COMPAÑÍA SUD AMERICANA DE VAPORES S.A. AND SUBSIDIARIES

Consolidated Financial Statements
As of December 31, 2013 and 2012

COMPAÑÍA SUD AMERICANA DE VAPORES S.A. AND SUBSIDIARIES

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ThUS$: Figures expressed in thousands of US dollars

KPMG

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Independent Auditor's Report

To the Shareholders and Directors
Compañía Sud Americana de Vapores S.A.:

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Compañía Sud Americana de Vapores S.A. and its subsidiaries, which comprise the consolidated statements of financial position as of December, 31, 2013 and 2012, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We did not audit the financial statements of the subsidiary CSAV Group Agencies South Africa (Pty) Ltd., which statements reflect total assets constituting 0.11 percent and 0.17 percent, respectively, of consolidated total assets at December 31, 2013 and 2012, respectively, and total revenues constituting 0.11 percent and 0.21 percent, respectively, of consolidated total revenues for the years then ended. Those financial statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for those indirect subsidiaries and associates, is based solely on the report of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in Chile. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

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

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We believe that the audit evidence we have obtained, and the audit report of the others auditors, are sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, based on our audits and the reports of the other auditors, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Compañia Sud Americana de Vapores S.A. and its subsidiaries as at December, 31, 2013 and 2012, and of its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of matter

As of December 31, 2013 and for the year ended as of that date, the Company has incurred in losses from operating activities, net losses for the year in the statement of comprehensive income and a negative net cash flows used in operating activities of ThUS$221,178, ThUS$167,626 and ThUS$207,694, respectively. As discussed in Notes 5, 32 and 39 to the consolidated financial statements, Company´s management and main shareholders are performing several actions in order to strengthen the commercial, operational and financial position of Compañia Sud American de Vapores S.A. and its subsidiaries. The improvements of these indicators depend on the implementation of plans performed by the Company.

As described in Note 39 to the consolidated financial statements and according to the press release of January 22, 2014, the Company entered into a non-binding Memorandum of Understanding with Hapag-Lloyd AG that establishes the basis for the combination of the Company's cargo transport in container ships business with Hapag-Lloyd AG's businesses. The accompanying consolidated financial statements do not include any adjustment that might result from the outcome of this situation.

Our opinion is not modified with respect to these matters.

Benedicto Vásquez Córdova

KPMG Ltda.

Santiago, February 27, 2014

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COMPAÑÍA SUDAMERICANA DE VAPORES S.A. AND SUBSIDIARIES

Consolidated Statement of Financial Position

ASSETS	Note	As of December 31, 2013 ThUS$	As of December 31, 2012 ThUS$
CURRENT ASSETS			
Cash and cash equivalents	7	201,659	212,000
Other current financial assets	8	2,354	14,500
Other current non-financial assets	13	15,073	22,431
Current trade and other receivables	9	282,081	304,579
Current receivables from related parties	10	24	3,501
Inventory	11	78,993	82,495
Current tax assets	19	17,370	13,875
Total current assets		**597,554**	**653,381**
NON-CURRENT ASSETS			
Other non-current financial assets	8	5,287	84,575
Other non-current non-financial assets	13	16,076	10,086
Non-current receivables	9	73	89
Non-current receivables from related parties	10	3,369	-
Equity method investments	15	13,132	11,734
Intangible assets other than goodwill	16	345	666
Goodwill	17	103,294	102,744
Property, plant and equipment	18	1,225,056	1,307,804
Non-current tax assets	19	7,841	-
Deferred tax assets	20	405,086	311,571
Total non-current assets		**1,779,559**	**1,829,269**
TOTAL ASSETS		**2,377,113**	**2,482,650**

The attached notes 1-39 are an integral part of these consolidated financial statements.

COMPAÑÍA SUDAMERICANA DE VAPORES S.A. AND SUBSIDIARIES

Consolidated Statement of Financial Position

LIABILITIES AND EQUITY

	Note	As of December 31, 2013 ThUS$	As of December 31, 2012 ThUS$
LIABILITIES			
CURRENT LIABILITIES			
Other current financial liabilities	21	112,425	75,106
Current trade and other payables	22	413,923	467,726
Current payables to related parties	10	29,893	22,805
Other current provisions	23	125,528	106,105
Current tax liabilities	19	3,111	8,272
Current provisions for employee benefits	25	8,812	12,024
Other current non-financial liabilities	24	69,548	57,143
Total current liabilities		763,240	749,181
NON-CURRENT LIABILITIES			
Other non-current financial liabilities	21	579,672	862,782
Deferred tax liabilities	20	2,339	819
Non-current provisions for employee benefits	25	921	837
Other non-current non-financial liabilities	24	4,207	3,512
Total non-current liabilities		587,139	867,950
TOTAL LIABILITIES		1,350,379	1,617,131
EQUITY			
Issued capital	27	2,630,781	2,305,309
Retained earnings (accumulated deficit)	27	(1,611,297)	(1,442,255)
Other reserves	27	(3,061)	(7,617)
Equity attributable to owners of the parent company		**1,016,423**	**855,437**
Non-controlling interest	14	**10,311**	**10,082**
TOTAL EQUITY		**1,026,734**	**865,519**
TOTAL LIABILITIES AND EQUITY		**2,377,113**	**2,482,650**

The attached notes 1-39 are an integral part of these consolidated financial statements.

COMPAÑÍA SUDAMERICANA DE VAPORES S.A. AND SUBSIDIARIES

Consolidated Statement of Comprehensive Income

INCOME STATEMENT		**For the years ended December 31,**	
Profit (loss) for the year	**Note**	**2013 ThUS$**	**2012 ThUS$**
Revenue	28	3,205,950	3,431,782
Cost of sales	28	(3,210,417)	(3,388,411)
Gross margin		(4,467)	43,371
Other income, by function		1,976	4,607
Administrative expenses	28	(233,388)	(251,313)
Other expenses by function	29	(43,058)	(2,577)
Other gains (losses)	29	57,759	9,147
Profit (loss) from operating activities		**(221,178)**	**(196,765)**
Finance income	30	490	1,761
Finance costs	30	(41,386)	(38,609)
Share of profit (loss) of associates and joint ventures accounted for using the equity method	15	4,247	5,029
Exchange differences	31	10,299	(10,471)
Income (loss) from adjustment units	-	(1,172)	(1,662)
Profit (loss) before tax		**(248,700)**	**(240,717)**
Income tax expense from continuing operations	20	81,074	57,430
Profit (loss) from continuing operations		(167,626)	(183,287)
Profit (loss) from discontinued operations	32	-	(126,181)
Profit (loss) for the year		**(167,626)**	**(309,468)**
Profit (loss) attributable to:			
Profit (loss) attributable to owners of the parent company		(169,042)	(313,611)
Profit (loss) attributable to non-controlling interests	14	1,416	4,143
Profit (loss) for the year		(167,626)	(309,468)
Basic earnings per share			
Basic earnings (loss) per share in continuing operations	34	(0.02)	(0.02)
Basic earnings (loss) per share in discontinued operations	34	-	(0.02)
Basic earnings (loss) per share	34	(0.02)	(0.04)

The attached notes 1-39 are an integral part of these consolidated financial statements.

COMPAÑÍA SUDAMERICANA DE VAPORES S.A. AND SUBSIDIARIES

Consolidated Statement of Comprehensive Income

STATEMENT OF COMPREHENSIVE INCOME	For the years ended December 31, 2013 ThUS$	2012 ThUS$
Profit (loss) for the year	(167,626)	(309,468)
Components of other comprehensive income, before taxes		
Foreign currency translation differences		
Gain (loss) from foreign currency translation differences before taxes	(283)	(436)
Other comprehensive income, before taxes, foreign currency translation differences	(283)	(436)
Cash flow hedges		
Gain (loss) from cash flow hedges, before taxes	2,597	(1,428)
Other comprehensive income from cash flow hedges, before taxes	2,597	(1,428)
Other comprehensive income, before taxes, actuarial gains (losses) on defined benefit plans	(9)	-
Other components of other comprehensive income, before taxes	2,305	(1,864)
Income taxes related to components of other comprehensive income		
Income taxes related to cash flow hedges of other comprehensive income	(82)	272
Total income taxes related to components of other comprehensive income	(82)	272
Other comprehensive income (loss)	2,223	(1,592)
Total comprehensive loss	(165,403)	(311,060)
Comprehensive loss attributable to:		
Comprehensive loss attributable to owners of the parent company	(166,962)	(315,145)
Comprehensive income attributable to non-controlling interests	1,559	4,085
Total comprehensive loss	(165,403)	(311,060)

The attached notes 1-39 are an integral part of these consolidated financial statements.

COMPAÑÍA SUDAMERICANA DE VAPORES S.A. AND SUBSIDIARIES

Statement of Changes in Net Equity

	Issued capital ThUS$	Reserves: Foreign currency translation differences reserves ThUS$	Reserves: Cash flow hedge reserves ThUS$	Reserves: Reserves for gains (losses) on defined benefit plans ThUS$	Reserves: Other miscellaneous reserves ThUS$	Reserves: Total other reserves ThUS$	Retained earnings (accumulated deficit) ThUS$	Equity attributable to the owners of the parent company ThUS$	Non-controlling interests ThUS$	Total equity ThUS$
Opening balance current period as of January 1, 2013	2,305,309	(3,058)	(416)	-	(4,143)	(7,617)	(1,442,255)	855,437	10,082	865,519
Changes in equity										
Comprehensive income										
Profit (loss) for the year	-	-	-	-	-	-	(169,042)	(169,042)	1,416	(167,626)
Other comprehensive income	-	(426)	2,514	(8)	-	2,080	-	2,080	143	2,223
Total comprehensive income (loss)	-	(426)	2,514	(8)	-	2,080	(169,042)	(166,962)	1,559	(165,403)
Share issuance	329,654	-	-	-	-	-	-	329,654	-	329,654
Increase (decrease) for transfers and other changes	(4,182)	-	-	-	2,476	2,476		(1,706)	(1,330)	(3,036)
Total changes in equity	325,472	(426)	2,514	(8)	2,476	4,556	(169,042)	160,986	229	161,215
Closing balance for current period as of December 31, 2013	2,630,781	(3,484)	2,098	(8)	(1,667)	(3,061)	(1,611,297)	1,016,423	10,311	1,026,734
Note	27	27	27	27	27					

The attached notes 1-39 are an integral part of these consolidated financial statements.

COMPAÑÍA SUDAMERICANA DE VAPORES S.A. AND SUBSIDIARIES

Statement of Changes in Net Equity

	Issued capital ThUS$	Reserves: Foreign currency translation differences reserves ThUS$	Reserves: Cash flow hedge reserves ThUS$	Reserves: Reserves for gains (losses) on defined benefit plans ThUS$	Reserves: Other miscellaneous reserves ThUS$	Reserves: Total other reserves ThUS$	Retained earnings (accumulated deficit) ThUS$	Equity attributable to the owners of the parent company ThUS$	Non-controlling interests ThUS$	Total equity ThUS$
Opening balance of previous period as of January 1, 2012	1,691,993	29,810	(116)	365	58	30,117	(1,136,638)	585,472	18,823	604,295
Changes in equity										
Comprehensive income										
Profit (loss) for the year	-	-	-	-	-	-	(313,611)	(313,611)	4,143	(309,468)
Other comprehensive income	-	(378)	(1,156)	-	-	(1,534)	-	(1,534)	(58)	(1,592)
Total comprehensive income	-	(378)	(1,156)	-	-	(1,534)	(313,611)	(315,145)	4,085	(311,060)
Share issuance	1,199,822	-	-	-	-	-	-	1,199,822	-	1,199,822
Increase (decrease) for transfers and other changes	(586,506)	(32,490)	856	(365)	(4,201)	(36,200)	15,206	(607,500)	(12,826)	(620,326)
Increase (decrease) for changes in interest in subsidiaries that do not involve loss of control	-	-	-	-	-	-	(7,212)	(7,212)	-	(7,212)
Total changes in equity	613,316	(32,868)	(300)	(365)	(4,201)	(37,734)	(305,617)	269,965	(8,741)	261,224
Closing balance of previous period as of December 31, 2012	2,305,309	(3,058)	(416)	-	(4,143)	(7,617)	(1,442,255)	855,437	10,082	865,519
Note	**27**	**27**	**27**	**27**	**27**					

The attached notes 1-39 are an integral part of these consolidated financial statements.

COMPAÑÍA SUDAMERICANA DE VAPORES S.A. AND SUBSIDIARIES

Consolidated Statement of Cash Flows

STATEMENT OF CASH FLOWS		For the years ended December 31,	
	Note	2013 ThUS$	2012 ThUS$
Cash flows from (used in) operating activities			
Proceeds from operating activities			
Proceeds from sales of goods and services		3,678,843	3,759,321
Other proceeds from operating activities		16,295	17,566
Cash payments from operating activities			
Payments to suppliers for goods and services		(3,731,267)	(4,030,292)
Payments to and on behalf of employees		(156,768)	(171,075)
Other payments for operating activities		-	(21,948)
Cash flows from (used in) operating activities		**(192,897)**	**(446,428)**
Income taxes paid (refunded)		(11,765)	(13,213)
Other cash inflows (outflows)		(3,032)	5,003
Cash flows from (used in) operating activities		**(207,694)**	**(454,638)**
Cash flows from (used in) investing activities			
Cash flows used in the purchase of non-controlling interests	14	(1,650)	(6,800)
Proceeds from sales of property, plant and equipment	18	94,258	5,369
Purchase of property, plant and equipment	18	(71,434)	(208,206)
Purchase of intangible assets		(59)	(345)
Dividends received	15	2,619	8,147
Interest received		34	91
Other cash inflows (outflows)		-	(43,770)
Cash flows from (used in) investing activities		**23,768**	**(245,514)**
Cash flows from (used in) financing activities			
Proceeds from share issuance		330,698	1,195,672
Proceeds from long-term loan		536,912	126,453
Loan repayments		(634,827)	(164,504)
Loan payments to related parties		-	(367,500)
Dividends paid		(3,881)	(4,476)
Interest paid		(38,841)	(39,561)
Other cash inflows (outflows)		(14,161)	(5,216)
Cash flows from (used in) financing activities		**175,900**	**740,868**
Increase (decrease) in cash and cash equivalents, before effect of variations in exchange rate		**(8,026)**	**40,716**
Effects of variations in exchange rate on cash and cash equivalents			
Effects of variations in exchange rate on cash and cash equivalents		(2,315)	(1,732)
Increase (decrease) in cash and cash equivalents		**(10,341)**	**38,984**
Opening balance, cash and cash equivalents	7	212,000	173,016
Closing balance, cash and cash equivalents	7	**201,659**	**212,000**

The attached notes 1-39 are an integral part of these consolidated financial statements.

COMPAÑÍA SUDAMERICANA DE VAPORES S.A. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements
as of December 31, 2013

CONSOLIDATED FINANCIAL STATEMENTS
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Note 1 General Information

Compañía Sud Americana de Vapores S.A. and subsidiaries (hereinafter “the Company”, “CSAV” or “the CSAV Group”) is a publicly-held corporation whose corporate headquarters are located at Plaza Sotomayor No. 50, Valparaíso, Chile. It is registered in the Securities Registry under number 76 and is subject to the oversight of the Chilean Securities and Insurance Supervisor (SVS).

CSAV is a holding company engaged primarily in the maritime cargo transport business.

CSAV is controlled by the Quiñenco group, as detailed as follows:

Company Name	Ownership Interest	No. of Shares
Quiñenco S.A.	10.8872%	1,684,031,934
Inversiones Rio Bravo S.A.	33.2506%	5,143,189,770
Inmobiliaria Norte Verde S.A.	1.8622%	288,036,921
	46.0000%	7,115,258,625

As of December 31, 2013, CSAV has 3,609 shareholders in its shareholders’ registry.

Note 2 Presentation Basis of the Consolidated Financial Statements

The significant accounting policies adopted for the preparation of these consolidated financial statements are described below.

(a) Statement of Conformity

The consolidated financial statements CSAV and its subsidiaries, contained herein for the years ended December 31, 2013 and 2012, were prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRIC).

The consolidated financial statements were approved by the Board of Directors on February 27, 2014.

In the preparation of these consolidated financial statements as of December 31, 2013, management has utilized to the best of its knowledge its information and understanding of the standards and interpretations applied and the current facts and circumstances.

(b) Preparation Basis of the Consolidated Financial Statements

The consolidated financial statements have been prepared on a historical cost basis, except for items recognized at fair value such as derivative instruments. The carrying amounts of assets and liabilities hedged with transactions that qualify for hedge accounting are adjusted to reflect changes in the fair value in relation to the hedged risks.

The consolidated financial statements are expressed in United States dollars, which is the functional currency of the CSAV Group. The amounts in the consolidated financial statements have been rounded to thousands of dollars (ThUS$).

The policies defined by CSAV and adopted by all consolidated subsidiaries have been used in the preparation of the consolidated financial statements.

Note 2 Presentation Basis of the Consolidated Financial Statements

(b) Preparation Basis of the Consolidated Financial Statements (continued)

In preparing these consolidated financial statements, a number of critical accounting estimates have been used to quantify certain assets, liabilities, income, expenses and commitments. The areas that involve a greater degree of judgment or complexity, or the areas in which the assumptions and estimates are significant for the consolidated financial statements are detailed as follows:

1. The evaluation of possible impairment losses on certain assets.
2. The assumptions used in the actuarial calculation of employee benefits liabilities (Note 25).
3. The useful life of material and intangible assets (Notes 18 and 16).
4. The criteria used in the valuation of certain assets (such as derivative instruments, deferred tax assets, etc.).
5. The probability that certain liabilities and contingencies (provisions) will materialize and their valuations (Note 23).
6. The market value of certain financial instruments (Note 26).
7. The probability of recovery of deferred tax assets (Note 20).

These estimates are made on the basis of the best available information about the matters being analyzed.

In any event, it is possible that future events may make it necessary to modify such estimates in future periods. If necessary, such modifications would be made prospectively, such that the effects of the change would be recognized in future financial statements.

(c) New Standards and Interpretations Issued

(c.1) The following new standards and interpretations have been adopted in these financial statements.

The new standards that took effect starting from January 1, 2013 (IFRS 10, IFRS 11, IFRS 12 and IFRS 13) did not bring about changes to the Group's accounting policies.

Note 2 Presentation Basis of the Consolidated Financial Statements (continued)

(c) New Standards and Interpretations Issued but Not Yet in Force (continued)

(c.2) The following new standards and interpretations have been issued but application is not yet mandatory:

Standards, Interpretations and Amendments	Mandatory Application Date:
Amendment to IAS 32: Financial Instruments: Presentation Clarifies the requirements for offsetting financial assets and financial liabilities in order to eliminate inconsistencies in the application of the current offsetting criteria in IAS 32.	Annual periods beginning on or after January 1, 2014.
Amendments to IFRS 10, 12 and IAS 27: Investment Entities. Pursuant to IFRS 10, reporting entities must consolidate all companies over which they have control. The amendment establishes an exception to these requirements, allowing investment entities to record their investments at fair value through profit and loss in accordance with IFRS 9 instead of consolidating them.	Annual periods beginning on or after January 1, 2014.
IFRS 9: Financial Instruments: Classification and Measurement. This is the first stage of the IASB's project to replace IAS 39 "Financial Instruments: Recognition and Measurement". It modifies the classification and measurement of financial assets and addresses the treatment and classification of financial liabilities.	Annual periods beginning on or after January 1, 2015.
IFRIC 21: Levies This interpretation of IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" provides guidance on when an entity should recognize in their financial statements a liability for levies imposed by the government other than income taxes.	Annual periods beginning on or after January 1, 2014.
Amendment to IAS 36: Asset Impairment The amendment clarifies the scope of disclosures about the recoverable amount of impaired assets, limiting the reporting requirements to the recoverable amount that is based on fair value less costs of disposal.	Annual periods beginning on or after January 1, 2014.
Amendment to IAS 39: Financial Instruments: Recognition and Measurement Through this amendment, the standard incorporates criteria that must be met in order to not suspend hedge accounting in cases where the hedge instrument is novated.	Annual periods beginning on or after January 1, 2014.
Amendment to IAS 19: Defined Benefit Plans: Employee Contributions	Annual periods beginning on or after July 1, 2014.

The Company's management estimates that the adoption of the standards, amendments and interpretations described above will not have a significant impact on the financial statements of the CSAV Group.

Note 3 Summary of Significant Accounting Policies

3.1 Basis of Consolidation

(a) Subsidiaries

Subsidiaries are all of the entities over which CSAV has control.

Control is achieved when the Company has exposure, or rights, to variable returns from the investor's involvement with the investee and has the ability to use its power over the investee to affect the amount of the investor's returns. Specifically, the Company controls an investee if and only if it has all of the following elements:

(a) power over the investee, i.e. existing rights that give it the ability to direct the relevant activities of the investee (the activities that significantly affect the investee's returns)

(b) exposure, or rights, to variable returns from its involvement with the investee

(c) the ability to use its power over the investee to affect the amount of the investor's returns.

When the Company has less than the majority of the voting rights in an investee, it has power over the investee when these voting rights are sufficient to give it the practical ability to unilaterally direct the investee's relevant activities. The Company considers all of the facts and circumstances in evaluating whether the voting rights in an investee are sufficient to give it power, including:

(a) the size of its holding of voting rights relative to the size and dispersion of holdings of other vote holders;(b) potential voting rights held by the investor, other vote holders or other parties;(c) rights from other contractual agreements; and(d) any additional facts and circumstances that indicate that the investor has, or does not have, the current ability to direct the relevant activities when decisions need to be made, including voting behavior patterns in prior shareholder meetings.

The Company will reevaluate whether or not it has control in an investee if the facts and circumstances indicate that there have been changes in one or more of the three elements of control mentioned above.

A subsidiary will be consolidated from the date on which the investor obtains control of the investee and consolidation shall cease when control over the investee is lost.

Note 3 Summary of Significant Accounting Policies (continued)

3.1 Consolidation Basis (continued)

(a) Subsidiaries (continued)

The acquisition method is used to account for the acquisition of subsidiaries by the CSAV Group. The acquisition cost is the fair value of the assets delivered, equity instruments issued and liabilities incurred or assumed at the date of exchange. The identifiable assets acquired and the identifiable liabilities and contingencies assumed in a business combination are initially valued at fair value as of the date of acquisition. The excess of the acquisition cost over the fair value of the CSAV Group's share in the net identifiable assets acquired is recognized as purchased goodwill. If the acquisition cost is lower than the fair value of the net assets of the acquired subsidiary, the identification and measurement of the acquiring company's identifiable assets, liabilities and contingent liabilities, as well as the measurement of the acquisition cost, shall be reconsidered. Any remaining difference will be recognized directly in the income statement.

Subsidiaries are consolidated using the line-by-line method for all of their assets, liabilities, income, expenses and cash flows.

Non-controlling interests in subsidiaries are included in the equity of the parent company.

Intercompany transactions, balances and unrealized gains on transactions between entities of the CSAV Group are eliminated. Unrealized losses are also eliminated, unless the transaction provides evidence of an impairment of the asset transferred. When necessary in order to ensure consistency with the policies adopted by the CSAV Group, the accounting policies of the subsidiaries are modified.

Note 3 Summary of Significant Accounting Policies (continued)

3.1 Consolidation Basis (continued)

(b) Associates

Associates are defined as all entities over which the CSAV Group exercises significant influence but over which it has no control, generally with an ownership interest between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method and are initially recognized at cost. The CSAV Group's investments in associates include purchased goodwill identified in the acquisition, net of any accumulated impairment loss identified in the acquisition.

The CSAV Group's share in the losses or gains subsequent to the acquisition of its associates is recognized in profit or loss, and its share in movements of reserves subsequent to the acquisition is recorded as reserves. Accumulated movements subsequent to the acquisition are adjusted against the carrying amount of the investment. When the CSAV Group's share in the losses of an associate is equal to or greater than its ownership interest in that associate, including any other uninsured receivable, the Company does not recognize additional losses, unless it has incurred obligations or made payments on behalf of the associate in which it holds an ownership interest.

Note 3 Summary of Significant Accounting Policies (continued)

3.2 Entities Included in Consolidation

These consolidated financial statements include the assets, liabilities, results and cash flows of the parent company and its subsidiaries, which are listed in the table below. Significant transactions between group companies that are consolidated have been eliminated.

Taxpayer ID Number	Company	Ownership Interest as of December 31, 2013			2012		
		Direct	Indirect	Total	Direct	Indirect	Total
Foreign	Compañía Sud Americana de Vapores Gmbh	100.0000	-	100.0000	100.0000	-	100.0000
Foreign	Corvina Shipping Co. S.A. and Subsidiaries	100.0000	-	100.0000	99.9980	0.0020	100.0000
Foreign	CSAV Agency, LLC. and Subsidiary	100.0000	-	100.0000	100.0000	-	100.0000
Foreign	CSAV Group (China) Shipping Co. Limited	99.0000	1.0000	100.0000	99.0000	1.0000	100.0000
99.588.400-3	CSAV Inversiones Navieras S.A. and Subsidiaries	99.9970	0.0030	100.0000	99.9970	0.0030	100.0000
89.602.300-4	Empresa de Transporte Sudamericana Austral Ltda. and Subsidiaries	99.0000	1.0000	100.0000	99.0000	1.0000	100.0000
Foreign	Norgistics (China) Limited	99.0000	1.0000	100.0000	99.0000	1.0000	100.0000
96.840.950-6	Odfjell y Vapores S.A.	51.0000	-	51.0000	51.0000	-	51.0000
Foreign	Tollo Shipping Co. S.A. and Subsidiaries	99.9990	0.0010	100.0000	99.9990	0.0010	100.0000
76.028.729-6	Norgistics Holding S.A. and Subsidiaries	99.0000	1.0000	100.0000	99.0000	1.0000	100.0000

Note 3 Summary of Significant Accounting Policies (continued)

3.3 Operating Segment Reporting

An operating segment is defined as a component of an entity's business for which separate financial information is available and that is reviewed regularly by senior management.

Segment information is presented consistently with the Company's main business line, which has been identified as Maritime Cargo Transport.

3.4 Foreign Currency Transactions

(a) Presentation and Functional Currency

The items included in the financial statements of each of the entities of the CSAV Group are valued using the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements are expressed in US dollars, which is both the functional and presentation currency of the CSAV Group.

(b) Transactions and Balances

Transactions in foreign currency are converted to the functional currency using the exchange rate in force as of the date of the transaction. Losses and gains in foreign currency resulting from the settlement of these transactions and from the translation of foreign currency-denominated monetary assets and liabilities at the closing exchange rates are recognized in the statement of comprehensive income, unless they are deferred in net equity, as is the case of cash flow hedge strategies.

Exchange differences for non-monetary items such as equity instruments at fair value through profit and loss are presented as part of the gain or loss in fair value. Exchange differences for non-monetary items such as equity instruments at fair value through profit and loss are presented as part of the gain or loss in fair value.

(c) Conversion of CSAV Group Entities to Presentation Currency

The results and the financial situation of all CSAV Group entities (none of which uses the currency of a hyperinflationary economy) that use a functional currency other than the presentation currency are converted to the presentation currency as follows:

(i) The assets and liabilities of each statement of financial position presented are converted at the closing exchange rate as of the reporting date.

Note 3 Summary of Significant Accounting Policies (continued)

3.4 Foreign Currency Transactions (continued)

(c) Conversion of CSAV Group Entities to Presentation Currency (continued)

(ii) The income and expenses of each income statement account are converted at the average exchange rate, unless such average is not a reasonable approximation of the cumulative effect of the exchange rates in force on the transaction dates, in which case income and expenses are converted on the dates of the transactions.

(iii) Cash flows are translated in accordance with the provisions of point (ii) above.

(iv) All resulting currency exchange differences are recognized as a separate component of net equity.

In consolidation, currency exchange differences arising from the conversion of a net investment in foreign entities (or Chilean entities with a functional currency other than the functional currency of the parent company), and of loans and other instruments in foreign currency that are designated as hedges for those investments, are recorded in the statement of comprehensive income. When an investment is sold or disposed of, these currency exchange differences are recognized in the income statement as part of the loss or gain on the sale or disposal.

Adjustments to purchased goodwill and to fair value arising from the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and converted at the year- or period-end exchange rate, as appropriate.

3.5 Property, Plant and Equipment

Property, plant and equipment are measured at acquisition cost, less accumulated depreciation and impairment losses, where applicable.

In addition, the acquisition cost must include financial expenses that are directly attributable to the acquisition, and they shall be recorded until the asset in question is operating normally.

Subsequent costs are included in the initial value of the asset or recognized as a separate asset, only when it is likely that the future economic benefits associated with the components will flow to CSAV and the cost of the component can be determined reliably. The value of the replaced component is de-recognized. Other repairs and maintenance are charged to profit or loss for the period in which they are incurred.

When significant parts of an item of property, plant and equipment have different useful lives among themselves, these parts shall be recorded as separate components.

Note 3 Summary of Significant Accounting Policies (continued)

3.5 Property, Plant and Equipment (continued)

Depreciation is recognized in profit or loss, using the straight-line method based on the estimated useful life of each component of an item of property, plant and equipment, starting from the date on which the asset becomes available for use.

The estimated useful lives for assets are as follows:

Buildings	40 to 100 years
Machinery and operating equipment	5 to 14 years
Containers	13 to 14 years
Vessels	16 to 25 years
Leasehold facilities and improvements	Lease term
Furniture and office supplies	3 to 10 years
Vehicles	5 to 10 years
Computers	3 years

At each consolidated financial statement period-end, the residual value and useful life of the assets are reviewed, and adjusted where necessary.

When the value of an asset is greater than its estimated recoverable amount, its value is immediately lowered to its recoverable amount.

Losses and gains on the sale of property, plant and equipment are calculated by comparing the income obtained with the book value and included net in the income statement.

3.6 Intangible Assets

Intangible assets include other identifiable non-monetary assets, without physical substance, that are generated by commercial transactions.

Only those intangible assets whose costs can be reasonably objectively estimated and those assets from which it is likely that economic benefits will be obtained in the future are recognized for accounting purposes. Such intangible assets shall be initially recognized at acquisition or development cost, and they shall be valued at cost less the corresponding accumulated amortization and any impairment losses incurred, for those intangibles with a finite useful life.

For intangible assets with a finite useful life, amortization is recognized in profit or loss, using the straight-line method based on the estimated useful life of the intangible assets, starting from the date on which the asset is available for use or on a different date that better represents its usage.

Intangibles with an indefinite useful life and goodwill are not amortized and impairment analyses are performed on an annual basis.

Note 3 Summary of Significant Accounting Policies (continued)

3.6 Intangible Assets (continued)

The classes of intangible assets held by the CSAV Group and the corresponding periods of amortization are summarized as follows:

Class	Minimum	Maximum
Purchased goodwill	Indefinite	
Development costs	3 years	4 years
Patents and trademarks	Indefinite	
Software	3 years	4 years

(a) Software

Acquired software licenses are capitalized on the basis of costs incurred to acquire them and prepare them for use. These intangible assets are amortized over their estimated useful lives.

(b) Patents, Trademarks and Other Rights

These assets are presented at historical cost. These rights have no defined useful life and, therefore, are not amortized. However, the indefinite useful life is subject to periodic review in order to determine whether the indefinite useful life is still applicable.

3.7 Goodwill

Goodwill represents the excess of the acquisition cost over the fair value of the CSAV Group's share in the subsidiary or associate's identifiable net assets and liabilities assumed, measured as of the acquisition date. Purchased goodwill is presented separately in the financial statements as goodwill and is tested for impairment on an annual basis and valued at cost less accumulated impairment losses. Purchased goodwill related to acquisitions of associates is included in investments in associates and tested for impairment of fair value along with the total balance of the associate. Gains and losses on the sale of an entity include the carrying amount of purchased goodwill related to the entity that was sold.

Purchased goodwill is allocated to cash-generating units for purposes of performing impairment tests. The allocation is made for those cash-generating units that are expected to benefit from the business combination in which such purchased goodwill was generated.

Negative goodwill arising from the acquisition of an investment or business combination is recorded in accordance with Note 3.1 (a).

Note 3 Summary of Significant Accounting Policies (continued)

3.8 Interest Expenses

Interest expenses incurred for the construction of any qualified asset are capitalized over the period of time needed to complete and prepare the asset for its intended use. Other interest expenses are recorded in profit or loss.

3.9 Asset Impairment Losses

(a) Non-Financial Assets

Assets that have an indefinite useful life (e.g. goodwill and intangible assets with indefinite useful lives) are not amortized and are tested for impairment on an annual basis.

Assets that are amortized are tested for impairment whenever an event or change in circumstances indicates that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the greater of the fair value of an asset less costs to sell or the value in use. To determine its value in use, future estimated cash flows are discounted to their present value using a before-tax discount rate that reflects the current market valuations over the time value of money and the specific risks that an asset can have.

To conduct impairment testing, assets are grouped by operating segment, as indicated in Note 6.

Non-financial assets other than purchased goodwill for which an impairment loss has been recorded are reviewed at each period-end in case the loss has been reversed, in which case the reversal cannot be greater than the original impairment amount.

Impairment of purchased goodwill is not reversed.

(b) Financial Assets

A financial asset that is not recorded at fair value through profit and loss is evaluated at each period-end in order to determine whether there is objective evidence of impairment. A financial asset is impaired if there is objective evidence that a loss event has occurred after the initial recognition of the asset, and that this loss event has had a negative effect on the asset's future cash flows that can be reliably estimated.

Note 3 Summary of Significant Accounting Policies (continued)

3.9 Asset Impairment Losses (continued)

(b) Financial Assets (continued)

Objective evidence that financial assets are impaired may include delay or default by a debtor or issuer, restructuring of an amount owed to CSAV in terms that would not be considered in other circumstances, indications that a debtor or issuer will declare bankruptcy, or the disappearance of an active market for an instrument. In addition, for an investment in an equity instrument, a significant or prolonged decrease in the fair value of the asset, below its cost, is objective evidence of impairment.

In evaluating impairment, CSAV uses historical trends of probability of noncompliance, the timing of recoveries and the amount of the loss incurred, all adjusted according to management's judgment as to whether under the prevailing economic and credit conditions it is likely that the actual losses will be greater or lesser than the losses indicated by historical trends.

Impairment losses related to trade and other receivables, which are valued at amortized cost, are calculated as the difference between the assets' book value and the estimated unrecoverable amount for those assets.

This estimate is determined based on the age of the receivables as indicated in Note 9. Losses are recognized in profit or loss and are reflected in a provision against accounts receivable. When a subsequent event causes the amount of the impairment loss to decrease, such decrease is reversed in profit or loss.

3.10 Financial Instruments

Financial instruments are classified and valued according to the following categories:

(i) Non-derivative Financial Assets

The CSAV Group classifies its non-derivative financial assets into the categories listed below, according to the purpose for which such assets were acquired. Management determines the classification of financial assets upon initial recognition.

Note 3 Summary of Significant Accounting Policies (continued)

3.10 Financial Instruments (continued)

(i) Non-derivative Financial Assets (continued)

(a) Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss are financial assets held for trading purposes or designated as such upon initial recognition. A financial asset is classified in this category if it is acquired primarily in order to be sold in the short term.

Assets in this category are classified as current assets. This category also includes investments in shares, debt instruments, time deposits, derivatives not designated as hedges and other financial investments.

(b) Trade and other receivables

Trade receivables are initially recognized at fair value and subsequently at amortized cost, less impairment losses. Impairment of trade receivables is recorded when there is objective evidence that the CSAV Group will not be able to collect all of the amounts owed to it in accordance with the original terms of the accounts receivable, as described in Note 3.9. b).

In the income statement, the subsequent recovery of previously charged off amounts is credited to cost of sales.

(c) Held-to-maturity financial assets

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and a fixed maturity date that the Group's management intends to and is capable of holding to maturity. If the CSAV Group were to sell more than an insignificant amount of held-to-maturity financial assets, the entire category would be reclassified as available for sale. These available-for-sale financial assets are included in non-current assets, except those assets maturing in less than 12 months from the reporting date, which are classified as current assets.

Note 3 Summary of Significant Accounting Policies (continued)

3.10 Financial Instruments (continued)

(i) Non-derivative Financial Assets (continued)

(d) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated in this category or not classified in any other category. They are included in non-current assets unless management intends to dispose of the investment in the 12 months following the reporting date, and they are recorded at fair value through profit and loss.

(e) Cash and cash equivalents

Cash and cash equivalents include cash held internally and in banks; time deposits in credit entities; other highly liquid, short-term investments with an original term of three months or less; and bank overdrafts. In the statement of financial position, bank overdrafts are classified as external resources in current liabilities.

(ii) Non-derivative Financial Liabilities

(a) Trade and other payables

Accounts payable to suppliers are initially recognized at fair value and subsequently at amortized cost using the effective interest method.

(b) Interest-bearing loans and other financial liabilities

Loans, bonds payable and other financial liabilities of a similar nature are initially recognized at fair value, net of the costs incurred in the transaction. Subsequently, they are valued at amortized cost and any difference between the funds obtained (net of costs to obtain them) and repayment value are recognized in the income statement over the life of the debt using the effective interest rate method.

Note 3 Summary of Significant Accounting Policies (continued)

3.10 Financial Instruments (continued)

(iii) Issued Capital

Ordinary shares are classified as net equity.

Incremental costs directly attributable to the issuance of new shares are presented in net equity as a deduction, net of taxes, from the income obtained in the placement.

(iv) Derivative Financial Instruments and Hedging Activities

Derivative financial instruments used to hedge risk exposure in foreign currency, fuel purchases and interest rates are initially recognized at fair value. Attributable transaction costs are recognized in profit or loss when they are incurred.

After initial recognition, derivative financial instruments are measured at fair value, and any changes are recorded as described below:

Accounting Hedges

At the beginning of the transaction, CSAV documents the relationship between hedging instruments and the hedged items, as well as the risk management objectives and the strategy for carrying out different hedging operations. The Company also documents its evaluation, both initially and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective at offsetting changes in fair value or in the cash flows from the hedged items.

Derivative financial instruments that satisfy hedge accounting criteria are initially recognized at fair value plus (less) the transaction costs that are directly attributable to the contracting or issuance of the same, as appropriate.

Changes in the fair value of these instruments shall be recognized directly in equity, to the extent that the hedge is effective. When it is not effective, changes in fair value shall be recognized in profit or loss.

If the instrument no longer satisfies hedge accounting criteria, the hedge shall be discontinued prospectively. Any accumulated gains or losses that were previously recognized in equity will remain until the forecasted transactions occur.

Note 3 Summary of Significant Accounting Policies (continued)

3.10 Financial Instruments (continued)

(iv) Derivative Financial Instruments and Hedging Activities (continued)

Economic Hedges

Derivative financial instruments that do not satisfy hedge accounting criteria are classified and valued as financial assets or liabilities at fair value through profit and loss.

The fair values of various derivative instruments used for hedging purposes are shown in Note 12. Movements in the hedge reserve within equity are shown in Note 26. The total fair value of the hedge derivative is classified as a non-current asset or liability if the remaining maturity of the hedged item is greater than 12 months and as a current asset or liability if the remaining maturity of the hedged item is less than 12 months.

3.11 Inventory

Inventory is valued at its cost or net realizable value, whichever is lower. The cost is determined by the "first-in-first-out," or FIFO, method and includes the acquisition cost and other costs incurred in bringing it to its place and conditions of use.

The net realizable value is the estimated sales value in the normal course of business, less estimated selling expenses.

3.12 Current and deferred income taxes

Income taxes for the period include current income taxes and deferred income taxes. Taxes are recognized in the statement of comprehensive income except for certain items recognized directly in equity. In this case, taxes are also recognized in equity.

Current income taxes are calculated based on the tax laws in force as of the reporting date in each country.

Deferred taxes are calculated in accordance with the liability method over the differences that arise between the tax basis of assets and liabilities and their carrying amount in the financial statements. However, if the deferred taxes arise from the initial recognition of a liability or an asset in a transaction other than a business combination, which at the time of the transaction neither affected the accounting result nor the tax gain or loss, it is not accounted for. Deferred taxes are determined using tax rates (and laws) that have been approved or that are about to be approved as of the reporting date and that are expected to be applied when the corresponding deferred tax asset is realized or when the corresponding deferred tax liability is settled.

Note 3 Summary of Significant Accounting Policies (continued)

3.12 Income and Deferred Taxes (continued)

Deferred tax assets are recognized to the extent that it is likely that future tax benefits are available with which to offset these differences.

Deferred income taxes for temporary differences arising from investments in subsidiaries and associates are provisioned for, unless the timing of the reversal of the temporary differences is controlled by the Company and it is likely that the temporary difference will not be reversed in the foreseeable future.

3.13 Employee Benefits

(a) Post-employment and other long-term benefits

For the CSAV Group, staff severance indemnities are classified in this category. This benefit determines the amount of the future benefit that employees have accrued in exchange for their services in current and previous periods.

In order to determine the present value of such benefit, a risk-free interest rate is used. The calculation is performed by a qualified mathematician using the projected unit credit method.

All actuarial gains and losses arising from defined-benefit plans are recognized directly in equity, as other reserves.

(b) Contract termination indemnity

Commitments undertaken in a formal detailed plan, either in order to terminate the contract of an employee before normal retirement age or to provide termination benefits, shall be recognized directly in profit or loss.

(c) Short-term benefits and incentives

CSAV recognizes a provision for short-term benefits and incentives when it is contractually obligated to do so or when past practice has created an implicit obligation.

Note 3 Summary of Significant Accounting Policies (continued)

3.14 Provisions

CSAV recognizes provisions when the following requirements are satisfied:

- there is a current obligation, whether legal or implicit, as a result of past events;
- it is likely that an outflow of resources will be needed to settle the obligation; and
- the amount has been reliably estimated.

In the case of a service contract that is considered onerous, a provision will be recognized and charged to profit or loss for the year, for the lesser of the cost of settling the contract and the net cost of continuing it.

Provisions for restructuring purposes are recognized to the extent that the CSAV Group has approved a formal detailed plan, and that such restructuring has been publicly reported or has already begun.

Provisions are not recorded for future operating losses except for the onerous contracts mentioned above.

These provisions are valued at the present value of the disbursements that are expected to be necessary to settle the obligation using a discount rate that reflects the current market assessments of the time value of money and the specific risks of the obligation.

3.15 Other Non-financial Liabilities

This item includes liabilities that are not of a financial nature and do not qualify as any other type of liability.

3.16 Operating Revenues and Cost of Sales

Operating revenues and cost of sales derived from the provision of maritime transport services are recognized in profit or loss considering the percentage of completion of the service as of the reporting date, as long as the result can be reliably estimated.

Note 3 Summary of Significant Accounting Policies (continued)

3.16 Operating Revenues and Cost of Sales (continued)

The provision of services can be reliably measured as long as the following conditions are met:

- The amount of the revenues can be reliably measured;
- It is likely that the economic benefits associated with the transaction will flow to the entity;
- The percentage of completion of the transaction as of the reporting date can be reliably measured; and
- The costs incurred by the transaction and the costs to complete it can be reliably measured.

When the results of services provided cannot be sufficiently reliably estimated, in accordance with the requirements stated above, the revenues are recognized only to the extent that the expenses incurred can be recovered.

Revenues and costs related to subletting vessels are recognized in profit or loss on an accrual basis.

Operating revenues and cost of sales from other services related to the maritime business are recognized in profit or loss on an accrual basis.

Operating revenues are recognized net of standard discounts and bonuses.

3.17 Discontinued Operations

The Company records income and losses from discontinued operations, net of taxes, derived from operations associated with restructured services that, in the short or medium-term, are not expected to be provided or will be provided but on a much lesser scale than before.

3.18 Finance Income and Costs

Finance income is accounted for based on its effective rate.

Finance costs are generally recognized in profit or loss when incurred, except for costs incurred to finance the construction or development of qualified assets.

Finance costs are capitalized starting from the date on which knowledge about the asset to be constructed is obtained. The amount of the capitalized finance costs (before taxes) for the period is determined by applying the effective interest rate of the loans in force during the period in which financial expenses were capitalized to the qualified assets.

Note 3 Summary of Significant Accounting Policies (continued)

3.19 Leases

Lease contracts in which substantially all risks and rewards of ownership of the leased assets are transferred to the companies of the CSAV Group are classified as finance leases. All other leases are classified as operating leases.

For finance leases, at the start of the contract an asset is recognized in property, plant and equipment, and a financial liability is recognized for the lesser between the fair value of the leased asset and the present value of the minimum lease payments.

For operating leases, installments are recognized as expenses during the term of the lease.

3.20 Determination of Fair Value

Some of the CSAV Group's accounting policies and disclosures require that the fair value of certain financial assets be determined according to the following:

Financial Assets

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

Trade and other receivables

Considering that trade receivables have a term of less than 90 days, their fair value is not estimated to differ significantly from their book value.

Derivatives

The fair value of derivative contracts is based on their quoted price.

3.21 Earnings (Loss) per Share

Basic earnings (loss) per share are calculated as the ratio between net profit (loss) for the year divided by the weighted average number of ordinary shares outstanding during the period.

3.22 Distribution of Dividends

The distribution of dividends to the Company's shareholders is recognized as a liability in CSAV's annual consolidated accounts in the period in which they accrue. The Company's policy is to distribute 30% of distributable net profits.

Note 3 Summary of Significant Accounting Policies (continued)

3.23 Environmental Issues

Disbursements related to environmental protection are charged to the income statement when incurred.

Note 4 Changes in Accounting Policies and Estimates

The SVS, through Ruling 2058 dated February 3, 2012, established that the financial statements as of March 31, 2013, of all entities registered in the Securities Registry and in the Special Registry of Reporting Entities, except for insurance companies, must report their statement of cash flows from operating activities using the direct method, as recommended by International Accounting Standard (IAS) No. 7 - Statement of Cash Flows. The statement of cash flows for the year ended December 31, 2012, has been modified to reflect this change.

The financial statements as of December 31, 2013, do not present any other changes in policies or accounting estimates that may affect their comparability with the prior year.

Note 5 Financial Risk Management

The Company’s activities are exposed to different financial risks: (a) Business Risk, (b) Credit Risk, (c) Liquidity Risk and (d) Market Risk. The Company seeks to minimize the potential effects of these risks through the use of financial derivatives or by establishing internal financial risk management policies.

(a) Business Risk

The main risks for the container shipping business in 2013 are related to an imbalance between the supply of and demand for container shipping and fuel (bunker) prices.

(i) Supply-Demand Equilibrium

Approximately 90% of CSAV's business comes from container shipping while 75% is linked to Latin America. Growth in demand for container shipping is tightly correlated with global economic growth.

Container shipping supply is a function of installed capacity, delivery rate and vessel disposal rate. There is currently an imbalance between supply and demand, reflected in installed capacity that exceeds demand at a global level.

Note 5 Financial Risk Management (continued)

(a) Business Risk (continued)

An individual analysis of each route and service provided by the Company may differ from this global trend.

Another important point is the percentage of leased vessels (operating leverage) with respect to the industry as a whole. Currently, the container shipping market operates with a proportion of own fleet to installed and operated capacity that exceeds 50%. The Company's proprietary fleet is presently at 29.8 %. This can negatively impact the Company when vessel lease prices are not linked to variations in the ex-bunker prices with which it is operating.

The Company has taken the following measures to address volatility in the shipping industry:

- reducing CSAV’s exposure to shipping industry volatility, particularly for routes and services where the Company has fewer competitive advantages. The implemented plan reduced the Company’s cargo transport capacity by more than 45% during the first nine months of 2011.

- increasing the Company’s efficiency by operating larger vessels along each of its routes and services through strategic alliances with industry leading companies. This new strategic definition has led the Company to increase its volume of joint operations from close to 30% in mid-2011 to nearly 100% at present.

- increasing the proportion of its own fleet by reducing its operated capacity and with support from the vessel investment plan, financed in part with capital increases. This initiative enabled CSAV to expand the transportation capacity of its proprietary fleet from 8% as of year-end 2010 to almost 29.8% as of December 2013. With deliveries of 7 vessels scheduled for late 2014 and early 2015, CSAV will match industry averages for proprietary fleet proportions by the first half of 2015.

(ii) Fuel Prices

An important component of the Company's cost structure is fuel (known as bunker). The Company primarily consumes IFO 180, IFO 380, IFO 500 and MDO/MGO as fuel for the vessels it operates.

The spot sales price represents 76% of the Company's total sales and is indexed to bunker fuel volatility using a "bunker adjustment factor" (BAF) surcharge.

Note 5 Financial Risk Management (continued)

(a) Business Risk (continued)

Only in cases of excess demand or supply-demand equilibrium for container shipping will it be possible to index 100% of the spot sales price to variations in bunker prices.

For contract-based sales, which represent 24% of the Company's total sales, 75% include an indexation clause for variations in fuel prices. For the remaining contracts, which do not contain a fuel price adjustment clause, the Company enters into fuel derivatives adjusted to the term of the corresponding contract, thus achieving the desired match between total contract duration and the fuel hedge for that transaction.

For example, an increase in fuel prices of US$10 per metric ton would have had a negative impact of around US$ 7.6 million on the Company’s results in 2013, based on the same fuel volumes consumed by the Company during that period in 2012 and the fact that the Company cannot fully pass this increase on to its customers, maintaining all other variables constant.

(b) Credit Risk

Credit risk is derived from the CSAV Group’s exposure to (i) potential losses resulting mainly from non-fulfillment of obligations by customers, third-party agencies and carriers with which the Company has signed vessel lease and/or slot sale agreements and (ii) counterparty risk in the case of financial assets maintained with banks.

(i) <u>Receivables</u>

The Company has a strict credit policy for managing its portfolio of accounts receivable. This policy is based on the determination of lines of credit to direct customers and to non-related agencies. In granting credit to direct customers, the Company analyzes solvency, payment capacity, banking and commercial references for the individual customer, the industry and the market in general, as well as the customer's historical payment behavior with the Company. For non-related agencies, the process is similar, although there are contracts and guarantees that mitigate credit risk.

This credit is reviewed on an annual basis, and special care is taken so that the conditions offered, with respect to both amounts and terms, are appropriate given market conditions. Payment behavior and the percentage of utilization of such credit are monitored on an ongoing basis.

Note 5 Financial Risk Management (continued)

(b) Credit Risk (continued)

In addition, there is a rigorous policy for uncollectible accounts receivable, which is based on the provisioning of any significant deviation with respect to payment behavior.

Regarding vessel and slot leases to third parties, the Company supports its agreements using Charter Party and Slot Charter Agreements drafted using industry standard models that appropriately cover our interests. CSAV only leases vessels and/or slots to other shipping companies, always taking into consideration the counterparty’s creditworthiness. In the case of slot charters, CSAV often leases slots from the same shipping companies to which it leases its own slots on other vessels and provides services, which reduces the risk of default.

The Company's maximum credit risk exposure from accounts receivable corresponds to the total of these accounts net of impairment, as detailed below:

	Note	As of December 31, 2013 ThUS$	As of December 31, 2012 ThUS$
Trade receivables	9	288,917	316,161
Impairment of trade receivables	9	(14,437)	(16,809)
Trade receivables, net		274,480	299,352
Other receivables	9	7,720	5,856
Impairment of other receivables	9	(119)	(540)
Other receivables, net	9	7,601	5,316
Total receivables		282,081	304,668

The Company records provisions when there is evidence of impairment of trade receivables, based on the following criteria:

Provisioning Criteria for Receivables	**Factor**
Age of Receivable	
Over 180 days	100%
Receivables from agencies over 21 days	100%
Legal collection, checks with non-sufficient funds and other similar events	100%

Note 5 Financial Risk Management (continued)

(b) Credit Risk (continued)

During the period, the provision for impairment of accounts receivable has reported the following movements:

	12.31.2013 ThUS$	12.31.2012 ThUS$
Opening balance	17,349	20,124
Increase (decrease) in impairment for the period	(2,793)	1,425
Other variations *	-	(4,200)
Closing balance (Note 9)	14,556	17,349

*Variations generated from spin-off of subsidiary Sudamericana, Agencias Aéreas y Marítimas S.A. (SAAM).

(ii) Financial Assets

The Company has in place a financial asset investing policy that includes time deposits and repurchase agreements. It maintains current accounts at financial institutions with "investment grade" risk ratings.

The book value of these financial assets represents the maximum exposure to counterparty risk, as detailed as follows:

	12.31.2013 ThUS$	12.31.2012 ThUS$
Cash and cash equivalents (Note 7)	201,659	212,000
Other financial assets (Note 8)	7,641	99,075
Total	209,300	311,075

Note 5 Financial Risk Management (continued)

(b) Credit Risk (continued)

(iii) Hedged Positions

As part of its risk management policy, the Company has interest rate, exchange rate and oil price hedges. These instruments are contracted through financial institutions with "investment grade" risk ratings. Its positions as of December 31 are detailed as follows:

Financial Institution	Product	Valuation as of December 31, 2013 ThUS$	2012 ThUS$
Banco de Chile	Interest Rate Swap	1,121	-
BTG Pactual	Interest Rate Swap	(244)	-
Euroamerica	Interest Rate Swap	1,307	-
Barclays	Fuel Oil Swaps	(37)	(483)
Morgan Stanley	Fuel Oil Swaps	-	(24)
Koch Supply & Trading	Fuel Oil Swaps	(72)	(13)

(c) Liquidity Risk

Liquidity risk arises from the Company's exposure to factors that can severely affect its income generating capacity and, as a result, its working capital and liquidity. These factors include the following:

(a) the negative global economic scenario in terms of demand growth, (b) oversupply of cargo transport capacity on containerships, (c) strong competition prevailing in the industry and (d) high fuel costs. (See section on Market Situation in Reasoned Analysis, which complements these financial statements).

Accordingly, CSAV has taken the necessary measures in order to ensure its short, medium and long-term financial stability. On September 24, 2013, the Company successfully completed the capital increase of US$ 330 million approved at a shareholders' meeting on April 29, 2013. The funds raised by this capital increase will be applied towards the purchase of seven new vessels to be delivered between November 2014 and May 2015 and used to make payments on the bridge financing with Bladex for US$ 140 million.

The Company has also worked to increase sources of liquidity using committed lines of credit and structured loans, detailed as follows:

Note 5 Financial Risk Management (continued)

(c) Liquidity Risk (continued)

- Committed line of credit for Ch$76,396,800,000 secured in December 2012 for 3 years with Banco Consorcio, Banco Itaú Chile and Compañía de Seguros de Vida Consorcio Nacional de Seguros S.A. As of December 31, 2013, 100% of this line was available for the Company's future use.

- Committed line of credit for US$60,000,000 secured in June 2013 for 1 year with Tanner Servicios Financieros S.A. through assignment of credit.As of December 31, 2013, 100% of this line was available for the Company's future use.

- Structured loan for US$ 50,000,000 secured in August 2013 for 1 year with BTG Pactual. This line has been fully used and expires in August 2014.

- Committed line of credit for Ch$40,684,800,000 secured in September 2013 for 3 years with Banco Santander Chile and Banco Penta. As of December 31, 2013, 100% of this line was available for the Company's future use.

- Structured loan for US$ 100,000,000 secured in November 2013 for 3 years with Bladex. This line has been fully used and expires in November 2016.

As of December 31, 2013, CSAV has lines available for working capital needs for approximately MUS$ 434, of which MUS$ 150 has been used (BTG Pactual structured loan for MUS$ 50 and Bladex loan for MUS$ 100). This liquidity allows CSAV to more effectively deal with variations in international markets or in the shipping industry that could reduce revenue or increase costs.

In the future, the Company does not discard new capital contributions to support current operations or growth. The inability to obtain or restrictions on obtaining this capital may limit the Company’s chance of developing or expanding its current business and may eventually cause adverse material damage to its results and financial soundness.

Note 5 Financial Risk Management (continued)

(c) Liquidity Risk (continued)

As of December 31, 2013 and 2012, the contractual maturities of the Company's financial liabilities, including estimated interest payments, are detailed below:

December 31, 2013	Note	Book value ThUS$	Contractual cash flows ThUS$	6 months or less ThUS$	6 – 12 months ThUS$	1 – 2 years ThUS$	2 – 5 years ThUS$	More than 5 years ThUS$
Non-derivative financial liabilities								
Guaranteed bank loans	21	(486,123)	(571,406)	(30,860)	(80,188)	(58,803)	(161,384)	(240,171)
Bank instruments without guarantee	21	(205,865)	(226,208)	(8,330)	(8,628)	(17,780)	(142,651)	(48,819)
Trade and other payables and payables to related parties	10 & 22	(443,816)	(443,816)	(443,816)	-	-	-	-
Derivative financial assets								
Hedging assets	12	2,184	2,184	-	-	-	-	2,184
Derivative financial liabilities								
Hedging liabilities	12	(109)	(108)	(108)	-	-	-	-
Total		**(1,133,729)**	**(1,239,354)**	**(483,114)**	**(88,816)**	**(76,583)**	**(304,035)**	**(286,806)**

The cash flows included in the maturity analysis are not expected to occur significantly before or after the maturity date.

Note 5 Financial Risk Management (continued)

(c) Liquidity Risk (continued)

December 31, 2012	Note	Book value ThUS$	Contractual cash flows ThUS$	6 months or less ThUS$	6 – 12 months ThUS$	1 – 2 years ThUS$	2 – 5 years ThUS$	More than 5 years ThUS$
Non-derivative financial liabilities								
Guaranteed bank loans	21	(589,345)	(741,925)	(39,713)	(38,769)	(76,430)	(224,241)	(362,772)
Bank instruments without guarantee	21	(348,023)	(557,108)	(11,761)	(11,656)	(22,999)	(66,492)	(444,200)
Trade and other payables and payables to related parties	10 & 22	(490,949)	(490,951)	(490,951)	-	-	-	-
Derivative financial liabilities								
Hedging liabilities	12	(520)	(520)	(511)	(9)	-	-	-
Total		**(1,428,837)**	**(1,790,504)**	**(542,936)**	**(50,434)**	**(99,429)**	**(290,733)**	**(806,972)**

The cash flows included in the maturity analysis are not expected to occur significantly before or after the maturity date.

Note 5 Financial Risk Management (continued)

(d) Market Risk

Market risk, as analyzed in this section, is the risk that the value of the Company's assets or liabilities continuously and permanently fluctuates over time as the result of a change in key economic variables such as: (i) interest rates, (ii) exchange rates, and (iii) fuel prices.

The Company uses cash flow hedges to mitigate changes in these variables. Variations in these hedges, in accordance with IFRS accounting criteria, impact the consolidated statement of changes in equity.

The details of the derivatives held by the Company, including their fair value, are presented in Note 12.

(i) Interest rate fluctuations

Interest rate fluctuations impact the Company's floating rate obligations. Given that a considerable portion of the Company's debt structure has floating interest rates (mainly LIBOR), the Company has benefited in recent years from drops in these rates. In June 2013, the Company entered into interest rate swaps to fix the interest rate of US$370 million in debt principal.

As of December 31, 2013 and 2012, the Company's net asset and liability position in interest-bearing financial instruments, by type of interest, is detailed as follows:

Note 5 Financial Risk Management (continued)

(d) Market Risk (continued)

(i) Interest rate fluctuations (continued)

	Note	12.31.2013 ThUS$	12.31.2012 ThUS$
Financial assets at fixed rates:			
Cash and cash equivalents	7	123,959	140,363
Other financial assets	8	170	91,428
Total financial assets at fixed rates		124,129	231,791
Financial assets at variable rates:			
Cash and cash equivalents	7	77,699	71,637
Other financial assets	8	7,471	7,647
Total financial assets at variable rates		85,170	79,284
Total financial assets		209,299	311,075
Financial liabilities at fixed rates:			
Bank loans	21	(429,044)	(282,129)
Other	21	(55,289)	(65,894)
Total financial liabilities at fixed rates		(484,333)	(348,023)
Financial liabilities at variable rates:			
Bank loans	21	(262,887)	(589,345)
Other	21	(108)	(520)
Total financial liabilities at variable rates		(262,995)	(589,865)
Total financial liabilities		(747,328)	(937,888)
Net fixed-rate position		(360,204)	(116,232)
Net variable-rate position		(177,825)	(510,581)

Note 5 Financial Risk Management (continued)

(d) Market Risk (continued)

(i) Interest rate fluctuations (continued)

The potential effect of interest rate fluctuations on variable-rate financial instruments (assets and liabilities) held by CSAV that are not hedged is shown in the following table. The variation considers an increase of 1% in the 6-month Libor rate, which is used mainly for variable-rate financial liabilities, and an increase of 1% in the overnight Libor rate, which is primarily used to invest cash surpluses. These variations are considered reasonably possible, based on market conditions and to the best of our knowledge and understanding:

Effect on Profit or Loss of 1% Increase in Six-Month and Overnight Libor

	For the years ended December 31,	
	2013	2012
	ThUS$	ThUS$
Effect on profit or loss		
Increase of 100 basis points in 6 month LIBOR and overnight LIBOR	(1,294)	(4,913)

(ii) Exchange rate fluctuations

The Company's functional currency is the US dollar, which is the currency in which most of its operating income and expenses are denominated as well as the currency used by most of the global shipping industry. The Company also has income and expenses in Chilean pesos, Brazilian real, and euros, among other currencies.

The Company’s assets and liabilities are generally expressed in US dollars. However, the Company has assets and liabilities in other currencies, which are detailed in Note 34, Foreign Currency.

The Company reduces its risk from exchange rate variations by periodically converting any balances in local currency that exceed payment requirements in that currency into dollars, except in some countries where it is not permitted. When necessary, the Company has contracted derivatives to eliminate the identified exposure.

Note 5 Financial Risk Management (continued)

(d) Market Risk (continued)

(ii) Exchange rate fluctuations (continued)

The following table shows the maximum exposure risk to foreign currency fluctuations of the Company's non-U.S. dollar-denominated financial assets and liabilities as of December 31, 2013 and 2012 (see Note 12 Hedge Assets and Liabilities):

As of December 31, 2013	**Euro ThUS$**	**Real ThUS$**	**Peso/UF ThUS$**	**Other ThUS$**	**Total ThUS$**
Cash and cash equivalents	19,725	13,976	2,578	25,832	62,111
Other financial assets (current and non-current)	-	347	368	-	715
Trade and other receivables (current and non-current)	21,633	14,096	7,760	16,081	59,570
Bank instruments without guarantee	-	-	(55,288)	-	(55,288)
Trade payables and other non-financial liabilities (current and non-current)	(42,295)	(36,421)	(1,863)	(81,768)	(162,347)
Net exposure as of December 31, 2013	**(937)**	**(8,002)**	**(46,445)**	**(39,855)**	**(95,239)**

As of December 31, 2012	**Euro ThUS$**	**Real ThUS$**	**Peso/UF ThUS$**	**Other ThUS$**	**Total ThUS$**
Cash and cash equivalents	19,744	8,812	6,078	21,374	56,008
Other financial assets (current and non-current)	178	409	246	228	1,061
Trade and other receivables (current and non-current)	28,787	10,770	8,597	18,709	66,863
Bank instruments without guarantee	-	-	(65,894)	-	(65,894)
Trade payables and other non-financial liabilities (current and non-current)	(43,396)	(28,648)	(19,883)	(66,934)	(158,861)
Net exposure as of December 31, 2012	**5,313**	**(8,657)**	**(70,856)**	**(26,623)**	**(100,823)**

The potential effect of a 10% depreciation in the US dollar with respect to other important currencies to which the Company is exposed would result in a greater charge of US$ 9.9 million on the Company's results for the year ended December 31, 2013, keeping all other variables constant.

Note 6 Segment Reporting

Segmentation Criteria

In accordance with the definitions established in IFRS 8 "Operating Segments," the CSAV Group segments its business according to the type of services provided and, accordingly, has defined one sole segment called Maritime Cargo Transport.

	Maritime Cargo Transport	
	For the years ended December 31,	
	2013 MUS$	2012 MUS$
Revenue	3,205,950	3,431,782
Cost of sales	(3,210,417)	(3,388,411)
Gross margin	(4,467)	43,371
Other income by function	1,976	4,607
Administrative expenses	(233,388)	(251,313)
Other miscellaneous expenses by function	(43,058)	(2,577)
Other gains (losses)	57,759	9,147
Profit (loss) from operating activities	(221,178)	(196,765)
Finance income	490	1,761
Finance costs	(41,386)	(38,609)
Share of profits (loss) of associates	4,247	5,029
Exchange differences	10,299	(10,471)
Income from adjustment units	(1,172)	(1,662)
Profit (loss) before income tax	(248,700)	(240,717)
Income tax expense	81,074	57,430
Profit (loss) from continuing operations	(167,626)	(183,287)
Profit (loss) from discontinued operations	-	(126,181)
Profit (loss) for the year	(167,626)	(309,468)
Profit (loss) attributable to non-controlling interest	1,416	4,143
Profit (loss) attributable to the owners of the parent company	(169,042)	(313,611)

Note 6 Segment Reporting (continued)

Assets and liabilities by segment as of December 31, 2013 and 2012, are summarized as follows:

	Maritime Cargo Transport	
	2013 ThUS$	2012 ThUS$
Assets per segment	2,323,981	2,470,916
Proceeds from associates	13,132	11,734
Liabilities per segment	1,350,379	1,617,131

Income by geographic region is summarized as follows:

	Maritime Cargo Transport For the years ended December 31,	
	2013 MUS$	2012 MUS$
Asia	1,139,573	1,438,888
Europe	452,655	424,738
Americas	1,596,582	1,522,151
Africa	17,140	46,005
	3,205,950	3,431,782

The main services of the maritime cargo transport segment are primarily related to the transport of cargo in containers and, to a lesser extent, the transport of bulk products and automobiles.

The Company does not have any customers that are significant on an individual basis.

The Company used the following criteria to measure income, assets and liabilities within each reported segment:

Income for the segment is composed of revenues and expenses related to operations that are directly attributable to the reporting segment. Income was recorded based on measurement of operating revenues and expenses according to the degree of completion (Note 3.16).

The assets and liabilities reported for the operating segment consist of all those that are directly involved in the provision of a certain service or operation and directly attributable to that segment.

Note 7 Cash and Cash Equivalents

Cash and cash equivalents are detailed in the following table:

	As of December 31, 2013 ThUS$	As of December 31, 2012 ThUS$
Cash on hand	277	304
Bank balances	123,683	140,225
Time deposits	76,547	70,095
Repurchase and sellback agreements	1,152	1,376
Total	**201,659**	**212,000**

As of December 31, 2013, the Company has funds classified as cash and cash equivalents that are not freely available, totaling ThUS$ 20,636 (ThUS$ 32,700 in 2012). This amount is kept reserved to guarantee principal and interest payments on the vessel financing agreements that the Company has with HSH Nordbank, BNP Paribas and DVB Bank America NY.

The breakdown of cash and cash equivalents, detailed by currency, during 2013 and 2012, is as follows:

Currency	As of December 31, 2013 ThUS$	As of December 31, 2012 ThUS$
US dollar	141,243	155,992
Chilean peso	2,580	6,078
Euro	18,040	19,744
Pound sterling	1,693	2,544
Real	13,977	8,812
Yuan	3,388	1,742
Hong Kong dollar	381	538
Mexican peso	305	203
Yen	121	181
Other currencies	19,931	16,166
Total	**201,659**	**212,000**

Note 8 Other Financial Assets

The breakdown of other financial assets is detailed as follows:

	Current		Non-Current	
	12.31.2013 ThUS$	12.31.2012 ThUS$	12.31.2013 ThUS$	12.31.2012 ThUS$
Exchange rate insurance (a)	-	-	-	76,928
Hedging derivative contracts (Note 12)	2,184	-	-	-
Collateral guarantees (b)	170	14,425	-	-
Other financial instruments	-	75	5,287	7,647
Total other financial assets	2,354	14,500	5,287	84,575

Changes in the fair value of the assets classified in this category are recorded under "other gains/losses" in the statement of comprehensive income.

Explanatory notes for the table above:

(a) As indicated in Note 29, until December 31, 2012, this included insurance contracted by the Company to cover risks of exchange rate variations related to the loan with American Family Life Assurance Company of Columbus (AFLAC). In April 2013, the Company exercised the option to prepay the AFLAC loan and in turn canceled the yen-dollar foreign exchange insurance policy.

The insurance was valued as follows:

Valuation of Yen/USD Exchange Risk Insurance

	As of December 31, 2012 ThUS$
Dollar equivalent	278,778
Dollars according to contract	(201,850)
Value of insurance	76,928

Note 8 Other Financial Assets (continued)

(b) As of December 31, 2013, collateral guarantees correspond to restricted bank deposits to guarantee fluctuations in the market value of fuel hedging derivatives. In addition, as of December 31, 2012, it includes a restricted deposit to guarantee fluctuations in the market value of the insurance indicated in letter a), which was canceled in April 2013.

Note 9 Trade and Other Receivables

The breakdown of trade and other receivables is detailed in the following table:

	Current		Non-Current	
	12.31.2013 ThUS$	12.31.2012 ThUS$	12.31.2013 ThUS$	12.31.2012 ThUS$
Trade receivables	288,917	316,161	-	-
Impairment of trade receivables	(14,437)	(16,809)	-	-
Trade receivables, net	274,480	299,352	-	-
Other receivables	7,720	5,402	73	454
Impairment of other receivables	(119)	(175)	-	(365)
Other receivables, net	7,601	5,227	73	89
Total receivables	282,081	304,579	73	89

Trade receivables are derived from operations linked to the provision of services related to the maritime business and other similar ones.

Most current trade receivables are due within three months from the reporting date.

Other receivables primarily include prepayments to suppliers and agents, receivables from personnel, recoverable expenses, and receivables from ship owners, among others.

The fair value of trade and other receivables does not differ significantly from their book value.

Note 9 Trade and Other Receivables (continued)

The CSAV Group records provisions when there is evidence of impairment of trade receivables, based on the criteria described in Note 3.9 and according to the following guidelines:

Age of Receivable	Factor
Over 180 days	100%
Receivables from agencies over 21 days	100%
Legal collection, checks issued with non-sufficient funds and other similar concepts	100%

Current trade and other receivables are detailed by maturity in the following table:

	12.31.2013		12.31.2012	
	No. of Clients	ThUS$	No. of Clients	ThUS$
Current	14,041	209,651	12,302	216,396
Due between 1 and 30 days	5,064	58,720	5,469	69,991
Due between 31 and 60 days	1,083	7,702	1,341	10,300
Due between 61 and 90 days	532	2,607	721	2,955
Due between 91 and 120 days	367	1,558	625	2,346
Due between 121 and 150 days	352	1,285	490	1,099
Due between 151 and 180 days	616	558	1,091	1,492
Final balance		282,081		304,579

Changes in impairment losses from accounts receivable are detailed as follows:

	12.31.2013 ThUS$	12.31.2012 ThUS$
Opening balance	17,349	20,124
(Reversal) increase of impairment provision	(2,793)	1,425
Other variations *	-	(4,200)
Closing balance	14,556	17,349

*Variations from spin-off of Sudamericana, Agencias Aéreas y Marítimas S.A.

Once the pre-legal and legal collections steps have been exhausted, the assets are written off against the provision that was recorded. The CSAV Group only uses the allowance method and not the direct write-off method in order to better control these accounts.

Note 10 Balances and Transactions with Related Parties

The net balance of accounts receivable from and payable to non-consolidated related entities is detailed in the following table:

	Current		Non-Current	
	As of December 31, 2013 ThUS$	As of December 31, 2012 ThUS$	As of December 31, 2013 ThUS$	As of December 31, 2012 ThUS$
Receivables from related parties	24	3,501	3,369	-
Payables to related parties	(29,893)	(22,805)	-	-
Total	**(29,869)**	**(19,304)**	**3,369**	**-**

Current balances with related companies are related to business operations and are carried out at market conditions, with respect to price and payment conditions.

Accounts Receivable

The account receivable from Dry Bulk Handy Holding Inc. corresponds to remittances for working capital and has been classified as non-current as there is no defined collections date.

Accounts Payable

Accounts payable correspond to ordinary transactions within the Company’s line of business.

The Company has no non-current payables to related entities.

Note 10 Balances and Transactions with Related Parties (continued)

Receivables from related parties are summarized as follows:

Taxpayer ID	Country	Company	Transaction	Relationship	Currency	Current 12.31.2013 ThUS$	Current 12.31.2012 ThUS$	Non-Current 12.31.2013 ThUS$	Non-Current 12.31.2012 ThUS$
86.712.100-5	Chile	Cosem S.A.	Services	Common shareholder and/or director	USD	-	11	-	-
76.344.250-0	Chile	Distribuidora Santa Rita Ltda.	Services	Common shareholder and/or director	USD	23	33	-	-
Foreign	Monaco	Dry Bulk Handy Holding Inc.	Current account	Associate	USD	-	3,369	3,369	-
94.660.000-8	Chile	Marítima de Inversiones S.A.	Services	Common shareholder and/or director	USD	1	1	-	-
Foreign	Germany	Peter Dohle (IOM) Ltd.	Services	Common shareholder and/or director	USD	-	80	-	-
90.556.920-0	Chile	Sepsa S.A.	Services	Common shareholder and/or director	USD	-	6	-	-
Foreign	Hong Kong	Walem Shipmanagement Ltd.	Services	Common shareholder and/or director	USD	-	1	-	-
		TOTAL				**24**	**3,501**	**3,369**	**-**

Note 10 Balances and Transactions with Related Parties (continued)

Payables to related parties are summarized as follows:

Taxpayer ID	Country	Company	Transaction	Relationship	Currency	12.31.2013 ThUS$	12.31.2012 ThUS$
99.511.240-K	Chile	Antofagasta Terminal Internacional S.A.	Services	Common shareholder and/or director	USD	2,522	2,390
Foreign	Peru	Consorcio Naviero Peruano S.A.	Services	Associate	USD	1,769	880
Foreign	Peru	Consorcio Naviero Peruano S.A.	Current account	Associate	USD	3	19
Foreign	Ecuador	Ecuaestibas S.A.	Services	Common shareholder and/or director	USD	228	223
Foreign	Ecuador	Ecuaestibas S.A.	Current account	Common shareholder and/or director	USD	23	142
Foreign	United States	Florida International Terminal, LLC	Services	Common shareholder and/or director	USD	988	1,412
Foreign	United States	Florida International Terminal, LLC	Current account	Common shareholder and/or director	USD	53	16
Foreign	Ecuador	Inarpi S.A.	Services	Common shareholder and/or director	USD	376	439
Foreign	Ecuador	Inarpi S.A.	Current account	Common shareholder and/or director	USD	73	61
96.915.330-0	Chile	Iquique Terminal Internacional S.A.	Services	Common shareholder and/or director	USD	925	790
Foreign	Germany	Peter Dohle Schiffharts – KG	Services	Common shareholder and/or director	USD	-	1,296
Foreign	Brazil	SAAM Do Brasil Ltda.	Services	Common shareholder and/or director	USD	1,886	1,755
Foreign	Brazil	SAAM Do Brasil Ltda.	Current account	Common shareholder and/or director	USD	239	346
Foreign	Brazil	SAAM Do Brasil Ltda.	Other	Common shareholder and/or director	USD	12	5
96.798.520-1	Chile	Saam Extraportuarios S.A.	Services	Common shareholder and/or director	USD	3	21
96.908.970-K	Chile	San Antonio Terminal Internacional S.A.	Services	Common shareholder and/or director	USD	3,319	3,152
96.908.930-0	Chile	San Vicente Terminal Internacional S.A.	Services	Common shareholder and/or director	USD	733	1,641
92.048.000-4	Chile	Sudamericana, Agencias Aéreas y Marítimas SA.	Services	Common shareholder and/or director	USD	8,105	5,060
92.048.000-4	Chile	Sudamericana, Agencias Aéreas y Marítimas SA.	Current account	Common shareholder and/or director	USD	4,061	346
92.048.000-4	Chile	Sudamericana, Agencias Aéreas y Marítimas SA.	Other	Common shareholder and/or director	USD	1,029	-
99.567.620-6	Chile	Terminal Puerto Arica S.A.	Services	Common shareholder and/or director	USD	94	132
Foreign	Peru	Trabajos Marítimos S.A.	Services	Common shareholder and/or director	USD	3,007	2,235
Foreign	Peru	Trabajos Marítimos S.A.	Current account	Common shareholder and/or director	USD	54	22
82.074.900-6	Chile	Transbordadora Austral Broom S.A.	Services	Common shareholder and/or director	USD	29	13
Foreign	Brazil	Tug Brasil Apoio Marítimo Portuario S.A.	Current account	Common shareholder and/or director	USD	361	24
Foreign	Brazil	Tug Brasil Apoio Marítimo Portuario S.A.	Other	Common shareholder and/or director	USD	-	385
Foreign	Hong Kong	Walem Shipmanagement Ltd.	Services	Common shareholder and/or director	USD	1	-
		TOTAL				29,893	22,805

Note 10 Balances and Transactions with Related Parties (continued)

Transactions with related parties are detailed as follows:

Company	Taxpayer ID	Country	Relationship	Transaction	For the years ended 12.31.2013 ThUS$	12.31.2012 ThUS$
Antofagasta Terminal Internacional S.A.	99511240-K	Chile	Common shareholder and/or director	Port services received	(5)	(7,792)
Cerámicas Cordillera S.A.	96573780-4	Chile	Common shareholder and/or director	Maritime transport services	180	-
Cervecera Chile CCU Ltda.	96989120-4	Chile	Common shareholder and/or director	Maritime transport services	168	154
Compañía Electrometalúrgica S.A.	90320000-6	Chile	Common shareholder and/or director	Maritime transport services	2,446	1,830
Compañía Pisquera de Chile S.A.	99586280-8	Chile	Common shareholder and/or director	Maritime transport services	-	3
Consorcio Naviero Peruano S.A.	Foreign	Peru	Asociada	Maritime transport services	-	296
Consorcio Naviero Peruano S.A.	Foreign	Peru	Asociada	Agencying services received	(12,871)	(9,929)
Cristalerías de Chile S.A.	90331000-6	Chile	Common shareholder and/or director	Maritime transport services	157	243
Cristalerías de Chile S.A.	90331000-6	Chile	Common shareholder and/or director	Parking rental	-	(21)
Distribuidora Santa Rita Ltda	76344250-0	Chile	Common shareholder and/or director	Maritime transport services	240	207
Ediciones Financieras S.A.	96539380-3	Chile	Common shareholder and/or director	Advertising services	(6)	(31)
Embotelladoras Chilenas Unidas S.A.	99501760-1	Chile	Common shareholder and/or director	Purchase of products	(4)	(4)
Empresa Nacional de Energia Enex S.A.	90266000-3	Chile	Common shareholder and/or director	Maritime transport services	139	262
Etersol S.A.	86474100-2	Chile	Common shareholder and/or director	Maritime transport services	91	152
Falabella Retail S.A.	77261280-K	Chile	Common shareholder and/or director	Maritime transport services	4,771	4,623
Indalum S.A.	91524000-3	Chile	Common shareholder and/or director	Maritime transport services	1	13
Ingenieria y Construcción Siglo Koppers S.A.	91915000-9	Chile	Common shareholder and/or director	Maritime transport services	16	3
Madeco Mills S.A.	76009053-0	Chile	Common shareholder and/or director	Maritime transport services	-	6
Marítima de Inversiones S.A.	94660000-8	Chile	Common shareholder and/or director	Administrative services provided	21	92
Marítima de Inversiones S.A.	94660000-8	Chile	Common shareholder and/or director	Loans paid	-	(100,000)
Marítima de Inversiones S.A.	94660000-8	Chile	Common shareholder and/or director	Interest paid	-	(1,024)
Minera el Tesoro	78896610-5	Chile	Common shareholder and/or director	Maritime transport services	6	2,960
Minera los Pelambres	96790240-3	Chile	Common shareholder and/or director	Maritime transport services	349	398
Orizon S.A.	96929960-7	Chile	Common shareholder and/or director	Maritime transport services	27	37
Quimetal Industrial S.A.	87001500-3	Chile	Common shareholder and/or director	Maritime transport services	140	165
Quiñenco S.A.	91705000-7	Chile	Majority shareholder	Loans paid	-	(250,000)
Quiñenco S.A.	91705000-7	Chile	Majority shareholder	Interest paid	-	(1,993)
S.A.C.I. Falabella	90749000-9	Chile	Common shareholder and/or director	Services provided	81	203

Note 10 Balances and Transactions with Related Parties (continued)

Transactions with related parties are detailed as follows:

Company	Taxpayer ID	Country	Relationship	Transaction	For the years ended 12.31.2013 ThUS$	For the years ended 12.31.2012 ThUS$
San AntonioTerminal Internacional S.A.	96908970-K	Chile	Common shareholder and/or direc	Port services provided	2	8
San Antonio Terminal Internacional S.A.	96908970-K	Chile	Common shareholder and/or direc	Port services received	(15,798)	(15,591)
San Vicente Terminal Internacional S.A.	96908930-0	Chile	Common shareholder and/or direc	Port services provided	-	9
San Vicente Terminal Internacional S.A.	96908930-0	Chile	Common shareholder and/or direc	Port services received	(4,437)	(7,752)
Sigdopack S.A.	96777170-8	Chile	Common shareholder and/or direc	Maritime services provided	6	80
Sociedad Quimica Minera Chile S.A.	93007000-9	Chile	Common shareholder and/or direc	Services provided	715	95
Sudamericana Agencias Aereas y Maritimas S.A.	92048000-4	Chile	Common shareholder and/or direc	Services provided	4,317	5,584
Sudamericana Agencias Aereas y Maritimas S.A.	92048000-4	Chile	Common shareholder and/or direc	Services received	(19,215)	(21,754)
Sudamericana Agencias Aereas y Maritimas S.A.	92048000-4	Chile	Common shareholder and/or direc	Loans paid	-	(17,500)
Sudamericana Agencias Aereas y Maritimas S.A.	92048000-4	Chile	Common shareholder and/or direc	Interest paid	-	(223)
Terminal Portuario de Arica S.A.	99567620-6	Chile	Common shareholder and/or direc	Port services received	(481)	(429)
Trabajos Marítimos S.A.	Foreign	Peru	Common shareholder and/or direc	Services provided	-	18
Trabajos Marítimos S.A.	Foreign	Peru	Common shareholder and/or direc	Agencying services	(8,611)	(9,327)
Transbordadora Austral Broom S.A.	82074900-6	Chile	Common shareholder and/or direc	Port services received	(88)	(106)
Viña Carmen S.A.	87941700-7	Chile	Common shareholder and/or direc	Services provided	-	1
Viña San Pedro de Tarapaca S.A.	91041000-8	Chile	Common shareholder and/or direc	Services received	-	(10)
Viña San Pedro de Tarapaca S.A.	91041000-8	Chile	Common shareholder and/or direc	Services provided	81	70
Viña Santa Carolina S.A.	90929000-7	Chile	Common shareholder and/or direc	Services provided	-	6
Vinilit S.A.	87006000-9	Chile	Common shareholder and/or direc	Maritime services provided	23	13
Watt´s S.A.	92236000-6	Chile	Common shareholder and/or direc	Maritime services provided	134	84

Note 10 Balances and Transactions with Related Parties (continued)

Remuneration of Board of Directors and Key Personnel

A. Remuneration of Key Personnel

Key personnel include executives who define the CSAV Group's strategic policies and have a direct impact on the results of the business.

Compensation of the parent company's key management personnel amounts to ThUS$ 9,136 for the year ended December 31, 2013 (ThUS$ 5,589 for the year ended December 31, 2012).

	For the years ended December 31,	
	2013 ThUS$	2012 ThUS$
Short-term employee benefits	9,025	5,426
Other benefits	111	163
Total	**9,136**	**5,589**

- Guarantees Granted by the Company in Favor of Key Management Personnel

The Company has not granted any guarantees in favor of key management personnel.

- Share-Based Payment Plans

The Company does not have any compensation plans for key management personnel based on share price.

B. Director Compensation

Profit Sharing

2013
During 2013, no compensation in the form of profit sharing was given due to the losses incurred during 2012.

2012
During 2012, no compensation in the form of profit sharing was given due to the losses incurred during 2011.

Note 10 Balances and Transactions with Related Parties (continued)

B. Director Compensation (continued)

Meeting attendance allowance

2013

ThUS$ 96.68 to Mr. Francisco Pérez Mackenna; ThUS$ 36.51 to Mr. Andrónico Luksic C.; ThUS$ 55.59 to Mr. Canio Corbo L.; ThUS$ 51.09 to Mr. Arturo Claro F.; ThUS$ 46.21 to Mr. José de Gregorio R.; ThUS$ 55.59 to Mr. Juan Antonio Alvarez; ThUS$ 50.99 to Mr. Juan Francisco Gutiérrez I.; ThUS$ 46.51 to Mr. Christoph Schiess S.; ThUS$ 55.59 to Mr. Víctor Toledo S.; ThUS$ 55.59 to Mr. Hernán Buchi B.; and ThUS$ 51.12 to Mr. Gonzalo Menéndez D.

2012

ThUS$ 13.73 to Mr. Luis Alvarez M.; ThUS$ 60.57 to Mr. Canio Corbo L.; ThUS$ 9.14 to Mr. Baltazar Sánchez G.; ThUS$ 56.01 to Mr. Arturo Claro F.; ThUS$ 32.72 to Mr. José De Gregorio; ThUS$ 56.01 to Mr. Juan Antonio Alvarez; ThUS$ 32.85 Juan Francisco Gutiérrez I.; ThUS$ 51.43 to Mr. Christoph Schiess S.; ThUS$ 83.99 to Mr. Guillermo Luksic C.; ThUS$ 51.43 to Mr. Francisco Pérez Mackenna; ThUS$ 60.39 to Mr. Víctor Toledo S.; ThUS$ 37.67 to Mr. Hernán Buchi B.; and ThUS$ 55.57 to Mr. Gonzalo Menéndez D.

Committee attendance allowance

2013

The following amounts were paid to each director: Gonzalo Menéndez D. ThUS$ 21.54; Canio Corbo L. ThUS$ 21.54; Víctor Toledo S. ThUS$ 21.54 and Gonzalo Menéndez D. ThUS$ 21.54.

2012

The following amounts were paid to each director: Gonzalo Menéndez D. ThUS$ 13.97; Canio Corbo L. ThUS$15.56 and Víctor Toledo S. ThUS$ 15.53.

Note 11 Inventory

	As of December 31, 2013 ThUS$	As of December 31, 2012 ThUS$
Fuel stock	74,685	77,530
Lubricant stock	2,130	2,975
Spare parts stock	337	38
Other inventory	1,841	1,952
Total	**78,993**	**82,495**

The entries included under fuel correspond to fuel found on vessels in operation that will be consumed in the normal course of services provided. These entries are valued in accordance with Note 3.11.As of December 31, 2013 and 2012, fuel recorded in profit or loss amounts to ThUS$ 700,392 and ThUS$ 886,047, respectively.

Note 12 Hedge Assets and Liabilities

Hedge assets and liabilities are summarized as follows:

	As of December 31, 2013		As of December 31, 2012	
	Assets ThUS$	Liabilities ThUS$	Assets ThUS$	Liabilities ThUS$
Current				
Fuel swaps (a)	-	(109)	-	520
Interest rate swaps (b)	2,184	-	-	-
Total current	**2,184**	**(109)**	-	**520**

Note 12 Hedge Assets and Liabilities (continued)

Explanatory notes for the table above:

(a) Fuel price hedging contracts.

As of December 31, 2013 and 2012, the Group holds the following fuel price hedge contracts:

			As of December 31, 2013			As of December 31, 2012		
Derivative	**Institution**	**Date of agreement**	**Expiration date**	**Fair value**	**Recognized in equity**	**Expiration date**	**Fair value**	**Recognized in equity**
Swap	Morgan Stanley	Mar-12	I- 2013	-	-	I- 2013	60	(13)
Swap	Barclays	Feb-12	I -2013	-	-	I -2013	390	(50)
Swap	Barclays	Mar-12	I -2013	-	-	I -2013	1,428	(251)
Swap	Barclays	Apr-12	I- 2013	-	-	I- 2013	416	(59)
Swap	Barclays	Apr-12	II- 2013	-	-	II- 2013	1,122	(151)
Swap	Barclays	May-12	II- 2013	-	-	II- 2013	599	(40)
Swap	Barclays	Jul-12	III-2013	-	-	III-2013	1,261	68
Swap	Koch	Aug-12	I-2013	-	-	I-2013	146	(14)
Swap	Koch	Dec-12	II- 2013	-	-	II- 2013	256	(1)
Swap	Koch	Dec-12	IV- 2013	-	-	IV- 2013	280	(9)
Swap	Barclays	Jan-13	I - 2014	30	(2)			
Swap	Barclays	Feb-13	I - 2014	119	(10)			
Swap	Koch	Jan-13	IV- 2014	16	-			
Swap	Barclays	Apr-13	I - 2014	1,478	(18)			
Swap	Barclays	May-13	II - 2014	240	-			
Swap	Koch	Apr-13	I - 2014	2,738	(22)			
Swap	Koch	Aug-13	I - 2014	23	-			
Swap	Barclays	Jul-13	II - 2014	146	1			
Swap	Barclays	Aug-13	I - 2014	168	(4)			
Swap	Koch	Sep-13	I - 2014	2,250	(44)			
Swap	Barclays	Dec-13	II - 2014	246	(4)			
Swap	Koch	Dec-13	IV- 2014	342	(6)			
			Total		(109)			(520)

(b) Interest rate hedges

As of December 31, 2013, the Group has contracted interest rate swaps to hedge part of its exposure to variable interest rates, specifically to 6-month and 3 month LIBOR rates.

Derivative	**Institution**	**Date of agreement**	**Expiration date**	**Currency**	**Recognized in equity**
Swap	Euroamerica	Jun-13	III - 2023	US$	636
Swap	Banco de Chile	Jun-13	III - 2023	US$	814
Swap	Euroamerica	Jun-13	IV - 2023	US$	671
Swap	Banco de Chile	Jun-13	IV - 2023	US$	(109)
Swap	BTG Pactual	Jun-13	I - 2023	US$	(244)
Swap	Banco de Chile	Jun-13	III -2024	US$	466
Swap	Banco de Chile	Jun-13	II -2024	US$	(50)
			Total		**2,184**

Note 13 Other Non-financial Assets

The breakdown of other non-financial assets is detailed below::

	As of December 31, 2013		As of December 31, 2012	
	Current ThUS$	Non-Current ThUS$	Current ThUS$	Non-Current ThUS$
Insurance	2,912	-	2,816	-
Prepaid leases	6,222	-	11,370	-
Lighthouses and buoys	-	-	2,550	-
Container positioning	450	936	622	1,385
transit	-	-	-	-
Other	5,489	15,140	5,073	8,701
Total	15,073	16,076	22,431	10,086

Prepaid insurance corresponds to insurance premiums for real estate property and vessels.

Current prepaid leases correspond primarily to lease payments on vessels operated by the CSAV Group, which will be used up in the future.

Expenses for vessels in transit correspond to the balance of expenses recorded as of the reporting date for those vessels that were in transit as of that date.

Positioning of containers, lighthouses and buoys corresponds to normal payments related to the provision of maritime transport services.

Note 14 Investments in Subsidiaries

a) Consolidated Subsidiaries:

The CSAV Group holds investments in subsidiaries, as detailed in Note 3, which have been consolidated in these financial statements.

Taxpayer ID	Name of Subsidiary	Functional Currency	Country of Subsidiary	Direct or Indirect Ownership Interest 2013	2012
Foreign	Compañía Sud Americana de Vapores Gmbh	EURO	Germany	100%	100%
Foreign	Corvina Shipping Co. S.A. and Subsidiaries	USD	Panama	100%	100%
Foreign	CSAV Agency, LLC. and Subsidiary	USD	United States	100%	100%
Foreign	CSAV Group (China) Shipping Co. Limited	USD	China	100%	100%
99.588.400-3	CSAV Inversiones Navieras S.A. and Subsidiaries	USD	Chile	100%	100%
89.602.300-4	Empresa de Transporte Sudamericana Austral Ltda. and Subsidiaries	USD	Chile	100%	100%
Foreign	Norgistics (China) Limited	YUAN	China	100%	100%
76.028.729-6	Norgistics Holding S.A. and Subsidiaries	USD	Chile	100%	100%
96.840.950-6	Odfjell y Vapores S.A.	USD	Chile	51%	51%
Foreign	Tollo Shipping Co. S.A. and Subsidiaries	USD	Panama	100%	100%

Note 14 Investments in Subsidiaries (continued)

b) Summarized financial information:

The summarized financial information for these investments as of December 31, 2013 and 2012, is detailed as follows:

As of December 31, 2013

Company	Current Assets ThUS$	Non-Current Assets ThUS$	Current Liabilities ThUS$	Non-Current Liabilities ThUS$	Operating Revenue ThUS$	Profit (Loss) ThUS$	Comprehensive Income ThUS$
Tollo Shipping Co. S.A. and Subsidiaries	497,028	1,335,067	2,036,768	641,970	1,056,094	10,157	1,421
Corvina Shipping Co. S.A. and Subsidiaries	1,581,724	216,162	447,446	29,435	123,323	(6,974)	-
Odfjell y Vapores S.A.	5,071	10,697	615	679	14,673	1,698	1,698
Empresa de Transportes Sudamericana Austral Ltda. and Subsidiaries	55	1,142	2,316	668	-	(2)	1
CSAV Inversiones Navieras S.A. and Subsidiaries	119,165	38,493	63,533	932	93,264	20,480	22,493
Compañía Sudamericana de Vapores GmbH	2,209	367	1,116	-	22	77	137
CSAV Agency LLC and Subsidiary	10,601	168	4,261	-	21,080	5,736	5,736
CSAV Group (China) Shipping Co. Ltd.	22,152	507	18,415	-	18,321	571	571
Norgistics (China) Ltd.	2,625	37	704	-	1,609	108	158
Norgistics Holding S.A. and Subsidiaries	10,648	211	7,516	-	27,569	(1,925)	(1,947)

Note 14 Investments in Subsidiaries (continued)

(b) Summarized financial information (continued)

As of December 31, 2012

Company	Current Assets ThUS$	Non-Current Assets ThUS$	Current Liabilities ThUS$	Non-Current Liabilities ThUS$	Operating Revenue ThUS$	Profit (Loss) ThUS$	Comprehensive Income ThUS$
Tollo Shipping Co. S.A. and Subsidiaries	451,130	1,473,784	1,715,689	1,070,991	1,097,823	(118,246)	(119,378)
Corvina Shipping Co. S.A. and Subsidiaries	1,534,838	272,409	449,898	29,435	134,235	(1,887)	(1,830)
Odfjell y Vapores S.A.	10,388	10,617	2,098	131	11,133	3,027	3,112
Empresa de Transportes Sudamericana Austral Ltda. and Subsidiaries	75	1,265	2,300	828	-	109	109
CSAV Inversiones Navieras S.A. and Subsidiaries	108,290	28,585	67,239	936	138,584	20,250	20,082
Compañía Sudamericana de Vapores GMBH	1,639	291	607	-	10,172	38	63
CSAV Agency LLC and Subsidiary	15,076	453	3,942	27	27,519	4,731	4,731
CSAV Group (China) Shipping Co. Ltd.	29,633	432	22,828	-	23,733	3,345	3,345
Norgistics (China) Ltd.	2,528	4	734	-	449	138	157
Norgistics Holding S.A. and Subsidiaries	10,118	274	5,103	-	22,743	189	189

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Note 14 Investments in Subsidiaries (continued)

(b) Summarized financial information (continued)

Summarized information regarding subsidiaries with non-controlling interest:

	As of December 31, 2013							As of December 31, 2012					
	Odfjell y Vapores S.A.	Maritime Shipping & Trading International Inc.	Maritime Shipping Trading Inc.	CSAV Group Agencies South Africa (Pty) Ltd.	SSM Panama Group	OV Bermuda Limited	Total	Odfjell y Vapores S.A.	Maritime Shipping & Trading International Inc.	Maritime Shipping Trading Inc.	CSAV Group Agencies South Africa (Pty) Ltd.	SSM Panama Group	Total
% noncontrolling interest	49%	50%	50%	40%	50%	50%	ThUS$	49%	50%	50%	40%	50.0%	ThUS$
Current assets	5,071	41	892	2,396	7,416	2,738	18,554	10,388	42	1,125	3,946	5,718	21,219
Non-current assets	10,697	-	-	116	830	9,637	21,280	10,617	-	-	325	957	11,899
Current liabilities	615	1	611	1,856	7,635	2,250	12,968	2,098	26	346	3,669	6,194	12,333
Non-current liabilities	679	-	-	-	-	5,143	5,822	131	-	-	-	-	131
Net assets	14,474	40	281	656	611	4,982	21,044	18,776	16	779	602	481	20,654
Amount of non-controlling interest	7,092	20	141	262	305	2,491	10,311	9,200	8	391	241	242	10,082

Note 14 Investments in Subsidiaries (continued)

(b) Summarized financial information (continued)

Summarized information regarding subsidiaries with non-controlling interest:

	As of December 31,													
	2013							2012						
	Odfjelly Vapores S.A.	Maritime Shipping & Trading International Inc.	Maritime Shipping Trading Inc.	CSAV Group Agencies South Africa (Pty) Ltd.	SSM Panama Group	OV Bermuda Limited	Total	Odfjelly Vapores S.A.	Maritime Shipping & Trading International Inc.	Maritime Shipping Trading Inc.	CSAV Group Agencies South Africa (Pty) Ltd.	SSM Panama Group	Invermar Management S de RL	Total
% non-controlling interest	49%	50%	50%	40%	50%	50%	ThUS$	49%	50%	50%	40%	50.5%	50%	ThUS$
Revenue	14,673	-	9,799	3,467	54,066	1,151	83,156	11,133	-	13,424	7,106	55,288	-	86,951
Profit for the year	1,698	24	511	1,064	305	(518)	3,084	3,112	1	638	2,763	276	2,805	9,595
Total comprehensive income	1,698	24	511	1,420	305	(518)	3,440	3,112	1	638	2,620	276	2,978	9,625
Profit (loss) attributable to non-controlling interests	832	12	256	425	150	(259)	1,416	1,524	1	319	1,105	138	1,056	4,143
Net cash flows from (used in) operating activities	2,165	-	605	399	188	(53)	3,304	559	-	84	2,859	324	(1,334)	2,492
Net cash flows from (used in) investing activities	(1,135)	-	-	38	(58)	(9,800)	(10,955)	(5,864)	-	-	14	(48)	1,335	(4,563)
Net cash flows from (used in) financing activities before dividends to minority interests	3,060	-	505	521	87	(11,440)	(7,267)	-	-	1,500	2,217	196	-	3,913
Net cash flows from (used in) financing activities	(6,000)	-	(1,010)	(869)	(175)		(8,054)	-	-	(3,000)	(3,696)	(323)	-	(7,019)

Note 14 Investments in Subsidiaries (continued)

c) Movements in investments:

c.1) During the year ended in December 2013, no subsidiaries have been acquired or sold. However, in April 2013, a payment of ThUS$ 1,650 was made on the promissory note for the balance payable on the acquisition of 50% of the subsidiary CSAV Agency Colombia Ltda., as indicated in c.2.2) below.

c.1.2) Other movements in subsidiaries:

During the first half of 2013, as part of the restructuring process intended to obtain synergies and greater efficiency in each region where it operates, the Company decided to merge the operations and administration of two Brazilian subsidiaries: Companhia Libra de Navegacao and CSAV Group Agencies Brazil Agenciamento de Transportes Ltda.As a result of this merger, a gain of ThUS$ 11,788 was recorded. This tax will be applied to similar transactions or income taxes generated by the merged company.

In addition, the merged company recorded a deferred tax asset for the right to use the company’s accumulated losses to date of ThUS$ 48,139, as indicated in note 20 (h.i).

As part of this process, Companhia Libra de Navegacao went from being fully owned by Tollo S.A. to being partially owned by CSAV Inversiones Navieras S.A. with 42.2% and by the Tollo S.A. group with 57.8%.

c.1.3) Dividends paid by subsidiaries:

During the year 2013, the Group's subsidiaries paid ThUS$ 3,881 in dividends to non-controlling interests (ThUS$ 4,776 in 2012).

c.2) During the period ended December 31, 2012, the following significant purchases or sales of investments have taken place:

c.2.1) Spin-off:

During the first half of 2012, in compliance with the share issuance agreed upon in an extraordinary shareholders' meeting held on October 5, 2011, the Company divested all shares of the subsidiary Sudamericana, Agencias Aéreas y Marítimas S.A., to a new company, Sociedad Matriz SAAM S.A., created for such purposes.

Note 14 Investments in Subsidiaries (continued)

c.2.1) Spin-off (continued):

The effect of the spin-off is reflected as a decrease in the statement of financial position, detailed as follows:

	ThUS$
Current assets	191,230
Non-current assets	703,625
Current liabilities	94,867
Non-current liabilities	188,199
Net equity	611,789

The spin-off is also reflected as a decrease in investing activities of ThUS$ 43,770 within the account other cash inflows (outflows) in the statement of cash flows for the period ended March 31, 2012.

c.2.2) Acquisition of shareholdings:

On May 31, 2012, the group, through its subsidiaries Tollo Shipping Co. (Panama) and CSAV Inversiones Navieras S.A. (Chile) acquired the Panamanian company Invermar Managements S. de RL, which holds 50% of the shares of the subsidiary CSAV Group Agency Colombia Ltd. It was purchased from Allerton Investments Limited, Minimax Investment LLC and Neo-Ventura Investments, LLC.

The acquisition amounted to ThUS$ 8,450, of which ThUS$ 6,800 had been paid as of December 31, 2012, leaving an outstanding balance of ThUS$ 1,650 due in March 2013.

The book value of the acquired shares amounted to ThUS$ 1,236. In accordance with the CSAV Group's accounting policies, it recognized a charge to retained earnings of ThUS$ 7,214.

Note 14 Investments in Subsidiaries (continued)

c.2.3) Other movements in subsidiaries:

During the first half of 2012, the companies Inversiones Plan Futuro S.A. and Inversiones Nuevo Tiempo S.A. were absorbed by the subsidiary Tollo Shipping Co. S.A.

In October 2012, the subsidiary Corvina Shipping Co S.A. increased its capital by ThUS$ 1,000,000, through capitalization of the debt it had with its parent company (CSAV).

Note 15 Equity Method Investments in Associates

Movements in these investments as of December 31, 2013 are detailed as follows:

Associate	Country	Currency	Direct and indirect ownership interest	Opening balance ThUS$	Share of profit (loss) ThUS$	Dividends received ThUS$	Other movements ThUS$	Balance as of 12.31.2013 ThUS$
Consorcio Naviero Peruano S.A.	Perú	USD	47.97%	7,266	4,890	(1,919)	-	10,237
Vogt & Maguire Shipbroking Ltd.	England	Pound	50.00%	140	706	(700)	(1)	145
Globe II Holding Schiaffahrts & Co. KG	Germany	USD	50.00%	229	-	-	(229)	-
Dry Bulk Handy Holding Inc.	Monaco	USD	50.00%	4,074	(1,341)	-	-	2,733
Odfjell & Vapores Ltd. (Bermudas)	Bermuda	USD	50.00%	25	(8)	-	-	17
Total				11,734	4,247	(2,619)	(230)	13,132

On October 7, 2013, the associate Globe II Holding Schiaffahrts & Co. KG was sold for ThUS$ 285. As of December 31, 2013, this amount has not been paid and is presented within other receivables.

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Note 15 Equity Method Investments in Associates (continued)

Movements in these investments as of December 31, 2012 are detailed as follows:

Associate	Country	Currency	Direct and indirect ownership interest	Opening balance ThUS$	Share of profit (loss) ThUS$	Dividends received ThUS$	Other movements (*) ThUS$	Balance as of 12.31.2012 ThUS$
Consorcio Naviero Peruano S.A.	Peru	USD	47.97%	5,494	4,953	(4,065)	884	7,266
Vogt & Maguire Shipbroking Ltd.	England	Pound	50.00%	531	1,202	(1,582)	(11)	140
Globe II Holding Schiaffahrts & Co. KG	Germany	USD	50.00%	229	-	-	-	229
Dry Bulk Handy Holding Inc.	Monaco	USD	50.00%	7,732	(1,116)	(2,500)	(42)	4,074
Odfjell & Vapores Ltd. (Bermudas)	Bermuda	USD	50.00%	35	(10)	-	-	25
Aerosán Airport Services S.A.	Chile	Peso	50.00%	3,802	-	-	(3,802)	-
Antofagasta Terminal Internacional S.A.	Chile	USD	35.00%	7,674	-	-	(7,674)	-
Cargo Park S.A.	Chile	Peso	50.00%	9,516	-	-	(9,516)	-
Empresa de Servicios Marítimos Hualpén Ltda.	Chile	Peso	50.00%	221	-	-	(221)	-
Inmobiliaria Carriel Ltda.	Chile	Peso	50.00%	459	-	-	(459)	-
LNG Tugs Chile S.A.	Chile	Peso	40.00%	331	-	-	(331)	-
Portuaria Corral S.A.	Chile	Peso	50.00%	5,834	-	-	(5,834)	-
Puerto Panul S.A.	Chile	USD	14.40%	2,769	-	-	(2,769)	-
San Antonio Terminal Internacional S.A.	Chile	USD	50.00%	38,516	-	-	(38,516)	-
San Vicente Terminal Internacional S.A.	Chile	USD	50.00%	27,222	-	-	(27,222)	-
Servicios Aeroportuarios Aerosán S.A.	Chile	Peso	50.00%	2,578	-	-	(2,578)	-
Servicios Marítimos Patillos S.A.	Chile	Peso	50.00%	103	-	-	(103)	-
Servicios Portuarios Reloncaví Ltda.	Chile	Peso	50.00%	7,527	-	-	(7,527)	-
Tecnologías Industriales Buildtek S.A.	Chile	Peso	50.00%	1,143	-	-	(1,143)	-
Terminal Puerto Arica S.A.	Chile	USD	15.00%	2,714	-	-	(2,714)	-
Subtotal				124,430	5,029	(8,147)	(109,578)	11,734

Note 15 Equity Method Investments in Associates (continued)

Associate	Country	Currency	Direct and indirect ownership interest	Opening balance ThUS$	Share of profit (loss) ThUS$	Dividends received ThUS$	Other movements (*) ThUS$	Balance as of 12.31.2012 ThUS$
Subtotal from previous table				124,430	5,029	(8,147)	(109,578)	11,734
Transbordadora Austral Broom S.A.	Chile	Peso	25.00%	9,121	-	-	(9,121)	-
Transportes Fluviales Corral S.A.	Chile	Peso	50.00%	1,402	-	-	(1,402)	-
Elequip S.A.	Colombia	USD	49.80%	3,006	-	-	(3,006)	-
Equimac S.A.	Colombia	USD	49.00%	1,402	-	-	(1,402)	-
G-Star Capital, Inc. Holding	Panama	USD	50.00%	1,609	-	-	(1,609)	-
Tramarsa S.A.	Peru	USD	50.00%	14,521	-	-	(14,521)	-
Gertil S.A.	Uruguay	USD	49.00%	4,294	-	-	(4,294)	-
Other minor investments				464	-	-	(464)	-
Total				160,249	5,029	(8,147)	(145,397)	11,734

(*) This group includes mainly the balances of investments maintained by Sudamericana, Agencias Aéreas y Marítimas, which are deducted as a result of the spin-off, as mentioned in note 27.

Note 15 Equity Method Investments in Associates (continued)

Summarized information regarding associates as of December 31, 2013:

Associate	Ownership Interest	Current Assets ThUS$	Non-Current Assets ThUS$	Current Liabilities ThUS$	Non-Current Liabilities ThUS$	Revenue ThUS$	Profit (Loss) for the Year ThUS$
Consorcio Naviero Peruano S.A.	47.97%	8,815	16,956	3,562	866	37,004	10,195
Vogt & Maguire Shipbroking Ltd. (UK)	50.00%	1,160	4	877		4,193	1,408
Dry Bulk Handy Holding Inc.	50.00%		-		-		
Odfjell & Vapores Ltd. (Bermudas)	50.00%	34	-	-	-	-	(8)

Summarized information regarding associates as of December 31, 2012:

Associate	Ownership Interest	Current Assets ThUS$	Non-Current Assets ThUS$	Current Liabilities ThUS$	Non-Current Liabilities ThUS$	Revenue ThUS$	Profit (Loss) for the Year ThUS$
Consorcio Naviero Peruano S.A.	47.97%	9,476	11,475	5,244	559	32,713	9,250
Vogt & Maguire Shipbroking Ltd. (UK)	50.00%	1,494	3	1,221	1	6,274	2,404
Globe II Holding Schiaffahrts & Co. KG	50.00%	2,985	530	3,495	-	10,513	-
Dry Bulk Handy Holding Inc.	50.00%	20,267	-	5,382	-	79,547	(2,232)
Odfjell & Vapores Ltd. (Bermudas)	50.00%	49	-	37	-	-	(20)

Note 16 Intangible Assets Other than Goodwill

Classes of net intangible assets:

	As of December 31, 2013			As of December 31, 2012		
	Gross ThUS$	Accumulated amortization ThUS$	Net ThUS$	Gross ThUS$	Accumulated amortization ThUS$	Net ThUS$
Patents, trademarks and other rights, net	121	(85)	36	110	(66)	44
Software	4,828	(4,519)	309	4,799	(4,177)	622
Total intangible assets	**4,949**	**(4,604)**	**345**	**4,909**	**(4,243)**	**666**

The detail and movements of the main classes of intangible assets, broken down into internally generated intangible and other intangible assets, are provided below:

Movements as of 2013	Patents, trademarks and other rights ThUS$	Software ThUS$	Total intangible assets ThUS$
Net amount as of January 1, 2013	44	622	666
Additions	-	59	59
Amortization for the period	(19)	(342)	(361)
Increase (decrease) due to changes in foreign exchange rates	11	43	54
Other increases (decreases)	-	(73)	(73)
Net balance as of December 31, 2013	36	309	345

Note 16 Intangible Assets Other than Goodwill (continued)

Movements as of 2012	Development Costs ThUS$	Patents, trademarks and other rights ThUS$	Software ThUS$	Port, tugboat and other concessions ThUS$	Total intangible assets ThUS$
Net amount as of January 1, 2012	466	642	5,576	57,261	63,945
Additions	-	111	231	-	342
Amortization for the period	-	(65)	(392)	-	(457)
Increase (decrease) due to changes in foreign exchange rates	-	(2)	(7)	-	(9)
Other increases (decreases)*	(466)	(642)	(4,786)	(57,261)	(63,155)
Net balance as of December 31, 2012	-	44	622	-	666

* Includes ThUS$ 63,064 for the balances of Sudamericana, Agencias Aéreas y Marítimas S.A. that were deducted as a result of the spin-off detailed in Note 27 c).

Note 17 Goodwill

Goodwill is detailed as follows:

	As of December 31, 2013 ThUS$	As of December 31, 2012 ThUS$
Compañía Libra de Navegación (Uruguay) S.A.	8,379	8,379
Compañía Libra de Navegacao S.A.	5,143	5,143
CSAV Agency Italy S.P.A.	2,433	2,328
Agencias Grupo CSAV (México) S.A. de C.V.	268	268
Wellington Holding Group S.A.	45,003	45,003
Norasia Container Lines Ltd.	21,300	21,300
CSAV North & Central Europe Gmbh	1,977	1,893
CSAV North & Central Europe N.V.	711	681
CSAV North & Central Europe B.V.	4,343	4,158
CSAV Agencia Maritima SL.	3,460	3,314
CSAV Group Agency (Hong Kong) Ltd.	52	52
CSAV UK & Ireland Limited	1,990	1,990
CSAV Denizcilik Acentasi A.S	8,235	8,235
Total	**103,294**	**102,744**

Movements in goodwill are shown in the table below:

	As of December 31, 2013 ThUS$	As of December 31, 2012 ThUS$
Opening balance as of January 1	102,744	117,608
Variation due to exchange differences	550	242
Variation due to spin-off of Sudamericana, Agencias Aéreas y Marítimas S.A.	-	(15,106)
Total	**103,294**	**102,744**

The goodwill acquired by the Company in various deals has allowed it to operate locally, regionally and globally. In management's opinion, despite the current adverse market conditions, their fair values are greater than their book values. Nevertheless, as of each annual reporting date, the Company performs an evaluation that allows it to validate the value of the goodwill acquired by estimating and sensitizing the long-term future cash flows from the deals discounted to a cost-of-capital rate.

Note 18 Property, Plant and Equipment

Property, plant and equipment (historical cost) are summarized as follows:

	As of December 31, 2013			As of December 31, 2012		
	Gross PP&E	Accumulated depreciation	Net PP&E	Gross PP&E	Accumulated depreciation	Net PP&E
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Construction in progress	57,447	-	57,447	-	-	-
Land	2,142	-	2,142	2,142	-	2,142
Buildings	20,320	(3,994)	16,326	19,982	(3,449)	16,533
Machinery and equipment	77,080	(35,300)	41,780	77,075	(32,509)	44,566
Office equipment	31,882	(26,991)	4,891	28,543	(22,073)	6,470
Vessels	1,303,302	(203,721)	1,099,581	1,433,602	(199,507)	1,234,095
Transportation equipment	445	(342)	103	848	(614)	234
Other	8,321	(5,535)	2,786	11,856	(8,092)	3,764
Total	**1,500,939**	**(275,883)**	**1,225,056**	**1,574,048**	**(266,244)**	**1,307,804**

The item Buildings includes constructions (facilities) belonging to the CSAV Group that are used for its normal operations.

The item Machinery includes machinery acquired by the Group that is used to provide services as well as spare parts and specific components with low rotation that will be used to render services in the future, plus amounts for vessel dry-dock repairs.

As of the end of this reporting period, the Company and its subsidiaries do not show any signs of impairment. For certain operating assets, primarily vessels, the useful life of which is very long term and for which the Company uses the present value cash flow method, short-term negative market conditions do not significantly affect their values.

Note 18 Property, Plant and Equipment (continued)

The details and movements of the different categories of property, plant and equipment as of December 31, 2013, are provided in the following table:

As of December 31, 2013	Construction in progress ThUS$	Land ThUS$	Buildings, net ThUS$	Machinery and equipment, net ThUS$	Office equipment, net ThUS$	Vessels, net ThUS$	Transportation equipment, net ThUS$	Other property, plant and equipment, net ThUS$	Total property, plant and equipment, net ThUS$
Opening balance	-	2,142	16,533	44,566	6,470	1,234,095	234	3,764	1,307,804
Additions	57,447	-	-	93	1,138	12,612		143	71,433
Disposals (sale of assets)	-	-	-	(40)	(32)	(90,641)		(25)	(90,738)
Depreciation expense	-	-	(207)	(2,839)	(2,784)	(56,589)	(77)	(711)	(63,207)
Increases (decreases) in changes in foreign exchange rates	-	-	-	-	(107)	-	-	(15)	(122)
Other increases (decreases)	-	-	-	-	206	104	(54)	(370)	(114)
Total changes	57,447	-	(207)	(2,786)	(1,579)	(134,514)	(131)	(978)	(82,748)
Closing balance	57,447	2,142	16,326	41,780	4,891	1,099,581	103	2,786	1,225,056

Note 18 Property, Plant and Equipment (continued)

The details and movements of the different categories of property, plant and equipment as of December 31, 2012 are provided in the following table:

As of December 31, 2012	Construction in progress ThUS$	Land ThUS$	Buildings, net ThUS$	Machinery and equipment, net ThUS$	Office equipment, net ThUS$	Vessels, net ThUS$	Transportation equipment, net ThUS$	Other property, plant and equipment, net ThUS$	Total property, plant and equipment, net ThUS$
Opening balance	150,663	70,382	62,612	101,598	13,230	1,172,856	2,373	5,711	1,579,425
Additions	1,420	-	-	-	1,602	204,721	62	401	208,206
Disposals (sale of assets)	-	-	-	(17)	(183)	(1,353)	(86)	(43)	(1,682)
Depreciation expense	-	-	(207)	(2,867)	(2,844)	(51,917)	(133)	(1,006)	(58,974)
Increases (decreases) in changes in foreign exchange rates	-	-	-	-	(37)	-	-	10	(27)
Other increases (decreases)*	(152,083)	(68,240)	(45,872)	(54,148)	(5,298)	(90,212)	(1,982)	(1,309)	(419,144)
Total changes	(150,663)	(68,240)	(46,079)	(57,032)	(6,760)	61,239	(2,139)	(1,947)	(271,621)
Closing balance	-	2,142	16,533	44,566	6,470	1,234,095	234	3,764	1,307,804

***** Includes ThUS$ 418,934 in balances of Sudamericana, Agencias Aéreas y Marítimas S.A. that were deducted as a result of the spin-off, detailed in Note 27.
The decrease in vessels corresponds to tugboats.

Note 18 Property, Plant and Equipment (continued)

(1) Commitments for the purchase and construction of vessels and other property, plant and equipment:

1.1) Vessels under construction

The CSAV Group maintains contracts in force with international shipyards to construct seven 9,300 TEU containerships, with an estimated investment of US$ 568.4 million, for which it has already made down payments of approximately US$ 28 million. These ships are expected to be delivered during the second half of 2014 and first half of 2015.

(2) Additional information on property, plant and equipment.

Certain assets pertaining to property, plant and equipment are pledged in guarantee of certain financial obligations, as described in Note 35 below.

As of December 31, 2012, the Company reclassified from the account construction in progress to the account vessels those vessels for which construction has been completed and that have begun operating. These movements are detailed as follows:

	12.31.2012 ThUS$
Vessels	(126,335)
Other works and port machinery	-
Decrease from spin-off	(25,748)
Total other increases (decreases) in construction in progress	(152,083)

The decrease in property, plant and equipment is due mainly to the sale of the vessels Puelo and Paine for ThUS$ 94,000.

Note 19 Current Taxes Receivable and Payable

The balance of current taxes receivable and payable is detailed as follows:

Current and Non-current Tax Accounts Receivable

	Current		Non-Current	
	12.31.2013 ThUS$	12.31.2012 ThUS$	12.31.2013 ThUS$	12.31.2012 ThUS$
Current tax accounts receivable				
Recoverable VAT	9,346	9,159	-	-
Monthly provisional tax payments	1,496	910	-	-
Recoverable income taxes	6,521	3,165	7,841	-
Other recoverable taxes	7	641	-	-
Total current tax accounts receivable	**17,370**	**13,875**	**7,841**	-

Current Tax Accounts Payable

	As of December 31, 2013 ThUS$	As of December 31, 2012 ThUS$
Current tax accounts payable		
Income taxes payable	2,763	7,686
VAT payable	348	586
Total current tax accounts payable	**3,111**	**8,272**

Note 20 Deferred Taxes and Income Taxes

(a) In Chile, profits from investments in foreign companies are levied with First Category Income Tax (“Impuesto a la Renta de Primera Categoría) in the year in which profits are obtained. During the current accounting period, the Company’s direct foreign subsidiaries have distributed dividends of ThUS$ 13,831 and since the Company has tax losses as of December 31, 2013, it has not recorded income tax provisions.

Note 20 Deferred Taxes and Income Taxes (continued)

(b) As of December 31, 2013, the Company has not established an income tax provision because it has tax losses of ThUS$ 1,690,784 (ThUS$ 1,449,400 in 2012).

(c) The parent company has not recorded any accumulated earnings and profits or any retained non-taxable earnings as of December 31, 2013 and 2012. However, it did record a provision of ThUS$ 92 (ThUS$ 248 in 2012) for article 21 tax (rejected expenses).

(d) **Deferred taxes**

Deferred tax assets and liabilities are offset if the right to offset current tax assets and liabilities and deferred taxes has been legally recognized and if the deferred taxes are associated with the same tax authority. The offset amounts are as follows:

	Deferred Tax Assets		Deferred Tax Liabilities	
Types of temporary differences	**December 31, 2013 ThUS$**	**December 31, 2012 ThUS$**	**December 31, 2013 ThUS$**	**December 31, 2012 ThUS$**
Provision for vacation accruals	179	221	-	-
Tax losses	387,397	288,889	-	-
Provisions	14,715	18,863	-	-
Post-employment obligations	70	66		(4)
Revaluation of financial instruments	110	93	-	-
Revaluation of PP&E	4	-	(679)	(131)
Depreciation	221	282	(435)	(241)
Tax credits	18	133	-	-
Amortization	31	42	-	-
Accruals	141	277	(2)	-
Other	2,200	2,705	(1,223)	(443)
Total	**405,086**	**311,571**	**(2,339)**	**(819)**

Note 20 Deferred Taxes and Income Taxes (continued)

The following table shows movements of deferred tax assets and liabilities recorded during the period:

Types of temporary differences	Balance as of January 1, 2013	Recorded in profit (loss)	Recorded in equity	Other movements	Balance as of December 31, 2013
Provision for vacation accruals	221	(42)	-	-	179
Tax losses	288,889	98,508	-	-	387,397
Provisions	18,863	(4,148)	-	-	14,715
Post-employment obligations	66	4	-	-	70
Revaluation of financial instruments	93	17	-	-	110
Revaluation of PP&E	-	4	-	-	4
Depreciation	282	(61)	-	-	221
Tax credits	133	(115)	-	-	18
Amortization	42	(11)	-	-	31
Accruals	277	(136)	-	-	141
Other deferred taxes	2,705	(439)	(83)	17	2,200
Total deferred tax assets	**311,571**	**93,581**	**(83)**	**17**	**405,086**

Types of temporary differences	Balance as of January 1, 2013	Recorded in profit (loss)	Recorded in equity	Other movements	Balance as of December 31, 2013
Post-employment obligations	4	(4)	-	-	-
Revaluation of PP&E	131	548	-	-	679
Depreciation	241	194	-	-	435
Accruals	-	2	-	-	2
Other	443	780	-	-	1,223
Total deferred tax liabilities	**819**	**1,520**	**-**	**-**	**2,339**

Note 20 Deferred Taxes and Income Taxes (continued)

Types of temporary differences	Balance as of January 1, 2012	Recorded in income	Recorded in equity	Other movements (*)	Balance as of December 31, 2012
Provision for vacation accruals	1,073	(368)	-	(484)	221
Tax losses	185,775	103,772	-	(658)	288,889
Provisions	30,314	(10,847)	-	(604)	18,863
Post-employment obligations	264	35	-	(233)	66
Revaluation of financial instruments	149	93	-	(149)	93
Revaluation of intangible assets	15	-	-	(15)	-
Revaluation of PP&E	158	-	-	(158)	-
Depreciation	396	(114)	-	-	282
Leased assets	35	-	-	(35)	-
Tax credits	224	(91)	-	-	133
Amortization	42	2	-	(2)	42
Accruals	1,496	207	-	(1,426)	277
Other deferred taxes	5,612	(775)	-	(2,132)	2,705
Total deferred tax assets	**225,553**	**91,914**	**-**	**(5,896)**	**311,571**

Types of temporary differences	Balance as of January 1, 2012	Recorded in income	Recorded in equity	Other movements (*)	Balance as of December 31, 2012
Provisions	279	-	-	(279)	-
Post-employment obligations	879	(3)	-	(872)	4
Revaluation of PP&E	4,981	131	-	(4,981)	131
Revaluation of financial instruments	2	-	-	(2)	-
Revaluation of intangible assets	798	-	-	(798)	-
Depreciation	13,638	(184)	-	(13,213)	241
Leased assets	530	-	-	(530)	-
Amortization	74	-	-	(74)	-
Accruals	221	-	-	(221)	-
Other	1,842	308	272	(1,979)	443
Total deferred tax liabilities	**23,244**	**252**	**272**	**(22,949)**	**819**

(*) Corresponds to the variation arising from the spin-off of the Company.

Note 20 Deferred Taxes and Income Taxes (continued)

(e) Effect of deferred taxes and income taxes on income

	For the years ended December 31,	
	2013 ThUS$	**2012 ThUS$**
Current income tax expenses		
Current tax expense	(10,150)	(14,215)
Expense for ITL Art. 21 tax (*)	(116)	(256)
Adjustments to prior period taxes	(55)	(428)
Other tax expenses	(666)	(1,619)
Total current tax expense, net	**(10,987)**	**(16,518)**
Deferred tax expense		
Origin and reversal of temporary differences	92,931	91,687
Other deferred tax expenses	(870)	(25)
Total deferred tax income, net	**92,061**	**91,662**
(Expense) income on income tax	**81,074**	**75,144**
(Expenses) earnings on income tax for continuing operations	81,074	57,430
(Expenses) earnings on income tax for discontinued operations	-	17,714

(*) ITL: Income tax law

(f) Taxes recognized in profit or loss by foreign and Chilean entities:

	For the years ended December 31,	
	2013 ThUS$	**2012 ThUS$**
Current tax expense:		
Current tax expense, net, foreign	(10,888)	(15,085)
Current tax expense, net, Chilean	(99)	(1,433)
Current tax return, net	**(10,987)**	**(16,518)**
Deferred tax expense:		
Deferred tax expense, foreign	48,477	(285)
Deferred tax expense, Chilean	43,584	91,947
Deferred tax return, net	**92,061**	**91,662**
Tax income (expense), net	**81,074**	**75,144**

Note 20 Deferred Taxes and Income Taxes (continued)

(g) An analysis and reconciliation of the income tax rate calculated in accordance with Chilean tax legislation and of the effective tax rate are detailed below, as recognized in profit or loss by foreign and Chilean entities:

		As of December 31, 2013		As of December 31, 2012
		ThUS$		ThUS$
Profit (loss) for the year		(167,626)		(309,468)
Total income tax expense		81,074		75,144
Profit (loss) before income tax		(248,700)		(384,612)
Reconciliation of effective tax rate	20.0%	49,740	20.0%	76,922
Tax effect of rates in other jurisdictions	(1.75%)	(4,342)	(1.52%)	(5,832)
Tax effect of non-taxable revenue	(11.33%)	(28,176)	(3.51%)	(13,496)
Tax effect of non-deductible expenses	33.72%	83,854	10.10%	38,828
Other increases (decreases) charged for legal taxes	(8.04%)	(20,002)	(5.53%)	(21,278)
Total adjustments to tax expense using legal rate	12.6%	31,334	(0.46%)	**(1,778)**
Income tax using effective rate	32.6%	**81,074**	19.54%	**75,144**

Law No. 20,630, passed on September 27, 2012, modified the first category corporate tax rate on profits obtained in 2012 and subsequent years, leaving the rate at 20%. Consequently, said tax rate was used to calculate income tax and deferred taxes.

(h) **Recovery of deferred tax assets**

The CSAV Group has recognized a deferred tax asset derived from the tax loss of the parent company, as well as Companhia Libra de Navegacao (see Note 14 c.1.2. for more information) and some other subsidiaries, considering that the cash flow analysis prepared by management demonstrates that the Company expects to generate positive flows and, consequently, sufficient tax income that would allow the Company to charge the deductible differences resulting from the tax losses.

Note 21 Other Financial Liabilities

Other financial liabilities are detailed as follows:

	As of December 31, 2013		As of December 31, 2012	
	Current ThUS$	Non-Current ThUS$	Current ThUS$	Non-Current ThUS$
Bank loans (a) (*)	105,400	531,299	67,064	804,410
Bonds payable (b)	6,916	48,373	7,522	58,372
Hedging liabilities (note 12)	109	-	520	-
Total	**112,425**	**579,672**	**75,106**	**862,782**

(*) In April 2013, the Company prepaid the AFLAC loan as explained in Note 29.

Note 21 Other Financial Liabilities (continued)

(a) Bank loans:

As of December 31, 2013

Taxpayer ID of debtor	Name of debtor	Country of debtor	Taxpayer ID of creditor	Creditor entity (Bank)	Country of creditor	Currency	Type of amortization	Up to 90 days	More than 90 days up to 1 year	Short-term portion	From 1 to 2 years	From 2 to 3 years	From 3 to 5 years	From 5 to 10 years	10 years or more	Long-term portion	Total debt	Average annual interest rate	
								ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	Nominal	Effective
90160000-7	Compañía Sudamericana de Vapores S.A.	Chile	0-E	BTG Pactual S.A. Cayman Branch	Cayman Islands	USD	At maturity	169	50,000	50,169	-	-	-	-	-	-	50,169	3.4866%	3.4866%
90160000-7	Compañía Sudamericana de Vapores S.A.	Chile	0-E	Banco Latinoamericano de Comercio Exterior S.A.	Panama	USD	At maturity	349	-	349	-	100,000	-	-	-	100,000	100,349	3.5866%	3.5866%
0-E	OV Bermuda Limited	Bermuda	0-E	DNB Bank ASA	Norway	USD	Semi-annual	29	857	886	857	857	3,429			5,143	6,029	3.1326%	3.1326%
0-E	HULL 898 Maipo	Isle of Man	0-E	BNP Paribas	France	USD	Semi-annual	3,379		3,379	2,975	2,975	5,950	20,470	-	32,370	35,749	3.9416%	3.9416%
0-E	Hull 1794 Teno	Marshall Islands	0-E	BNP Paribas	France	USD	Semi-annual	5,503		5,503	4,538	4,538	9,077	22,692	13,300	54,145	59,648	3.8530%	3.8530%
0-E	Hull 1796 Tubul	Marshall Islands	0-E	BNP Paribas	France	USD	Semi-annual	5,490		5,490	4,527	4,527	9,053	22,633	13,187	53,927	59,417	3.8493%	3.8493%
0-E	Hull 1798 Tempanos	Marshall Islands	0-E	BNP Paribas	France	USD	Semi-annual	5,430		5,430	4,468	4,468	8,937	22,342	13,529	53,744	59,174	3.8492%	3.8492%
0-E	Hull 1800 Torrente	Marshall Islands	0-E	BNP Paribas	France	USD	Semi-annual	5,413		5,413	4,410	4,410	8,820	22,050	13,781	53,471	58,884	3.8491%	3.8491%
0-E	Hull 1906 Tucapel	Marshall Islands	0-E	BNP Paribas	France	USD	Semi-annual	5,124		5,124	4,153	4,153	8,307	20,767	13,844	51,224	56,348	3.8490%	3.8490%
0-E	Hull 1975 Tolten	Marshall Islands	0-E	DVB Bank America NV	United States	USD	Quarterly	3,869		3,869	3,750	3,750	7,500	18,750	1,875	35,625	39,494	3.4738%	3.4738%
0-E	Hull 1976 Tirua	Marshall Islands	0-E	DVB Bank America NV	United States	USD	Quarterly	4,227		4,227	3,750	3,750	7,500	18,750	2,813	36,563	40,790	3.4765%	3.4765%
0-E	Limari Shipping Ltd.	Marshall Islands	0-E	HSH Nordbank Ag	Germany	USD	Semi-annual	3,153		3,153	3,139	3,139	1,569	-	-	7,847	11,000	1.6600%	1.6600%
0-E	Longavi Shipping Ltd.	Marshall Islands	0-E	HSH Nordbank Ag	Germany	USD	Semi-annual	3,167		3,167	3,139	3,139	4,708	-	-	10,986	14,153	1.6600%	1.6600%
0-E	Chacabuco Shipping Ltd.	Marshall Islands	0-E	HSH Nordbank Ag	Germany	USD	Semi-annual	4,039		4,039	3,892	3,892	7,785	-	-	15,569	19,608	1.6800%	1.6800%
0-E	Palena Shipping Ltd.	Marshall Islands	0-E	HSH Nordbank Ag	Germany	USD	Semi-annual	5,202		5,202	5,171	5,171	10,343		-	20,685	25,887	3.0100%	3.0100%
				Total				54,543	50,857	105,400	48,769	148,769	92,978	168,454	72,329	531,299	636,699		

Note 21 Other Financial Liabilities (continued)

a) Bank loans (continued):

As of December 31, 2012

Taxpayer ID of debtor	Name of debtor	Country of debtor	Taxpayer ID of creditor	Creditor entity (Bank)	Country of creditor	Currency	Type of amortization	Up to 90 days	More than 90 days up to 1 year	Short-term portion	From 1 to 2 years	From 2 to 3 years	From 3 to 5 years	From 5 to 10 years	10 years or more	Long-term portion	Total debt	Average annual interest rate	
								ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	Nominal	Effective
0-E	HULL 898 Maipo	Isle of Man	0-E	BNP Paribas	France	USD	Semi-annual	-	3,442	3,442	2,975	2,975	5,950	23,445	-	35,345	38,787	4.1370%	4.1370%
0-E	Hull 1794 Teno	Marshall Islands	0-E	BNP Paribas	France	USD	Semi-annual	-	5,292	5,292	4,538	4,538	9,076	22,690	17,841	58,683	63,975	4.0493%	4.0493%
0-E	Hull 1796 Tubul	Marshall Islands	0-E	BNP Paribas	France	USD	Semi-annual	5,277	-	5,277	4,527	4,527	9,054	22,635	17,711	58,454	63,731	4.0307%	4.0307%
0-E	Hull 1798 Tempanos	Marshall Islands	0-E	BNP Paribas	France	USD	Semi-annual	5,215	-	5,215	4,468	4,468	8,936	22,340	18,000	58,212	63,427	4.0286%	4.0286%
0-E	Hull 1800 Torrente	Marshall Islands	0-E	BNP Paribas	France	USD	Semi-annual	5,152	-	5,152	4,410	4,410	8,820	22,050	18,191	57,881	63,033	4.0299%	4.0299%
0-E	Hull 1906 Tucapel	Marshall Islands	0-E	BNP Paribas	France	USD	Semi-annual	-	4,862	4,862	4,153	4,153	8,306	20,765	18,001	55,378	60,240	3.9946%	3.9946%
0-E	Hull 1975 Tolten	Marshall Islands	0-E	DVB Bank America NV	United Stats	USD	Quarterly	3,834	-	3,834	3,750	3,750	7,500	18,750	5,625	39,375	43,209	3.5910%	3.5910%
0-E	Hull 1976 Tirua	Marshall Islands	0-E	DVB Bank America NV	United Stats	USD	Quarterly	4,111	-	4,111	3,750	3,750	7,500	18,750	6,563	40,313	44,424	3.6054%	3.6054%
0-E	Tollo Shipping Co.	Panama	0-E	American Family Life Assurance Company Of Columbus (Aflac)	United Stats	JPY	Semi-annual	3,351	-	3,351	-	-	-	-	278,778	278,778	282,129	4.1600%	4.1600%
0-E	Limari Shipping Ltd.	Marshall Islands	0-E	HSH Nordbank Ag	Germany	USD	Semi-annual	-	3,159	3,159	3,139	3,139	4,708	-	-	10,986	14,145	1.8904%	1.8904%
0-E	Longavi Shipping Ltd.	Marshall Islands	0-E	HSH Nordbank Ag	Germany	USD	Semi-annual	-	3,177	3,177	3,139	3,139	6,278	1,568	-	14,124	17,301	1.8838%	1.8838%
0-E	Chacabuco Shipping Ltd.	Marshall Islands	0-E	HSH Nordbank Ag	Germany	USD	Semi-annual	4,103	-	4,103	3,893	3,893	7,786	3,891	-	19,463	23,566	1.9226%	1.9226%
0-E	Paine Shipping Ltd.	Marshall Islands	0-E	HSH Nordbank Ag	Germany	USD	Semi-annual	5,561	-	5,561	5,156	5,156	10,312	5,157	-	25,781	31,342	2.2402%	2.2402%
0-E	Puelo Shipping Ltd.	Marshall Islands	0-E	HSH Nordbank Ag	Germany	USD	Semi-annual	-	5,312	5,312	5,156	5,156	10,312	5,157	-	25,781	31,093	1.9332%	1.9332%
0-E	Palena Shipping Ltd.	Marshall Islands	0-E	HSH Nordbank Ag	Germany	USD	Semi-annual	-	5,216	5,216	5,171	5,171	10,342	5,172	-	25,856	31,072	2.2406%	2.2406%
				Total				36,604	30,460	67,064	58,225	58,225	114,880	192,370	380,710	804,410	871,474		

Note 21 Other Financial Liabilities (continued)

Certain financial obligations place restrictions on management or on the fulfillment of certain financial indicators, as described in Note 35.

As of December 31, 2013, the Company has complied with all applicable covenants set forth in its financial obligations.

Financial Entity	Covenant	Condition	Dec-13	Dec-12
AFLAC (1)	(Consolidated) Leverage Ratio	Leverage Ratio not greater than 1	-	0.99
	Interest Coverage Ratio (ICR)	Minimum 2.5	-	(6.54)
(JPY 24,000,000,000)	Minimum Cash	Minimum ThUS$ 50,000	-	ThUS$ 212,000
Liabilities with public (adjustable bonds)	(Individual) Leverage Ratio	Not greater than 1	0.11	0.04
	(Consolidated) Leverage Ratio	Not greater than 1.2	0.71	1.09
(UF 1,950,000)	(Individual) Unencumbered assets	Greater than 1.3	12.44	34.91
	(Net) Equity (2)	Minimum ThUS$ 350,000	ThUS$ 1,016,423	ThUS$ 855,437
BNP Paribas S.A. (Mandated Lead Arranger) and Crédit Industriel et Commercial (Co-Arrangers)	Equity / Asset Ratio	Minimum 30%	43%	35%
	Price / Cash Flow Ratio	Minimum 1.35	2.44	2.05
(USD 437,500,000)	Minimum Cash	Minimum ThUS$ 150,000	ThUS$ 201,659	ThUS$ 212,000
BNP Paribas S.A. (Mandated Lead Arranger) and Crédit Industriel et Commercial (Co-Arrangers)	Equity / Asset Ratio	Minimum 30%	42%	35%
	Price / Cash Flow Ratio	Minimum 1.35	2.44	2.05
(USD 119,770,000)	Minimum Cash	Minimum ThUS$ 150,000	ThUS$ 201,659	ThUS$ 212,000
DVB Bank	Minimum Cash	Minimum ThUS$ 150,000	ThUS$ 201,659	ThUS$ 212,000
	Price / Cash Flow Ratio	Minimum 1.35	2.44	3.92
(USD 90,000,000)	Total Equity	Minimum ThUS$ 800,000	ThUS$ 1,026,734	ThUS$ 865,519
Syndicated Line of Credit at Banco ITAU Chile and other entities (Banco Consorcio and Compañía de Seguros de Vida Consorcio Nacional de Seguros) CLP 76,396,800,000)	(Consolidated) Leverage Ratio	No greater than 1.3	0.67	-
	(Individual) Unencumbered assets	Greater than 1.3	12.44	-
	Total Equity	Minimum ThUS$ 350,000	ThUS$ 1,026,734	-
Credit Assignment TANNER Servicios Financieros	(Consolidated) Leverage Ratio	No greater than 1.3	0.71	-
(USD 60,000,000)	Total Equity	Minimum ThUS$ 350,000	ThUS$ 1,026,734	-
Credit Facility Agreement BTG Pactual	(Consolidated) Leverage Ratio	No greater than 1.3	0.67	-
(USD 50,000,000)	Total Equity	Minimum ThUS$ 500,000	ThUS$ 1,026,734	-
Line of Credit Banco Santander / Banco PENTA	(Consolidated) Leverage Ratio	No greater than 1.3	0.67	-
	Total Equity	Minimum ThUS$ 350,000	ThUS$ 1,026,734	-
Banco Santander S.A. (Facility Agent) and others (Co-Arrangers)	Equity / Asset Ratio	Minimum 30%	43%	-
	Price / Cash Flow Ratio	Minimum 1.35	2.44	-
(USD 347,040,000)	Total Equity	Minimum ThUS$ 800,000	ThUS$ 1,026,734	
	Minimum Cash	Minimum ThUS$ 150,000	ThUS$ 1,026,734	-
Credit Facility Agreement BLADEX	(Consolidated) Leverage Ratio	No greater than 1.3	0.67	-
(USD 100,000,000)	Total Equity	Minimum ThUS$ 350,000	ThUS$ 1,026,734	-

(1) This liability was prepaid in April 2013.
(2) (Net) equity defined as equity attributable to the owners of the parent company

Note 21 Other Financial Liabilities (continued)

(b) Bonds payable

Refers to bearer, dematerialized and adjustable bonds denominated in Unidades de Fomento (UF) and placed in Chile.

	Series A 1	Series A 2
Number of bonds issued	190	100
Face value of each bond	UF 5,000	UF 10,000
Face value of the series	UF 950,000	UF 1,000,000
Placement value (100% of issuance)	UF 908,096	UF 955,891

The interest rate and maturity conditions are as follows:

As of December 31, 2013

Registry number	Series	Currency	Nominal amount placed	Contractual interest rate	Type of amortization	Issuing Company	Country of issuer	Up to 90 days	More than 90 days	Total current	More than 1 up to 2 years	More than 2 up to 3 years	More than 3 up to 5 years	More than 5 up to 10 years	More than 10 years	Total non-current
274	A-1	U.F.	950,000	0.06	Semi-annual	Compañía Sud Americana de Vapores S.A.	Chile	561	2,808	3,369	2,666	2,666	5,333	12,902	-	23,567
274	A-2	U.F.	1,000,000	0.06	Semi-annual	Compañía Sud Americana de Vapores S.A.	Chile	591	2,956	3,547	2,807	2,807	5,613	13,579	-	24,806
							Total			**6,916**						**48,373**

As of December 31, 2012

Registry number	Series	Currency	Nominal amount placed	Contractual interest rate	Type of amortization	Issuing Company	Country of issuer	Up to 90 days	More than 90 days	Total current	More than 1 up to 2 years	More than 2 up to 3 years	More than 3 up to 5 years	More than 5 up to 10 years	More than 10 years	Total non-current
274	A-1	U.F.	950,000	0.06	Semi-annual	Compañía Sud Americana de Vapores S.A.	Chile	611	3,054	3,665	2,866	2,866	5,732	14,329	2,646	28,439
274	A-2	U.F.	1,000,000	0.06	Semi-annual	Compañía Sud Americana de Vapores S.A.	Chile	643	3,214	3,857	3,016	3,016	6,033	15,083	2,785	29,933
							Total			**7,522**						**58,372**

Note 22 Trade and Other Payables

Accounts payable are summarized as follows:

Accounts payable primarily represent amounts owed to regular service providers in the Group's normal course of business, which are detailed as follows:

	As of December 31, 2013 ThUS$	As of December 31, 2012 ThUS$
Consortia and other	30,101	28,519
Operating expenses	291,225	344,342
Containers	66,986	64,087
Financial services	-	132
Administrative services	17,851	21,429
Dividends	68	183
Other payables	7,693	9,034
Total	**413,924**	**467,726**

Other accounts payable include withholding and other miscellaneous creditors..

Note 23 Provisions

Provisions are detailed as follows:

Current	**Restruc-turing ThUS$**	**Legal Claims ThUS$**	**Onerous Contracts ThUS$**	**Other Provisions ThUS$**	**Total ThUS$**
Balance as of January 1, 2013	68,517	21,078	5,151	11,359	106,105
Provisions during the period	-	49,743	55,863	1,111	106,717
Provisions used	(67,728)	(11,558)	(5,247)	(3,121)	(87,654)
Reversal of unused provisions	-	(196)	-	(111)	(307)
Increase (decrease) in changes in foreign exchange rates	-	(200)	-	1	(199)
Other increase (decrease)	-	(38)	96	808	866
Current closing balance as of December 31, 2013	**789**	**58,829**	**55,863**	**10,047**	**125,528**

Current	**Restruc-turing ThUS$**	**Legal Claims ThUS$**	**Onerous Contracts ThUS$**	**Other Provisions ThUS$**	**Total ThUS$**
Balance as of January 1, 2012	204,632	19,004	73,145	11,394	308,175
Provisions during the period	184,402	14,493	5,151	2,913	206,959
Provisions used	(320,517)	(12,106)	(73,145)	(2,680)	(408,448)
Reversal of unused provisions	-	(305)	-	(127)	(432)
Increase (decrease) in changes in foreign exchange rates	-	(8)	-	3	(5)
Other increase (decrease)*	-	-	-	(144)	(144)
Current closing balance as of December 31, 2012	**68,517**	**21,078**	**5,151**	**11,359**	**106,105**
Non-current					
Balance as of January 1, 2012	-	1,882	-	374	2,256
Other increase (decrease)*	-	(1,882)	-	(374)	(2,256)
Non-current closing balance as of December 31, 2012	-	-	-	-	-

* Includes ThUS$ 134 in current balance and ThUS$ 2,256 in non-current balance for balances of Sudamericana, Agencias Aéreas y Marítimas S.A. that were deducted as a result of the spin-off, detailed in Note 27.

Note 23 Provisions (continued)

Provisions for legal claims corresponds to estimated disbursements for losses of and damages to transported cargo and for investigations carried out by anti-monopoly authorities in the car carrier business as indicated in Note 35.

Onerous contracts refer to estimates of services (in-transit voyages) for which there is reasonable certainty that the revenues obtained will not cover the costs incurred at the end of the voyage and, therefore, the voyages are expected to end with operating losses. These are expected to be used within the next two months based on the Company's business cycle.

Provisions for restructuring include estimated costs of discontinued activities, as described in Note 32 Discontinued Operations and Restructuring of Shipping Services hereto.These are expected to be used within a year.

Other provisions primarily include the estimated amount for loss of containers not returned by clients and other parties.These are expected to be used within the next two months based on the Company's business cycle.

Note 24 Other Non-financial Liabilities

Other non-financial liabilities are detailed as follows:

	As of December 31, 2013		As of December 31, 2012	
	Current ThUS$	Non-Current ThUS$	Current ThUS$	Non-Current ThUS$
Operating revenues in transit	68,221	-	55,311	-
Other	1,327	4,207	1,832	3,512
Total	**69,548**	**4,207**	**57,143**	**3,512**

In-transit operating income corresponds to the balance of income recorded as of the reporting date for vessels in transit at that date.

Note 25 Employee Benefit Obligations

a) Employee benefits expense for the year

	For the years ended December 31,	
	2013	2012
	ThUS$	ThUS$
Salaries and wages	132,064	122,433
Short-term employee benefits	11,432	17,779
Post-employment benefits obligation	2,466	3,942
Other personnel expenses	5,762	7,865
Total employee benefits expense	**151,724**	**152,019**

b) Employee benefits provision

	As of December 31, 2013		As of December 31, 2012	
	Current	Non-Current	Current	Non-Current
	ThUS$	ThUS$	ThUS$	ThUS$
Vacations payable	5,401	-	6,645	-
Profit sharing	2,973	-	5,082	-
Post-employment benefits	438	921	297	837
Total	**8,812**	**921**	**12,024**	**837**

Note 26 Classes of Financial Assets and Liabilities

		Current		Non-current		Fair value	
		12/31/2013	12/31/2012	12/31/2013	12/31/2012	12/31/2013	12/31/2012
Specific description of financial assets or liabilities	Note	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Cash and cash equivalents	7	201,659	212,000	-	-	201,659	212,000
Exchange rate insurance	8	-	-	-	76,928	-	76,928
Hedging derivative contracts	8 & 12	-	-	-	-	-	-
Derivative margin guarantees	8	170	14,425	-	-	170	14,425
Other financial instruments	8	-	75	5,287	7,647	5,287	7,722
Trade and other receivables	9	282,081	304,579	73	89	282,154	304,668
Receivables from related parties	10	24	3,501	3,369	-	3,393	3,501
		483,934	534,580	8,729	84,664	492,663	619,244

Specific description of financial assets or liabilities		ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Bank loans	21	105,401	67,064	531,241	804,410	640,171	873,063
Bonds payable	21	6,916	7,522	48,373	58,372	56,690	67,372
Hedge liabilities	21	108	520	-	-	108	520
Trade and other payables	22	414,723	468,144	-	-	414,723	468,144
Payables to related companies	10	29,893	22,805	-	-	29,893	22,805
		557,041	566,055	579,614	862,782	1,141,585	1,431,904

Note 26 Classes of Financial Assets and Liabilities (continued)

Interest rates used to determine fair value

The average interest rates used to determine the fair value of financial liabilities as of December 31, 2013 and 2012 are detailed below:

	December 31, 2013	December 31, 2012
Variable rate financial liabilities	Libor + 2.87%	Libor + 3.12%
Fixed rate financial liabilities	5.67%	6.16%

Other financial assets and liabilities are recorded at fair value or their carrying amount is a reasonable approximation of their fair value.

Bank loans have been valued in accordance with IFRS 13 using level 2 of the valuation ranking (i.e. market interest rates for similar transactions).

All other financial assets and liabilities have been valued in accordance with IFRS 13 using level 1 of the valuation ranking (i.e. market value).

Note 27 Equity and Reserves

A) 2013 Accounting Period

a) Capital

Paid-in capital as of December 31, 2013 amounts to US$ 2,630,780,726.40, equivalent to 15,467,953,531 subscribed and paid shares.

b) Capital increase agreements

In an Extraordinary General Shareholders Meeting held April 29, 2013, shareholders agreed to the following:

a. To nullify the 1,018,838,452 shares pending placement (totaling US$ 177,506,112.50) that were part of the capital increase approved at the Extraordinary Shareholders' Meeting held October 5, 2011, canceling the issuance of these shares and leaving the Company's capital at the amount effectively subscribed and paid of US$2,127,802,912.41, divided into 8,717,953,531 single-series shares with no par value. For all purposes, this will not be considered a capital reduction in conformity with article 20 of the Regulations on Corporations;

Note 27 Equity and Reserves (continued)

b) Capital increase agreements (continued)

b. To capitalize, in conformity with article 26 of the Corporations Law, the share premium of US$ 173,324,132.88 resulting from placing 5,867,970,660 shares, issued as part of the capital increase approved by shareholders at the Extraordinary Shareholders' Meeting held October 5, 2011. This value is net of issuance and placement costs of US$ 4,181,979.59, leaving paid-in capital at US$ 2,301,127,045.29, divided into 8,717,953,531 fully paid and subscribed single-series shares with no par value;

c. To increase capital from US$ 2,301,127,045.29, divided into 8,717,953,531 single-series shares with no par value, fully subscribed and paid, to US$ 2,801,127,045.29, divided into 15,467,953,531 single-series shares with no par value;

   The Company will increase capital by US$ 500,000,000 by issuing 6,750,000,000 shares, which must be subscribed and paid by April 29, 2016; and

d. To adopt the reforms to the Company's by-laws and any other agreements that are necessary or appropriate in order to carry out any of the decisions made by shareholders.

On August 09, 2013, the issuance of 6,750,000,000 single-series shares with no par value was registered in the SVS Securities Registry (No. 981) for US$ 544,821,755.68 with a charge to the aforementioned capital increase.

The term for issuing, subscribing and paying these shares is three years from April 29, 2013.

The funds raised from this issuance will be used to: (i) finance a portion of the purchase of seven containerships with a capacity of 9,300 TEUs each (approximately 46% of the capital increase). This is the portion not financed by third parties (third parties are financing 60% of the price of these vessels); (ii) prepay all of the Company's short-term debt with Banco Latinoamericano de Comercio Exterior S.A. (BLADEX) incurred to prepay its debt with American Family Life Assurance Company (AFLAC) (approximately 28% of the capital increase); and (iii) provide additional cash to continue with the Company's development plans (approximately 26% of the capital increase).

Note 27 Equity and Reserves (continued)

b) Capital increase agreements (continued)

This issuance is offered preferentially for a period of 30 days starting August 19, 2013, to those shareholders registered in the Shareholders' Registry at least five business days prior to the date of publication of the notice of preferential option, prorated based on the shares registered in their name on that date.

The placement price was US$0.04883618 per share, which is the average share price on the last business day prior to the preferential option period.

The ordinary period for exercising preferential rights on these shares was from August 19, 2013 to September 18, 2013.

The shares that were neither subscribed nor paid during this period or those that resulted from fractions of shares remaining after their prorating among shareholders were offered in an open auction on September 24, 2013, led by BTG Pactual Chile S.A., Corredores de Bolsa and Santander S.A. Corredores de Bolsa.

At the end of these periods, 6,750,000 shares (100%) have been subscribed and paid, equivalent to US$ 329,653,681.11

B) 2012

a) Capital

Capital amounts to US$ 2,305,309,024.91, equivalent to 8,717,953,531 subscribed and paid shares.

b) Issuance of Shares

During the first quarter of 2012, the Company completed the second share issuance, initiated in 2011 (see point B (2011 Accounting Period) (d), (II) under this same note).

The ordinary period for exercising preferred stock options was from December 19, 2011 to January 17, 2012, during which 3,222,357,834 shares were placed, equivalent to US$ 658,972,177.

Note 27 Equity and Reserves (continued)

b) Issuance of Shares (continued)

On January 25, 2012, CSAV placed 630,000,000 shares to third parties through an auction on the Santiago Stock Exchange, raising US$ 128,835,000 at that date.

The shares that were neither subscribed nor paid during the first stages or those that resulted from fractions of shares remaining after their prorating among shareholders, were offered in a second round between February 10 and 15, 2012, placing 2,015,612,826 shares, equivalent to US$ 412,192,823.

At the end of these periods, 5,867,970,660 shares (100%) have been subscribed and paid, equivalent to US$ 1,200,000,000.

c) Spin-off of Compañía Sud Americana de Vapores S.A.:

In an extraordinary general shareholders' meeting held on October 5, 2011, shareholders approved the spin-off of the Company, which resulted in the incorporation of a new publicly-held corporation called Sociedad Matriz SAAM S.A., subject to the compliance of the following conditions.

(i) that at least US$ 1,100,000,000 is subscribed and paid (i.e. collected) charged to the capital increase indicated in point A) (b) (II) above; and

(ii) that consent is obtained from third parties that, given the contractual obligations assumed by the Company or Sudamericana, Agencias Aéreas y Marítimas S.A., must consent to the spin-off or to which some right is granted under the respective contracts.

On February 15, 2012, as both conditions had been met, the Company was spun off.

This spin-off resulted in a capital reduction of Compañía Sud Americana de Vapores S.A. to ThUS$ 603,349 (the same as SM-SAAM's capital), leaving the Company's equity as follows after the capital increase and first quarter results:

Note 27 Equity and Reserves (continued)

a) Spin-off of Compañía Sud Americana de Vapores S.A. (continued):

	ThUS$
Issued capital	2,305,309
Retained earnings (accumulated deficit)	(1,474,106)
Other reserves	(12,323)
Equity attributable to the owners of the parent company	818,880

C) The movement in shares is detailed as follows:

Series	Number of subscribed shares	Number of paid shares	Number of shares with voting rights
Single	15,467,953,531	15,467,953,531	15,467,953,531

	2013	2012
In number of shares	**Common shares**	**Common shares**
Issued as of January 1	8,717,953,531	2,850,852,624
Issued for cash	6,750,000,000	5,867,100,907
Issued as of September 30	**15,467,953,531**	**8,717,953,531**

D) Share issuance costs

As of December 31, 2013, share issuance costs related to the capital increase referred to in point A) of this note amount to ThUS$ 1,706 (ThUS$ 4,150 in 2012), and are presented in Equity within Other Reserves.

Note 27 Equity and Reserves (continued)

E) Other Reserves

The breakdown of reserves is as follows:

	As of December 31, 2013 ThUS$	As of December 31, 2012 ThUS$
Foreign currency translation differences reserve	(3,484)	(3,058)
Cash flow hedge reserve	2,098	(416)
Reserve for gains and losses on defined benefit plans	(8)	-
Other miscellaneous reserves (*)	(1,667)	(4,143)
Total reserves	**(3,061)**	**(7,617)**

(*) See section D) above.

Explanation of movements:

Foreign Currency Translation Differences Reserve

The foreign currency translation differences reserve includes all exchange differences that arise from the translation of the financial statements of foreign operations from functional currency to reporting currency.

The balance and movement of the foreign currency translation differences reserve are explained as follows:

	As of December 31, 2013 ThUS$	As of December 31, 2012 ThUS$
Opening balance	(3,058)	29,810
Variation in associates (Note 15)	(7)	(53)
Subsidiaries and other investments	(419)	(325)
Other changes (*)	-	(32,490)
Total	**(3,484)**	**(3,058)**

(*) Other changes in the translation reserve correspond almost entirely to balances of Sudamericana, Agencias Aéreas y Marítimas, which are deducted as a result of the aforementioned spin-off.

Note 27 Equity and Reserves (continued)

E) Other Reserves (continued)

Cash Flow Hedge Reserve

The hedge reserve includes the effective portion of the net accumulated effect on fair value of cash flow hedging instruments related to hedged transactions that have not yet taken place. The movement during the period is explained by the realization of accounting hedges recognized in equity at the beginning of the period.

The balance and movement of this reserve are explained below:

	As of December 31, 2013	As of December 31, 2012
	ThUS$	**ThUS$**
Opening balance	(416)	(116)
Amount realized during the period	520	(740)
Increase from cash flow hedge derivatives	1,994	(416)
Other changes	-	856
Total	**2,098**	**(416)**

Reserve for Actuarial Gains and Losses on Post-Employment Benefits

The reserve for actuarial gains on post-employment benefits consists of the variation in the actuarial values of the post-employment benefits provision.

The balance and movement of this reserve are explained below:

	As of December 31, 2013	As of December 31, 2012
	ThUS$	**ThUS$**
Opening balance	-	365
Increase from variations in value of post-employment provision	(8)	-
Other changes	-	(365)
Total	(8)	-

Note 27 Equity and Reserves (continued)

F) Dividends and Retained Earnings (Accumulated Losses)

The dividend policy is described in Note 3.22, and profits to be distributed will be determined in accordance with instructions in SVS Ruling 1945, which is detailed as follows: As of December 31, 2013 and 2012, the Company has not recorded provisions for the minimum mandatory dividend because of the losses recorded for the year.

Net distributable income is determined on the basis of "profits attributable to the owners of the parent company" presented in the income statement for each reporting period. This profit shall be adjusted to reflect all gains resulting from variations in the fair value of certain assets and liabilities that have not been realized or accrued as of year-end. Thus, these gains will be incorporated into the determination of net distributable income in the year in which they are realized or accrued.

The Company also keeps record of all those gains described above that, as of each year or quarter end, have not been realized or accrued.

The Company has decided to maintain adjustments from first-time adoption of IFRS, included in retained earnings as of December 31, 2009, as non-distributable profits or gains. For the purpose of determining the balance of distributable retained earnings or accumulated deficit, separate records are kept for these first-time adoption adjustments and they are not considered in determining that balance. Nevertheless, when any of the amounts considered in the first-time adjustments are realized or accrued, as indicated above, they are included in the determination of net distributable income for the respective year.

The following table details how distributable profits are determined:

	As of December 31, 2013 ThUS$	As of December 31, 2012 ThUS$
Initial distributable profit	(1,505,759)	(1,184,936)
Profit (loss) attributable to owner of the parent company	(169,042)	(313,611)
Other adjustments to retained earnings during the period	-	(7,212)
Distributable net profit	(1,674,801)	(1,505,759)
Retained earnings (accumulated deficit)	(1,645,455)	(1,442,255)

Note 28 Revenues, Cost of Sales and Administrative Expenses

The breakdown of operating revenues is detailed below:

	For the years ended December 31, 2013 ThUS$	2012 ThUS$
Maritime cargo transport:		
Revenue	2,735,161	2,983,702
Other income	151,606	95,178
Other income from shipping services	367,993	344,801
Gain (loss) for degree of completion	(48,810)	8,101
Total	**3,205,950**	**3,431,782**

The breakdown of cost of sales is detailed below:

	For the years ended December 31, 2013 ThUS$	2012 ThUS$
Maritime cargo transport:		
Cargo, intermodal and other related costs	(929,777)	(918,521)
Vessel lease, port, canal and other related expenses	(1,347,443)	(1,318,148)
Fuel expenses	(629,354)	(810,203)
Other costs for shipping services	(352,653)	(332,707)
Gain (loss) for degree of completion	48,810	(8,832)
Total	**(3,210,417)**	**(3,388,411)**

As indicated in note 3.16, since the implementation of International Financial Reporting Standards (IFRS), revenue and cost of sales for maritime services in-transit are recognized in the income statement based on the degree of completion.

For vessels not included in onerous contracts, income is recognized only to the extent that the related costs (incurred) can be recovered, and as a result the Company conservatively recognizes income and expenses for the same amount.

These changes implied recognizing income and expenses for an amount of ThUS$ 48,810 for the year ended December 31, 2013, and income and expenses for an amount of ThUS$ 8,101 for the year ended December 31, 2012, which form part of revenues and cost of sales, as indicated above.

Should the Company determine that a service will produce a loss, it shall be provisioned in cost of sales (onerous contract) without recording its income and expenses separately (Note 23).

Note 28 Revenues, Cost of Sales and Administrative Expenses (continued)

The breakdown of administrative expenses is detailed as follows:

	For the years ended December 31,	
	2013	**2012**
	ThUS$	**ThUS$**
Staff payroll expenses	(140,350)	(157,080)
Administrative advisory services expenses	(35,718)	(18,101)
Communications and reporting expenses	(11,503)	(23,575)
Depreciation and amortization	(4,094)	(4,603)
Other	(41,723)	(47,954)
Total	**(233,388)**	**(251,313)**

Note 29 Other Expenses by Function and Other Gains (Losses)

Other Expenses by Function

Other expenses by function include mainly a provision of ThUS$ 40,000 recorded by the Company for likely disbursements for investigations by anti-monopoly authorities in the car carrier business as indicated in Note 35 a.2).

Other Gains (Losses)

This item includes mainly the effects of prepaying debt of MUS$ 258 with American Family Life Assurance Company (AFLAC). This prepayment was negotiated with a 46% discount, which generated a gain, net of the costs of discontinuing the foreign exchange insurance for that loan of ThUS$ 56,858.

Note 30 Finance Income and Costs

The breakdown of finance income and costs is detailed in the following table:

	For the years ended December 31,	
	2013	**2012**
	ThUS$	**ThUS$**
Finance Income		
Interest income from time deposits	377	673
Other finance income	113	1,088
Total	**490**	**1,761**
Finance Expenses		
Interest expenses on financial obligations	(35,209)	(35,725)
Interest expenses on other financial instruments	(743)	(748)
Other finance expenses	(5,434)	(2,136)
Total	**(41,386)**	**(38,609)**

Note 31 Exchange Differences

The exchange differences generated by items in foreign currency, other than differences generated by financial investments at fair value through profit and loss, were credited (charged) to income according to the following table:

	For the years ended December 31,	
	2013 ThUS$	2012 ThUS$
Cash and cash equivalents	(4,167)	(2,541)
Trade and other receivables, net	(4,016)	(12)
Accounts receivable from related parties	6,306	1,314
Current tax receivables	(2,025)	(1,086)
Other assets	(1,676)	40
Other financial assets	(35)	(37)
Total Assets	**(5,613)**	**(2,322)**
Interest-bearing loans	5,918	(5,368)
Trade and other payables	20,065	(2,519)
Accounts payable to related parties	(10,503)	(664)
Provisions	129	128
Tax payables	(279)	(1,122)
Other liabilities	517	275
Post-employment benefits obligation	65	1,121
Total Liabilities	**15,912**	**(8,149)**
Total Exchange Differences	**10,299**	**(10,471)**

Note 32 Discontinued Operations and Restructuring of Shipping Services

The Company completed implementation of its restructuring plan in 2012 and, as a result, it has attained the structure and operating scale that it was seeking for its shipping services.

As of December 31, 2012, the main revenue and expenses (costs) that explain the losses from discontinued operations are detailed as follows:

	ThUS$
New onerous contracts (subleases)	(115,234)
Net reversal of provisions	40,510
Additional provisions	(69,170)
Loss from discontinued operations, before taxes	(143,894)
Tax expense for discontinued operations	17,713
Loss from discontinued operations	(126,181)

As of December 31, 2012, provisions totaling ThUS$ 196,302 were used and reversed, charged to the provision established in 2011.

The net operating cash flows from discontinued operations for the year 2012 amounted to ThUS$ 280,009.

Note 33 Foreign Currency

Current Assets

	Currency	12.31.2013 Amount ThUS$	12.31.2012 Amount ThUS$
Cash and cash equivalents	CLP	2,578	6,078
	USD	139,548	155,992
	EUR	19,725	19,744
	BRL	13,976	8,812
	YEN	121	181
	OTHER	25,711	21,193
Other current financial assets	USD	2,354	14,101
	EUR	-	171
	OTHER	-	228
Other current non-financial assets	CLP	35	177
	USD	12,765	20,632
	EUR	150	218
	BRL	1,032	18
	OTHER	1,091	1,386
Current trade and other receivables	CLP	7,690	8,508
	USD	222,581	237,805
	EUR	21,633	28,787
	BRL	14,096	10,770
	YEN	405	583
	OTHER	15,676	18,126
Receivables from related parties	CLP	24	50
	USD	-	3,451
Inventory	CLP	43	95
	USD	78,950	82,400
Current tax assets	CLP	1,419	1,344
	USD	2,392	2,809
	EUR	951	1,220
	BRL	2,668	805
	OTHER	9,940	7,697
TOTAL CURRENT ASSETS	CLP	11,789	16,252
	USD	458,590	517,190
	EUR	42,459	50,140
	BRL	31,772	20,405
	YEN	526	764
	OTHER	52,418	48,630
	Total	597,554	653,381

Note 33 Foreign Currency (continued)

Non-Current Assets

	Currency	12.31.2013 Amount ThUS$	12.31.2012 Amount ThUS$
Other non-current financial assets	CLP	368	246
	USD	4,572	83,913
	EUR	-	7
	BRL	347	409
Other non-current non-financial assets	UF	8	25
	USD	14,512	9,831
	EUR	736	134
	BRL		-
	OTHER	820	96
Non-current receivables	CLP	70	89
	USD	3	-
Non-current receivables from related parties	USD	3,369	-
Equity method investments	USD	13,132	11,734
Intangible assets other than goodwill	USD	18	74
	EUR	207	380
	OTHER	120	212
Goodwill	USD	90,261	85,118
	EUR	13,033	12,483
	BRL		5,143
Property, plant and equipment	USD	1,217,443	1,300,883
	EUR	1,115	1,504
	BRL	4,703	2,469
	OTHER	1,795	2,948
Non-current tax assets	BRL	7,841	-
Deferred tax assets	CLP	128	190
	USD	354,834	310,038
	EUR	282	156
	BRL	48,935	-
	OTHER	907	1,187
TOTAL NON-CURRENT ASSETS	UF	8	25
	CLP	566	525
	USD	1,698,144	1,801,591
	EUR	15,373	14,664
	BRL	61,826	8,021
	OTHER	3,642	4,443
	Total	1,779,559	1,829,269
TOTAL ASSETS	UF	8	25
	CLP	12,355	16,777
	USD	2,156,738	2,318,781
	EUR	57,832	64,804
	BRL	93,594	28,426
	YEN	526	764
	OTHER	56,060	53,073
	Total	2,377,113	2,482,650

Note 33 Foreign Currency (continued)

Current Liabilities

		12.31.2013		12.31.2012	
	Currency	Up to 90 days Amount ThUS$	90 days to 1 year Amount ThUS$	Up to 90 days Amount ThUS$	90 days to 1 year Amount ThUS$
Other current financial liabilities	UF	1,152	5,764	1,254	6,268
	USD	56,392	49,117	33,773	30,460
	YEN	-	-	3,351	-
Trade and other payables	CLP	1,583	36	19,599	-
	USD	246,566	7,370	302,284	8,531
	EUR	42,158	137	43,315	-
	BRL	34,876	254	28,648	-
	YEN	1,301	-	1,400	-
	OTHER	74,454	5,188	63,088	1,279
Payables to related parties	CLP	13,321	-	1,675	-
	USD	16,211	-	21,093	-
	BRL	361	-	37	-
Other short-term provisions	USD	115,307	5,089	104,511	-
	EUR	109	-	258	-
	BRL	2,976		182	-
	OTHER	2,047	-	323	24
Current tax liabilities	CLP	78	-	-	-
	USD	1,076	-	770	903
	EUR	185	-	2	-
	BRL	56	-	58	-
	OTHER	1,672	44	6,708	220
Current provisions for employee benefits	CLP	684	14	3,410	11
	USD	5,477	175	6,067	-
	EUR	62	-	129	548
	BRL	415	1,255	1,214	25
	OTHER	502	228	585	35
Other current non-financial liabilities	USD	66,631	2,448	55,490	469
	EUR	-	-	81	-
	BRL	218	251	-	-
	OTHER		-	934	169
TOTAL CURRENT LIABILITIES	UF	1,152	5,764	1,254	6,268
	CLP	15,666	50	24,684	11
	USD	507,660	64,199	523,988	40,363
	EUR	42,514	137	43,785	548
	BRL	38,902	1,760	30,139	25
	YEN	1,301	-	4,751	-
	OTHER	78,675	5,460	71,638	1,727
	Total	685,870	77,370	700,239	48,942

Note 33 Foreign Currency (continued)

Non-Current Liabilities

		12.30.2013 Maturity				12.31.2012 Maturity			
	Currency	1 to 3 years Amount ThUS$	3 to 5 years Amount ThUS$	5 to 10 years Amount ThUS$	More than 10 years Amount ThUS$	1 to 3 years Amount ThUS$	3 to 5 years Amount ThUS$	5 to 10 years Amount ThUS$	More than 10 years Amount ThUS$
Other non-current financial liabilities	UF	10,946	10,946	26,481		11,764	11,765	29,412	5,431
	CLP	-	-	-		-	-	-	-
	USD	195,825	97,771	171,099	66,604	116,450	114,880	192,370	101,932
	YEN	-	-	-	-	-	-	-	278,778
Deferred tax liabilities	USD	2,336	-	-	-	810	-	-	-
	EUR	2	-	-	-	4	-	-	-
	OTHER	1	-	-	-	5	-	-	-
Non-current employee benefit provisions	EUR	71	-	410	-	66	-	319	-
	OTHER	440	-	-	-	247	-	205	-
Other non-current non-financial liabilities	CLP	244	-	-	-	284	-	-	-
	USD	3,138	-	-	-	3,164	-	-	-
	BRL	822	-	-	-	-	-	-	-
	OTHER	3	-	-	-	64	-	-	-
TOTAL NON-CURRENT LIABILITIES									
	UF	10,946	10,946	26,481	-	11,764	11,765	29,412	5,431
	CLP	244	-	-	-	284	-	-	-
	USD	201,299	97,771	171,099	66,604	120,424	114,880	192,370	101,932
	EUR	73	-	410	-	70	-	319	-
	BRL	822	-	-	-	-	-	-	-
	YEN	-	-	-	-	-	-	-	278,778
	OTHER	444	0	-	-	316	-	205	-
Total		213,828	108,717	197,990	66,604	132,858	126,645	222,306	386,141

Note 34 Earnings (Loss) per Share

Earnings (loss) per share as of December 31, 2013 and 2012 are determined as follows:

	12.31.2013	12.31.2012
Profit (loss) attributable to the owners of the parent company	(169,042)	(313,611)
Weighted average number of shares	10,633,207,891	8,277,986,751
Earnings (loss) per share US$	**(0.02)**	**(0.04)**

Number of shares	**12.31.2013**	**12.31.2012**
Issued as of January 1	8,717,953,531	2,850,852,624
Shares from capital issuance	6,750,000,000	5,867,100,907
Issued as of period end	15,467,953,531	8,717,953,531
Weighted average number of shares	10,633,207,891	8,277,986,751

Note 35 Contingencies and Restrictions

A) Compañía Sud Americana de Vapores S.A.

a.1) Guarantees Granted

a.1.1) Scotiabank – Stand-by Letter of Credit

On March 26, 2010, Compañía Sud Americana de Vapores S.A. granted a bank guarantee in favor of Petróleo Brasileiro S.A. (Petrobras) Río de Janeiro, Brazil, through Scotiabank Chile, to guarantee its oil purchases in that country. This guarantee amounted to ThUS$ 3,000 (three million dollars) expiring on December 9, 2013.

a.1.2) Banco Security - Stand-by Letter of Credit

On November 22, 2011, Compañía Sud Americana de Vapores S.A. granted a bank guarantee in favor of the Board of County Commissioners of Miami Dade County, through Citibank N.A. This guarantee amounted to ThUS$ 100, expiring on November 17, 2013.

a.1.3) Banco BICE - Stand-by Letter of Credit

On December 28, 2012, the Company renewed a bank guarantee in favor of Jardine Shipping Agency, Singapore, through Banco BICE Chile. This guarantee amounted to
ThUS$ 560, expiring on December 31, 2013.

Note 35 Contingencies and Restrictions (continued)

A) Compañía Sud Americana de Vapores S.A. (continued)

a.1.4) BNP Paribas – Five 8,000 TEU vessels

Compañía Sud Americana de Vapores S.A. guaranteed drawings on a loan granted by a bank syndicate led by BNP Paribas S.A. to finance the purchase of five 8,000 TEU vessels, all of which have already been received by the Company. The commitment assumed by the Company includes surety bonds and joint assumption of debt for the amount of the current loan, which is detailed at the end of this note. In addition, as of September 30, 2013, ThUS$ 3,329 in funds have been reserved in the vessels' debt service accounts in order to ensure compliance with a minimum ratio of 1.30 times the market values of said vessels over the outstanding balance of the debt.

a.1.5) BNP Paribas – MV Maipo Loan

Compañía Sud Americana de Vapores S.A. guaranteed drawings on a loan granted by a bank syndicate led by BNP Paribas S.A. to finance the acquisition of the M/V Maipo, with surety bonds and joint assumption of debt for the amount of the current loan, which is detailed by vessel at the end of this note.

a.1.6) HSH Nordbank – 4,050, 5,500 and 6,500 TEU Vessels

Compañía Sud Americana de Vapores S.A. guaranteed drawings on a loan granted by HSH Nordbank to finance 4,050, 5,500 and 6,500 TEU vessels (MV Limarí, Longaví, Chacabuco and Palena) with surety bonds and joint assumption of debt for the amount of the loan granted, which is detailed by vessel at the end of this note.

a.1.7) DVB Bank – Two 8,000 TEU vessels

Compañía Sud Americana de Vapores S.A. guaranteed drawings from a loan granted by DVB Bank to finance the acquisition of two 8,000 TEU vessels, with surety bonds and joint assumption of debt for the amount of the current loan, which is detailed by vessel at the end of this note.

a.1.8) Guarantee Notes

There are other minor guarantees whose disclosure is not necessary for the interpretation of these financial statements.

Note 35 Contingencies and Restrictions (continued)

A) Compañía Sud Americana de Vapores S.A. (continued)

a.2) Other Legal Contingencies

The Company is defendant in a number of lawsuits and arbitration claims relating to cargo transport and compensation for damages, for which the Company has insurance policies to cover contingent losses. Provisions are sufficient to cover these amounts (see Note 23).

In particular, Transplata S.A. has filed a lawsuit against the parent company and two of its subsidiaries for the amount of US$ 9,969,144 for alleged damages resulting from the termination of maritime agencying agreements in Argentina.

In connection with investigation proceedings carried out as a result of infringements to free competition regulations within the car carrier business referred to as an essential fact dated September 14, 2012, as well as those currently in progress in other jurisdictions, the Board of Directors decided to make a provision for US$40 million to cover any eventual amounts that the Company may be forced to pay in the future as a result of these proceedings, based on car carrier business volumes covering multiple routes that the Company operates worldwide. Such provisioned amount is an estimate of eventual disbursements on the basis of good judgment. As of this date, no background information is available that helps the Company foresee a conclusion date for said proceedings.

In addition, based on investigations by the U.S. Department of Justice, some end buyers, car distributors and freight forwarders have filed a class action suit "on their own behalf and on behalf of those in a similar situation" against a group of companies engaged in the car carrier business, including the Company and its agency in New Jersey, for damages and losses suffered in contracting freight or indirectly in buying imported cars in the United States. The volume of vehicles shipped to the U.S. by the Company is not significant. As these lawsuits are in their initial stages, it is impossible to estimate whether it will have any economic impact on the Company. Similar class action suits have been filed in Canada against the Company and other companies. However, the Canadian Competition Bureau closed its investigation of the Company without pressing any charges. Therefore, and given the fact that these lawsuits are in their initial stages, it is impossible to estimate whether it will have any economic impact on the Company.

On November 4, 2013, our subsidiary, Corvina Shipping Co. S.A. (Panama, Corvina), filed a request for arbitration with the London Court of International Arbitration (LCIA), in relation to the Joint Venture Agreement dated November 23, 2003 (JVA) involving its interest in the associate "Dry Bulk Handy Holding Inc." (Panama, DBHH), asking the appointed court of arbitration to rule that Corvina is not obligated to counter guarantee Dry Log Ltd. (Bermuda, Dry Log), or to secure a counter-guarantee from CSAV, for the performance guarantees for

Note 35 Contingencies and Restrictions (continued)

B) Compañía Sud Americana de Vapores S.A. (continued)

a.2) Other Legal Contingencies (continued)

long-term lease agreements signed by BHH, which Dry Log provided, between 2007 and 2011, to the Japanese shipowners that own the respective vessels.

As this arbitration is in the initial stages, it is impossible to estimate the outcome.

a.3) Managerial Restrictions

The financing agreements signed by Compañía Sud Americana de Vapores S.A. and its subsidiaries include the following restrictions:

a.3.1) Bonds payable (indexed) for UF 1,950,000 - a) Maintain consolidated leverage with a ratio of consolidated financial debt to (total equity + minority interest) no greater than 1.2. b) Maintain minimum consolidated equity of
ThUS$ 350,000. c) Maintain unencumbered assets equal to 130% of CSAV's individual financial liabilities. d) Quiñenco S.A. shall have significant influence in the controlling group or shall be the controller of the issuer or shall hold at least 20% of the issuer's subscribed and paid capital. Except as indicated in letter c), since 2011, the restrictions on the individual financial statements were eliminated. As a result, only the restrictions related to the consolidated financial statements remain in effect.

a.3.2) Loan agreement with BNP Paribas S.A. for one 6,600 TEU vessel totaling ThUS$ 59,850 – a) Maintain minimum liquidity of ThUS$ 150,000. b) Maintain a capital to asset ratio greater than 30%. c) Maintain a cash to finance cost ratio greater than or equal to 1.35.

a.3.3) Loan agreement with BNP Paribas S.A. for five 8,000 TEU vessels totaling ThUS$ 437,500 – a) Maintain minimum liquidity of ThUS$ 150,000. b) Maintain a capital to
asset ratio greater than or equal to 30%. c) Maintain a cash to finance cost ratio greater than or equal to 1.35.

a.3.4) Loan agreement with DVB Bank for two 8,000 TEU vessels for ThUS$ 90,000 – a) Maintain minimum liquidity of ThUS$ 150,000. b) Maintain total consolidated equity greater than or equal to ThUS$ 800,000. c) Maintain a cash to financial cost ratio equal to or greater than 1.35. d) Quiñenco shall have significant influence in the controlling group or shall be the controller of the issuer or shall hold at least 20% of the issuer's subscribed and paid capital.

a.3.5) Loan agreement with Banco Itaú Chile for a committed line of credit until December 2015 of up to Ch$ 76,396,800,000 – a) Maintain minimum consolidated equity of

Note 35 Contingencies and Restrictions (continued)

A) Compañía Sud Americana de Vapores S.A. (continued)

a.3) Operational Restrictions (continued)

ThUS$ 350,000. b) Maintain unencumbered assets equal to 130% of CSAV's individual financial liabilities. c) Maintain consolidated leverage with a ratio of consolidated financial debt to total equity no greater than 1.3, except as of June 30, 2013 and December 31, 2013, when the ratio cannot exceed 1.35 and 1.25, respectively. d) Quiñenco S.A. shall remain the controller of the debtor for the duration of the agreement.

a.3.6) Credit assignment contract with Tanner Servicios Financieros, for a committed credit assignment line until August 2014 of up to ThUS$ 60,000 - a) Maintain minimum consolidated equity of ThUS$ 350,000. b) Maintain a consolidated leverage ratio where consolidated financial debt to total equity is not greater than 1.3. c) Quiñenco S.A. shall remain the controller of the debtor for the duration of the agreement.

a.3.7) Credit agreement with BTG Pactual – Cayman Branch for a line of credit until August 2014 of up to ThUS$ 50,000 - a) Maintain minimum consolidated equity of ThUS$ 500,000. b) Maintain a consolidated leverage ratio where consolidated financial debt to total equity is not greater than 1.3. c) Quiñenco S.A. shall remain the controller of the debtor for the duration of the agreement.

a.3.8) Credit agreement with Banco Santander Chile, for a committed line of credit until September 2016 of Ch$ 40,684,800,000 - a) Maintain minimum consolidated equity of ThUS$ 350,000. b) Maintain a consolidated leverage ratio where consolidated financial debt to total equity is not greater than 1.3. c) Quiñenco S.A. shall remain the controller of the debtor for the duration of the agreement.

a.3.9) Loan agreement with Banco Santander S.A. for seven 9,300 TEU vessels totaling ThUS$ 347,040 – a) Maintain minimum liquidity of ThUS$ 150,000. b) Maintain a capital to asset ratio equal to or greater than 30%. c) Maintain a cash to financial cost ratio equal to or greater than 1.35. d) Maintain total consolidated equity equal to or greater than ThUS$ 800,000. d) Quiñenco shall have significant influence in the controlling group or shall be the controller of the issuer or shall hold at least 20% of the issuer's subscribed and paid capital.

Additionally, loan contracts and bonds oblige the Company to comply with certain positive restrictions, such as complying with the law, paying taxes, maintaining insurance, and

Note 35 Contingencies and Restrictions (continued)

A) Compañía Sud Americana de Vapores S.A. (continued)

a.3) Operational Restrictions (continued)

other similar matters, and also to obey certain negative restrictions, such as not furnishing chattel mortgages, except those authorized by the respective contract, not undergoing corporate mergers, except those authorized, or not selling fixed assets. More information on management restrictions can be found in Note 21 to these financial statements.

B) CSAV Agency Llc.

b.1) Guarantees Granted

In order to carry out its operations, Compañía Sud Americana de Vapores S.A. maintains a letter of credit for ThUS$ 150, aimed at guaranteeing compliance of a lease agreement for its offices in New Jersey, United States of America.

Note 35 Contingencies and Restrictions (continued)

Mortgages for Financial Commitments.

The Company has mortgages on certain assets in order to guarantee its financial obligations, as detailed as follows:

Creditor	Debtor	Type of guarantee	Type of assets committed	Book value of committed assets	Outstanding balance on debt as of period end
				ThUS$	ThUS$
BNP Paribas	CSBC Hull 898 Maipo	Naval mortgage	Vessel	77,319	35,749
HSH Nordbank Ag	Limari Shipping Limited	Naval mortgage	Vessel	23,749	11,000
HSH Nordbank Ag	Longavi Shipping Limited	Naval mortgage	Vessel	26,436	14,153
HSH Nordbank Ag	Chacabuco Shipping Limited	Naval mortgage	Vessel	33,281	19,609
HSH Nordbank Ag	Palena Shipping Limited	Naval mortgage	Vessel	45,255	25,887
BNP Paribas	Hull 1794 Teno	Naval mortgage	Vessel	120,398	59,648
BNP Paribas	Hull 1796 Tubul	Naval mortgage	Vessel	120,909	59,417
BNP Paribas	Hull 1798 Témpanos	Naval mortgage	Vessel	121,734	59,174
BNP Paribas	Hull 1800 Torrente	Naval mortgage	Vessel	122,294	58,884
BNP Paribas	Hull 1906 Tucapel	Naval mortgage	Vessel	121,386	56,348
DVB Bank	Hull 1975 Tolten	Naval mortgage	Vessel	86,823	39,494
DVB Bank	Hull 1976 Tirua	Naval mortgage	Vessel	87,092	40,789

Note 36 Operating Lease Commitments

As of December 31, 2013, the CSAV Group has operating leases for 63 ships (93 as of December 2012) and 280,340 containers (264,096 as of December 2012).

The lease term for ships normally varies between three months and five years. In some cases, the lease term is longer and/or there is an option to renew the lease for a similar term. The majority of the lease rates are fixed.

The cost of operating a ship, known as its "running cost", varies between US$ 5,000 and US$ 9,000 per day—depending on the ship—and can be contracted in conjunction with the lease or separately from the least of the asset. In this note, for the purposes of showing expenses for operating lease commitments on assets and future payments that cannot be canceled, estimated "running costs" are not included.

The Company has also leased ships to third parties, thus generating future lease income. In the case of containers, the lease term does not exceed eight years, and there is no renewal option.

The following table presents the future minimum payments that cannot be canceled at nominal value for asset leases (ships and containers).

	Total Commitment ThUS$	Income ThUS$	Total ThUS$
Less than one year	388,109	8,590	379,519
One to three years	409,974	-	409,974
Three to five years	265,690	-	265,690
More than five years	214,247	-	214,247
Total	**1,278,020**	**8,590**	**1,269,430**

The table above excludes those vessels that, as part of the restructuring process, have been subleased to third parties and provisioned as described in Note 32.

In 2013, the Company has charged to profit or loss ThUS$ 904,776 (ThUS$ 1,213,515 in 2012) for leased assets (vessels and containers) and has credited to profit or lossThUS$ 167,483 from subleased vessels (ThUS$ 114,288 in 2012).

Note 37 Environmental Issues

Due to the nature of its services, the Company has not incurred any expenses related to improving and/or investing in production processes, verification and compliance with regulations on industrial processes and facilities or any other matter that could directly or indirectly impact environmental protection efforts.

Note 38 Sanctions

During 2013 and 2012, neither the Company and its subsidiaries nor its Directors or managers have been sanctioned by the SVS. The Company and its subsidiaries have also not received any significant sanctions from any other regulatory bodies.

Note 39 Subsequent Events

On January 22, 2014, the Company reported as a material event that it had entered into a Memorandum of Understanding, summarized as follows:

On multiple occasions, CSAV has publicly expressed interest in exploring partnerships or other business arrangements with other shipping companies in order to increase cost savings, synergies and efficiency in operating its container shipping business.

In this context, today CSAV signed a non-binding Memorandum of Understanding with Hapag-Lloyd AG ("HL"), which establishes the basis of how CSAV's container shipping business would be combined with HL's businesses, making CSAV a shareholder of HL with a 30% interest (the "Transaction").

As a result of the Transaction, CSAV will become the largest shareholder of HL and will enter into a controlling shareholder agreement with HGV Hamburger Gesellschaft für Vermögens- und Beteiligungsmanagement, a company controlled by the city of Hamburg, and Kühne Maritime Gmb, a company controlled by businessman Klaus Michael Kühne. The parties to this agreement will hold around 75.5% of the shares of the combined entity.

The new company will be the fourth largest operator in the world with a combined transport capacity of nearly 1 million TEUs, annual transported cargo volumes of almost 7.5 million TEUs and combined annual sales of around US$ 12 billion. Around US$ 300 million each year in synergies are expected to arise from this business combination.

Note 39 Subsequent Events (continued)

In addition, the parties have agreed to develop a business plan that will enable it to extract synergies, improve operating efficiency and renew part of its vessel fleet. To accomplish this, the Transaction also contemplates two capital increases by the combined company for a total of 740 million euros to be implemented within 12 months of execution of the Transaction. The first capital increase of 370 million euros, of which 259 million euros will be contributed by CSAV, will take place within 100 days of execution of the Transaction. After the first capital increase, and based on the assumptions for the Transaction, CSAV will have a shareholding of close to 34% of HL. The second capital increase of an additional 370 million euros is expected to be part of an IPO by HL within one year of the close of the Transaction.

Execution of the Transaction is subject to successfully completing a review (due diligence) of financial, operating, accounting and legal information of each party. The parties have reached an agreement regarding the terms and conditions of the final documentation and compliance of a series of conditions precedent that are standard for this type of transaction. These conditions include (i) approval of the Transaction by the appropriate bodies from each party, (ii) approval of the Transaction by the corresponding regulatory authorities and (iii) obtaining any third-party consents and authorizations that may be necessary. The parties have committed to negotiating the terms and conditions of the final documentation in good faith and to working together to ensure these conditions are met. The parties believe that these conditions will be met and expect the probable date of close to be within around 6 months.

Notwithstanding the aforementioned, the following businesses are expressly excluded from the Transaction: solid bulk cargo, liquid cargo, refrigerated cargo not in containers and the car carrier business.

By virtue of the above, the Board of Directors of CSAV agreed to evaluate calling an Extraordinary Shareholders' Meeting within the next few days in order to seek approval of a capital increase to raise funds to (i) complete the financing (US$ 200 million) needed to acquire seven containerships of 9,300 TEUs that are currently under construction, (ii) subscribe shares as part of the capital increase for the amount committed by CSAV of 259 million euros referred to above, and (iii) obtain the other resources needed to close the Transaction.

Note 39 Subsequent Events (continued)

In addition, on February 13, 2014, the Company reported the structure of the capital increase as a complementary material event:

(i) CSAV will carry out two capital increases, which will be informed in a timely manner by its Board of Directors. One will be concluded during the first half of the year and the second during the second half of the year once the due diligence process has been concluded by CSAV and HL and once the conditions precedent on which the business combination is pending have been met, which is expected to occur by June 30, 2014. This is clearly dependent on obtaining the required regulatory authorizations for this transaction.

(ii) The first capital increase will be proposed to shareholders in March of this year for an amount that will enable the Company to effectively raise US$ 200 million, which will be used to complete the financing needed for construction of seven containerships of 9,300 TEUs and to satisfy the closing conditions for the Transaction. For this first capital increase, it is the intention of the Company's Board of Directors to propose to shareholders that the placement price of the corresponding shares be equal to or greater than the weighted average of the market transactions of CSAV stock during the period of 60 trading days between the 30th and 90th trading days prior to that shareholders' meeting. Regarding the first capital increase, CSAV has obtained a commitment from its controller, Quiñenco S.A., to subscribe the remaining shares not subscribed during the preferential option period until US$ 200 million are raised.

(iii) The second capital increase will occur only to the extent that, and after, the Transaction has been executed. At a second shareholders' meeting, the Board of Directors will propose an amount of up to US$ 400 million to be used to subscribe shares as part of the capital increase in HL--once combined with CSAV's container shipping business--for a total of 259 million euros (equivalent to 70% of HL's capital increase). The remaining amount is to be used to cover differences that may result in the balances of the closing accounts for the Transaction. For this second capital increase, the Company's Board of Directors intends to propose to shareholders that the Board be delegated the task of setting the placement price for the corresponding shares, in conformity with article 23 of the Corporation Regulations.

Note 39 Subsequent Events (continued)

(iv) Regarding the second capital increase for up to US$ 400 million, the Board of Directors believes that at least US$ 200 million will need to be raised in order to subscribe at least the shares corresponding to CSAV in HL's capital increase and to have the financing to complete the balances of the closing accounts for the Transaction. Regarding the remaining US$ 200 million, the Board of Directors of CSAV has instructed management to search for alternative sources of financing either by inviting investors to directly subscribe shares of HL as part of its capital increase, by virtue of the subscription rights that correspond to CSAV; or through securing debt.

(v) In addition, the Company's Board of Directors has instructed management to maximize the exclusive business opportunities arising from the business combination with HL, specifically aspects such as corporate governance practices that enable adequate visibility of HL's results for CSAV shareholders, the efficiency of the corporate structure and a distribution to CSAV shareholders of 100% of the free cash flow from the investment in HL.

Finally, the Company informed that at this stage of the Transaction, the impact of these Material Events on CSAV's results cannot be quantified and it is believed that the information needed to quantify these effects will not be available before closing.

The following was informed as material events on February 27, 2014:

1.In a meeting of the Board of Directors held today, it agreed to call an Extraordinary Shareholders' Meeting of shareholders of Compañía Sud Americana de Vapores S.A. (“CSAV”) for March 21, 2014, at 11:30 a.m., to be held at CSAV's offices at, Plaza Sotomayor 50, Valparaíso.

The matters to be addressed at that meeting include:

- Agreeing on a capital increase of CSAV of up to US$ 200 million or another amount determined by shareholders.

- Approving the possible business combination of CSAV's container shipping business and the businesses of Hapag-Lloyd AG, in accordance with the non-binding Memorandum of Understanding communicated as a Material Event on January 22, 2014.

Note 39 Subsequent Events (continued)

- This agreement gives dissenting shareholders the right to withdraw under the terms of Art. 69 No. 3 of Law 18,046, and the Board will propose to shareholders that the aforementioned agreement be rendered null and void if the withdrawal right is exercised by 5% or more of all shares of CSAV, or another percentage determined by shareholders, and will also propose that the Board of Directors be authorized to waive that condition.

- In general, to adopt the reforms to the Company's by-laws and any other agreements that are necessary or appropriate in order to carry out any of the decisions made by shareholders.

The calling of the shareholders' meeting referred to in this Material Event does not affect the results of CSAV.

2.Complementing the information reported as a material event on September 14, 2012, regarding the Board of Directors' instructions to management to provide maximum collaboration in relation to any investigation to look into the existence of illicit monopolistic practices surrounding price and client distribution cooperation agreements among shipping companies engaged in the car carrier business, today CSAV signed a "Plea Agreement" with the United States Department of Justice, by virtue of which it accepts to pay a fine of US$ 8,900,000.

This fine has no effect on CSAV's results as the provision established by the Company on March 31, 2013, fully covers this amount.

Between January 1, 2014 and the issuance of these consolidated financial statements, no other significant events of a financial or other nature have occurred that could impact the appropriate presentation and/or interpretation of the Company's financial statements.