	46,110	4,780
Related-party loans		-	4,125
Loan reimbursements		(47,974)	(23,239)
Payment of finance lease liabilities		(1,303)	(742)
Dividends paid	39	(35,861)	(32,336)
Interest paid		(2,881)	(2,891)
Other cash inflows (outflows), classified as financing activities		264	32
Net cash from (used in) financing activities		355	(7,173)
Net increase (decrease) in cash and cash equivalents before the effect of changes in the exchange rate		(346)	(625)
Effects of exchange rate fluctuations in cash and cash equivalents		(137)	179
Net increase (decrease) in cash and cash equivalents		(483)	(446)
Cash and cash equivalents at beginning of the period		113,380	44,915
Cash and cash equivalents at end of the period	9	112,897	44,469

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

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Interim Consolidated Statements of Changes in Equity (Unaudited)

	Issued 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)	-	-	-	-	-	-	29,153	29,153	4,641	33,794
Other comprehensive income	-	8,009	(1,633)	37	-	6,413	-	6,413	1,155	7,568
Comprehensive	-	8,009	(1,633)	37	-	6,413	29,153	35,566	5,796	41,362
Equity Issue	-	-	-	-	-	-	-	-	-	-
Increase (decrease) for transfers and other changes in equity	-	-	-	-	(1,325)	(1,325)	-	(1,325)	(1,007)	(2,332)
Dividends (note 27.3)	-	-	-	-	-	-	(22,533)	(22,533)	(972)	(23,505) ⁽¹⁾
Increase (decrease) in equity	-	8,009	(1,633)	37	(1,325)	5,088	6,620	11,708	3,817	15,525
Equity as of June 30, 2016	586,506	(55,741)	544	(1,263)	55,695	(765)	143,206	728,947	115,961	844,908
Note		27,2,1	27,2,2	27,2,3	27,2,4	27,2				

	Issued 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)	-	-	-	-	-	-	23,150	23,150	6,352	29,502
Other comprehensive income	-	(11,329)	220	2	-	(11,107)	-	(11,107)	(3,572)	(14,679)
Comprehensive	-	(11,329)	220	2	-	(11,107)	23,150	12,043	2,780	14,823
Equity Issue	-	-	-	-	-	-	-	-	-	-
Increase (decrease) for transfers and other changes in equity	-	-	-	-	-	-	-	-	-	-
Dividends (note 27.3)	-	-	-	-	-	-	(19,152)	(19,152)	(1,492)	(20,644) ⁽¹⁾
Increase (decrease) in equity	-	(11,329)	220	2	-	(11,107)	3,998	(7,109)	1,288	(5,821)
Equity as of June 3, 2015	586,506	(41,700)	1,920	(1,439)	57,020	15,801	104,536	706,843	119,637	826,480

1) See note 39 b

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

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SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim 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 Superintendence of 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 Superintendence of Securities and Insurance. The other indirect subsidiaries are not directly subject to the regulations of this Superintendence.

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 50.75% ownership through the following entities:

Company	% interest	No. of shares
Quiñenco S.A.	15.64%	1,522,794,376
Inversiones Rio Bravo S.A.	33.25%	3,237,543,274
Inmobiliaria Norte Verde S.A.	1.86%	181,313,939
Total Quiñenco Group	50.75%	4,941,651,589

As of June 30, 2015, SM SAAM has 3,467 registered shareholders (3,451 shareholders as of December 31, 2015).

Notes to the Interim Consolidated Financial Statements

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

The interim consolidated financial statements as of June 30, 2016, have been prepared in accordance with IAS 34, Interim Financial Information, included in the International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB).

On October 17, 2014, the Chilean Superintendence of Securities and Insurance (SVS), by virtue of its authority, issued Circular No.856 which established a mandatory single-time exception to the framework for preparing and presenting financial information adopted, under International Financial Reporting Standards (IFRS). Such Circular provided instructions to regulated entities to “account for those differences in deferred tax assets and liabilities generated as a direct effect of an increase in the corporate income tax rate introduced by Law No.20.780 in the related year against equity”. Consequently, this results in a change in the framework for preparing and presenting financial information adopted prior to the issuance of such Circular, as IFRS requires the full, explicit and unreserved adoption. Considering these interim consolidated financial statements as of June 30, 2016, no longer recognize the effect of such Circular, they are presented in accordance with IAS 34, Interim Financial Information.

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 interim consolidated financial statements

These interim consolidated financial statements give a true and fair view of the consolidated financial statements of Sociedad Matriz SAAM S.A. and Subsidiary as of June 30, 2016, of its comprehensive income by function, changes in net equity and cash flows for the period ended June 30, 2016 and 2015.

The interim 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 is adjusted to reflect changes in their fair value in relation to the hedged risks.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

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

In the preparation of the interim 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 3.6b, 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.

Notes to the Interim Consolidated 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.

Notes to the Interim Consolidated Financial Statements

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 39 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

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

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 subsidiary included in these consolidated financial statements is as follows:

Tax Number	ID	Company	País	Functional currency	Interest % as of		
					06-30-2016		
					Direct	Indirect	Total
92.048.000-4		SAAM S.A. and Subsidiaries	Chile	US Dollar	99.9995%	-	99.9995%

Tax Number	ID	Company	País	Functional currency	12-31-2015		
					Direct	Indirect	Total
92.048.000-4		SAAM S.A. and Subsidiaries	Chile	US Dollar	99.9995%	-	99.9995%

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.

Notes to the Interim Consolidated Financial Statements

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
Smit Marine Canada Inc.
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.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

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	06-30-2016	12-31-2015
Chilean peso	661.37	710.16
Mexican peso	18.9113	17.3404
Canadian dollar	1.2979	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	06-30-2016 US\$	12-31-2015 US\$
(UF/US\$)	39.39	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.

Notes to the Interim Consolidated Financial Statements

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.

Notes to the Interim Consolidated Financial Statements

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 programs	3 years	7 years

Notes to the Interim Consolidated Financial Statements

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.

Notes to the Interim 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 ⁽²⁾	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.

Notes to the Interim 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.

Notes to the Interim Consolidated Financial Statements

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 assets 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.

Notes to the Interim Consolidated Financial Statements

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.

Notes to the Interim Consolidated Financial Statements

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, amongst other aspects, defines the default tax system applicable to the Company, the corporate income tax rate that will be gradually applied between 2014 and 2018.

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*****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.

Notes to the Interim Consolidated Financial Statements

NOTE 3 Summary of Significant Accounting Policies, continued**3.15 Financial instruments*****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.

Notes to the Interim Consolidated Financial Statements

NOTE 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**

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 June 30, 2016 and December 31, 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 June 30, 2016, the Company has accrued the minimum dividend in accordance with the criteria used by its controlling interests.

As of December 31, 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.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

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.
Sale or contribution of assets between and 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.
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.

Notes to the Interim Consolidated Financial Statements

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:

Standard and/or amendment	Mandatory application for:
<p>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.</p>	<p>Effective application date January 1, 2018.</p>
<p>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.</p>	<p>Annual periods beginning on or after January 1, 2018.</p>
<p>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.</p>	<p>Annual periods beginning on or after January 1, 2019.</p>
<p>Annual Improvements to Cycle 2012-2014. They amend the following standards:</p> <p>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.</p> <p>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.</p>	<p>Annual periods beginning on or after July 1, 2016.</p>

Notes to the Interim Consolidated Financial Statements

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:
<p>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 presente improved disclosures in such area.</p> <p>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</p>	<p>Annual periods beginning on or after January 1, 2017.</p>
<p>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.</p> <p>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.</p>	<p>Annual periods beginning on or after January 1, 2017. Early adoption is permitted.</p>

The Company’s management will assess the impact that these standards will have on the effective application date.

Notes to the Interim Consolidated Financial Statements

NOTE 4 Accounting changes

During the period between January 1 and June 30, 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.

Notes to the Interim Consolidated Financial Statements

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:

	06.30.2016	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 on a credit basis 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 its payment obligations.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim 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 June 30, 2016 is as follows:

	Note	06-30-2016 ThUS\$			12-31-2015 ThUS\$		
		Current	Non-current	Total	Current	Non-current	Total
Trade receivables		81,236	-	81,236	79,752	-	79,752
Impairment of trade receivables		(6,323)	-	(6,323)	(6,982)	-	(6,982)
Trade receivables, net		74,913	-	74,913	72,770	-	72,770
Other accounts receivable		9,491	14,802	24,293	8,416	9,631	18,047
Impairment of other accounts receivable		(13)	-	(13)	(7)	-	(7)
Other accounts receivable, net		9,478	14,802	24,280	8,409	9,631	18,040
Total Trade and other receivables	11	84,391	14,802	99,193	81,179	9,631	90,810

Variations in the provision for impairment	06-30-2016 ThUS\$	12-31-2015 ThUS\$
Opening balance as of January 1	6,989	5,232
Increase (decrease in provision)	(595) ⁽¹⁾	3,802
Write-down of receivables	(372)	(1,913)
Foreign currency translation difference	314	(132)
Total provision for impairment	6,336	6,989

(1) See note 32

Notes to the Interim 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:

06-30-2016	Note	Carrying Amount	Contractual cash flows	6 months or less	6 – 12 months	1 – 2 years	2 – 5 years	More than 5 years
		ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Non-derivative financial liabilities								
Secured bank loans	22.1	(67,720)	(78,532)	(3,733)	(5,463)	(11,976)	(44,869)	(12,491)
Unsecured bank loans	22.1	(173,641)	(184,799)	(40,528)	(18,292)	(35,312)	(70,225)	(20,442)
Finance lease liabilities	22.2	(9,028)	(9,605)	(1,303)	(1,303)	(2,605)	(4,394)	-
Trade and other payables and due to related parties	12 and 23	(36,762)	(36,762)	(32,445)	(4,305)	-	-	(12)
Derivative financial assets								
Foreign exchange derivative forwards	10.a	614	614	614	-	-	-	-
Derivative financial liabilities								
Change in exchange rate used for hedging	22.3	(1,033)	(1,033)	(624)	(91)	(91)	(227)	-
Total		(287,570)	(310,117)	(78,019)	(29,454)	(49,984)	(119,715)	(32,945)

Maturity dates included in the aging analysis are not expected to differ significantly from the settlement date.

Notes to the Interim Consolidated Financial Statements

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

12-31-2015	Note	Carrying Amount	Contractual cash flows	6 months or less	6 – 12 months	1 – 2 years	2 – 5 years	More than 5 years
		ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Non-derivative financial liabilities								
Secured bank loans	22.1	(53,601)	(56,433)	(2,526)	(4,889)	(12,024)	(24,595)	(12,399)
Unsecured bank loans	22.1	(147,689)	(163,460)	(11,779)	(39,401)	(31,542)	(66,836)	(13,902)
Finance lease liabilities	22.2	(10,190)	(10,845)	(1,303)	(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)
Foreign exchange derivative								
Change in exchange rate used for hedging	22.3	(321)	(321)	(46)	-	(275)	-	-
Total		(254,205)	(273,463)	(50,552)	(53,088)	(46,446)	(97,066)	(26,311)

c) Market risk

Market risk is the risk that changes in 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 Chilean pesos, Mexican pesos and Canadian dollars.

To minimize the interest risk rate to which some credits and finance leases obtained in Chile and abroad are subject, the Company contracts interest rate swaps.

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.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

NOTE 5 Risk management, continued

c) Market risk, continued

c.1) Interest rate risk

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

	Note	06-30-2016 ThUS\$	12-31-2015 ThUS\$
Fixed rate financial liabilities:			
Finance leases	22.2	(9,028)	(10,190)
Bank loans	22.1	(150,792)	(60,217)
Total fixed rate financial liabilities		(159,820)	(70,407)
Variable rate financial liabilities:			
Hedging liabilities and others	22.3	(1,033)	(321)
Bank loans	22.1	(90,569)	(141,073)
Total variable rate financial liabilities		(91,602)	(141,394)

Notes to the Interim Consolidated Financial Statements

NOTE 5 Risk management, continued

c) Market risk, continued

c.2) Interest rate range

Interest rates for financial liabilities range as follows:

June 2016

Financial instruments Liabilities	Interest rate range Chilean pesos (UF)		Interest rate range US dollar		Interest rate range Canadian dollar	
	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum
Long-term loans (22.1.1)	4.50%	4.50%	2.40%	4.70%	2.60%	2.60%
Short-term loans (22.1.1)	-	-	1.15%	5.00%	-	-
Leasing (22.2)	-	-	2.35%	4.00%	-	-

December 2015

Financial instruments Liabilities	Interest rate range Chilean pesos (UF)		Interest rate range US dollar		Interest rate range Canadian dollar	
	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum
Long-term loans (22.1.1)	4.50%	4.50%	2.33%	4.70%	2.60%	2.60%
Short-term loans (22.1.1)	-	-	1.22%	5.00%	2.10%	2.10%
Leasing (22.2)	-	-	2.35%	4.00%	-	-

Interest rate ranges derive mainly from country and currency risks of hedged instruments.

c.3) Interest rate sensitivity

Interest rate variations have an impact on the Company's obligations agreed at floating rate. Because part of the Company's debt structure is at floating rate (mainly at Libor), the hedging of this risk allows keeping financial expenses within the suitable limits.

Notes to the Interim Consolidated Financial Statements

NOTE 5 Risk management, continued

c) Market risk, continued

c.3) Interest rate sensitivity, continued

The impact of the interest rate variation on financial instruments at variable rate which are not covered by a hedging is as follows:

June 2016						
Sensitivity to variable-rate credits consolidated by SM SAAM						
Sensitivity of -100 / +100 bps at variable rate on each period						
	LP ITI Credit Libor + 2,5% ThUS\$	LP Remolques Credit Libor + 3,0% ThUS\$	LP SAAM Credit Libor + 1,48% ThUS\$	LP Inarpi Credit Libor + 2,4% ThUS\$	LP Inarpi Credit Libor + 2,69% ThUS\$	TOTAL ThUS\$
-100 bps	25	201	8	13	8	255
0 bps						
100 bps	(25)	(201)	(8)	(13)	(8)	(255)

December 2015						
Sensitivity to variable-rate credits consolidated by SM SAAM						
Sensitivity of -100 / +100 bps at variable rate on each period						
	LP ITI Credit Libor + 2,5% ThUS\$	LP Remolques Credit Libor + 3,0% ThUS\$	LP SAAM Credit Libor + 1,48% ThUS\$	LP Inarpi Credit Libor + 0,83% ThUS\$	LP Inarpi Credit Libor + 2,69% ThUS\$	TOTAL ThUS\$
-100 bps	30	101	10	8	14	163
0 bps						
100 bps	(30)	(101)	(10)	(8)	(14)	(163)

This table shows that the impact on the Group's net equity could have amounted to ThUS\$ 255 as of June 2016, (ThUS\$ 163 in December 2015), considering a variation of 100 basis point in the interest rate.

d) Currency sensitivity

	Average rate 06-30-2016	Spot rate 06-30-2016	Average rate 12-31-2015	Spot rate 12-31-2015
Chilean peso	689,78	661,37	654,25	710,16
Mexican peso	18,0553	18,9113	15,8604	17,3404
Canadian dollar	1,3312	1,2979	1,2780	1,3884

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

NOTE 5 Risk management, continued
d) Currency sensitivity, continued

Main currencies other than functional currency to which the Company is exposed are Chilean peso, Mexican peso and Canadian dollar. On the basis of the Company's net financial assets and liabilities as of 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:

06-30-2016			
Currency movement	Profit after tax	Effect on	Total effect on
	ThUS\$	conversion reserves	Equity
	ThUS\$	ThUS\$	ThUS\$
+/- 10% movement in Chilean peso			
Increase	(910)	(10,068)	(10,978)
Decrease	1,113	12,306	13,419
+/- 10% movement in Mexican peso			
Increase	586	-	586
Decrease	(716)	-	(716)
+/- 10% movement in Canadian dollar			
Increase	-	(5,032)	(5,032)
Decrease	-	6,150	6,150

12-31-2015			
Currency movement	Profit after tax	Effect on	Total effect on
	ThUS\$	conversion reserves	Equity
	ThUS\$	ThUS\$	ThUS\$
+/- 10% movement in Chilean peso			
Increase	(444)	(14,492)	(14,936)
Decrease	542	17,713	18,255
+/- 10% movement in Mexican peso			
Increase	(1,614)	-	(1,614)
Decrease	1,973	-	1,973
+/- 10% movement in Canadian dollar			
Increase	-	(4,176)	(4,176)
Decrease	-	2,338	2,338

Notes to the Interim Consolidated Financial Statements

NOTE 5 Risk management, continued***e) 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.

f) 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.

Notes to the Interim Consolidated Financial Statements

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 tugboats segment comprises the docking, undocking, tugboats, rescue and offshore support services the Company renders using its fleet comprised of more than 186 ships, (8 currently under construction) in the main ports of Chile, Peru, Ecuador, Mexico, Colombia, Uruguay, Brazil, Guatemala, Honduras, Costa Rica, Canada and Panama.
- The ports segment renders port operator services in Chile, The United States, Ecuador and Colombia.
- The main services of the Logistics and other segment correspond to services related to cargo, such as stowage, unstowage, documentation, storage, deposits, logistics and transport, rendered in Chile, Peru, Colombia, Uruguay and Ecuador. During 2015, the Company arranged the closure of its logistic activities in Brazil and Uruguay, as well as the closure of the Line Brokerage and Container Deposit activities in the Chilean central area.

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.

Notes to the Interim Consolidated Financial Statements

NOTE 6 Segment reporting, continued
b) Operational segments reporting, continued
b.1) Segments assets, liabilities, equity and impairment:

	Tugboats		Port		Logistics		Total	
	06-30-2016	12-31-2015	06-30-2016	12-31-2015	06-30-2016	12-31-2015	06-30-2016	12-31-2015
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Assets	553,720	546,442	219,457	209,030	175,792	166,001	948,969	921,473
Equity accounted investees	126,914	130,919	140,004	132,179	34,509	36,231	301,427	299,329
Total Assets	680,634	677,361	359,461	341,209	210,301	202,232	1,250,396	1,220,802
Total Liabilities	(208,730)	(194,328)	(151,574)	(153,667)	(45,184)	(43,424)	(405,488)	(391,419)
Equity	(471,904)	(483,033)	(207,887)	(187,542)	(165,117)	(158,808)	(844,908)	(829,383)
(Losses), reversal of impairment recognized in profit or loss for the period	-	(1,517)	(2,271)	(1,250)	-	(8,415)	(2,271)	(11,182)

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

	South America		Central America		North America		Total	
	06-30-2016	12-31-2015	06-30-2016	12-31-2015	06-30-2016	31-12-2015	30-06-2016	31-12-2015
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Non-current assets other than financial instruments, equity accounted investees and deferred taxes	355,927	328,935	12,132	11,561	311,634	309,973	679,693	650,469
Total	355,927	328,935	12,132	11,561	311,634	309,973	679,693	650,469

b.3) Revenue by geographical areas:

	Tugboats		Port		Logistics		Total	
	01-01-2016	04-01-2016	01-01-2016	04-01-2016	01-01-2016	04-01-2016	01-01-2016	01-04-2016
	06-30-2016	06-30-2016	06-30-2016	06-30-2016	06-30-2016	06-30-2016	06-30-2016	06-30-2016
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
South America	34,304	18,120	33,723	17,875	48,280	23,297	116,307	59,292
Central America	6,344	3,337	-	-	-	-	6,344	3,337
North America	53,147	26,980	18,826	9,318	-	-	71,973	36,298
Total	93,795	48,437	52,549	27,193	48,280	23,297	194,624	98,927

	Tugboats		Port		Logistics		Total	
	01-01-2015	04-01-2015	01-01-2015	04-01-2015	01-01-2015	04-01-2015	01-01-2015	04-01-2015
	06-30-2015	06-30-2015	06-30-2015	06-30-2015	06-30-2015	06-30-2015	06-30-2015	06-30-2015
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
South America	31,487	14,876	49,826	25,453	63,425	29,080	144,738	69,409
Central America	5,966	3,852	-	-	-	-	5,966	3,852
North America	58,248	28,260	14,424	5,270	-	-	72,672	33,530
Total	95,701	46,988	64,250	30,723	63,425	29,080	223,376	106,791

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

NOTE 6 Segment reporting, continued
b) Operational segments reporting, continued
b.4) Revenue by business and services opened by clients are as follows:

Segment	Service:	Clients	01-01-2016 06-30-2016 ThUS\$	01-01-2015 06-30-2015 ThUS\$	04-01-2016 06-30-2016 ThUS\$	04-01-2015 06-30-2015 ThUS\$
Tugboats	Ships docking and undocking	Total ships docking and undocking	93,795	95,701	48,437	46,988
		Services rendered income to clients is higher than 10% of total revenue associated to this segment.	16,041	43,176	1,361	35,098
		Services rendered income to clients is lower than 10% of total revenue associated to this segment.	77,754	52,525	47,076	11,890
Ports	Port operation	Total Port operations	52,549	64,250	27,193	30,723
		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.	52,549	64,250	27,193	30,723
Logistics and other	Contract Logistics	Total Logistics and other	48,280	63,425	23,297	29,080
		Total Contract Logistics	24,375	19,038	11,259	8,797
		Services rendered income to clients is higher than 10% of total revenue associated to this segment.	-	-	-	-
	Vessel service	Services rendered income to clients is lower than 10% of total revenue associated to this segment.	24,375	19,038	11,259	8,797
		Total Vessel service	10,922	14,944	5,878	6,482
		Services rendered income to clients is higher than 10% of total revenue associated to this segment.	4,140	5,824	2,405	2,186
		Services rendered income to clients is lower than 10% of total revenue associated to this segment.	6,782	9,120	3,473	4,296
	Other services	Total Other services	12,983	29,443	6,160	13,801
		Services rendered income to clients is higher than 10% of total revenue associated to this segment.	-	3,502	-	1,565
		Services rendered income to clients is lower than 10% of total revenue associated to this segment.	12,983	25,941	6,160	12,236
Total Income		194,624	223,376	98,927	106,791	

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

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

Continuing operations	Note	01-01-2016	01-01-2015	04-01-2016	04-01-2015
		06-30-2016	06-30-2015	06-30-2016	06-30-2015
		ThUS\$	ThUS\$	ThUS\$	ThUS\$
Revenue	28	194,624	223,376	98,927	106,791
Tugboats		93,795	95,701	48,437	46,988
Ports		52,549	64,250	27,193	30,723
Logistics		48,280	63,425	23,297	29,080
Sale cost	29	(143,112)	(163,800)	(71,887)	(78,453)
Tugboats		(64,640)	(65,391)	(32,532)	(30,904)
Ports		(36,876)	(43,108)	(18,667)	(21,387)
Logistics		(41,596)	(55,301)	(20,688)	(26,162)
Gross profit		51,512	59,576	27,040	28,338
Tugboats		29,155	30,310	15,905	16,084
Ports		15,673	21,142	8,526	9,336
Logistics		6,684	8,124	2,609	2,918
Administrative expenses	30	(29,337)	(33,533)	(14,815)	(17,693)
Tugboats		(12,816)	(12,621)	(6,477)	(6,669)
Ports		(9,020)	(11,127)	(4,478)	(5,666)
Logistics		(7,501)	(9,785)	(3,860)	(5,358)
Operating income		22,175	26,043	12,225	10,645
Tugboats		16,339	17,689	9,428	9,415
Ports		6,653	10,015	4,048	3,670
Logistics		(817)	(1,661)	(1,251)	(2,440)
Non-operational profit or loss		17,322	12,556	7,959	6,942
Other income (expenses), by function	32	(1,523)	(872)	542	(294)
Other gain (loss)	34	173	1,363	(1,284)	17
Finance income	31	648	2,300	372	1,984
Finance expenses	31	(5,546)	(5,054)	(3,085)	(2,628)
Share of profit of equity-accounted investees	16	22,245	16,051	10,716	8,516
Foreign currency translation differences	37	1,361	(1,242)	716	(661)
Income by unit indexation		(36)	10	(18)	8
Gain (loss) before taxes		39,497	38,599	20,184	17,587
Income taxes levied expense	21.3	(5,703)	(9,097)	(3,409)	(5,394)
Gain (loss)		33,794	29,502	16,775	12,193

Notes to the Interim Consolidated Financial Statements

NOTE 6 Segment reporting, continued

b) *Operational segments reporting, continued*

b.6) *Cash flows by segment:*

	06-30-2016	06-30-2015
Net cash flows from (used in) operating	Total Flows	Total Flows
	ThUS\$	ThUS\$
Operating	23,426	26,561
Tugboats	20,228	22,411
Ports	9,084	12,281
Logistics	(5,886)	(8,131)
Investment	(24,127)	(20,013)
Tugboats	(21,292)	(21,916)
Ports	33	3,938
Logistics	(2,868)	(2,035)
Financing	355	(7,173)
Tugboats	(25,466)	(314)
Ports	15,979	(4,884)
Logistics	9,842	(1,975)
Net increase (decrease) in cash and cash equivalent associated to segments	(346)	(625)
Tugboats	(26,530)	181
Ports	25,096	11,335
Logistics	1,088	(12,141)
Net cash flows from (used in) financing activities, that cannot be allocated to segments		-
Net increase (decrease) in cash and cash equivalent	(346)	(625)
Effect of exchange rate fluctuations on cash equivalents held	(137)	179
Net increase (decrease) in cash and cash equivalent	(483)	(446)
Cash and cash equivalents at beginning of the period	113,380	44,915
Cash and cash equivalents at end of the period	112,897	44,469

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Notes to the Interim Consolidated Financial Statements

NOTE 7 Fair value of financial assets and liabilities

Financial assets and liabilities	Note	06-30-2016		12-31-2015	
		Carrying amount ThUS\$	Fair value ThUS\$	Carrying amount ThUS\$	Fair value ThUS\$
Cash and cash equivalent	9	112,897	112,897	113,380	113,380
Derivative instruments and other	10 a	1,679	1,679	2,007	2,007
Trade and other receivables	11	99,193	99,193	90,810	90,810
Trade receivables due from related parties	12	15,353	15,353	20,446	20,446
Total financial assets		229,122	229,122	226,643	226,643
Bank loans	22	(241,361)	(241,347)	(201,290)	(201,364)
Finance lease	22	(9,028)	(9,028)	(10,190)	(10,190)
Hedging liabilities	22	(1,033)	(1,033)	(321)	(321)
trade and other payables	23	(35,528)	(35,528)	(40,735)	(40,735)
trade and other payables due to related parties	12	(1,234)	(1,234)	(1,669)	(1,669)
Total financial liabilities		(288,184)	(288,170)	(254,205)	(254,279)
Net financial position		(59,062)	(59,048)	(27,562)	(27,636)

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

June 2016	Financial liability currency	
	Unidad de fomento	US dollar
Financial liability at variable rate	-	3.45%
Financial liability at fixed rate	4.3%	3.78%

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 Interim Consolidated Financial Statements

NOTE 8 Non-current assets held-for-sale

Part of property, plant and equipment is presented as a disposal group held-for-sale following the commitment by the management of the following companies:

- a) In 2015 the indirect subsidiary SAAM Brasil S.A., has reclassified from Property, plant and equipment, container-carry cranes and machinery in the Cubatao deposit amounting to ThUS\$3,271, due to the sustained decline in the deposit and maintenance operations in Brazil, generated by the loss of contracts with CSAV.
- b) In 2014, the indirect subsidiary Iquique Terminal Internacional S.A. has reclassified ThUS\$ 700 from Property, plant and equipment, 2 Gottwald Cranes acquired at the beginning of the concession agreement in 2002. At the reporting date, these assets were sold generating a profit of ThUS\$ 115.

	06-30-2016 ThUS\$	12-31-2015 ThUS\$
Opening balance	-	700
Transference from property, plant and equipment (Note 18,3)	-	3,271
Transference to inventories	-	(36)
Disposal of assets held for sale	-	(3,507)
Impairment recognized in the year	-	(428)
Total non-current assets classified as held-for-sale	-	-

NOTE 9 Cash and cash equivalents

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

	06-30-2016 ThUS\$	12-31-2015 ThUS\$
Cash	211	298
Balances in banks	57,390	38,202
Short-term deposits	53,768	70,994
Other cash and cash equivalents	1,528	3,886
Total Cash and cash equivalents	112,897	113,380

Cash is comprised of cash on hand and in bank; short-term deposits correspond to fixed deposits with banks which are recorded at the investment value plus interest earned at year end. Other cash and cash equivalents relate to financial instruments acquired under reverse repurchase agreements.

Notes to the Interim Consolidated Financial Statements

NOTE 9 Cash and cash equivalents, continued

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

	06-30-2016	12-31-2015
	ThUS\$	ThUS\$
United States dollar	105,226	98,684
Canadian dollar	1,352	1,374
Chilean peso	4,435	9,301
Real	165	669
Mexican peso	480	2,619
Other currencies	1,239	733
Total cash and cash equivalents by currency	112,897	113,380

NOTE 10 Other current and non-current financial assets

	06-30-2016	12-31-2015
	ThUS\$	ThUS\$
Total other current financial assets (Note 10,a)	1,679	2,007
Total other non-current financial assets (Note 10,b)	1,453	975
Total other financial assets	3,132	2,982

Investments held-to-maturity are those non-derivative financial assets with fixed or determinable payments and fixed maturities for which the Company have the positive intent and ability to hold to maturity. Any sale or reclassification of a more than insignificant amount of held-to maturity investments not close to their maturity would result in the reclassification of all held-to maturity investments as available for sale.

a) Other current financial assets

The detail of current financial assets is the following:

	06-30-2016	12-31-2015
	ThUS\$	ThUS\$
Currency derivative (forward) ⁽¹⁾	614	-
Term deposits over 90 days	1,065	2,007
Total financial assets at fair value, current	1,679	2,007

⁽¹⁾ Corresponds to interest rate derivative (forward) entered into by the Company to minimize the foreign currency exchange risk in the unhedged balance items (mismatch).

Notes to the Interim Consolidated Financial Statements

NOTE 10 Other current and non-current financial assets, continued

b) Held-to-maturity non-current financial assets

	06-30-2016 ThUS\$	12-31-2015 ThUS\$
Non-current		
Investment in other companies	1,350	937
Other financial assets, non-current	103	38
Total other financial assets, non-current	1,453	975

NOTE 11 Trade and other receivables

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

	Currency	06-30-2016			12-31-2015		
		Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Trade receivables	CLP	28,605	-	28,605	30,763	-	30,763
	USD	25,752	-	25,752	16,387	-	16,387
	CAD	3,107	-	3,107	3,424	-	3,424
	BRL	-	-	-	-	-	-
	MX	17,002	-	17,002	21,480	-	21,480
	Other currencies	447	-	447	716	-	716
Total trade receivables	Total	74,913	-	74,913	72,770	-	72,770
Other receivables	CLP	1,147	1,975	3,122	1,476	2,240	3,716
	USD	6,853	12,792	19,645	6,017	7,391	13,408
	BRL	-	-	-	-	-	-
	MX	1,462	-	1,462	647	-	647
	CAD	-	-	-	267	-	267
	Other currencies	16	35	51	2	-	2
Total Other receivables	Total	9,478	14,802	24,280	8,409	9,631	18,040
Total Trade and other receivables		84,391	14,802	99,193	81,179	9,631	90,810

Trade receivables relate to balances receivable from customers mainly associated with marine services provided such as tugboat services, marine brokering, port operations and load logistics.

Long-term other receivables relate mainly to loans granted to foreign entities with different interest rates and collection terms, which are duly supported by collaterals granted by these debtors. This balance also includes loans to employees.

Notes to the Interim Consolidated Financial Statements

NOTE 11 Trade and other receivables, continued

b) Detail by number and type of portfolio of trades and other receivable, current and non-current:

Non-securitized portfolio																						
Current		Between 1 and 30 days		Between 31 and 60 days		Between 61 and 90 days		Between 91 and 120 days		Between 121 and 150 days		Between 151 and 180 days		Between 181 and 210 days		Between 211 and 250 days		More than 250 days		Total		
Period as of	Number of client portfolio with no rescheduling	Gross portfolio with no rescheduling	No. of client in portfolio with no rescheduling	Gross portfolio with no rescheduling	Number of client portfolio with no rescheduling	Gross portfolio with no rescheduling	No. of client in portfolio with no rescheduling	Gross portfolio with no rescheduling	Number of client portfolio with no rescheduling	Gross portfolio with no rescheduling	No. of client in portfolio with no rescheduling	Gross portfolio with no rescheduling	Number of client portfolio with no rescheduling	Gross portfolio with no rescheduling	No. of client in portfolio with no rescheduling	Gross portfolio with no rescheduling	Number of client portfolio with no rescheduling	Gross portfolio with no rescheduling	No. of client in portfolio with no rescheduling	Gross portfolio with no rescheduling	No. of client in portfolio with no rescheduling	Gross portfolio with no rescheduling
	ThUS\$	ThUS\$		ThUS\$		ThUS\$		ThUS\$		ThUS\$		ThUS\$		ThUS\$		ThUS\$		ThUS\$		ThUS\$		ThUS\$
June 30, 2016	825	53,934	423	8,205	282	5,939	329	3,707	177	978	167	585	133	698	110	1,338	112	602	1,069	5,292	3,627	81,278
December 31, 2015	2,705	51,268	924	7,535	564	6,582	361	6,952	325	3,213	272	1,822	205	1,406	215	552	223	777	1,801	3,759	7,595	83,866

Securitized portfolio																						
Current		Between 1 and 30 days		Between 31 and 60 days		Between 61 and 90 days		Between 91 and 120 days		Between 121 and 150 days		Between 151 and 180 days		Between 181 and 210 days		Between 211 and 250 days		More than 250 days		Total		
Period as of	Number of client portfolio with no rescheduling	Gross portfolio with no rescheduling	No. of client in portfolio with no rescheduling	Gross portfolio with no rescheduling	Number of client portfolio with no rescheduling	Gross portfolio with no rescheduling	No. of client in portfolio with no rescheduling	Gross portfolio with no rescheduling	Number of client portfolio with no rescheduling	Gross portfolio with no rescheduling	No. of client in portfolio with no rescheduling	Gross portfolio with no rescheduling	Number of client portfolio with no rescheduling	Gross portfolio with no rescheduling	No. of client in portfolio with no rescheduling	Gross portfolio with no rescheduling	Number of client portfolio with no rescheduling	Gross portfolio with no rescheduling	No. of client in portfolio with no rescheduling	Gross portfolio with no rescheduling	No. of client in portfolio with no rescheduling	Gross portfolio with no rescheduling
	ThUS\$	ThUS\$		ThUS\$		ThUS\$		ThUS\$		ThUS\$		ThUS\$		ThUS\$		ThUS\$		ThUS\$		ThUS\$		ThUS\$
June 30, 2016	622	19,696	129	1,935	73	1,314	38	595	20	99	27	37	25	54	17	39	17	33	79	449	1,047	24,251
December 31, 2015	174	9,375	100	1,566	66	1,353	38	637	20	218	16	108	14	17	13	32	11	26	99	601	551	13,933

The Company, through its direct subsidiary SAAM S.A., took out a commercial credit insurance, to reduce the risk of uncollectability of its client portfolio, the insurance policy enters into force on 11.01.2013 and will be valid for two years, which was extended until December 31, 2016.

Notes to the Interim Consolidated Financial Statements

NOTE 11 Trade and other receivables, continued

Detail by number and type of portfolio of trades and other receivable, current and non-current, continued

c) Detail by returned and in legal collection, current and non-current:

Notes receivables										
Periods as of	Returned, non-securitized portfolio		returned, securitized portfolio		in legal collection, non-securitized portfolio		in legal collection, securitized portfolio		Total	
	Number of clients returned portfolio or in legal collection	Returned portfolio or in legal collection ThUS\$	Number of clients returned portfolio or in legal collection	Returned portfolio or in legal collection ThUS\$	Number of clients returned portfolio or in legal collection	Returned portfolio or in legal collection ThUS\$	Number of clients returned portfolio or in legal collection	Returned portfolio or in legal collection ThUS\$	Number of clients	Gross portfolio ThUS\$
June 30, 2016	73	963	-	-	60	462	-	-	133	1,425
December 31, 2015	70	942	-	-	62	467	-	-	132	1,409

Notes to the Interim Consolidated Financial Statements
NOTE 12 Balances and transactions with related parties

Net balances receivable from and payable to non-consolidated related parties are as follows:

	Current 06-30-2016 ThUS\$	Non-current 06-30-2016 ThUS\$	Total 06-30-2016 ThUS\$	Current 12-31-2015 ThUS\$	Non-current 12-31-2015 ThUS\$	Total 12-31-2015 ThUS\$
Receivables from related entities	15,244	109	15,353	20,367	79	20,446
Payables to related entities	(1,222)	(12)	(1,234)	(1,659)	(10)	(1,669)
Total	14,022	97	14,119	18,708	69	18,777

All current balances with related parties are stated on an arm's length basis and will be paid within twelve months after reporting date.

(12.1) Trade receivables due from related parties

This caption comprises the following:

Tax ID Number	Domestic companies	Receivable currency	Relationship	Transaction	Current 06-30-2016 ThUS\$	Non- current 06-30-2016 ThUS\$	Current 12-31-2015 ThUS\$	Non- current 12-31-2015 ThUS\$
90.160.000-7	Compañía Sud Americana de Vapores S.A.	Chilean pesos and dollar	Common Shareholder	Services	2,798(**)	-	2,110	-
86.547.900-K	Sociedad Anónima Viña Santa Rita	Chilean pesos	Common Shareholder	Services	-	-	313	-
93.007.000-9	Soc. Química y Minera de Chile S.A.	Chilean pesos	Common Director	Services	-	-	3	-
96.840.950-6	Odfjell y Vapores S.A.	Chilean pesos	Common Shareholder	Services	62	-	75	-
77.261.280-K	Falabella Retail S.A.	Chilean pesos	Common Director	Services	-	-	88	-
96.657.210-8	Transportes Fluviales Corral S.A.	Chilean pesos	Indirect associate	Services	59	-	130	-
81.148.200-5	Ferrocarril de Antofagasta a Bolivia FCAB	Chilean pesos	Common Shareholder	Services	1	-	1	-
99.567.620-6	Terminal Puerto Arica S.A.	Chilean pesos	Indirect associate	Dividend	-	-	383	-
99.511.240-K	Antofagasta Terminal Internacional S.A.	Chilean pesos	Indirect associate	Dividend Services	- 168	-	- 140	-
96.908.970-K	San Antonio Terminal Internacional S.A.	Chilean pesos and dollar	Indirect associate	Serviced Dividend	94 -	-	10 2,293	-
76.028.651-6	Lng Tugs Chile S.A.	Dollar	Indirect associate	Total Services Dividend	296 296 -	-	91 83 8	-
76.140.270-6	Inmobiliaria Carriel Ltda.	Chilean pesos	Indirect associate	Services	4	109(*)	3	79(*)
87.941.700-7	Viña Carmen S.A.	Chilean pesos	Common Shareholder	Services	-	-	59	-
90.331.000-6	Cristalerías Chile S.A.	Chilean pesos	Common Shareholder	Services	-	-	192	-

(*) Corresponds to a loan from the indirect subsidiary Inmobiliaria San Marco for the payment of contributions, payable in the long-term.

(**) At reporting date, the Company continues to provide services to Compañía Sud Americana de Vapores S.A., mainly services related to car carrier, port operations, tugboats and bulks.

Notes to the Interim Consolidated Financial Statements

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

Tax ID Number	Domestic companies	Receivable currency	Relationship	Transaction	Current 06-30-2016 ThUS\$	Non-current 06-30-2016 ThUS\$	Current 12-31-2015 ThUS\$	Non-current 12-31-2015 ThUS\$
86.963.200-7	Forus S.A.	Chilean pesos	Common Director	Services	17	-	20	-
76.028.758-K	Norgistics Chile S.A.	Chilean pesos	Common Shareholder	Services	99	-	53	-
76.009.053-0	Madeco Mills S.A.	Chilean pesos	Common Director	Services	3	-	3	-
78.353.000-7	Servicios Portuarios Reloncaví Ltda.	Chilean pesos	Indirect associate	Services	310	-	209	-
96.610.780-4	Portuaria Corral S.A.	Chilean pesos	Indirect associate	Services	144	-	59	-
82.074.900-6	Transbordadora Austral Broom S.A.	Chilean pesos	Indirect associate	Dividend Services	1,391	-	-	-
94.627.000 - 8	Parque Arauco S.A.	Chilean pesos	Common Director	Services	-	-	23	-
96.783.150-6	St. Andrews Smoky Delicacies S.A.	Chilean pesos	Common Director	Services	-	-	4	-
96.908.930-0	San Vicente Terminal Internacional S.A.	US Dollar	Indirect associate	Dividend	-	-	65	-
76.068.303-5	Nativa Eco Wines S.A.	Chilean pesos	Common Shareholder	Services	-	-	1,911	-
99.506.030-2	Muellaje del Maipo S.A.	Chilean pesos	Indirect associate	Current account	2	-	3	-
88.586.400-7	Cervecera CCU Chile Ltda.	Chilean pesos	Common Director	Services	246	-	-	-
96.757.010-9	Vitivinícola del Maipo S.A.	Chilean pesos	Common Shareholder	Services	-	-	1	-
96.969.180-9	Viña Altair S.A.	Chilean pesos	Common Director	Services	-	-	1	-
91.041.000-8	Viña San Pedro Tarapacá S.A.	Chilean pesos	Common Director	Services	-	-	8	-
96.566.940-K	Agencias Universales S.A.	Chilean pesos	Indirect	Services	1,007	-	382	-
76.350.651-7	CSAV Agenciamiento Marítimo SPA	Chilean pesos and US dollar	Common Shareholders	Services	256	-	1,124	-
76.049.840-8	Happag Lloyd S.A.	Chilean pesos and US dollar	Common Shareholders	Services	1,634	-	3,858	-
89.602.300-4	CSAV Austral SPA S.A.	Chilean pesos and US dollar	Common Shareholders	Services	272	-	397	-
95.134.000-6	Antartic Seafood S.A.	Chilean pesos	Common Director	Services	30	-	-	-
87.001.500-3	Quimetal Industrial S.A.	Chilean pesos	Common Director	Services	-	-	3	-
78.896.610-5	Minera El Tesoro S.A.	Chilean pesos	Common Director	Services	-	-	4	-
76.380.217-5	CSAV Portacontenedores SPA	Chilean pesos	Common Shareholders	Services	1,475	-	1,874	-
76.727.040-2	Minera Esperanza S.A.	Chilean pesos	Common Director	Services	-	-	2	-
Total domestic companies					10,368	109	15,895	79

Notes to the Interim Consolidated Financial Statements

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

Tax ID Number	Country	Receivable currency	Foreign Companies	Relationship	Transaction	Current	Non-current	Current	Non-current
						06-30-2016 ThUS\$	06-30-2016 ThUS\$	12-31-2015 ThUS\$	12-31-2015 ThUS\$
0-E	Panama	Dollar	CSAV Sudamericana de Vapores S.A.	Common shareholder	Services	-	-	368	-
0-E	Panama	Dollar	Southern Shipmanagement Co. S.A.	Common shareholder	Services	485	-	516	-
0-E	Brazil	Dollar	Companhia Libra de Navegação S.A.	Common shareholder	Services	1,015	-	1,034	-
0-E	Peru	Dollar	Consortio Naviero Peruano S.A.	Common shareholder	Services	111	-	265	-
0-E	Brazil	Dollar	Norgistics Brasil Operador Multimodal Ltda.	Common shareholder	Services	215	-	235	-
0-E	Peru	Dollar	Tramarsa S.A.	Indirect Associate	Services	77	-	80	-
0-E	Brazil	Dollar	Tug Brasil Apoio Marítimo Portuario S.A.	Joint venture	Services	989	-	989	-
0-E	Brazil	Dollar	SAAM Smit Towage Brasil S.A.	Joint venture	Dividends	1,180	-	-	-
0-E	Uruguay	Dollar	Gertil S.A.	Indirect Associate	Services	10	-	10	-
0-E	Colombia	Dollar	Puerto Buenavista S.A.	Indirect Associate	Current account	1	-	-	-
0-E	Panama	Dollar	G-Star Capital, Inc Holding	Indirect Associate	Current account	21	-	-	-
0-E	Malta	Dollar	Norasia Container Lines Ltd.	Common shareholder	Services	308	-	211	-
0-E	Brazil	Dollar	Smit International Curacao	Common shareholder	Other	121	-	-	-
0-E	Netherlands	Dollar	Boskalis Finance BV	Partner	Other	-	-	421	-
0-E	Uruguay	Dollar	Luckymont	Indirect Associate	Loan (*)	343	-	343	-
Total foreign companies						4,876	-	4,472	-
Total trade receivables due from related parties						15,244	109	20,367	79

(*) Loans with no interests or adjustments.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

NOTE 12 Balances and transactions with related parties
(12.2) Trade payables due to related parties

Tax ID Number	Domestic companies	Receivable currency	Relationship	Transaction	Current 06-30-2016 ThUS\$	Non-current 06-30-2016 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	440	-	113	-
96.566.940-K	Agencias Universales S.A.	Chilean pesos	Indirect	Services	22	-	-	-
79.574.560-2	Framberry S.A.	Chilean pesos	Common Director	Services	-	-	1	-
99.567.620-6	Terminal Puerto Arica S.A.	Chilean pesos	Indirect Associate	Services	9	-	7	-
90.413.000-1	Cía. Cervecerías Unidas S.A.	Chilean pesos	Common Director	Services	1	-	1	-
96.908.970-K	San Antonio Terminal Internacional S.A.	Chilean pesos	Indirect Associate	Total	13	12	78	10
				Other	-	12 ⁽¹⁾	-	10 ⁽¹⁾
				Services	13	-	78	-
96.908.930-0	San Vicente Terminal Internacional S.A.	Chilean pesos	Indirect Associate	Total	277	-	77	-
				Services	277	-	77	-
				Other	-	-	-	-
94.058.000-5	Servicio Aeroportuarios Aerosan S.A.	Chilean pesos	Indirect Associate	Current account	2	-	2	-
92.011.000-2	Empresa Nacional de Energía Enx S.A.	Chilean pesos	Common Director	Services	40	-	160	-
95.134.000-6	Grupo Empresas Navieras S.A.	US Dollar	Partner	Dividend	-	-	420	-
76.727.040-2	Minera Esperanza S.A.	Chilean pesos	Common shareholder	Services	-	-	1	-
80.186.300-0	Consortio Industrial de Alimentos S.A.	Chilean pesos	Common Director	Services	-	-	3	-
76.049.840-8	Happag Lloyd S.A.	Chilean pesos	Common shareholder	Services	42	-	-	-
Total domestic companies					846	12	863	10

⁽¹⁾Corresponds to the balance for IAS's payment obligation for transferred personnel to San Antonio Terminal Internacional S.A. obligation that will be extinguished when personnel are no longer part of such companies.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

NOTE 12 Balances and transactions with related parties, continued

(12.2) Trade payables due to related parties, continued

Tax ID Number	Country	Receivable currency	Foreign Companies	Relationship	Transaction	Current 06-30-2016 ThUS\$	Non-current 06-30-2016 ThUS\$	Current 12-31-2015 ThUS\$	Non-current 12-31-2015 ThUS\$
0-E	Peru	Dollar	Tramarsa S.A.	Indirect associate	Current account	35	-	17	-
0-E	Brazil	Dollar	Companhia Libra de Navegação S.A.	Common associate	Services	35	-	35	-
0-E	Guatemala	Quetzal	Harry Nadle	Partner	Other	4	-	3	-
0-E	Netherlands	Dollar	Boskalis Finance BV	Partner	Current account	302	-	741	-
Total foreign companies						376	-	796	-
Total trade payables due to related parties						1,222	12	1,659	10

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

NOTE 12 Balances and transactions with related parties, continued

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

Tax ID Number	Company	Relationship	Country	Transaction with effect on profit or loss	06-30-2016 ThUS\$	06-30-2015 ThUS\$
90.160.000-7	Compañía Sudamericana de Vapores S.A.	Common Shareholder	Chile	Container deposit and maintenance	-	17
				Port operations	271	160
				Marine brokering	179	62
				Logistics	1	-
				Tugboats	319	124
				Lease	(139)	-
				Advisory expenses	-	(52)
76.350.651-7	CSAV Agenciamiento Marítimo SPA	Common Shareholder	Chile	Marine brokering	-	251
				Container deposit and maintenance	-	3,460
				Logistics	-	40
				Refrigerating terminal	-	25
				Bulks and warehouses	-	32
				Tugboats	-	482
				Importer-Exporter services	-	39
				Port operations	-	1,229
				Logistics	-	(17)
				Lease	-	(2)
76.049.840-8	Happag Lloyd S.A.	Common Shareholder	Chile	Port operations	21	58
				Logistics	(108)	50
				Container deposit and maintenance	-	452
				Refrigerating terminal	-	10
				Tugboats	-	412
89.602.300-4	CSAV Austral SPA S.A.	Common Shareholder	Chile	Marine brokering	-	6
				Container deposit and maintenance	-	551
				Logistics	317	-
				Refrigerating terminal	4	11
				Port operations	20	82
				Tugboats	369	58
				Importer-Exporter services	-	79
				Deposit	(93)	(30)
96.908.970-K	San Antonio Terminal Internacional S.A.	Indirect Associate	Chile	Marine brokering	11	-
				Back Office	-	30
				Container deposit and maintenance	4	20
				Bulks and warehouses	23	140
				Tugboats	3	19
				Logistics	10	1
				Port terminal service costs	(139)	(1,285)
96.908.930-0	San Vicente Terminal Internacional S.A.	Indirect Associate	Chile	Logistics	2	5
				Sale of license	-	43
				Tugboats	19	23
				Container deposit and maintenance	274	172
				Marine brokering	2	2
				Port terminal service costs	(451)	(139)
99.511.240-K	Antofagasta Terminal Internacional S.A.	Indirect Associate	Chile	Container deposit and maintenance	7	175
				Logistics	21	12
				Employee service	5	-
				Port operations	-	2
				Sale of license	-	30
				Port terminal service costs	(77)	(95)
				Computer services	69	-
				Advisory services to SAAM Group	93	-
99.567.620-6	Terminal Puerto Arica S.A.	Indirect Associate	Chile	Port terminal service costs	(90)	(35)

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim 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

Tax ID Number	Company	Relationship	Country	Transaction with effect on profit or loss	06-30-2016	06-30-2015
					ThUS\$	ThUS\$
82.074.900-6	Transbordadora Austral Broom S.A.	Indirect Associate	Chile	Marine brokering Logistics	24 (20)	1 (2)
87.987.300-2	Southern Shipmanagement Ltda.	Common Shareholder	Chile	Port equipment Marine brokering Container deposit and maintenance Logistics Tugboats	2 459 14 - -	3 244 11 3 4
0-E	Southern Shipmanagement Co. S.A.	Common Shareholder	Panama	Marine brokering Tugboats	26 -	32 7
96.840.950-6	Odfjell & Vapores S.A.	Common Shareholder	Chile	Tugboats	185	69
0-E	Norgistic Brasil Operador Multimodal Ltda.	Common Shareholder	Brazil	Logistics Deposit and maintenance	- -	4 41
76.028.758-k	Norgistics Chile S.A.	Common Shareholder	Chile	Logistics Marine brokering	7 15	1 12
0-E	Norasia Container Lines Ltd.	Common Shareholder	Malta	Deposit and maintenance Refrigerating terminal Port operations Port equipment Tugboats	- - 297 - -	319 36 2,056 245 91
0-E	Compañía Libra Navegación (Uruguay) S.A.	Common Shareholder	Uruguay	Port operations Marine brokering Container deposit and maintenance	1 - -	121 11 140
0-E	Companhia Libra de Navegação S.A.	Common Shareholder	Brazil	Container deposit and maintenance Tugboats Port operations Port equipment Logistics Marine brokering Refrigerator	- - - - - - -	250 109 1 1 24 4 24
0-E	CSAV Sudamericana de Vapores S.A.	Common Shareholder	Panama	Container deposit and maintenance Tugboats Marine brokering Logistics	- - - -	40 45 90 (13)
0-E	Consorcio Naviero Peruano S.A.	Common Shareholder	Peru	Marine brokering Tugboats	1 16	1 5
0-E	Hapag Lloyd AG	Common Director	Germany	Port operations	5,558	-
90.596.000-8	Cía. Chilena de Navegación Interoceánica S.A.	Indirect	Chile	Port operations Port terminal	- -	696 (61)
76.380.217-5	CSAV Portacontenedores SPA	Common Shareholder	Chile	Marine brokering Container deposit and maintenance Logistics Refrigerating terminal Port operations Tugboats	73 1,363 368 147 270 935	- - - - - -

Notes to the Interim 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

Tax ID Number	Company	Relationship	Country	Transaction with effect on profit or loss	06-30-2016 ThUS\$	06-30-2015 ThUS\$
96.989.120-4	Cervecera CCU Chile Ltda.	Common Director	Chile	Logistics	-	26
91.840.000-1	Minera Michilla S.A.	Common Shareholder	Chile	Deposit and maintenance	6	13
77.261.280-K	Falabella Retail S.A.	Common Director	Chile	Logistics	203	229
				Container deposit and maintenance	-	(1)
90.331.000-6	Cristalerías Chile S.A.	Common Director	Chile	Bulks and warehouses	424	622
				Container deposit and maintenance	-	(1)
87.001.500-3	Quimetal Industrial S.A.	Common Director	Chile	Container deposit and maintenance	-	1
86.547.900-K	Soc. Anónima Viña Santa Rita	Common Director	Chile	Logistics	143	163
				Container deposit and maintenance	1	244
				Marine brokering	-	(7)
92.011.000-2	Empresa Nacional de Energía ENEX S.A	Common Director	Chile	Logistics	1	-
				Other expenses	(172)	(140)
97.004.000-5	Banco de Chile S.A.	Common Director	Chile	Logistics	3	1
				Interests	(3)	(2)
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 and maintenance	2	2
91.041.000-8	Viña San Pedro Tarapacá S.A.	Common Director	Chile	Container deposit and maintenance	4	5
93.007.000-9	Sociedad Química y Minera de Chile S.A.	Common Director	Chile	Logistics	1	67
				Container deposit and maintenance	-	702
86.963.200-7	Forus S.A.	Common Director	Chile	Container deposit and maintenance	-	1
				Logistics	81	73
96.956.680-K	Alusa S.A.	Common Shareholder	Chile	Logistics	3	-
83.628.100-4	Sonda S.A.	Common Director	Chile	Logistics	20	-
				Administrative expenses	(10)	-
90.320.000-6	Cía. Electrometalúrgica S.A.	Common Director	Chile	Logistics	1	73
94.058.000-5	Servicio Aeroportuarios Aerosan S.A.	Common Director	Chile	Logistics	(3)	(4)
76.727.040-2	Minera Esperanza S.A.	Common Shareholder	Chile	Deposit and maintenance	-	5
79.534.600-7	Viña Centenaria S.A.	Common Shareholder	Chile	Logistics	1	-
96.981.310-6	Compañía Cervecera Kunstmann S.A.	Common Shareholder	Chile	Logistics	1	(4)
99.586.280-8	Compañía Písquera de Chile S.A.	Common Shareholder	Chile	Logistics	2	-
96.711.590-8	Manantial S.A.	Common Shareholder	Chile	Logistics	5	-
94.036.000-5	Minera Cerro Centinela S.A.	Common Director	Chile	Logistics	2	-

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim 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

Tax ID Number	Company	Relationship	Country	Transaction with effect on profit or loss	06-30-2016 ThUS\$	06-30-2015 ThUS\$
76.068.303-5	Nativa Eco Wines S.A.	Common Shareholder	Chile	Logistics	1	-
87.941.700-7	Viña Carmen S.A.	Common Shareholder	Chile	Logistics	31	45
96.783.150-6	St. Andrews Smocky Delicacies S.A.	Common Director	Chile	Logistics	14	-
				Container deposit and maintenance	-	148
				Refrigerator	27	-
				Other operational services	6	-
99.501.760-1	Embotelladoras Chilenas Unidas S.A.	Common Director	Chile	Logistics	25	2
				Container deposit and maintenance	2	-
				Container deposit and maintenance s	(2)	(6)
96.566.940-K	Agencias Universales S.A.	Indirect	Chile	Port operations	395	395
				Port services	8	-
				Tugboats	222	-
				Container deposit and maintenance	426	-
				Logistics	7	-
				Logistics	(70)	-
				Fleet Lease costs	(183)	(103)
78.353.000-7	Servicios Portuarios Reloncavi Ltda.	Indirect Associate	Chile	Bulks and warehouses	167	197
				Marine brokering	1	1
				Container deposit and maintenance	12	30
				Port terminal service costs	(107)	-
79.574.560-2	Framberry S.A.	Common Director	Chile	Logistics	-	11
76.028.651-6	Lng Tugs Chile S.A.	Indirect Associate	Chile	Tugboats	1,270	499
99.506.030-2	Muellaje del Maipo S.A.	Indirect Associate	Chile	Container deposit and maintenance	-	6
				Lease	8	4
				Personnel service	-	(95)
				Logistics	10	-
0-E	Tramarsa S.A.	Indirect Associate	Peru	Lease	(3)	-

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim 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.

Notes to the Interim Consolidated Financial Statements

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

This caption is comprised of the following:

Director	Tax ID Number	Relationship	Company	2015 Profit sharing 06-30-2016 ThUS\$	Fees to Board of Directors 06-30-2016 ThUS\$	2014 Profit sharing 06-30-2015 ThUS\$	Fees to Board of Directors 06-30-2015 ThUS\$
Felipe Joannon V.	6.558.360-7	Chairman (1), (5) y (10)	SM SAAM and SAAM and ITI	230	44	203	49
Jean-Paul Luksic Fontbona	6.372.368-1	Vice-president (2)	SM SAAM and SAAM	115	10	102	16
Juan Antonio Álvarez A.	7.033.770-3	Director (8)	SM SAAM and SAAM	115	11	102	24
Hernán Büchi Buc	5.718.666-6	Director (8)	SM SAAM and SAAM	115	11	102	24
Arturo Claro Fernández	4.108.676-9	Director (8)	SM SAAM and SAAM	115	7	102	24
Mario Da-Bove A.	4.175.284-K	Director	SM SAAM	153	28	135	31
Oscar Hasbún Martínez	11.632.255-2	Director (4)	SM SAAM	77	21	-	8
Francisco Gutiérrez Ph.	7.031.728-1	Director (10)	SM SAAM, SAAM and ITI	115	24	102	28
Gonzalo Menendez Duque	5.569.043-K	Director (7)	SM SAAM and SAAM	38	-	102	16
Francisco Pérez Mackenna	6.525.286-4	Director	SM SAAM and SAAM	153	27	135	31
Christoph Schiess Schmitz	6.371.875-0	Director (8)	SM SAAM and SAAM	115	7	102	24
Ricardo Waidele C.	5.322.238-2	Director (8)	SM SAAM	153	15	135	31
Jorge Gutiérrez Pubill	5.907.040-1	Director (9)	SM SAAM	-	14	-	-
Javier Bitar Hirmas	6.379.676-K	Chairman (3)	ITI	-	3	-	7
Yurik Diaz Reyes	8.082.982-5	Director (6)	ITI	-	4	-	3
Franco Montalbetti Moltedo	5.612.820-4	Director	ITI	-	1	-	1
Diego Urenda Salamanca	8.534.822-1	Director	ITI	-	3	-	4
Alberto Bórquez Calbucura	6.642.301-8	Director (12)	ITI	-	1	-	-
Roberto Larraín Saenz	9.487.060-7	Alternate director	ITI	-	-	-	2
Juan Esteban Bilbao	6.177.043-7	Director	ITI	-	2	-	4
Miguel Tortello Schuwirth	6.401.435-8	Director	ITI	-	2	-	4
Macario Valdés Raczynski	14.123.555-9	Vice-president (11)	ITI	-	1	-	1
Total				1,494	236	1,322	332

(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) In addition to fees and profit sharing, remunerations amounting to ThUS\$ 118 were paid in the current period.

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

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

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

NOTE 12 Balances and transactions with related parties, continued

(12.4) Payments to the Board of Directors, continued

As of June 30, 2016, the Company has recognized a provision for the accrued equity of profit for 2016 the total amount of ThUS\$410 (ThUS\$501 in June 2015) that will be paid to SM-SAAM' Board of Directors in the following year.

NOTE 13 Current and non-current inventories

Current and non-current inventories comprise the following:

	06-30-2016			12-31-2015		
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Supplies for the rendering of services						
Fuel	3,200	-	3,200	4,119	-	4,119
Spare-parts	8,520	2,183 ⁽¹⁾	10,703	7,596 ⁽²⁾	1,668 ⁽¹⁾	9,264
Containers	3,245	-	3,245	3,380 ⁽²⁾	-	3,380
Supplies	153	-	153	708	-	708
Lubricants	111	-	111	172	-	172
Other	157	-	157	-	-	-
Total inventories	15,386	2,183	17,569	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 June 30, 2016 and December 31, 2015, there are no inventories pledged as guarantee.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim 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	06-30-2016			12-31-2015		
		Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Prepaid insurance	14.1	4,938	744	5,682	4,233	785	5,018
Fiscal credit	14.2	4,904	4,486	9,390	5,594	3,027	8,621
Other non-financial assets	14.3	752	180	932	709	133	842
Total other non-financial assets		10,594	5,410	16,004	10,536	3,945	14,481

14.1 Prepayments	06-30-2016			12-31-2015		
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Prepaid insurance	3,776	-	3,776	3,403	-	3,403
Prepaid rental	83	744	827	83	785	868
Licenses and subscriptions	247	-	247	299	-	299
Other(*)	832	-	832	448	-	448
Total	4,938	744	5,682	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	06-30-2016			12-31-2015		
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Remnant of Fiscal Credit	4,257	4,486 ^(*)	8,743	4,832	3,027 ^(*)	7,859
Value-added tax	647	-	647	762	-	762
Total	4,904	4,486	9,390	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	06-30-2016			12-31-2015		
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Guarantees for compliance with concession contract ⁽²⁾	251	-	251	248	-	248
Guarantees for tax and labor lawsuits ⁽¹⁾	128	51	179	75	36	111
Guarantees for suppliers ⁽¹⁾	351	-	351	366	-	366
Guarantees for customs	-	90	90	-	78	78
Other guarantees ⁽¹⁾	22	39	61	20	19	39
Total	752	180	932	709	133	842

⁽¹⁾ Relates to guarantees provided in cash that will be recovered upon expiration of the Company's obligation.

⁽²⁾ Guarantee in cash that is renewed annually in accordance with the concession contract

Notes to the Interim Consolidated Financial Statements

NOTE 15 Financial information of subsidiaries, associates and joint ventures

(15.1) Financial Information on subsidiary, total amounts.

As of June 30, 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%	ThUS\$ 257,813	ThUS\$ 992,470	ThUS\$ 130,370	ThUS\$ 275,732	ThUS\$ 194,624	ThUS\$ (143,112)	ThUS\$ 30,283

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%	ThUS\$ 260,355	ThUS\$ 960,436	ThUS\$ 143,704	ThUS\$ 247,621	ThUS\$ 426,273	ThUS\$ (314,226)	ThUS\$ 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 Sudamericana 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 Sudamericana 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 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 paid amount and the carrying amount of the acquired interest is recognized in Equity (see note 3.1).

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

NOTA 15 Financial information of subsidiaries, associates and joint ventures, continued

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

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).
- 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 Maritimos 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 and 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.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

NOTA 15 Financial information of subsidiaries, associates and joint ventures, continued

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

- 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.

Notes to the Interim 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 June 30, 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.	3,180	10,074	1,763	733	3,693	(2,784)	954
Antofagasta Terminal Internacional S.A.	17,165	143,936	21,834	115,945	23,405	(20,847)	(1,404)
Empresa de Servicios Marítimos Hualpén Ltda.	351	423	535	10	249	(286)	(67)
Inmobiliaria Carriel Ltda.	12	495	224	-	5	(44)	(42)
Inmobiliaria Sepbio Ltda.	164	3,847	619	2,958	132	(30)	(51)
LNG Tugs Chile S.A.	1,494	16	904	-	3,547	(3,364)	85
Muellaje ATI S.A.	420	1,070	2,855	363	2,587	(3,006)	(457)
Muellaje del Maipo S.A.	2,564	45	2,491	111	8,880	(8,756)	(25)
Muellaje STI S.A.	3,728	1,008	1,204	2,986	4,370	(3,981)	89
Muellaje SVTI S.A.	2,367	806	1,991	317	8,706	(8,620)	44
Portuaria Corral S.A.	4,676	13,806	3,344	3,221	5,301	(3,513)	1,119
San Antonio Terminal Internacional S.A.	67,688	171,414	17,623	129,698	54,352	(39,915)	7,266
San Vicente Terminal Internacional S.A.	51,867	139,369	55,219	69,980	33,533	(24,721)	4,148
Puerto Buenavista S.A.	370	20,576	324	9,997	1,063	(664)	168
Serviair Ltda.	-	-	-	-	-	-	-
Servicios Logísticos Ltda.	1,074	349	233	-	558	(444)	128
Servicios Aeroportuarios Aerosan S.A.	8,799	2,490	1,715	1,285	7,505	(5,037)	2,065
Servicios Marítimos Patillos S.A.	-	-	-	-	-	-	-
Servicios Portuarios Reloncaví Ltda.	8,853	11,156	4,913	2,250	9,389	(7,637)	770
Servicios Portuarios y Extraportuarios Bío Ltda.	6	-	9	-	-	-	-
Terminal Puerto Arica S.A.	14,763	97,667	13,908	54,683	24,159	(17,304)	4,004
Transbordadora Austral Broom S.A.	16,119	44,753	11,734	6,801	13,208	(6,065)	3,968
Transportes Fluviales Corral S.A.	2,708	3,816	1,431	1,096	1,810	(1,175)	421
Elequip S.A.	727	1,661	363	-	-	-	(26)
Equimac S.A.	128	4,867	5	1,524	-	-	460
Reenwood Investment Co.	-	3,405	52	-	-	-	223
Construcciones Modulares S.A.	-	-	-	-	-	-	-
Tramarsa S.A. y subsidiarias	180,049	389,038	94,665	294,332	108,426	(67,430)	18,890
Gertil S.A.	3,368	7,898	2,475	3,743	2,333	(2,026)	(20)
Riluc S.A.	135	-	26	-	-	-	-
G-Star Capital, Inc. Holding	42	-	-	-	-	-	-
Luckymont S.A.	2,756	6,209	3,284	4,092	4,179	(3,248)	462
SAAM SMIT Towage Brasil S.A.	66,433	256,876	43,766	127,214	57,713	(32,233)	11,633
Almacenes Pacifico Sur S.A.	4,763	542	3,763	193	3,509	(2,562)	571
Kemfa Servicios, Inversiones y Representaciones S.A.	279	3,124	236	1,870	288	(327)	(94)
Diving del Peru S.A.C.	5,252	1,163	5,357	170	1,785	(1,461)	(23)

Notes to the Interim 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 June 30, 2016

Associates	Current	Non-current	Current	Non-current	Operating	Operating	Profit (loss)
	Assets	assets	liabilities	liabilities	revenue	costs	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 Sepbio 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.	78,089	165,899	23,339	133,076	104,761	(74,859)	15,287
San Vicente Terminal Internacional S.A.	32,396	137,366	57,216	50,697	65,992	(50,422)	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 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. y subsidiarias	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 Interim Consolidated Financial Statements

NOTE 16 Investment in associates and joint ventures

16.1) Detail of investments in associates

Associates	Country	Currency	Ownership interest	Balance as of	Capital	Interest in	Dividend	Foreign	Hedging	Unrealized	Sale of	Other	Balance as of
				December 31, 2015	contributions	profit or loss	received	currency translation reserve	reserve	gain (loss)	investment	changes	June 30, 2016
				ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Aerosán Airport Services S.A. ⁽⁷⁾	Chile	US dollar	50.00%	4,901	-	477	-	-	-	-	-	-	5,378
Antofagasta Terminal Internacional S.A.	Chile	US dollar	35.00%	8,655	-	(491)	-	-	-	9	-	-	8,173
Empresa de Servicios Marítimos Hualpén Ltda.	Chile	Chilean peso	50.00%	128	-	(23)	-	9	-	-	-	-	114
Inmobiliaria Carriel Ltda.	Chile	Chilean peso	50.00%	152	-	(21)	-	10	-	-	-	-	141
Inmobiliaria Sepbio Ltda.	Chile	Chilean peso	50.00%	226	-	(25)	-	16	-	-	-	-	217
LNG Tugs Chile S.A.	Chile	US dollar	40.00%	253	-	34	(56)	-	-	-	-	8 ⁽⁵⁾	239
Muellaje ATI S.A.	Chile	Chilean peso	0.50%	(6)	-	(2)	-	-	-	-	-	-	(8)
Muellaje del Maipo S.A.	Chile	US dollar	50.00%	16	-	(13)	-	-	-	-	-	-	3
Muellaje STI S.A.	Chile	Chilean peso	0.50%	2	-	-	-	-	-	-	-	-	2
Muellaje SVTI S.A.	Chile	Chilean peso	0.50%	4	-	-	-	-	-	-	-	-	4
Portuaria Corral S.A.	Chile	Chilean peso	50.00%	5,176	-	555	(168)	396	-	-	-	-	5,959
San Antonio Terminal Internacional S.A.	Chile	US dollar	50.00%	44,287	-	3,570 ⁽⁴⁾	(1,529)	-	-	-	-	-	46,328
San Vicente Terminal Internacional S.A.	Chile	US dollar	50.00%	30,696	-	2,074	-	30	-	-	-	-	32,800
Servair Ltda.	Chile	Chilean peso	1.00%	-	-	-	-	-	-	-	-	-	-
Servicios Aeroportuarios Aerosan S.A. ⁽⁷⁾	Chile	US dollar	50.00%	5,611	-	1,033	(2,500)	-	-	-	-	-	4,144
Servicios Logísticos Ltda. ⁽⁷⁾	Chile	US dollar	1.00%	11	-	1	-	-	-	-	-	-	12
Servicios Marítimos Patillos S.A.	Chile	US dollar	50.00%	-	-	-	-	-	-	-	-	-	-
Servicios Portuarios Reloncaví Ltda.	Chile	Chilean peso	50.00%	6,053	-	378	(347)	304	-	-	35	-	6,423
Servicios Portuarios y Extraportuarios Bio Bio Ltda.	Chile	Chilean peso	50.00%	(1)	-	-	-	-	-	-	-	-	(1)
Terminal Puerto Arica S.A.	Chile	US dollar	15.00%	5,922	-	601	-	-	53	-	-	-	6,576
Transbordadora Austral Broom S.A.	Chile	Chilean peso	25.00%	10,629	-	992	(1,758)	721	-	-	-	-	10,584
Transportes Fluviales Corral S.A.	Chile	Chilean peso	50.00%	1,568	-	190	-	129	-	9	-	-	1,896
Elequip S.A.	Colombia	US dollar	50.00%	1,215	-	(13)	(190)	-	-	-	-	-	1,012
Equimac S.A.	Colombia	US dollar	50.00%	1,834	-	230	(331)	-	-	-	-	-	1,733
Puerto Buenavista S.A. ⁽³⁾	Colombia	Chilean peso	33.33%	5,184	-	56	-	251	-	-	-	-	5,491
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	Peruvian Nuevo Sol	0.00%	-	-	-	-	-	-	-	-	-	-
Tramarsa S.A.	Peru	US dollar	35.00%	59,663	-	6,611	(1,789)	(233)	(1,619)	-	-	-	62,633
Gertil S.A.	Uruguay	US dollar	49.00%	2,484	-	(10)	-	-	-	-	-	-	2,474
Riluc S.A.	Uruguay	US dollar	17.70%	14	-	-	-	-	-	-	-	-	14
Luckymont S.A.	Uruguay	US dollar	49.00%	552	-	226	-	-	-	-	-	-	778
SAAM SMIT Towage Brasil S.A. ⁽²⁾	Brazil	US dollar	50.00%	104,076	-	5,816	(1,056)	(536)	-	-	-	(10,000) ⁽⁴⁾	98,300
Kemfa Servicios, Inversiones y Representaciones S.A.	Bolivia	Chilean peso	0.63%	9	-	(1)	-	-	-	-	-	-	8
Total				299,329	-	22,245	(9,724)	1,097	(1,566)	18	35	(10,007)	301,427
							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 \$ 3,633 and amortization for 2016 amounts to ThUS\$ 63.

(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\$ 76,164.

(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\$ 5,541.

(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 diciembre 2015.

(6) Corresponds to the dissolution of the company.

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

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

NOTA 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	Capital	Interest in	Dividend	Foreign	Hedging	Unrealized	Sale of	Other	Balance as of
				December 31, 2014	contributions	profit or loss	received	currency translation reserve	reserve	gain (loss)	investment	changes	December 31, 2015
				ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Aerosán Airport Services S.A.	Chile	Chilean peso	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 peso	50.00%	179	-	(27)	-	(24)	-	-	-	-	128
Inmobiliaria Carriel Ltda.	Chile	Chilean peso	50.00%	220	-	(39)	-	(29)	-	-	-	-	152
Inmobiliaria Sepbio Ltda.	Chile	Chilean peso	50.00%	236	-	29	-	(39)	-	-	-	-	226
LNG Tugs Chile S.A.	Chile	US dollar	40.00%	265	-	27	(44)	-	-	-	-	5 ⁽²⁾	253
Muellejaje ATI S.A.	Chile	Chilean peso	0.50%	(4)	-	(2)	-	-	-	-	-	-	(6)
Muellejaje del Maipo S.A.	Chile	US dollar	50.00%	34	-	(18)	-	-	-	-	-	-	16
Muellejaje STI S.A.	Chile	Chilean peso	0.50%	2	-	-	-	-	-	-	-	-	2
Muellejaje SVTI S.A.	Chile	Chilean peso	0.50%	4	-	1	-	(1)	-	-	-	-	4
Portuaria Corral S.A.	Chile	Chilean peso	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 peso	1.00%	-	-	-	-	-	-	-	-	-	-
Servicios Aeroportuarios Aerosan S.A.	Chile	Chilean peso	50.00%	3,963	-	2,387	-	(739)	-	-	-	-	5,611
Servicios Logísticos Ltda.	Chile	Chilean peso	1.00%	10	-	2	-	(1)	-	-	-	-	11
Servicios Marítimos Patillos S.A.	Chile	US dollar	50.00%	103	-	-	(102)	-	-	-	(1) ⁽⁵⁾	-	-
Servicios Portuarios Reloncaví Ltda.	Chile	Chilean peso	50.00%	7,042	-	157	(435)	(711)	-	-	-	-	6,053
Servicios Portuarios y Extraportuarios Bío Bío Ltda.	Chile	Chilean peso	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 peso	25.00%	12,811	-	2,958	(3,265)	(1,875)	-	-	-	-	10,629
Transportes Fluviales Corral S.A.	Chile	Chilean peso	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 peso	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)	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	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)	104,076
Kemfa Servicios, Inversiones y Representaciones S.A. ⁽⁶⁾	Bolivia	Chilean peso	0.63%	-	-	1	-	-	-	-	-	8	9
Total				295,768	5,153	37,875	(40,697)	(9,819)	183	19	(353)	11,200	299,329
								Note 27.2.1	Note 27.2.2				

(1) Net of amortization for the complementary 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 Brasil is recorded as part of the investment and amounts to ThUS\$22,136. 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) Include a loss of ThUS\$ 1,586 for the closure of harvesting activities in Uruguay (Note 41).

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 16 Investment in associates and joint ventures, continued
16.2) 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
	06.30.2016	06.30.2016	30.06.2016	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%
Serviair 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., ATI S.A. and SVTI S.A., respectively.

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

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

NOTE 17 Intangible assets and goodwill

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

	06-30-2016			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
Smit Marine Canada Inc. ⁽¹⁾	54,625	-	54,625	54,625	-	54,625
Total goodwill	54,661	-	54,661	54,661	-	54,661

(1) Corresponds to the determined goodwill, as of result of the acquisition of the Subsidiary Smit Marine Canada Holding Inc., (See note 15.2)

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

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:

	Gross ThUS\$	06-30-2016 Accumulated amortization ThUS\$	Net ThUS\$	Gross ThUS\$	12-31-2015 Accumulated amortization ThUS\$	Net ThUS\$
Patents, trade-marks and other rights	1,883	(885)	998	1,858	(794)	1,064
Computer programs	16,223	(7,071)	9,152	14,947	(6,145)	8,802
Port concessions, tugboat operation and other concessions (17.4)	123,684	(45,245)	78,439	123,684	(43,025)	80,659
Relationship with customers	12,381	(1,287)	11,094	11,698	(869)	10,829
Total intangible assets	154,171	(54,488)	99,683	152,187	(50,833)	101,354

(17.3) As of December 31, 2015 and January 2016 through June 30, 2016, the reconciliation of changes in intangible assets per class for the period is as follows:

	Goodwill ThUS\$	Patents, trade-marks and other rights ThUS\$	Computer programs ThUS\$	Port concessions and tugboat operation concession ThUS\$	Relationship with customers ThUS\$	Total intangible assets 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
Additions	-	238	2,205	-	-	2,443
Acquisitions for business combination	-	-	-	-	-	-
Amortization	-	(133)	(2,165)	(5,098)	(869)	(8,265)
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
Additions	-	-	1,271	-	-	1,271
Acquisitions for business combination	-	-	-	-	-	-
Amortization	-	(91)	(926)	(2,220)	(417)	(3,654) ⁽¹⁾
Impairment loss	-	-	-	-	-	-
Increase (decrease) in Currency Translation	-	25	5	-	682	712
Net balance as of June 30, 2016	54,661	998	9,152	78,439	11,094	99,683

⁽¹⁾ See Note 29 and 30.

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

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

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\$ 06.30.2016	Carrying amount ThUS\$ 12.31.2015
Port Concession of Iquique Terminal Internacional	44,158	45,143
Port Concession of Florida International Terminal, LLC	670	753
Port Concession of Terminal Marítima Mazatlán S.A. de C.V.	31,528	32,529
Total port concession	76,356	78,425
Tugboat Concession of SAAM Remolques S.A. de C.V.	-	51
Tugboat Concession of Concesionaria SAAM Costa Rica S.A.	2,083	2,183
Total tugboat concession of	2,083	2,234
Total intangibles for port concessions and tugboat concessions	78,439	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.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 18 Property, Plant and Equipment

(18.1) This caption is comprised of the following:

Property, plant and equipment	06-30-2016			12-31-2015		
	Gross mount ThUS\$	Accumulated Depreciation ThUS\$	Net Amount ThUS\$	Gross mount ThUS\$	Accumulated Depreciation ThUS\$	Net Amount ThUS\$
Land	61,103	-	61,103	57,632	-	57,632
Buildings	76,631	(32,887)	43,744	74,239	(31,535)	42,704
Vessels, tugboats, barges and boats	491,876	(172,840)	319,036	444,189	(158,198)	285,991
Machinery	114,296	(63,207)	51,089	115,300	(59,329)	55,971
Transportation equipment	7,631	(4,223)	3,408	7,430	(3,551)	3,879
Office equipment	11,577	(8,731)	2,846	10,665	(8,075)	2,590
Furniture, supplies and accessories	2,476	(2,029)	447	2,444	(1,949)	495
Construction in progress	16,159	-	16,159	25,001	-	25,001
Other property, plant and equipment	3,808	(1,365)	2,443	3,541	(1,069)	2,472
Total property, plant and equipment	785,557	(285,282)	500,275	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 subsidiary Florida International Terminal LLC for ThUS\$1,394 and 2 Gottwald Cranes and 14 Tractor units in the subsidiary Iquique Terminal Internacional S.A. for ThUS\$8,654 y ThUS\$ 995, respectively (ThUS\$10,511 and ThUS\$1,479 as of December 31, 2015, respectively).

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 18 Property, Plant and Equipment, continued

(18.2) Purchase commitments and construction of asset:

The item “**Construction-in-progress**” refers to expenditure incurred for tugboats and operating constructions to support operations at container terminals. At the closing date of the financial statements, payments made for the construction of tugboats amounted to ThUS\$5,114, projects associated with the Ecuador port of ThUS\$6,370, construction of dining areas and improvements to the Port in Iquique for ThUS\$196, civil works performed in Chile for ThUS\$ 3,671 and other minor assets for ThUS\$808.

The carrying amount of items of property, plant and equipment that are temporarily out of service, owned by the indirect subsidiary Aquasaam S.A., is ThUS\$873 (net), which at the closing date of the financial statements are measured at their recoverable amount (ThUS\$ 846 as of December 31, 2015).

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\$3,671, (ThUS\$319 as of December 31, 2015).

b) Tugboats under construction

2016

The indirect subsidiary SMIT Marine Canada Inc. S.A. has a tugboat under construction reflecting an investment to-date of ThUS\$ 5,114.

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. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 18 Property, Plant and Equipment, continued

(18.3) Reconciliation of restated 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
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)
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⁾	-	817	3,662	614	318	884	26	32,062	122	38,505
Disposals (sale of assets)	(352)	(250)	-	(56)	(196)	-	-	-	-	(854)
Transfers (to) Plant and Equipment	-	653	40,219	(12)	78	13	-	(41,091)	140	-
Write-offs	-	(17)	(93)	-	-	-	-	-	-	(110)
Depreciation expense	-	(1,929)	(14,642)	(3,221)	(672)	(656)	(80)	-	(296)	(21,496) ⁽²⁾
Impairment loss	-	-	-	(2,271) ⁽⁶⁾	-	-	-	-	-	(2,271)
Increase (decrease) in the change from functional currency to presentation currency of subsidiaries	3,625 ⁽¹⁾	1,766 ⁽¹⁾	3,899 ⁽³⁾	2	1	15	6	187	5	9,506
Other increases (decreases)	198	-	-	62	-	-	-	-	-	260
Net balance as of June 30, 2016	61,103	43,744	319,036	51,089	3,408	2,846	447	16,159	2,443	500,275

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 notes 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.

Notes to the Consolidated Financial Statements

NOTE 19 Investment Property

	06-30-2016 ThUS\$	12-31-2015 ThUS\$
Investment property initial balance	2,396	3,540
Depreciation expense (Notes 29 and 30)	(3)	(22)
Sale of investment property	-	(608)
Increase (decrease) in the change from functional currency to presentation currency of subsidiaries	177	(514)
Changes in investment properties	174	(1,144)
Investment property final balance	2,570	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\$4,572, 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 and non-current tax receivables

	Current 06-30-2016 ThUS\$	Current 12-31-2015 ThUS\$
Monthly provisional income tax payments	4,894	11,076
Credits to income tax expense	16,203	13,897
Provision for income tax	(3,362)	(8,051)
Total current income tax receivables	17,735	16,922

(20.2) Current tax payables

	06-30-2016 ThUS\$	12-31-2015 ThUS\$
Provision for income tax	2,824	7,960
Monthly provisional income tax payments	(1,374)	(4,088)
Credits to income tax expense	-	(259)
Total current income tax payables	1,450	3,613

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
	06-30-2016 ThUS\$	06-30-2016 ThUS\$	06-30-2016 ThUS\$
Provision for employee benefits	2,178	(974)	1,204
Tax losses	174	-	174
Derivative instruments	109	(16)	93
Property, plant and equipment	2,947	(11,759)	(8,812)
Depreciation	-	(30,685)	(30,685)
Lease obligations/leased assets	122	(1,764)	(1,642)
Tugboats and port concessions	-	(5,628)	(5,628)
Unrealized gains	883	-	883
Impairment of trade receivables	1,404	-	1,404
Provisions for expenses and others	2,080	-	2,080
Provision for income	-	(130)	(130)
Total	9,897	(50,956)	(41,059)

Temporary differences	Deferred tax assets	Deferred tax liability	Net
	12-31-2015 ThUS\$	12-31-015 ThUS\$	12-312015 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)

Notes to the Consolidated Financial Statements

NOTE 21 Income Tax and Deferred Taxes, continued

(21.1) Detail of deferred taxes, continued:

The reconciliation of deferred taxes for June 30, 2016 is detailed as follows:

Types of assets temporary differences	Balance as of 12.31.2015	Recognized in profit or loss	Recognized in equity		Balance as of 06.30.2016
			Translation adjustment of companies' balances in currency other than US dollar	Debited to comprehensive income	
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	MUS\$
Provision for employee benefits	2,575	(415)	18	-	2,178
Tax losses	174	-	-	-	174
Derivative instruments	82	-	-	27	109
Property, plant and equipment	2,255	498	194	-	2,947
Leased assets	41	81	-	-	122
Impairment of trade receivables	1,719	(316)	1	-	1,404
Unrealized gain (loss)	970	(87)	-	-	883
Provisions for expenses and others	1,847	237	(4)	-	2,080
Total deferred tax assets	9,663	(2)	209	27	9,897

Types of liabilities temporary differences	Balance as of 12.31.2015	Recognized in profit or loss	Recognized in equity		Balance as of 06.30.2016
			Translation adjustment of companies' balances in currency other than US dollar	Debited to comprehensive income	
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	MUS\$
Provision for employee benefits	886	87	1	-	974
Derivative instruments	16	-	-	-	16
Intangible assets/property, plant and equipment	10,701	81	977	-	11,759
Depreciation	31,210	(525)	-	-	30,685
Leased assets	1,697	67	-	-	1,764
Port concessions and tugboats	5,701	(73)	-	-	5,628
Provision for income	40	90	-	-	130
Total deferred tax liabilities	50,251	(273)	978	-	50,956

(1) Net effect in profit or loss ThUS\$ 271, see note 21.3

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:

The reconciliation of deferred taxes for 2015 is detailed as follows:

Types of assets temporary differences	Balance as of 12.31.2014	Recognized in profit or loss	Recognized in equity		Balance as of 12.31.2015
			Translation adjustment of companies' balances in currency other than US dollar	Debited to comprehensive income	
	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 12.31.2014	Recognized in profit or loss	Recognized in equity		Balance as of 12.31.2015
			Translation adjustment of companies' balances in currency other than US dollar	Debited to comprehensive income	
	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
Provisions for income	552	(512)	-	-	40
Total deferred tax liabilities	49,699	3,054	(2,502)	-	50,251

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 June 2016 and 2015 is as follows:

	06-30-2016 ThUS\$	06-30-2015 ThUS\$
Current income tax expense		
Current tax expense	5,419	9,464
Fiscal benefit from tax assets	-	-
Tax expense Art. 21 LIR	211	194
Other expenses	344	29
Total current tax expense, net	5,974⁽¹⁾	9,687
Deferred tax expense		
Origination and reversal of temporary differences (Note 21.2)	(271)	(590)
Total deferred tax expense, net	(271)	(590)
Income tax expense	5,703	9,097

¹(1) Notes 20.1 and 20.2 provide details of the current income tax provision of ThUS\$ 6,186. The difference between total current tax expense (ThUS\$ 5,974), corresponds to an increase in the provision for companies with a functional currency other than US dollars, whose effect as of June 30, 2016 amounted to ThUS\$ 273 less ThUS\$ 61 due to taxes settled on a monthly basis in Honduras and Guatemala.

(21.4) Analysis and reconciliation of the income tax rate calculated in conformity with Chilean tax legislation and the effective tax rate:

	06-30-2016		06-30-2015	
	%	ThUS\$	%	ThUS\$
Profit excluding income tax		39,497		38,599
Reconciliation of effective tax rate	(24.00)%	(9,479)	(22,50)%	(8,685)
Income tax expense using the legal rate				
Tax effect of rates in other jurisdictions	(5.24)%	(2,070)	(14,98)%	(5,781)
Tax effect of non-taxable revenue	24.04%	9,495	23,17%	8,942
Tax effect of non-deductible expenses	(3.47)%	(1,369)	(1,80)%	(694)
Other increases (decreases) with a debit for legal taxes	(5.77)%	(2,280)	(7,46)%	(2,879)
Total adjustments to tax expense using the legal tax rate	9.56%	3,776	1,07%	(412)
Income tax expense using the effective tax rate	(14.44)%	(5,703)	(23,57)%	(9,097)

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\$	06-30-2016 Non-current ThUS\$	Total ThUS\$	Current ThUS\$	12-31-2015 Non-current ThUS\$	Total ThUS\$
Interest-bearing loans	22.1	63,994	177,367	241,361	54,731	146,559	201,290
Finance lease arrangements	22.2	2,375	6,653	9,028	2,341	7,849	10,190
Derivatives	22.3	715	318	1,033	46	275	321
Subtotal financial liabilities		67,084	184,338	251,422	57,118	154,683	211,801
Service concession arrangement liability ⁽¹⁾	22.4	1,819	29,070	30,889	1,912	31,763	33,675
Total other financial liabilities		68,903	213,408	282,311	59,030	186,446	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\$ 14,902 (ThUS\$15,219 in 2015) and Terminal Marítima Mazatlán S.A. de C.V. for ThUS\$ 15,987 (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 Interim Consolidated Financial Statements

NOTE 22 Other Financial Liabilities, continued

(22.1) Interest bearing loans

(22.1.1) As of June 30, 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	Over 90 days to 1 year	Current portion	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	Non-current portion	Total debt	Average annual interest rate		
								ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
96.696.270-4	Inmobiliaria Marítima Portuaria Limitada	Chile	97.030.000-7	Banco Estado	Chile	UF	Monthly	34	104	138	108	24	-	-	-	132	270	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	-	3,075	3,075	2,995	1,497	-	-	-	4,492	7,567	Libor+2.5%	3.08% ⁽¹⁺²⁾	
96.915.330-0	Iquique Terminal Internacional S.A.	Chile	97.006.000-6	Banco Crédito e Inversiones	Chile	US dollar	Semi-annual	-	2,715	2,715	2,588	2,588	2,588	1,294	-	9,058	11,773	Libor+2.3%	3.22 ⁽²⁾	
92.048.000-4	SAAM S.A.	Chile	97.036.000-K	Banco Santander Chile	Chile	US dollar	Semi-annual	10	9,976	9,986	9,969	9,969	-	-	-	19,938	29,924	Libor+1.48%	2.40%	
92.048.000-4	SAAM S.A.	Chile	97.036.000-K	Banco Santander Chile	Chile	US dollar	Quarterly	29,942	-	29,942	-	-	-	-	-	-	29,942	1.15%	1.15%	
92.048.000-4	SAAM S.A.	Chile	97.030.000-7	Banco Estado	Chile	US dollar	Semi-annual	40	-	40	2,317	4,521	4,521	4,521	9,043	24,923	24,963	3.12%	3.12 ⁽²⁾	
92.048.000-4	SAAM S.A.	Chile	97.030.000-7	Banco Estado	Chile	US dollar	Semi-annual	-	-	-	3,191	3,262	3,262	3,262	6,525	19,502	19,502	3.12%	3.12 ⁽²⁾	
211 55152 0017	Kios S.A.	Uruguay	O-E	Santander	Uruguay	US dollar	Monthly	1,100	-	1,100	-	-	-	-	-	-	1,100	5.00%	5.00%	
TMM1201098F6	Terminal Marítima Mazatlán S.A. de C.V.	Mexico	76.645.030-K	Banco Itaú Chile	Chile	US dollar	Semi-annual	-	1,561	1,561	3,000	3,000	3,000	-	-	9,000	10,561	4.66%	4.66 ⁽²⁾	
SRE9701085XA	SAAM Remolques S. A. de C. V.	Mexico	O-E	Banco Inbursa	Mexico	US dollar	Semi-annual	-	4,066	4,066	4,000	-	-	-	-	4,000	8,066	4.70%	4.70 ⁽²⁾	
SRE9701085XA	SAAM Remolques S. A. de C. V.	Mexico	O-E	Corpbanca New York Branch	Mexico	US dollar	Semi-annual	800	4,000	4,800	8,000	8,000	8,000	8,000	4,000	36,000	40,800	Libor+3%	3.92 ⁽²⁾	
0992247932001	Inarpi S.A.	Equator	97.030.000-7	Banco Estado	Chile	US dollar	Semi-annual	947	2,081	3,028	1,895	1,895	1,895	1,895	2,842	10,422	13,450	3.21%	3.21%	
0992247932001	Inarpi S.A.	Equator	97.030.000-7	Banco Estado	Chile	US dollar	Semi-annual	-	60	60	-	1,875	1,875	1,875	9,375	15,000	15,060	3.95%	3.95%	
0992247932001	Inarpi S.A.	Equator	97.006.000-6	Banco Crédito e Inversiones	Chile	US dollar	Semi-annual	625	670	1,295	1,250	2,500	-	-	-	3,750	5,045	Libor +2.69%	3.61%	
0992247932001	Inarpi S.A.	Equator	97.006.000-6	Banco Crédito e Inversiones	Chile	US dollar	Semi-annual	375	402	777	750	1,500	-	-	-	2,250	3,027	Libor +2.4%	3.32%	
864121926RC0002	Smit Marine Canadá Inc	Canada	O-E	Scotiabank Canada	Canada	Canadian dollar	Monthly	-	1,411	1,411	430	705	1,410	16,355	-	18,900	20,311	2.6%	2.6 ⁽²⁾	
Total										63,994							177,367	241,361		

- (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 Interim Consolidated Financial Statements

NOTE 22 Other Financial Liabilities, continued

(22.1) Interest bearing loans, continued

(22.1.1) As of June 30, 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	Over 90 days to 1 year	Current portion	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	Non-current portion	Total debt	Average annual interest rate		
								ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
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% ^{(1) + (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%	3.15% ⁽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	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	-	-	-	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	-	1,569	1,500	3,000	3,000	3,000	-	10,500	12,069	4.66%	4.66% ⁽²⁾	
SRE970108SXA	SAAM Remolques S. A. de C. V.	Mexico	O-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	O-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%	3.85% ⁽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	Libor +2.69%	3.54%	
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	Libor +2.4%	3.25%	
864121926RC0002	Smit Marine Canadá Inc	Canada	O-E	Bank is ABN AMRO	Canada	Canadian dollar	Monthly	1,798	-	1,798	-	-	-	-	-	-	1,798	2.1%	2.1%	
864121926RC0002	Smit Marine Canadá Inc	Canada	O-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	2.6%	2.6% ⁽²⁾	
Total										54,731							146,559	201,290		

(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 Interim Consolidated Financial Statements

NOTE 22 Other Financial Liabilities, continued

(22.2) Financial lease payables

As of June 30, 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	Over 90 days to 1 year	Total Current	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	Total non-current	Total debt	Average annual interest rate	
							ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
97.036.000-K	Banco Santander	96.915.330-0	Iquique Terminal Internacional SA	Chile	US dollar	Monthly	424	1,291	1,715	1,765	1,815	1,867	-	-	5,447	7,162	2.86%	2.86%
97.036.000-K	Banco Santander	96.915.330-0	Iquique Terminal Internacional SA	Chile	US dollar	Monthly	88	266	354	362	61	-	-	-	423	777	2.35%	2.35%
94-1347393	Well Fargo Equipment Finance, Inc.	0-E	Florida International Terminal LLC	USA	US dollar	Monthly	21	64	85	88	65	-	-	-	153	238	4.00%	4.00%
94-1347393	Well Fargo Equipment Finance, Inc.	0-E	Florida International Terminal LLC	USA	US dollar	Monthly	54	167	221	229	237	164	-	-	630	851	3.74%	3.74%
							Total		2,375						6,653	9,028		

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	Over 90 days to 1 year	Total Current	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	Total non-current	Total debt	Average annual interest rate	
							ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
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 Interim Consolidated Financial Statements

NOTE 22 Other Financial Liabilities, continued

(22.2) Financial lease payables, continued

	Present value of minimum future lease payments ThUS\$ 06.30.2016	Interest ThUS\$ 06.30.2016	Minimum lease payments ThUS\$ 06.30.2016	Present value of minimum future lease payments ThUS\$ 12.31.2015	Interest ThUS\$ 12.31.2015	Minimum lease payments ThUS\$ 12.31.2015
Less than 1 year	2,605	(230)	2,375	2,604	(263)	2,341
One to five years	7,000	(347)	6,653	8,241	(392)	7,849
Total	9,605	(577)	9,028	10,845	(655)	10,190

(22.3) Derivatives

This caption is composed of the following:

	06-30-2016			12-31-2015		
	Current	Non-current	Total	Current	Non-current	Total
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Currency derivatives (Forward) ⁽¹⁾	624	-	624	-	-	-
Interest rate derivatives (Interest rate Swaps) ⁽²⁾	91	318	409	46	275	321
Total	715	318	1,033	46	275	321

⁽¹⁾ 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.

⁽²⁾ “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, the hedge reserve has been recognized in equity under other comprehensive income.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

NOTE 22 Other Financial Liabilities, continued
(22.4) Service concession arrangement liabilities

As of June 30, 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\$	
Port Company of Iquique	96.915.330-0	Iquique Terminal Internacional SA	Chile	US Dollar	162	503	665	2,267	1,768	10,202	14,237	14,902
Port authority of Mazatlán	TMM1201098F6	Terminal Marítima Mazatlán S.A. de C.V.	Mexico	Mexican peso	289	865	1,154	1,928	2,171	10,734	14,833	15,987
Total							1,819				29,070	30,889

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\$	
Port Company of 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
Port authority of 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 Interim Consolidated Financial Statements

NOTE 23 Trade and Other payables

This caption is composed of:

	06-30-2016 ThUS\$	12-31-2015 ThUS\$
Trade payables	31,553	39,095
Other payables	3,975	1,640
Total trade and other payables	35,528	40,735

Other payables mainly correspond to liabilities with third parties for customary concepts not directly related to operating activities.

As of June 30, 2016 and December 31, 2015, current trade payables and those past due, are as follows:

a) Trade payables up to date

Service owed	Amounts according to payment terms				Total payments to date ThUS\$ 06.30.2016
	Until 30 days ThUS\$	31-60 days ThUS\$	61-90 days ThUS\$	91-120 days ThUS\$	
Goods	1,129	-	-	-	1,129
Services	15,639	920	251	1,103	17,913
Other	5,715	687	165	32	6,599
Total	22,483	1,607	416	1,135	25,641

Service owed	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 Interim Consolidated Financial Statements

NOTE 23 Trade and Other payables, continued
b) Trade payable past due ⁽¹⁾:

Service owed	Amounts according to payment terms						Total payments past due ThUS\$ 06.30.2016
	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	3,445	527	54	91	15	1,527	5,659
Other	33	-	-	-	220	-	253
Total	3,478	527	54	91	235	1,527	5,912

Service owed	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 June 30, 2016 and December 31, 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 Interim Consolidated Financial Statements

NOTE 24 Provisions

	06-30-2016			12-31-2015		
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Legal provisions ⁽¹⁾	-	662	662	-	518	518
Decommissioning, restoration and rehabilitation ⁽²⁾	-	375	375	-	375	375
Profit-sharing ⁽³⁾	410	-	410	1,494	-	1,494
Other provisions	223	-	223	443	-	443
Total provisions	633	1,037	1,670	1,937	893	2,830

⁽¹⁾ Provision of ThUS\$662 (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 ThUS\$	Other provisions current ThUS\$	Other non- current provisions ThUS\$	Total provisions ThUS\$
Ending balance for 2014 and opening balance for 2015	725	2,033	375	3,133
Additional provisions	-	1,455	-	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)
Ending balance for 2015 and opening balance for 2016	518	1,937	375	2,830
Additional provisions	80	410	-	490
Use of provisions	-	(1,714) ⁽¹⁾	-	(1,714)
Increase (decrease) in foreign currency translation	64	-	-	64
Total changes in provisions	144	(1,304)	-	(1,160)
Ending balance as of June 30, 2016	662	633	375	1,670

(1) Corresponds mainly to the 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 Interim Consolidated Financial Statements

NOTE 25 Other non-financial liabilities

This caption is composed of:

	Current 06-30-2016 ThUS\$	Non-current 06-30-2016 ThUS\$	Total 06-30-2016 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).	8,746	-	8,746	20,681	-	20,681
Dividends payable	124	-	124	131	-	131
Other non-financial liabilities	106	481	587	122	166	288
Value added tax payable	1,188	-	1,188	932	-	932
Total other non-financial liabilities	10,164	481	10,645	21,866	166	22,032

NOTE 26 Employee Benefits and Personnel Expenses
(26.1) Employee benefit expenses for the period:

	01-01-2016 06-30-2016 ThUS\$	01-01-2015 06-30-2015 ThUS\$	04-01-2016 06-30-2016 ThUS\$	04-01-2015 06-30-2015 ThUS\$
Profit-sharing and bonuses				
Profit-sharing and bonuses, current	4,175	3,884	2,338	1,778
Total	4,175	3,884⁽¹⁾	2,338	1,778
Classes of expenses by employee				
Salaries and wages	45,940	52,568	23,035	27,227
Short-term employee benefits	6,069	5,848	3,854	3,021
Defined benefit obligation expenses	833	1,717	397	1,163
Other long-term benefits	101	270	23	115
Other expenses by employee ⁽¹⁾	1,499	1,682	417	777
Total expenses by employee	54,442	62,085	27,726	32,303
Total	58,617⁽¹⁾	65,969⁽¹⁾	30,064	34,081

⁽¹⁾ Expenses associated with personnel remunerations are recorded in operating costs for ThUS\$ 41,702 (ThUS\$ 47,375 in 2015) and administrative expenses of ThUS\$ 16,915 (ThUS\$ 18,594 in 2015)

NOTE 26 Employee Benefits and Personnel Expenses, continued

(26.2) Breakdown of Benefits Pending Settlement:

Benefit	06-30-2016			12-31-2015		
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Defined benefit obligations (IAS) (Note 26.3)	1,228 ^(*)	9,838	11,066	1,753 ^(*)	9,855	11,608
Vacations	2,856	-	2,856	2,613	-	2,613
Profit-sharing and bonuses	3,619	-	3,619	6,829	-	6,829
Tax and social laws	2,924	-	2,924	3,649	-	3,649
Severance indemnity payments and remuneration payables	1,229	-	1,229	114	-	114
Total personnel benefits	11,856	9,838	21,694	14,958	9,855	24,813

(*) Includes ThUS\$ 1,081 in expenses related to the closure of the logistics activities in Chile (as of December 31, 2015 for ThUS\$ 1,693). IAS's balance presented as a current liability, corresponds mainly to the balance brought forward from the closure of the logistics activities in Chile.

a) Defined benefit plans

As of June 30, 2016 and December 31, 2015, SM-SAAM and subsidiary's responsibility is determined in conformity with IAS 19.

(26.3) Defined benefit obligations

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 2.99%(2.99% in 2015)
- Salary increase rate: 1.4% (1.4% in 2015)
- Company's average turnover rate of 4.65% and 5.60% for voluntary resignation and a 0.6% and a 6.7% for dismissal (4.65% and 5.60% for voluntary resignation and 0.6% and 6.7% for dismissal in 2015).
- Mortality table rv-2009 (rv-2009 in 2015).

Changes in obligation payable to personnel for post-employment benefits are composed of:

NOTE 26 Employee Benefits and Personnel Expenses, continued
(26.3) Defined benefit obligations, continued

	06-30-2016	12-31-2015
Present value of defined benefit plan obligations	ThUS\$	ThUS\$
Balance as of January 1	11,608	12,334
Cost of service	1,400	4,125
Interest cost (Note 31)	131	287
Actuarial gains	(2)	(36)
Change in foreign currency exchange rate	337	(1,209)
Settlements	(2,408)	(3,893)
Total present value of the defined benefit plan obligation	11,066	11,608
Current obligation (*)	1,228	1,753
Non-current obligation	9,838	9,855
Total obligation	11,066	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	3.29%	2.99%	2.69%
Rate of salary increase	1.26%	1.4%	1.26%
(*)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%

(*)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 Interim Consolidated Financial Statements

NOTE 26 Sensitivity analysis for actuarial variables, 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\$
in actuarial calculation 06.30.2016	11,066
Actuarial variation	(275)
Balance after actuarial variation	10,791

Effect of decrease of 10% in variables used in actuarial calculation	ThUS\$
in actuarial calculation 06.30.2016	11,066
Actuarial variation	299
Balance after actuarial variation	11,365

NOTE 27 Capital and reserves

As of June 30, 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.

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 June 30, 2016	9,736,791,983

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

NOTE 27 Capital and reserves, continued

27.2) Reserves

	06-30-2016	06-30-2015
	ThUS\$	ThUS\$
Translation reserve (Note 27.2.1)	(55,741)	(63,750)
Cash flow hedging reserves (Note 27.2.2)	544	2,177
Actuarial gains or losses reserve in defined benefits plans (Note 27.2.3)	(1,263)	(1,300)
Other reserves (Note 27.2.4)	55,695	57,020
Total	(765)	(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.

	06-30-2016	12-31-2015
	ThUS\$	ThUS\$
Initial balance	(63,750)	(30,371)
Changes generated in:		
Associates (Note 16.1)	1,097	(9,819)
Subsidiaries (*)	6,912	(23,560)
Total	(55,741)	(63,750)

(*) Corresponds mainly to the conversion effects on the indirect subsidiaries Inmobiliaria Marítima Portuaria Ltda, of ThUS\$ 5,802 and SAAM Smit Canadá Inc of ThUS\$ 1,146.

Notes to the Interim 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.

	06-30-2016	12-31-2015
	ThUS\$	ThUS\$
Opening balance	2,177	1,700
Profit (loss) recorded in comprehensive income:		
Associates (Note 16.1)	(1,566)	183
Subsidiaries	(67)	294
Total	544	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.

	06-30-2016	12-31-2015
	ThUS\$	ThUS\$
Opening balance	(1,300)	(1,441)
Increase for changes in the estimate amounts of the defined benefits of:		
Associates (Note 16.1)	35	-
Subsidiaries	2	141
Total	(1,263)	(1,300)

27.2.4) Other reserves

As of June 30, 2016, other reserves amounts to ThUS\$ 55,695 (as of December 31, 2015 ThUS\$ 57,020).

- a) In the spin-off of CSAV, Sociedad Matriz SAAM S.A. was assigned as an only asset the financial value of the investment in SAAM as of January 1, 2012 which amounts 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.
- b) The recognition of additional reserves for ThUS\$6, in accordance with legal regulations relevant in countries where foreign subsidiaries operate.
- c) 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.

NOTE 27 Capital and reserves, continued

27.2) 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 the 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)	<u>(1,325)</u>
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, i.e. 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\$ 8,746.

On March 6, 2015, the Company's Board of Director agreed to the distribution of 50% of the 2014 balance, i.e. ThUS\$ 30,519. 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\$ 12,208. As of June 30, 2015, the provision for the minimum provisional dividend amounted to ThUS\$ 6,944.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

NOTE 28 Revenue

Business area	Service:	01-01-2016	01-01-2015	04-01-2016	04-01-2015
		06-30-2016	06-30-2015	06-30-2016	06-30-2015
		ThUS\$	ThUS\$	ThUS\$	ThUS\$
Tugboats	Docking and undocking of ships	93,795	95,701	48,437	46,988
Ports	Port operations	52,549	64,250	27,193	30,723
Logistics and others	Contract Logistics	24,375	19,038	11,259	8,797
	Vessel servicing	10,922	14,944	5,878	6,482
	Other services ⁽¹⁾	12,983	29,443	6,160	13,801
Total services rendering		194,624	223,376	98,927	106,791

(1) Variation mainly corresponds to a decrease in sales related to the Line Brokering and Container Deposits businesses in the Chilean Central area.

NOTE 29 Cost of sales

	01-01-2016	01-01-2015	01-04-2016	01-04-2015
	06-30-2016	06-30-2015	06-30-2016	06-30-2015
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Operating costs ⁽¹⁾	(119,818)	(140,832)	(60,263)	(66,905)
Depreciation (Notes 18 and 19)	(20,555)	(19,674)	(10,267)	(10,243)
Amortization (Note 17.3)	(2,739)	(3,294)	(1,357)	(1,305)
Total cost of sales	(143,112)	(163,800)	(71,887)	(78,453)

(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 Interim Consolidated Financial Statements

NOTE 30 Administrative expenses

	01-01-2016 06-30-2016 ThUS\$	01-01-2015 06-30-2015 ThUS\$	04-01-2016 06-30-2016 ThUS\$	04-01-2015 06-30-2015 ThUS\$
Marketing expenses	(96)	(105)	(77)	(81)
Advertising expenses	(96)	(88)	(77)	(71)
Other marketing expenses	-	(17)	-	(10)
Administrative expenses	(29,241)	(33,428)	(14,738)	(17,612)
Personnel remuneration expenses	(16,915)	(18,594)	(8,724)	(9,578)
Administrative advisory expenses	(2,385)	(2,081)	(1,116)	(1,216)
Travel expenses	(1,217)	(1,347)	(689)	(813)
Profit-sharing and director's fees allowance	(646)	(833)	(188)	(359)
Impairment of trade receivables	-	(1,057)	-	(609)
Project expenses	(565)	(1,048)	(287)	(690)
Depreciation of property, plant and equipment (Notes 18 and 19)	(944)	(923)	(438)	(543)
Amortization of intangible assets (Note 17.3)	(915)	(967)	(501)	(374)
Communication and information expenses	(490)	(534)	(251)	(270)
Patent expenses	(292)	(255)	(131)	(131)
IT expenses	(611)	(623)	(336)	(293)
Utility expenses	(419)	(609)	(165)	(358)
Public relations expenses	(465)	(551)	(233)	(303)
ISO, penalties and other expenses	(68)	(65)	(50)	(49)
Conservation and maintenance expenses	(93)	(211)	(55)	(94)
Office rental expenses	(222)	(441)	(126)	(317)
Other administrative expenses	(2,994)	(3,289)	(1,448)	(1,615)
Total administrative expenses	(29,337)	(33,533)	(14,815)	(17,693)

NOTE 31 Finance income and Finance cost

	01-01-2016 06-30-2016 ThUS\$	01-01-2015 06-30-2015 ThUS\$	04-01-2016 06-30-2016 ThUS\$	04-01-2015 06-30-2015 ThUS\$
Finance income recognized in profit or loss	648	2,300	372	1,984
Profit for investment in commission with third parties	-	1,681	-	1,626
Financial interest income	510	471	294	214
Other finance income	138	148	78	144
Finance costs recognized in profit or loss	(5,546)	(5,054)	(3,085)	(2,628)
Interest expenses on financial liabilities and financial leases	(3,731)	(2,959)	(2,025)	(1,477)
Interest expenses on port concessions	(1,119)	(1,216)	(540)	(607)
Interest expenses on financial instruments	(3)	(172)	(1)	(78)
Actuarial IAS Financial Expense (Note 26.3)	(131)	(200)	(65)	(114)
Other financial expense	(562)	(507)	(454)	(352)

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

NOTE 32 Other income and other expenses by function

Other income		01-01-2016	01-01-2015	04-01-2016	04-01-2015
		06-30-2016	06-30-2015	06-30-2016	06-30-2015
		ThUS\$	ThUS\$	ThUS\$	ThUS\$
Computer services		-	238	-	184
Insurance recovery		96	780	18	614
Reversal of impairment related to doubtful accounts		595	-	548	-
Back Office services		93	-	-	-
Lease		81	-	57	-
Investment results		493	-	460	-
Other operating income		282	494	52	351
Total other income		1,640	1,512	1,135	1,149

Other expenses by function	Notes	01-01-2016	01-01-2015	04-01-2016	04-01-2015
		06-30-2016	06-30-2015	06-30-2016	06-30-2015
		ThUS\$	ThUS\$	ThUS\$	ThUS\$
Impairment of property, plant and equipment ⁽¹⁾	18.3	(2,271)	(1,043)	-	(447)
Fees		(25)	(39)	-	(15)
Preventive drug tests		(15)	(30)	(12)	(19)
Contingencies		-	(462)	-	(462)
Unrecoverable VAT and additional tax		(242)	(276)	(152)	(154)
Other operating losses		(610)	(534)	(429)	(346)
Total other expenses by function		(3,163)	(2,384)	(593)	(1,443)

⁽¹⁾ In 2016, corresponds mainly to the impairment 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.
 In 2015, corresponds to the impairment of the indirect subsidiary SAAM Brasil Ltda, due to the end of operations of the Cubatao deposit.

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 conform the holding's management.

As of June 30, 2016, the Company's senior management is comprised by 26 executives (11 directors and 15 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	01-01-2015	04-01-2016	04-01-2015
	06-30-2016	06-30-2015	06-30-2016	06-30-2015
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Salaries	2,125	2,120	919	1,081
Manager's fees	236	329	96	174
Profit sharing	907	1,005	486	440
Total	3,268	3,454	1501	1,695

Notes to the Interim Consolidated Financial Statements

NOTE 34 Other income (expenses)

	01-01-2016 06-30-2016 ThUS\$	01-01-2015 06-30-2015 ThUS\$	04-01-2016 06-30-2016 ThUS\$	04-01-2015 06-30-2015 ThUS\$
Profit or loss from forward derivatives and other	(546)	755	(1,403)	(552)
Profit on disposal of held-for-sale assets (Note 39.a)	-	115	-	115
Profit (loss) for asset disposal (Note 39.a)	481	493	119	454
Other profit (loss)	238	-	-	-
Total other profit (loss)	173	1,363	(1,284)	17

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.

Notes to the Interim 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, the concession in the Altamira Port was renewed for 8 years, extendable for an additional 8-year period. On May 21, 2016, the concession in the Tampico port, 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 Interim Consolidated Financial Statements

NOTE 35 Service Concession and other agreements, continued

Inarpi S.A. (Ecuador)

On December 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, 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 Interim 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	Balance as of 06.30.2016		Balance as of 06.30.2016	
				ThUS\$	Maturity	Currency	US\$ - UF - CLP
SAAM S.A.	Bank guarantee certificates	Guarantee compliance with the contract/obligations	Empresas Portuarias, Talcahuano Terminal Portuario S.A., Terminal Cerros de Valparaíso, Dirección Regional del Territorio Marítimo, Odffell y Vapores S.A., ENAP, Dirección Nacional de Aduanas, Dirección de Contabilidad de la Armada y 1er Juzgado Civil de Concepción.	1,924,630	Several maturities	CLP	1,272,892,802
Saam Extraportuarios S.A.	Bank guarantee certificates	Guarantee obligation as warehouse company	Fisco de Chile - Director Nacional de Aduanas	2,363,464	03.31.2017	UF	60,000.00
Iquique Terminal Internacional S.A.	Bank guarantee certificates	Guarantee compliance with concession agreement	Empresa Portuaria Iquique	4,112,918	10.31.2016	USD	4,112,918
Iquique Terminal Internacional S.A.	Bank guarantee certificates	Guarantee obligation as warehouse company	Servicio Nacional de Aduanas	236,346	03.31.2017	UF	6,000
Iquique Terminal Internacional S.A.	Bank guarantee certificates	Guarantee compliance with health care and social security obligations	Inspección Provincial del Trabajo de Iquique	117,346	03.31.2017	UF	2,979
Muellaje ITI S.A.	Bank guarantee certificates	Guarantee compliance with health care and social security obligations	Inspección Provincial del Trabajo de Iquique	809,841	03.31.2017	UF	20,559
Inmobiliaria Marítima Portuaria Ltda.	Bank guarantee certificates	Guarantee compliance with the contract/obligations	Esval S.A.	5,909	10.10.2016	UF	150.00
Inmobiliaria Marítima Portuaria Ltda.	Bank guarantee certificates	Guarantee compliance with the contract/obligations	Esval S.A.	5,830	03.30.2017	UF	148.00
Inmobiliaria Carriel Ltda.	Bank guarantee certificates	Guarantee compliance with the contract/obligations	Ilustre Municipalidad de Talcahuano	267,351	12.05.2016	UF	6,787.10
Cosem S.A.	Bank guarantee certificates	Guarantee obligation as docking company	Inspección del Trabajo de Antofagasta, Huasco, Puerto Aysén y Punta Arenas	108,858	03.31.2017	UF	2,763.51
Terminal Las Golondrinas S.A.	Bank guarantee certificates	Guarantee obligation as docking company	Inspección del Trabajo de Tho. y Pto.Montt.	194,268	03.31.2017	UF	4,931.78
				10,146,761			

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim 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	Balance as of 06.30.2016		Balance as of 06.30.2016	
				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	08.18.2016	USD	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	USD	650,000
SAAM S.A.	Credit letter Sby LC	Credit letter Sby LC Guarantee the issuance of the urety bond in compliance with the custom duties from temporary storage standards, through Cia. De Seguros Mapfre Chile, to secure the obligations of the subsidiary Saam Remolcadores Colombia S.A.	Aduana Colombia	132	01.02.2018	USD	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	USD	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	05.18.2017	USD	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	650	11.30.2016	LPS	14,916,655
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	619	Other annual maturities	MXN	11,697,200
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	5,288	12.31.2031	MXN	100,000,000
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	1,737	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	1,415	12.31.2016	MXN	26,767,347

11,854

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim 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	CLP	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	3-31-2016	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	USD	4,196,538
Iquique Terminal Internacional S.A.	Bank guarantee certificates	Guarantee obligation as warehouse company	Servicio Nacional de Aduanas	216	3-31-2016	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	3-31-2016	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	3-31-2016	UF	19,838
Cosem S.A.	Bank guarantee certificates	Guarantee obligation as docking company	Inspección del Trabajo de Arica, Antofagasta, Huasco, Valparaíso, Puerto Aysén and Punta Arenas	266	3-31-2016	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	3-31-2016	UF	1,348.05
Terminal El Coliche S.A.	Bank guarantee certificates	Guarantee obligation as docking company	Inspección del Trabajo de Antofagasta	28	3-31-2016	UF	775.92
Terminal El Chinchorro S.A.	Bank guarantee certificates	Guarantee obligation as docking company	Inspección del Trabajo de Arica	10	3-31-2016	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	3-31-2016	UF	4,598.48

11,011

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim 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 - 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	18-08-2016	USD	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	USD	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	USD	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 Energia Punta Pereira	627	6-14-2016	USD	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 County Commissioners, Port Everglades, USA	490	5-18-2016	USD	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, Oma 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
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	4-15-2016	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	12-31-2016	MXN	22,761,091

12,277

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

NOTE 36 Contingencies and Commitments, continued

(36.2) Co-debtors

As of June 30, 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	Balance as of 06.30.2016	
				ThUS\$	Maturity
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	10,561	11.09.2019
Saam Puertos S.A.	Guarantor and joint debtor	Guarantee obligations for loan granted to Inarpi S.A.	Banco del Estado de Chile	13,449	01.22.2023
Saam Puertos S.A.	Guarantor and joint debtor	Guarantee obligations for loan granted to Inarpi S.A.	Banco de Crédito e Inversiones	5,045	03.30.2020
Saam Puertos S.A.	Guarantor and joint debtor	Guarantee obligations for loan granted to Inarpi S.A.	Banco de Crédito e Inversiones	3,027	03.30.2020
Saam Puertos S.A.	Guarantor and joint debtor	Guarantee obligations for loan granted to Inarpi S.A.	Banco del Estado de Chile	15,060	06.23.2026
Saam Puertos S.A.	Guarantor and joint debtor	Guarantee obligations for loan granted to Puerto BuenaVista S.A.	Bancolombia S.A.S.	2,549	12.28.2024
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	30,625	Several maturities
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.	27,678	Several maturities

107,994

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 BuenaVista S.A.	Leasing Colombia S.A.	2,361	12-28-2024	COL\$	7,435,971,327
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

98,721

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

NOTE 36 Contingencies and Commitments, continued

(36.3) Pledge and mortgages

As of June 30, 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	Balance as of 06.30.2016		Maturity	Balance as of 06.30.2016	
				ThUS\$			Currency	US\$ -UF - CAD
Saam Puertos S.A.	Pledge on shares of San Antonio Terminal Internacional S.A.	Guarantee obligations for loans granted	Banco de Crédito e Inversiones	50,000		03-31-2025	USD	50,000,000
Saam Puertos S.A.	Pledge on shares of Antofagasta Terminal Internacional S.A.	Guarantee obligations for loans granted	Banco Estado	35,737		12-23-2024	USD	35,736,750
Saam Puertos S.A.	Pledge on shares of Terminal Puerto Arica S.A.	Guarantee obligations for loans granted	Banco de Crédito e Inversiones	2,513		12-15-2019	USD	2,513,015
Inmobiliaria Marítima Portuaria Ltda.	Mortgage	Guarantee obligations for loans granted	Banco del Estado de Chile	270		5-28-2018	UF	6,861
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	30,625		Several maturities	USD	30,625,320
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.	27,678		Several maturities	USD	27,678,230
SAAM SMIT Canadá Inc.	Marine mortgage	Guarantee obligations for loans granted	Banco Scotiabank Canadá	20,311		11-30-2020	CAD	26,361,765
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	716		Several maturities	USD	715,667
Inarpi S.A.	Insurance policy	Guarantee the compliance with custom duties for temporary storage	Servicio Nacional de Aduana del Ecuador	5,795		Several maturities	USD	5,795,410
Kios S.A.	Treasury bonds (Debt Uruguay Government)	Guarantee obligations as port operator in Uruguay in conformity with Decree No.413 of September 1, 1992.	Administración Nacional de Puertos	150		No maturity	USD	150,000
				173,795				

2015

Company	Guarantee	Purpose	Beneficiary	Balance as of 12-31-2015		Maturity	Balance as of 12-31-2015	
				ThUS\$			Currency	US\$ -UF
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		3-31-2025	USD	50,338,414
Saam Puertos S.A.	Pledge on shares of San Antonio Terminal Internacional S.A.	Guarantee obligations for loan granted	Banco Estado	36,933		12-23-2024	USD	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	USD	2,919,667
Inmobiliaria Marítima Portuaria Ltda.	Mortgage	Guarantee obligations for loan granted	Banco del Estado de Chile	309		5-28-2018	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	USD	32,361,053
Tugbrasil Apoio Portuário S.A.	Marine mortgage	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
SAAM SMIT CANADA Inc.	Marine mortgage	Guarantee obligations for loan granted	Scotiabank Canadá	17,539		11-30-2020	CAD	24,351,148
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	USD	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	USD	14,517,256
Kios S.A.	Treasury bonds (Debt Uruguay Government)	Guarantee obligations as port operator in Uruguay in conformity with Decree No.413 of September 1, 1992.	Administración Nacional de Puertos	150		No maturity	USD	150,000
				187,197				

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim 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

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. Financial debt ratio on equity should not be higher than 3 times (≤ 3).
2. Financial debt ratio on EBITDA should not be higher than 4 times (≤ 4).
3. Maintain in the financial statements as of December 31 of each year equity not lower than ThUS\$ 10,000

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim 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. Financial debt ratio on EBITDA (≤ 3)
2. Debt service hedging ratio (≥ 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 Interim 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 payment 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)

- 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 Interim 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.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

NOTE 36 Contingencies and Commitments, continued
(36.6) Restrictions to management or financial indicators, continued

Company	Financial institution	Name	Condition	06-30-2016	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. (MUS\$ 20.000)	Banco Estado	Net debt on equity ratio	As of December 31, should be less than or equal to 1.2.	S/TH	-
		Interest hedging ratio	As of December 31, should be higher than 2.75.	S/TH	-
SAAM S.A. (MUS\$ 25.000)	Banco Estado	Net debt on equity ratio	As of December 31, should be less than or equal to 1.2.	S/TH	-
		Interest hedging ratio	As of December 31, should be higher than 2.75.	S/TH	-
Iquique Terminal Internacional S.A. (ITI)	Banco de Crédito e Inversiones	Net financial debt ratio / EBITDA	As of December 31, should not exceed 3.5 in 2013, 4.5 in 2014, 4.0 in 2015 and 3.5 from 2016 and after. As of December 31, should be less than or equal to 3.	S/TH	1.09
		Net debt on equity ratio		S/TH	1.92
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.	S/TH	1.09
		Debt service hedging ratio	As of December 31, should not be less than 1.	S/TH	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.	S/TH	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.	1.59	1.54
		Interest hedging ratio	In each quarter, should be higher than 3 In each quarter, should be less than MX\$ 600,000.	14.79	20.01
		Maintain in financial statements an equity not less than MX\$ 600,000		MX\$ 4,068,047	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.	S/TH	1.95
Terminal Marítima Mazatlán. De C.V	Banco Itaú	Net financial debt ratio / Equity	As of December 31, 2015 and 2014, should not be higher than 2.5 and 4, respectively.	S/TH	0.99
Terminal Marítima Mazatlán. De C.V	Banco Itaú	Net financial debt ratio / EBITDA	As of December 31, 2015 and 2014, should not be higher than 3 and 4, respectively.	S/TH	1.44
Smit Marine Canadá Inc	Banco Scotiabank Canadá	Net tangible asset ratio	In each quarter, should be less than 2.5 times.	0.85	0.60
		Consolidated EBITDA, on financial expense and debt repayment	In each quarter, should be less than or equal to 1.25 times.	5.56	3.66

N/A: As of June 30, 2016, the Company has settled its financial obligations.

S/Th: Financial indicator which requires no measurement during interim periods; therefore, its calculation as of June 30, 2016, is not required.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

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 06-30-2016 ThUS\$	01-01-2015 06-30-2015 ThUS\$	04-01-2016 06-30-2016 ThUS\$	04-01-2015 06-30-2015 ThUS\$
Chilean companies				
Current assets	5,108	(5,463)	4,056	(1,700)
Non-current assets	42	(5)	21	192
Current liabilities	(3,746)	4,621	(3,212)	1,208
Non-current liabilities	(433)	467	(485)	212
Subtotal Chilean companies	971	(380)	380	(88)
Mexican companies				
Current assets	(1,746)	(474)	(1,742)	(264)
Non-current assets	-	-	-	-
Current liabilities	1,133	(20)	1,120	1
Non-current liabilities	1,149	(113)	972	(64)
Subtotal Mexican companies	536	(607)	350	(327)
Companies in other jurisdictions				
Current assets	11	(459)	70	(15)
Non-current assets	-	120	-	-
Current liabilities	(62)	120	(48)	(129)
Non-current liabilities	(95)	(36)	(36)	(102)
Subtotal companies in other jurisdictions	(146)	(255)	(14)	(246)
Total exchange rate difference	1,361	(1,242)	716	(661)

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

NOTE 38 Foreign currency

Current assets	Currency	6-30-2016 ThUS\$	31-12-2015 ThUS\$	Current assets	Currency	6-30-2016 ThUS\$	31-12-2015 ThUS\$
Cash and cash equivalents		112,897	113,380	Accounts receivables due from related parties, current		15,244	20,367
	CLP	4,435	9,301		CLP	8,871	7,174
	USD	105,226	98,684		USD	6,373	13,193
	CAD	1,352	1,374		CAD	-	-
	BRL	165	669		BRL	-	-
	MX	480	2,619		MX	-	-
	Other currency	1,239	733		Other currency	-	-
Other current financial assets		1,679	2,007	Inventories, current		15,386	15,975
	CLP	-	-		CLP	114	130
	USD	1,679	2,007		USD	11,881	11,665
	CAD	-	-		CAD	331	322
	BRL	-	-		BRL	-	-
	MX	-	-		MX	2,855	3,605
	Other currency	-	-		Other currency	205	253
Other current non-financial assets		10,594	10,536	Current tax assets		17,735	16,922
	CLP	317	309		CLP	10,469	8,768
	UF	-	5		UF	-	-
	USD	9,169	8,889		USD	4,165	7,658
	CAD	306	263		CAD	231	-
	BRL	-	-		BRL	-	-
	MX	521	1,053		MX	2,350	11
	Other currency	281	17		Other currency	520	485
Trade and other receivables, current		84,391	81,179	Non-current assets or group of assets for its disposition and classified as held-for sale or as held-for distribution to the owners		-	-
	CLP	29,752	32,239		CLP	-	-
	USD	32,605	22,404		USD	-	-
	CAD	3,107	3,691		CAD	-	-
	BRL	-	-		BRL	-	-
	MX	18,464	22,127		MX	-	-
	Other currency	463	718		Other currency	-	-
				Total current assets		257,926	260,366
					CLP	53,958	57,921
					UF	-	5
					USD	171,098	164,500
					CAD	5,327	5,650
					BRL	165	669
					MX	24,670	29,415
					Other currency	2,708	2,206

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

NOTE 38 Foreign currency, continued

Non-current assets	Currency	6-30-2016 ThUS\$	12-31-2015 ThUS\$	Non-current assets	Currency	6-30-2016 ThUS\$	12-31-2015 ThUS\$
Other non-current financial assets		1,453	975	Intangible assets other than goodwill		99,683	101,354
	CLP	-	-		CLP	470	441
	CLP (U.F.)	-	-		CLP (U.F.)	-	-
	USD	1,453	975		USD	88,119	89,570
	CAD	-	-		CAD	11,094	10,829
	BRL	-	-		BRL	-	-
	MX	-	-		MX	-	514
	Other currency	-	-		Other currency	-	-
Other non-current non-financial assets		5,410	3,945	Goodwill		54,661	54,661
	CLP	5	3		CLP	-	-
	CLP (U.F.)	-	-		CLP (U.F.)	-	-
	USD	5,400	3,942		USD	54,661	54,661
	CAD	-	-		CAD	-	-
	BRL	-	-		BRL	-	-
	MX	-	-		MX	-	-
	Other currency	5	-		Other currency	-	-
Trade receivables, non-current		14,802	9,631	Property, plant and equipment		500,275	476,735
	CLP	1,975	2,240		CLP	82,313	66,231
	CLP (U.F.)	-	-		CLP (U.F.)	-	-
	USD	12,792	7,391		USD	364,658	360,176
	CAD	-	-		CAD	53,304	50,328
	BRL	-	-		BRL	-	-
	MX	-	-		MX	-	-
	Other currency	35	-		Other currency	-	-
Inventories, non-current		2,183	1,668	Investment property		2,570	2,396
	CLP	11	10		CLP	2,570	2,396
	CLP (U.F.)	-	-		CLP (U.F.)	-	-
	USD	2,172	1,658		USD	-	-
	CAD	-	-		CAD	-	-
	BRL	-	-		BRL	-	-
	MX	-	-		MX	-	-
	Other currency	-	-		Other currency	-	-
Accounts receivables due from related parties, non-current		109	79	Current tax assets, non-current		-	-
	CLP	109	79		CLP	-	-
	CLP (U.F.)	-	-		CLP (U.F.)	-	-
	USD	-	-		USD	-	-
	CAD	-	-		CAD	-	-
	BRL	-	-		BRL	-	-
	MX	-	-		MX	-	-
	Other currency	-	-		Other currency	-	-
Investment using equity method		301,427	299,329	Deferred tax assets		9,897	9,663
	CLP	25,331	34,454		CLP	2,851	2,153
	CLP (U.F.)	-	-		CLP (U.F.)	-	-
	USD	270,597	259,691		USD	6,188	6,661
	CAD	-	-		CAD	143	134
	BRL	-	-		BRL	-	-
	MX	-	-		MX	707	700
	Other currency	5,499	5,184		Other currency	8	15
				Total non-current assets		992,470	960,436
					CLP	115,635	108,007
					CLP (U.F.)	-	-
					USD	806,040	784,725
					CAD	64,541	61,291
					BRL	-	-
					MX	707	1,214
					Other currency	5,547	5,199

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

NOTE 38 Foreign currency, continued

		6-30-2016		12-31-2015				6-30-2016		12-31-2015	
Current liabilities	Currency	Up to 90 days ThUS\$	90 days to 1 year ThUS\$	Up to 90 days ThUS\$	90 days to 1 year ThUS\$	Current liabilities	Currency	Up to 90 days ThUS\$	90 days to 1 year ThUS\$	Up to 90 days ThUS\$	90 days to 1 year ThUS\$
Other current financial liabilities		68,903		59,030		Current tax liabilities		1,450		3,613	
	CLP	164	-	-	-		CLP	352	341	589	26
	CLP (U.F.)	34	104	30	93		CLP (U.F.)	-	-	-	-
	USD	35,338	31,852	9,371	45,294		USD	161	254	130	1,555
	CAD	-	1,411	2,092	882		CAD	-	-	-	-
	BRL	-	-	-	-		BRL	-	-	13	-
	MX	-	-	310	958		MX	72	232	568	264
	Other currency	-	-	-	-		Other currency	38	-	291	177
Trade and other payables		35,528		40,735		Provisions for employee benefits, current		11,856		14,958	
	CLP	15,652	1,631	20,429	112		CLP	1,903	6,720	1,426	9,097
	CLP (U.F.)	-	-	-	-		CLP (U.F.)	-	-	-	-
	USD	10,706	686	8,735	2,175		USD	1,038	1,370	256	2,874
	CAD	3,847	-	4,713	-		CAD	-	-	-	-
	BRL	-	-	-	-		BRL	-	-	-	-
	MX	1,616	1,134	456	3,902		MX	-	692	-	1,246
	Other currency	256	-	123	90		Other currency	96	37	27	32
Accounts payable due to related parties, current		1,222		1,659		Other current non-financial liabilities		10,164		21,866	
	CLP	364	479	402	-		CLP	-	-	1,047	-
	CLP (U.F.)	-	-	-	-		CLP (U.F.)	-	-	-	-
	USD	4	356	1,213	-		USD	-	10,090	501	20,318
	CAD	-	18	44	-		CAD	-	-	-	-
	BRL	-	-	-	-		BRL	-	-	-	-
	MX	-	-	-	-		MX	-	-	-	-
	Other currency	-	-	-	-		Other currency	-	74	-	-
Other short-term provisions		633		1,937		Total current liabilities		129,756		143,798	
	CLP	-	114	10	241		CLP	21,436	6,285	23,903	9,476
	CLP (U.F.)	-	-	-	-		CLP (U.F.)	34	104	30	93
	USD	-	519	192	1,494		USD	46,512	44,262	20,398	73,710
	CAD	-	-	-	-		CAD	3,847	1,429	6,849	882
	BRL	-	-	-	-		BRL	416	-	13	-
	MX	-	-	-	-		MX	1,976	2,923	1,334	6,370
	Other currency	-	-	-	-		Other currency	421	111	441	299

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

NOTE 38 Foreign currency, continued

Non-current liabilities	Currency	06-30-2016 Maturity			Non-current liabilities	Currency	12-31-2015 Maturity			Non-current liabilities	Currency	06-30-2016 Maturity			Non-current liabilities	Currency	12-31-2015 Maturity						
		1 to 3 years ThUS\$	More than 3 to 5 years ThUS\$	More than 5 years ThUS\$			1 to 3 years ThUS\$	More than 3 to 5 years ThUS\$	More than 5 years ThUS\$			1 to 3 years ThUS\$	More than 3 to 5 years ThUS\$	More than 5 years ThUS\$			1 to 3 years ThUS\$	More than 3 to 5 years ThUS\$	More than 5 years ThUS\$				
Other non-current financial liabilities		213,408	90,831	80,591	41,986	Other non-current financial liabilities		186,446	81,594	39,736	65,116	Deferred tax liabilities		50,956	30,144	1,307	19,505	Deferred tax liabilities		50,251	14,838	-	35,413
CLP		-	-	-	-	CLP		-	-	-	-	CLP		144	-	4,626	CLP		30	-	-	19,058	
CLP (U.F.)		132	-	-	-	CLP (U.F.)		185	-	-	-	CLP (U.F.)		-	-	-	CLP (U.F.)		-	-	-	-	
USD		89,564	62,826	41,986	-	USD		76,124	29,677	46,973	-	USD		8,201	1,305	14,879	USD		14	-	-	6,680	
CAD		1,135	17,765	-	-	CAD		2,350	7,289	6,660	-	CAD		10,320	-	-	CAD		-	-	-	-	9,673
BRL		-	-	-	-	BRL		-	-	-	-	BRL		-	-	-	BRL		-	-	-	-	-
MX		-	-	-	-	MX		2,935	2,770	11,483	-	MX		11,321	-	-	MX		14,630	-	-	-	-
Other currency		-	-	-	-	Other currency		-	-	-	-	Other currency		158	2	-	Other currency		164	-	-	-	2
Accounts payable due to related parties, non-current		12	-	-	12	Accounts payable due to related parties, non-current		10	-	-	10	Provisions for employee benefits, non-current		9,838	2,642	-	7,196	Provisions for employee benefits, non-current		9,855	1,013	-	8,842
CLP		-	-	12	-	CLP		-	-	10	-	CLP		1,403	-	7,196	CLP		312	-	-	8,397	
CLP (U.F.)		-	-	-	-	CLP (U.F.)		-	-	-	-	CLP (U.F.)		-	-	-	CLP (U.F.)		-	-	-	-	-
USD		-	-	-	-	USD		-	-	-	-	USD		1,064	-	-	USD		530	-	-	445	
CAD		-	-	-	-	CAD		-	-	-	-	CAD		-	-	-	CAD		-	-	-	-	-
BRL		-	-	-	-	BRL		-	-	-	-	BRL		-	-	-	BRL		-	-	-	-	-
MX		-	-	-	-	MX		-	-	-	-	MX		108	-	-	MX		114	-	-	-	-
Other currency		-	-	-	-	Other currency		-	-	-	-	Other currency		67	-	-	Other currency		57	-	-	-	-
Other long-term provisions		1,037	959	-	78	Other long-term provisions		893	0	-	893	Other non-current non-financial liabilities		481	481	-	Other non-current non-financial liabilities		166	0	-	166	
CLP		-	-	-	-	CLP		-	-	-	-	CLP		-	-	-	CLP		-	-	-	-	-
CLP (U.F.)		-	-	-	-	CLP (U.F.)		-	-	-	-	CLP (U.F.)		-	-	-	CLP (U.F.)		-	-	-	-	-
USD		296	-	-	78	USD		-	-	374	-	USD		481	-	-	USD		-	-	-	166	
CAD		-	-	-	-	CAD		-	-	-	-	CAD		-	-	-	CAD		-	-	-	-	-
BRL		663	-	-	-	BRL		-	-	519	-	BRL		-	-	-	BRL		-	-	-	-	-
MX		-	-	-	-	MX		-	-	-	-	MX		-	-	-	MX		-	-	-	-	-
Other currency		-	-	-	-	Other currency		-	-	-	-	Other currency		-	-	-	Other currency		-	-	-	-	-
Total non-current liabilities		275,732	125,057	81,898	68,777	Total non-current liabilities		275,732	125,057	81,898	68,777	Total non-current liabilities		247,621	97,445	39,736	Total non-current liabilities		247,621	97,445	39,736	110,440	
CLP		1,547	-	-	11,834	CLP		1,547	-	-	11,834	CLP		342	-	-	CLP		342	-	-	27,465	
CLP (U.F.)		132	-	-	-	CLP (U.F.)		132	-	-	-	CLP (U.F.)		185	-	-	CLP (U.F.)		185	-	-	-	
USD		97,678	51,227	56,943	-	USD		97,678	51,227	56,943	-	USD		76,668	29,677	54,638	USD		76,668	29,677	54,638		
CAD		11,455	17,765	-	-	CAD		11,455	17,765	-	-	CAD		2,350	7,289	16,333	CAD		2,350	7,289	16,333		
BRL		663	-	-	-	BRL		663	-	-	-	BRL		-	-	-	BRL		-	-	-	519	
MX		13,357	12,904	-	-	MX		13,357	12,904	-	-	MX		13,357	12,904	-	MX		17,679	2,770	11,483		
Other currency		225	2	-	-	Other currency		225	2	-	-	Other currency		221	-	-	Other currency		221	-	-	2	

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

NOTE 39 Statements of Cash Flows

2016

a) Cash flows from investing activities

As of June 30, 2016, disbursements for the acquisition of property, plant and equipment amounted to ThUS\$ 38,102, including value-added tax of ThUS\$726. Note 18.3 details the additions of ThUS\$ 38,505. The difference is explained by purchases pending payment of ThUS\$ 1,129 at the reporting date.

As of June 30, 2016, disbursements for the acquisition of intangible assets amounted to ThUS\$ 1,482 including value-added tax of ThUS\$ 211. Note 17.3 details the additions of ThUS\$ 1,271.

As of June 30, 2016, revenue from the sale of property, plant and equipment amounted to ThUS\$ 1,335 and corresponds mainly to the sale of properties in Validivia owned by the indirect subsidiary Inmobiliaria Marítima Portuaria Ltda. The cost of sale of these assets amounted to ThUS\$ 854 (Note 18.3) generating a profit of ThUS\$ 481 (Note 34).

As of June 30, 2016, cash flows from dividends received amounted to ThUS\$ 11,862. Note 16.1 details the dividends distributed of associates amounting to ThUS\$ 9,724. The difference of ThUS\$ 2,138 is reconciled as follows:

- i) Plus dividends agreed in the current period pending payment at reporting date of ThUS\$ 2,571, of indirect associates Transbordadora Austral Broom S.A. of ThUS\$ 1,391 and Saam Smit Towage Brasil S.A. of ThUS\$ 1,180.
- 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\$ 122.

Other cash inflows (outflows) of ThUS\$ 11,000, are mainly due to the capital reimbursement of Saam Smit Towage Brasil S.A. of ThUS\$ 10,000 (Note 16.1).

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

NOTE 39 Statements of Cash Flows, continued

b) Cash flows from financing activities

As of June 30, 2016, dividends paid and/or profit distributions amounted to ThUS\$ 35,861, which is composed of dividends paid by Sociedad Matriz SAAM S.A. of ThUS\$ 34,468 and dividends and profit distribution paid to non-controlling interests of ThUS\$ 1,393, paid by Iquique Terminal Internacional of ThUS\$ 701, Florida International Terminal Llc of ThUS\$ 652, Inversiones San Marco Ltda of ThUS\$ 40 for dividend distributions of the indirect subsidiary Inversiones San Marco Ltda.

Dividends recognized in the statement of changes in equity amounted to ThUS\$ 23,505. The difference of ThUS\$ 12,356 is explained by dividends accrued and agreed upon during the current period of ThUS\$ 8,746 (which at reporting date are pending payment) and dividends accrued and agreed upon in 2015 and paid during 2016 of ThUS\$ 21,102.

The Company obtained long-term financing of ThUS\$ 42,000, 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\$ 15,000. In addition, the Company obtained short-term financing of ThUS\$ 46,110 from subsidiary SAAM S.A. of ThUS\$ 40,000 and indirect subsidiaries Smit Marine Canadá Inc. of ThUS\$ 1,927 and SAAM Remolques S.A de C.V. of ThUS\$ 4,183.

2015

a) Cash flows from investing activities

As of June 30, 2015, disbursements for the acquisition of property, plant and equipment amounted to ThUS\$ 36,940, including value-added tax of ThUS\$ 1,626. Additions of ThUS\$ 37,851 were reported. 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\$ 1,339 at the reporting date.

As of June 30, 2015, disbursements for the acquisition of intangible assets amounted to ThUS\$ 1,149, including value-added tax of ThUS\$ 147. Additions of ThUS\$ 1,263 were reported. The difference is explained by acquisitions pending payment at the reporting date amounting to ThUS\$ 261.

As of June 30, 2015, sale proceeds for property, plant and equipment amounted to ThUS\$ 2,441. The cost of sale of these assets amounted to ThUS\$ 1,133 and ThUS\$ 700, generating a profit of ThUS\$ 608 (Note 34).

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

NOTE 39 Statements of Cash Flows, continued

2015, continued

a) Cash flows from investing activities, continued

As of June 30, 2015, cash flows from dividends received amounted to ThUS\$ 15,601. Dividends distributed by associates amount to ThUS\$ 14,748. The difference of ThUS\$ 853 is reconciled as follows:

- i) Less, 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) Plus, dividends pending payment for a total of ThUS\$1,364, of the associate Transbordadora Austral Broom S.A., which will be paid in August and November of the current year.
- iii) Plus, ThUS\$81 due to exchange rate fluctuations for dividends agreed in a currency other than US Dollar.

b) Cash flows from financing activities

As of June 30, 2015, dividends paid and/or profit distributions amounted to ThUS\$ 32,336, 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\$ 1,817 (paid by the indirect subsidiaries Florida International Terminal, Llc of ThUS\$ 944, Iquique Terminal Internacional S.A. of ThUS\$ 750, Marsud Servicios Marítimos y Portuarios Ltda of ThUS\$ 10, Marsud Armazens Gerais Ltda. of ThUS\$ 65 and Inversiones San Marco Ltda. of ThUS\$ 48).

Dividends recognized in the statement of changes in equity amount to ThUS\$ 20,644. The difference of ThUS\$ 11,692 is explained by dividends accrued and agreed upon during the period of ThUS\$ 6,897 (which at reporting date were pending payment), less dividends agreed in 2014 and paid during the current period of ThUS\$ 18,653, plus ThUS\$ 64 for exchange rate fluctuations between the payment date and the date agreed for the payment.

The Company obtained long-term financing of ThUS\$ 43,098, 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 the leaseback transaction entered into by the indirect subsidiary Iquique Terminal Internacional S.A. of ThUS\$ 5,098. In addition, the Company obtained short-term financing of ThUS\$ 4,780, from subsidiaries Florida International Terminal Inc., of ThUS\$ 700, Kios S.A. of ThUS\$ 590 and Iquique Terminal Internacional ThUS\$ 3,490.

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARY

Notes to the Interim Consolidated Financial Statements

NOTE 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.

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.

Subsequently, the Company's senior management has decided to close the line brokering and Container deposit businesses in the Central Zone of Chile, Brazil and part of the business in Uruguay, leading to the recognition of a charge to profit or loss of ThUS\$ 6,773, which included the impairment of property, plant and equipment and inventories, write-off of the SAP System (intangible) and personnel redundancy costs as follow:

	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)

In Brazil the effect on non-operating income amounted to ThUS\$ 3,354 while in Uruguay, the loss recognized amounted to ThUS\$ 1,856. At reporting date, the closure plan in Chile continues to be implemented as scheduled.

NOTE 42 Subsequent Events

Between July 1, 2016, 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.