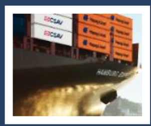
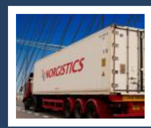
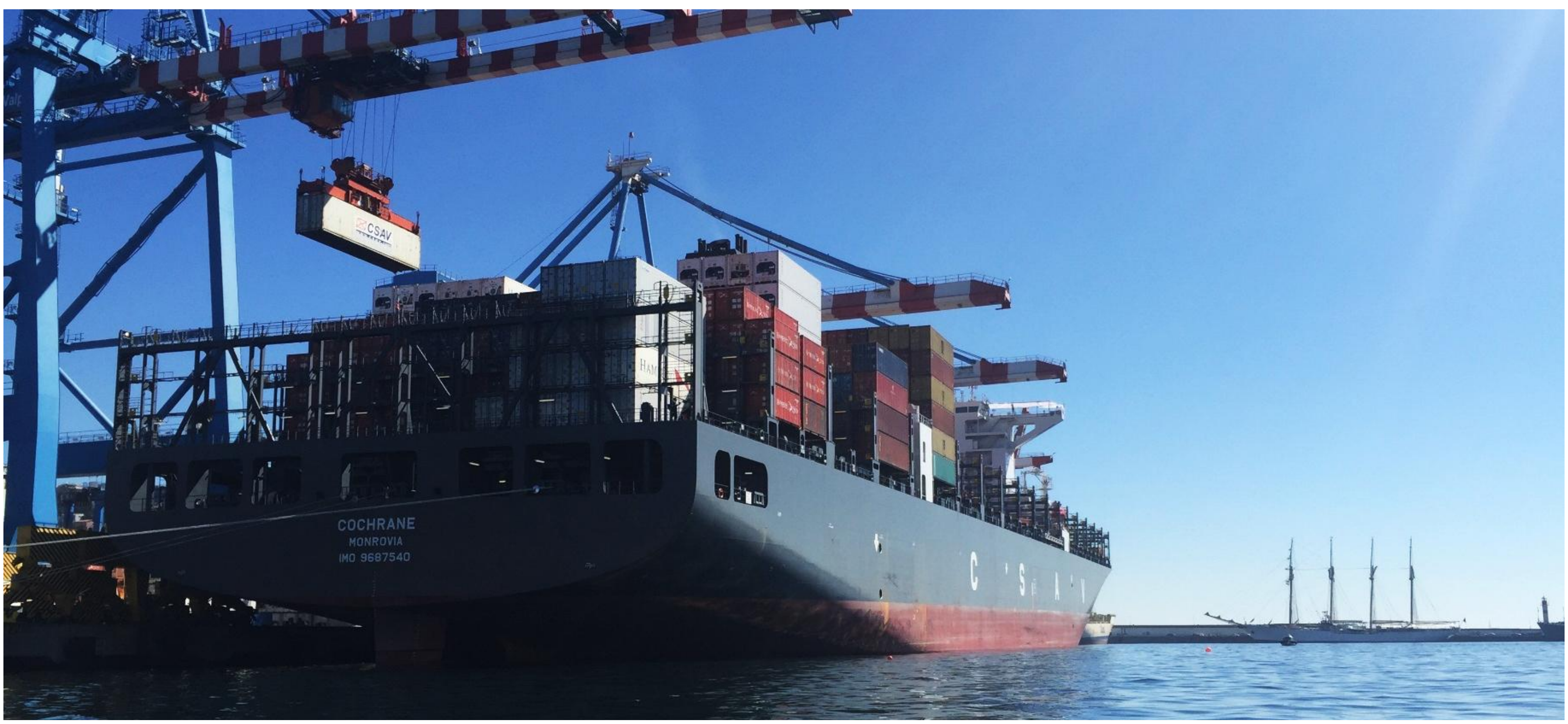




COMPAÑÍA SUD AMERICANA DE VAPORES S.A. AND SUBSIDIARIES

INTERIM CONSOLIDATED FINANCIAL STATEMENTS
As of March 31, 2017
(Unaudited)



M/V Cochrane, 9,300 TEU container ship, 2015, at the port of Valparaíso, Chile. Vessel owned by Hapag-Lloyd AG.

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Figures expressed in thousands of US dollars (ThUS$)

Independent Auditor’s Review Report

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

We have reviewed the accompanying interim consolidated financial statements of Compañía Sud Americana de Vapores S.A. and subsidiaries, which comprise the interim consolidated statements of financial position as of March 31, 2017; the interim consolidated statements of comprehensive income for the three-month period ended March 31, 2017; the interim consolidated statements of changes in equity and cash flows for the three-month period then ended, and the related notes to the interim consolidated financial statements.

Management’s responsibility for the interim consolidated financial statements

Management is responsible for the preparation and fair presentation of the interim consolidated financial statements in accordance with IAS 34, “Interim Financial Reporting” of International Financial Reporting Standards (IFRS); ; this responsibility includes the design, implementation, and maintenance of internal control sufficient to provide a reasonable basis for the preparation and fair presentation of the interim consolidated financial statements in accordance with the applicable financial reporting framework.

Auditor’s responsibility

Our responsibility is to conduct our review in accordance with Auditing Standards Generally Accepted in Chile applicable to reviews of interim financial statements. A review of interim financial statements consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with Auditing Standards Generally Accepted in Chile, the objective of which is the expression of an opinion regarding the financial statements. Accordingly, we do not express such an opinion.

Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying interim consolidated financial statements referred to above, for them to be in accordance with IAS 34 "Interim Financial Reporting" of International Financial Reporting Standards (IFRS).

Other matters - Consolidated statement of financial position as of December 31, 2016

On March 30, 2017, we issued an unmodified opinion on the consolidated financial statements of Compañía Sud Americana de Vapores S.A. and subsidiaries as of December 31, 2016 and 2015, which comprise the consolidated statement of financial position as of December 31, 2016, which is presented in the accompanying interim consolidated financial statements, and the related notes to the consolidated financial statements.

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

Oscar Aguilar S.

Santiago, August 10, 2017 KPMG Ltda.

Assets		As of March 31, 2017	As of December 31, 2016
	Note	ThUS$	ThUS$
CURRENT ASSETS			
Cash and cash equivalents	7	51,786	54,608
Other financial assets	8	411	804
Other non-financial assets	13	1,811	1,344
Trade and other receivables	9	20,068	20,799
Receivables from related parties	10	49	50
Inventories	11	3,101	4,250
Current tax assets	20	1,985	2,314
Total current assets		**79,211**	**84,169**
NON-CURRENT ASSETS			
Other financial assets	8	66	63
Other non-financial assets	13	7	9
Equity method investments	15	1,756,934	1,771,737
Intangible assets other than goodwill	16	85	85
Goodwill	17	17	17
Property, plant and equipment	18	2,881	2,892
Investment property	19	16,165	16,211
Deferred tax assets	21	287,513	292,976
Total non-current assets		**2,063,668**	**2,083,990**
TOTAL ASSETS		**2,142,879**	**2,168,159**

The attached notes 1-40 are an integral part of these interim consolidated financial statements.

Liabilities and Equity	Note	As of March 31, 2017 ThUS$	As of December 31, 2016 ThUS$
CURRENT LIABILITIES			
Other financial liabilities	22	739	530
Trade and other payables	23	20,733	17,082
Payables to related parties	10	1,469	1,901
Other provisions	24	28,336	31,093
Current tax liabilities	20	5	51
Employee benefits provisions	26	257	1,693
Other non-financial liabilities	25	1,590	2,993
Total current liabilities		**53,129**	**55,343**
NON-CURRENT LIABILITIES			
Other financial liabilities	22	93,679	93,607
Trade and other payables	23	1,245	2,500
Other provisions	24	9,448	9,448
Deferred tax liabilities	21	503	616
Other non-financial liabilities	25	181	181
Total non-current liabilities		**105,056**	**106,352**
TOTAL LIABILITIES		**158,185**	**161,695**
EQUITY			
Issued capital	28	3,199,108	3,199,108
Accumulated losses	28	(1,205,650)	(1,183,582)
Other reserves	28	(8,764)	(9,062)
Equity attributable to owners of the company		**1,984,694**	**2,006,464**
TOTAL EQUITY		**1,984,694**	**2,006,464**
TOTAL LIABILITIES AND EQUITY		**2,142,879**	**2,168,159**

The attached notes 1-40 are an integral part of these interim consolidated financial statements.

Statement of Income	Note	For the three months ended March 31, 2017	Restated 2016
	Note	ThUS$	ThUS$
Profit (loss) for the period			
Revenue	29	26,003	27,523
Cost of sales	29	(23,368)	(33,300)
Gross profit		**2,635**	**(5,777)**
Other income		457	489
Administrative expenses	29	(3,306)	(3,356)
Other gains	30	17	17
Net operating loss		**(197)**	**(8,627)**
Finance income	31	158	33
Finance costs	31	(1,128)	(696)
Share of loss of equity method associates and joint ventures	15	(15,395)	(8,050)
Exchange differences	32	(45)	(124)
Loss before tax		**(16,607)**	**(17,464)**
Income tax expense from continuing operations	21	(5,461)	(10,089)
Loss from continuing operations		**(22,068)**	**(27,553)**
Profit from discontinued operations	35	-	658
Loss for the period		**(22,068)**	**(26,895)**
Profit (loss) attributable to:			
Loss attributable to owners of the company	14	(22,068)	(27,220)
Profit attributable to non-controlling interests	14	-	325
Loss for the period		**(22,068)**	**(26,895)**
Basic earnings (loss) per share			
Basic loss per share from continuing operations	34	(0.0007)	(0.0009)
Basic loss per share from discontinued operations	34	-	0.0000

The attached notes 1-40 are an integral part of these interim consolidated financial statements.

Statement of Comprehensive Income	For the three months ended March 31, 2017	2016
	ThUS$	ThUS$
Loss for the period	**(22,068)**	**(26,895)**
Components of other comprehensive income, before tax:		
Exchange differences on translation of foreign operations		
Gain from exchange differences on translation of foreign operations, before tax	1,352	5,436
Other comprehensive income, before tax, foreign exchange differences on translation of foreign operations	**1,352**	**5,436**
Cash flow hedges		
Gain (loss) on cash flow hedges, before tax	(2,243)	597
Other comprehensive income (loss), before tax, cash flow hedges	**(2,243)**	**597**
Actuarial gain (loss) for defined benefit plans, before tax	1,097	(12,697)
Other comprehensive income (loss), before tax	**206**	**(6,664)**
Income tax related to components of other comprehensive income (loss)		
Income tax related to cash flow hedges	94	(166)
Total income tax related to components of other comprehensive income (loss)	**94**	**(166)**
Other comprehensive income (loss) for the period	**300**	**(6,830)**
Total comprehensive loss for the period	**(21,768)**	**(33,725)**
Total comprehensive income (loss) attributable to:		
Total comprehensive loss attributable to owners of the company	(21,768)	(34,050)
Total comprehensive income attributable to non-controlling interests	-	325
Total comprehensive loss for the period	**(21,768)**	**(33,725)**

The attached notes 1-40 are an integral part of these interim consolidated financial statements.

CSAV

For the three months ended March 31, 2017

	Issued Capital	Treasury Shares	Other Reserves: Translation Reserve	Other Reserves: Cash Flow Hedge Reserve	Other Reserves: Reserve for Gains and Losses on Defined-Benefit Plans	Other Reserves: Other Miscellaneous Reserves	Total Other Reserves	Accumulated Losses	**Total Equity**
	ThUS$	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**
Opening balance as of January 1, 2017	3,199,108		(18,714)	2,393	1,510	5,749	(9,062)	(1,183,582)	**2,006,464**
Changes in equity	-		-	-	-	-	-	-	**-**
Comprehensive income (loss)	-		-	-	-	-	-	-	**-**
Profit (loss) for the period	-		-	-	-	-	-	(22,068)	**(22,068)**
Other comprehensive income (loss)	-		1,352	(2,149)	1,097	-	300	-	**300**
Total comprehensive income (loss)	-		1,352	(2,149)	1,097	-	300	(22,068)	**(21,768)**
Equity issuance	-		-	-	-	-	-	-	**-**
Dividends	-		-	-	-	-	-	-	**-**
Decrease for transfer of treasury shares	-		-	-	-	-	-	-	**-**
Increase (decrease) due to transfers and other changes			-	-	-	(2)	(2)	-	**(2)**
Total changes in equity	-		1,352	(2,149)	1,097	(2)	298	(22,068)	**(21,770)**
Closing balance as of March 31, 2017	**3,199,108**		**(17,362)**	**244**	**2,607**	**5,747**	**(8,764)**	**(1,205,650)**	**1,984,694**

The attached notes 1-40 are an integral part of these interim consolidated financial statements.

For the three months ended March 31, 2016

		Other Reserves								
	Issued Capital	Translation Reserve	Cash Flow Hedge Reserve	Reserve for Gains and Losses on Defined-Benefit Plans	Other Miscellaneous Reserves	Total Other Reserves	Accumulated Losses	**Equity Attributable to Owners of the Company**	Non-Controlling Interest	**Total Equity**
	ThUS$	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**
Opening balance as of January 1, 2016	3,201,792	(16,941)	(340)	15,210	2,974	903	(1,160,265)	**2,042,430**	8,509	**2,050,939**
		-								
Changes in equity										
Comprehensive income (loss)										
Profit (loss) for the period	-	-	-	-	-	-	(27,220)	**(27,220)**	325	**(26,895)**
Other comprehensive income (loss)	-	5,436	431	(12,697)	-	(6,830)	-	**(6,830)**	-	**(6,830)**
Total comprehensive income (loss)	-	5,436	431	(12,697)	-	(6,830)	(27,220)	**(34,050)**	325	**(33,725)**
Equity issuance	-	-	-	-	-	-	-	**-**	-	**-**
Dividends	-	-	-	-	-	-	-	**-**	-	**-**
Decrease for transfer of treasury shares	-	-	-	-	-	-	-	**-**	-	**-**
Increase (decrease) due to transfers and other changes	-	-	-	-	-	-	-	**-**	-	**-**
Total changes in equity	-	5,436	431	(12,697)	-	(6,830)	(27,220)	**(34,050)**	325	**(33,725)**
Closing balance as of March 31, 2016	**3,201,792**	**(11,505)**	**91**	**2,513**	**2,974**	**(5,927)**	**(1,187,485)**	**2,008,380**	**8,834**	**2,017,214**

The attached notes 1-40 are an integral part of these interim consolidated financial statements.

Statement of Cash Flows	Note	For the three months ended March 31, 2017 ThUS$	2016 ThUS$
Cash flows provided by (used in) operating activities			
Classes of revenue from operating activities			
Proceeds from sales of goods and services		27,785	23,870
Other revenue from operating activities		465	-
Classes of payments from operating activities			
Payments to suppliers for goods and services		(27,969)	(34,666)
Payments to and on behalf of employees		(2,501)	(1,246)
Net cash flows used in operations		**(2,220)**	**(12,042)**
Income taxes paid (refunded)		49	(126)
Other cash inflows (outflows)		12	(315)
Net cash flows used in operating activities		**(2,159)**	**(12,483)**
Cash flows provided by (used in) investing activities			
Proceeds from sale of property, plant and equipment		-	10
Purchases of property, plant and equipment	18	-	(2)
Interest received		158	29
Dividends received		1	54
Net cash flows provided by investing activities		**159**	**91**
Cash flows provided by (used in) financing activities			
Interest paid		(848)	(728)
Net cash flows used in financing activities		**(848)**	**(728)**
Decrease in cash and cash equivalents before effect of exchange rate changes		**(2,848)**	**(13,120)**
Effect of exchange rate changes on cash and cash equivalents		26	21
Decrease in cash and cash equivalents		**(2,822)**	**(13,099)**
Cash and cash equivalents at beginning of period	7	**54,608**	**52,338**
Decrease in cash and cash equivalents		(2,822)	(13,099)
Cash and cash equivalents at end of period	7	**51,786**	**39,239**

The attached notes 1-40 are an integral part of these interim consolidated financial statements.

NOTES

Note 1 General Information

Compañía Sud Americana de Vapores S.A. (hereinafter "CSAV" or "the Company") is a publicly-held corporation registered in the Securities Registry of the Chilean Superintendency of Securities and Insurance (SVS) under number 76 and, therefore, is supervised by that entity. The Company's Chilean taxpayer ID is 90.160.000-7 and its domicile is Hendaya 60, piso 14, Las Condes, Santiago, Chile. Its stock is listed on the Santiago Stock Exchange, the Valparaíso Stock Exchange and the Chilean Electronic Exchange.

The Company was founded in Valparaíso in 1872. Its main business is maritime cargo transport, mainly containers, although it also transports automobiles and other wheeled cargo. The car carrier business and transportation and logistics services are developed directly by the Company and its subsidiaries, while the container shipping business is operated entirely by Hapag-Lloyd AG (hereinafter "HLAG"), which is headquartered in Hamburg, Germany. As of March 31, 2017, CSAV is the largest shareholder of this entity, with a 31.35% stake. In addition, the Company has signed an agreement to jointly control HLAG with the two other major shareholders, which together hold 72% of the German company.

Hapag-Lloyd AG is one of the largest container shipping companies in the world, covering all major global routes, with annual consolidated sales over US$9 billion in 2016. For CSAV, its investment in HLAG is a joint venture that is presented in the interim consolidated financial statements using the equity method.

CSAV is controlled by the Quiñenco group, through the following companies:

Company	Ownership Interest	No. of Shares
Quiñenco S.A.	20.34%	6,244,061,051
Inversiones Rio Bravo S.A.	33.74%	10,357,358,400
Inmobiliaria Norte Verde S.A.	1.89%	580,048,910
Total Quiñenco Group	**55.97%**	**17,181,468,361**

As of March 31, 2017 and December 31, 2016, the Company and its subsidiaries had a total of 141 and 162 employees, respectively. For the three months ended March 31, 2017, the CSAV Group had an average of 146 employees, based mainly at its offices and subsidiaries in Chile.

Note 2 Presentation Basis of the Interim Consolidated Financial Statements

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

(a) Statement of Compliance

The interim consolidated financial statements as of March 31, 2017, and the consolidated financial statements as of December 31, 2016, have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS), issued by the International Accounting Standards Board (IASB), also considering the definitions in IAS 34 *Intermediate Financial Reporting*.

The interim consolidated financial statements as of March 31, 2017, presented in this report were approved by the Company's Board of Directors on May 26, 2017.

In the preparation of these interim consolidated financial statements as of March 31, 2017, 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.

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

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

These interim consolidated financial statements 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.

These interim consolidated financial statements are expressed in United States dollars, which is the functional currency of the CSAV Group and the HLAG joint venture. The figures in these statements have been rounded to thousands of United States dollars (ThUS$).

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

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

The accounting policies defined by CSAV and adopted by all consolidated subsidiaries, including certain critical accounting estimates for quantifying some assets, liabilities, income, expenses and commitments, have been used in the preparation of these interim consolidated financial statements. The areas that involve a greater degree of judgment or complexity, or the areas in which the assumptions and estimates are significant for the interim consolidated financial statements are detailed as follows:

1. The evaluation of possible impairment losses on certain assets.
2. The hypotheses used in the actuarial calculation of employee benefits liabilities.
3. The useful life of material and intangible assets.
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.

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.

As part of the restructuring of the Company's businesses following the merger of its container shipping business with HLAG in late 2014, CSAV's Board and Management decided to sell its liquid bulk cargo unit in 2016. The unit operated along the western coast of South America with two company-owned chemical tankers in partnership with the Norwegian shipping line Odfjell Tankers. On October 19, 2016, CSAV sold all directly and indirectly held shares of Odfjell y Vapores S.A., OV Bermuda Ltd. and Odfjell & Vapores Ltd. (Bermuda). As a result of that transaction, those companies are now wholly owned subsidiaries of Odfjell Tankers. This information was disclosed in Note 40 on events after the reporting period in the interim consolidated financial statements as of September 30, 2016, and in the consolidated financial statements as of December 31, 2016.

In accordance with IFRS 5, the results of the liquid bulk business unit have been restated as discontinued operations in the interim consolidated statement of comprehensive income for the period ended March 31, 2016. Note 35 of this report details the results of discontinued operations and the related cash flows separated into operating, investing and financing activities. This presentation provides more clarity for analyzing the performance and financial position of CSAV's continued operations and a better comparison with financial information from prior periods.

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

(c) New Accounting Pronouncements

(c.1) There are standards, amendments and interpretations that are mandatory for the first time for periods beginning on or after January 1, 2017:

New Standards	Mandatory Effective Date
Amendments to IFRS	
IAS 7 *Disclosure Initiative (Amendments to IAS 7).*	Annual periods beginning on or after January 1, 2017. Early adoption is permitted.
IAS 12 *Recognition of Deferred Tax Assets for Unrealized Losses (Amendments to IAS 12).*	Annual periods beginning on or after January 1, 2017. Early adoption is permitted.

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

New IFRS	Mandatory Effective Date
IFRS 9 *Financial Instruments*	Annual periods beginning on or after January 1, 2018. Early adoption is permitted.
IFRS 15 *Revenue from Contracts with Customers*	Annual periods beginning on or after January 1, 2018. Early adoption is permitted.
IFRS 16 *Leases*	Annual periods beginning on or after January 1, 2019. Early adoption is permitted.
New Interpretations	
IFRIC 22: *Foreign Currency Transactions and Advance Consideration*	Annual periods beginning on or after January 1, 2018. Early adoption is permitted.
Amendments to IFRS	
IAS 7 *Disclosure Initiative (Amendments to IAS 7)*	Annual periods beginning on or after January 1, 2017. Early adoption is permitted.
IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Effective date deferred indefinitely.
IFRS 15 *Revenue from Contracts with Customers* Amendment clarifying some requirements and providing additional transitional relief for companies that are implementing the new standard.	Annual periods beginning on or after January 1, 2018. Early adoption is permitted.

Management does not intend to adopt these standards early and, to date, has not been able to evaluate the potential impact of adopting these amendments on its interim consolidated financial statements.

Note 3 Summary of Significant Accounting Policies

3.1 Consolidation Basis

(a) Subsidiaries

Subsidiaries include 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:

(i) power over the investee (i.e. existing rights that give it the ability to direct the relevant activities of the investee);

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

(iii) 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 still 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 unilaterally direct the relevant activities when decisions need to be made.

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. Based on this method, 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 excess of the acquisition cost over the fair value of the 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 profit or loss.

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 total equity of the CSAV group.

Intercompany transactions, balances and unrealized gains on transactions between entities of the CSAV Group are eliminated during the consolidation process. 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 its subsidiaries are modified.

(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 their acquisition cost, which requires assigning a value to these assets, commonly known as Purchase Price Allocation (PPA). The CSAV Group's investments in associates include purchased goodwill identified in the acquisition, net of any accumulated impairment loss identified in that investment.

The CSAV Group's share in the losses or profits subsequent to the acquisition of its associates is recognized in profit or loss, and its share in movements of equity reserves, including other comprehensive income, subsequent to the acquisition is recorded as reserves. Accumulated movements subsequent to the acquisition are recorded against the carrying amount of the investment. When the CSAV Group's share of 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 that exceed the invested capital.

Note 3 Summary of Significant Accounting Policies (continued)

3.1 Consolidation Basis (continued)

(c) Joint Arrangements

Joint ventures are entities in which the Group exercises control over its activities through contractual agreements with other shareholders and that require the unanimous consent of the parties sharing control.

Investments in joint ventures are accounted for using the equity method and are initially recorded at their acquisition cost, which requires assigning a value to these assets, commonly known as Purchase Price Allocation (PPA). The cost of investments in joint ventures includes any reasonable transaction costs.

The Company’s share in the losses or profits subsequent to the acquisition of its joint ventures is recognized in profit or loss, and its share in movements of equity reserves, including other comprehensive income, subsequent to the acquisition is recorded as reserves. Accumulated movements subsequent to the acquisition are recorded against the carrying amount of the investment. When the CSAV Group’s share of the losses of a joint venture 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 that exceed the invested capital.

Note 3 Summary of Significant Accounting Policies (continued)

3.2 Entities Included in Consolidation

These interim consolidated financial statements include the assets, liabilities, results and cash flows of CSAV and all subsidiaries, which are listed in the table below. Significant transactions and related balances between group companies have been eliminated during the consolidation process.

Taxpayer ID Number	Company	Country	Currency (UM)	Ownership Interest as of March 31, 2017 Direct	2017 Indirect	2017 Total	2016 Direct	2016 Indirect	2016 Total
Foreign	CSAV Germany Container Holding GmbH	Germany	US$	100.00%		100.00%	100.00%		100.00%
Foreign	Tollo Shipping Co. S.A. and Subsidiaries	Panama	US$	100.00%	-	100.00%	100.00%	-	100.00%
Foreign	Maritime Shipping & Trading International Inc. (3)	Marshall Islands	US$	-	-	-	-	50.00%	50.00%
Foreign	Maritime Shipping Trading Inc. (3)	Panama	US$	-	-	-	-	50.00%	50.00%
Foreign	OV Bermuda Ltd. (1)	Bermuda	US$	-	-	-	-	50.00%	50.00%
Foreign	Navibras Comercial Maritima e Afretamentos Ltda.	Brazil	US$	-	100.00%	100.00%	-	100.00%	100.00%
Foreign	Lennox Ocean Shipping Co. S.A. (2)	Panama	US$	-	-	-	-	100.00%	100.00%
Foreign	Corvina Shipping Co. S.A	Panama	US$	100.00%	-	100.00%	100.00%	-	100.00%
Foreign	Global Commodity Investments (2)	Panama	US$	-	-	-	-	100.00%	100.00%
Foreign	CSAV Sudamericana de Vapores S.A (2)	Panama	US$	-	-	-	-	100.00%	100.00%
96.840.960-6	Odfjell & Vapores S.A (1)	Chile	US$	-	-	-	51.00%	-	51.00%
96.838.110-5	Euroatlantic Container Line S.A. (2)	Chile	US$	-	-	-	99.90%	0.10%	100.00%
96.838.050-7	Compañía Naviera Rio Blanco S.A.	Chile	US$	99.00%	1.00%	100.00%	99.00%	1.00%	100.00%
76.028.729-6	Norgistics Holding S.A. and Subsidiaries	Chile	US$	99.00%	1.00%	100.00%	99.00%	1.00%	100.00%
76.028.758-K	Norgistics Chile S.A.	Chile	US$	-	100.00%	100.00%	-	100.00%	100.00%
Foreign	Norgistics México S.A. de C.V.	Mexico	US$	-	100.00%	100.00%	-	100.00%	100.00%
Foreign	Norgistics Lojistik Hizmetleri A.S.	Turkey	TRY	-	100.00%	100.00%	-	100.00%	100.00%
Foreign	Norgistics (China) Ltd. [Hong Kong]	China	HKD	-	100.00%	100.00%	-	100.00%	100.00%
Foreign	Norgistics Peru S.A.C.	Peru	US$	-	100.00%	100.00%	-	100.00%	100.00%
Foreign	Norgistics Brasil Transportes Ltd. (4)	Brazil	US$	-	-	-	-	100.00%	100.00%
Foreign	Norgistics (China) Ltd.	China	RMB	100.00%	-	100.00%	100.00%	-	100.00%

(1) In October 2016, these subsidiaries were sold to Odfjell Tankers as described in Note 2 b) and Note 35 of these financial statements.
(2) In December 2016, these companies merged with their respective parent company as explained in Note 14 c).
(3) In December 2016, these subsidiaries were dissolved as described in Note 14 c).
(4) In February 2017, this subsidiary merged with Navibras Comercial Maritima e Afretamentos Ltda., as explained in Note 14 c).

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 is reviewed regularly by the Company's senior management.

Segment information is presented according to CSAV's main business lines, which have been identified as: (i) container shipping and (ii) other transport services.

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 Company's functional currency using the exchange rate in force as of the date of the transaction. Losses and gains in foreign currency arising from settling these transactions and from converting monetary assets and liabilities denominated in foreign currencies using period-end exchange rates are recorded in profit or loss.

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 the 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 translation differences are recognized as a separate component of net equity, within "translation reserve" in other equity reserves.

In consolidation, 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 Group, and of other instruments in foreign currency that are designated as hedges for those investments, are recorded in other comprehensive income. When an investment is sold or disposed of, these exchange differences are recognized in profit or loss 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. In addition, the acquisition cost must include financial expenses that are attributable to the acquisition, and they shall be recorded until the asset in question is operating.

Subsequent costs are included in the value of the asset or recognized as a separate asset, only when it is likely that its future economic benefits will flow to the Company and the cost of the component can be determined reliably. The value of the replaced component is derecognized while 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
Leasehold facilities and improvements	Term of lease
Furniture and supplies	3 to 10 years
Computer equipment	2 to 3 years

At each interim 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 carrying amount and are recorded net in the income statement.

Property (land or buildings) used to earn rentals and/or for capital appreciation, rather than for use in the production of services or for administrative purposes, is presented within "investment property" (in section 3.6 below).

3.6 Investment Property

Investment property is property (land or buildings or parts of buildings) held by the Company as owner or lessee under a finance lease to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business.

Investment property is recognized as an asset only when: (i) it is probable that the future economic benefits that are associated with the property will flow to the Company; and (ii) the cost of the property can be reliably measured.

Note 3 Summary of Significant Accounting Policies (continued)

3.6 Investment Property (continued)

The CSAV Group records investment property at acquisition cost, less accumulated depreciation and impairment losses. In addition, the acquisition cost must include financial expenses that are directly attributable to the acquisition, and they shall be recorded as such until the asset in question is operating.

The simple reclassification of land or buildings from property, plant and equipment to investment property will not generate any gains or losses for the Company since both items are valued at historical cost and, therefore, will be recorded at the same amount for which they were recorded originally.

Losses and gains on the sale of investment property are calculated by comparing the income obtained with the carrying amount and are recorded net in the consolidated income statement.

3.7 Intangible Assets

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 intangible assets 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, starting from the date on which the asset is available for use or another method that better represents its usage or wear.

Intangible assets with an indefinite useful life and goodwill are not amortized but impairment testing is performed on an annual basis.

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

Class	Minimum	Maximum
Acquired goodwill	Indefinite	
Development costs	2 years	4 years
Computer software	2 years	4 years

Note 3 Summary of Significant Accounting Policies (continued)

3.7 Intangible Assets (continued)

(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.

3.8 Goodwill

Goodwill represents the difference between the acquisition cost and the value of the CSAV Group's share of the net acquired assets and liabilities of the subsidiary, associate or joint venture, measured as of the acquisition date. Acquired goodwill is presented separately in the statement of financial position and is tested for impairment on an annual basis and valued at cost less accumulated impairment losses. Goodwill related to acquisitions of associates and joint ventures is included in the investment value and tested for impairment as a whole. Gains and losses related to the sale of an investment include in the cost the carrying amount of acquired goodwill related to the investment that was sold.

Purchased goodwill is allocated to cash-generating units for impairment testing purposes. The allocation is made for those cash-generating units that are expected to benefit from the business combination or acquisition in which such acquired goodwill was generated.

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

Note 3 Summary of Significant Accounting Policies (continued)

3.8 Goodwill (continued)

3.9 Borrowing Costs

Borrowing costs incurred for the construction of any qualified asset (an asset that necessarily takes a substantial period of time to get ready for use) are capitalized over the period of time needed to complete and prepare the asset for its intended use. Other borrowing costs are recorded in profit or loss as finance costs.

3.10 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. If this is the case, 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: (i) the fair value of an asset or cash generating unit (CGU) less costs to sell; and (ii) the value in use. To determine its value in use, future cash flows estimated for the asset or CGU are discounted to their present value using a before-tax discount rate that reflects the current market valuations over the cost of money and the specific risks that apply to the asset or business.

To conduct impairment testing, assets or CGUs are grouped by operating segment, as indicated in Note 6 to these interim consolidated financial statements.

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 may never be greater than the original impairment amount.

Impairment of purchased goodwill is not reversed.

Note 3 Summary of Significant Accounting Policies (continued)

3.10 Asset Impairment Losses (continued)

(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.

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, among other evidence. In addition, for an investment in an equity instrument, a significant or prolonged decrease in the fair value of the asset, below its cost, may be considered objective evidence of impairment.

Impairment losses related to trade and other receivables, which are valued at amortized cost, are calculated as the difference between the assets' carrying amounts and their estimated recoverable amounts.

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 within trade receivables. When a subsequent event causes the amount of the impairment loss to decrease, such decrease is reversed in profit or loss.

3.11 Financial Instruments

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

(a) 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)

3.11 Financial Instruments (continued)

(i) 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 acquired principally to sell 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.

(ii) Trade and other receivables

Trade accounts receivable are initially recognized at fair value and subsequently at amortized cost, less impairment losses. Impairment of trade receivables is recorded using provisions 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 3.10 b).

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

(iii) 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.

(iv) 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.

Note 3 Summary of Significant Accounting Policies (continued)

3.11 Financial Instruments (continued)

(a) Non-derivative Financial Assets (continued)

(v) 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.

(b) Non-derivative Financial Liabilities

(i) Trade and other payables

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

(ii) 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.

(c) Issued Capital

The Company's subscribed and paid shares are classified within equity under issued capital.

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. Until the Company's shareholders approve the deduction of these costs against issued capital, they are recorded within other equity reserves.

Note 3 Summary of Significant Accounting Policies (continued)

3.11 Financial Instruments (continued)

(d) Derivative Financial Instruments and Hedging Activities

Derivative financial instruments used to hedge risk exposure in foreign currency purchases, fuel purchases and interest rates are initially recognized at fair value.

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

(i) Accounting hedges

The CSAV Group documents the relationship between hedge instruments and the hedged items at the beginning of the transaction, as well as its risk management objectives and strategy for carrying out diverse hedge transactions. 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 contracting or issuing the instrument, 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.

(ii) 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.

Note 3 Summary of Significant Accounting Policies (continued)

3.11 Financial Instruments (continued)

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

(ii) Economic hedges (continued)

The fair values of derivative instruments used for hedging purposes are shown in Note 12. Movements in the hedge reserve within equity are shown in Note 28. 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.

3.12 Inventories

Inventories are valued at 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 costs.

3.13 Current and Deferred Income Taxes

Income taxes for the period include current income taxes and deferred income taxes. Taxes are recognized directly in profit or loss except for certain items recognized directly in equity.

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

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 enacted or approved as of the date of the statement of financial position and that are expected to be applied when the corresponding deferred tax asset or liability is realized.

Note 3 Summary of Significant Accounting Policies (continued)

3.13 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 effectively offset these differences.

According to Law 20,899 published on February 8, 2016, the semi-integrated tax system applies to CSAV. The valuation of the Company's deferred taxes, including the reversal of temporary differences, has been carried out using this tax system. Therefore, the enactment of this law has no impact on these interim consolidated financial statements.

Deferred taxes are measured at tax rates expected to be applied when temporary differences are reversed, using rates that apply by default as of the balance sheet date, as indicated below:

Year	Tax Rate
2017	25.5%
2018	27.0%

Note 3 Summary of Significant Accounting Policies (continued)

3.14 Employee Benefits

(a) Post-Employment and Other Long-Term Benefits

In order to determine the present value of post-employment and other long-term benefits, a risk-free interest rate is used. This actuarial calculation is performed by a qualified mathematician using the projected unit credit method.

Actuarial gains and losses arising from defined-benefit plans are recognized directly in equity, as other comprehensive income (losses).

(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, are recognized directly in profit or loss.

(c) Short-Term Benefits and Incentives

The CSAV Group 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.

3.15 Provisions

The CSAV Group recognizes provisions when the following requirements are satisfied:

(a) there is a current obligation, whether legal or implicit, as a result of past events;

(b) it is likely that an outflow of resources will be needed to settle the obligation; and

(c) the amount can be reliably estimated.

In the case of a service contract that is considered onerous, a provision will be recognized and charged to income for the period, 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 for restructuring an operation, and that such restructuring has been internally reported or has already begun.

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

Note 3 Summary of Significant Accounting Policies (continued)

3.15 Provisions (continued)

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

3.16 Other Non-Financial Liabilities

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

For the Company, the most relevant liabilities recorded within this account are those related to income from voyages in transit (i.e. those that have not yet reached their destination as of the reporting date).

3.17 Revenue and Cost of Sales

Revenue 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.

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

(a) The amount of the revenues can be reliably measured;
(b) It is likely that the economic benefits from the transaction will flow to the entity;
(c) The percentage of completion of the transaction as of the reporting date can be reliably measured;
(d) 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 and reliably estimated, in accordance with the requirements stated above, the revenue is recognized only to the extent that the expenses incurred can be recovered.

Revenue and costs related to subletting vessels are recognized in profit or loss on an accrual basis. Revenue and cost of sales from other services related to the maritime business are recognized in profit or loss on an accrual basis. Revenue is recognized net of standard discounts and bonuses.

3.18 Discontinued Operations

The preparation criteria for discontinued operations is described in Note 2 b).

Note 3 Summary of Significant Accounting Policies (continued)

3.19 Finance Income and Costs

Finance income is accounted for based on its effective rate. Finance costs are recognized in profit or loss when accrued, except for costs incurred to finance the construction or development of qualified assets that are capitalized.

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.

3.20 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 on a straight-line basis as expenses during the term of the lease.

3.21 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 as follows:

(a) 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.

(b) Trade and Other Receivables

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

(c) Derivatives

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

Note 3 Summary of Significant Accounting Policies (continued)

3.22 Earnings (Loss) per Share

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

3.23 Dividend Distributions

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 become payable. The Company's policy is to distribute 30% of distributable net profits.

Until there is a positive balance of distributable net profits as of period-end (i.e. the initial balance plus the results for the period), the Company will not distribute dividends to its shareholders. This calculation is shown in Note 28 g) to these interim consolidated financial statements.

3.24 Environmental Issues

Disbursements related to environmental protection are recorded in income when incurred.

Note 4 Changes in Accounting Policies and Estimates

The interim consolidated financial statements as of March 31, 2017, do not present any changes in policies or accounting estimates that may affect their comparability with the prior period.

Note 5 Financial Risk Management

The container business is CSAV's largest asset, through its investment in HLAG. Although CSAV is not directly exposed to the financial risks of the container industry as an operator, it is indirectly exposed because these risks directly affect the value of CSAV's investment in that joint venture and the associated dividend flow from HLAG and its capital requirements, which may result in CSAV having to subscribe to capital increases in that joint venture, or seeing its stake diluted and the economic value of its investment and future dividends reduced if it chooses not to subscribe.

CSAV's investment in HLAG represents 82% of its total consolidated assets, as of March 31, 2017. HLAG is a German public company (*Aktiengesellschaft*) listed on the Frankfurt and Hamburg stock exchanges that is engaged in transporting container cargo on all main global routes. Although CSAV has significant influence over HLAG and jointly controls it together with two other major partners, this German company has an independent management team that controls and manages its risks autonomously and in accordance with the standards of a publicly-listed company subject to current regulation in Germany and, therefore, to applicable regulation in the European Union.

The businesses that CSAV operates directly are vehicle transport and logistics services. These are exposed to various financial risks that include: (a) Business Risk, (b) Credit Risk, (c) Liquidity Risk and (d) Market Risk.

The Company seeks to minimize the potential effects of these risks by establishing internal financial risk management policies and using hedges and financial derivatives.

(a) Business Risk

The main business risks for CSAV are those related to the balance of supply and demand for maritime transport, as well as risks associated with its main geographical markets and fuel prices.

The container transport business is exclusively operated by HLAG, and its management autonomously manages the financial risks associated with this business, using the instruments and tools offered by the industry and the financial market in accordance with the standards of a publicly-listed company in Germany. Additional information on these risks and how they are managed by HLAG can be found in its 2016 Annual Report, which includes its audited consolidated financial statements prepared under IFRS, which are published on its website at the following link: https://www.hapag-lloyd.com/en/ir/publications/financial-report.html

Note 5 Financial Risk Management (continued)

(i) Supply-Demand Equilibrium

The demand for maritime transport is highly correlated with growth of global GDP and trade. On the other hand, container shipping supply is a function of the global fleet of vessels, which fluctuates based on the delivery rate for new vessels and the scrapping rate for vessels that are obsolete or no longer profitable to operate. Both the container transport business, operated and managed by HLAG, and the vehicle transport business are directly affected by changes in these variables in their respective industry.

The imbalance between supply and demand can affect shipping operators to a greater or lesser extent depending on their operating fleet (vessel age, fuel consumption and versatility, among other characteristics), the proportion of their fleet that is owned and the proportion chartered (operational leverage) in comparison to the industry. Significant exposure to chartered vessels can negatively impact the results and the financial position of operators when charter rates are not correlated with freight rates before fuel costs (ex-bunker rates), either because of market imbalances or the duration of vessel charter agreements at fixed rates. The duration and age of charter agreements can limit shipping companies' capacity to adjust their operated fleets and modify their vessel sailing speed in response to abrupt drops in shipping demand and streamlining and cost-cutting initiatives.

Supply and demand imbalances for the maritime transport services directly operated by CSAV (vehicle transport) can cause volatility in vessel charter and freight rates.

(ii) Geographical Markets

The HLAG joint venture participates in the container transport business across all major global routes, and it distributes its operations across diverse geographical markets. As a result, this business does not expose the Company to a restricted group of geographical markets, allowing possible market contingencies on certain routes to be offset but still leaving it exposed to global variations. Even with a global service network, HLAG's relative exposure is above the industry average on Transatlantic and Latin American routes and below average on Asia-Europe and Transpacific routes.

Note 5 Financial Risk Management (continued)

(a) Business Risk (continued)

(ii) Geographical Markets (continued)

The HLAG joint venture participates in the container transport business across all major global routes, and it distributes its operations across diverse geographical markets. As a result, this business does not expose the Company to a restricted group of geographical markets, allowing possible market contingencies on certain routes to be offset but still leaving it exposed to global variations. Even with a global service network, HLAG's relative exposure is above the industry average on Transatlantic and Latin American routes and below average on Asia-Europe and Transpacific routes.

The transport services directly operated by CSAV expose the Company to changes within South American markets, particularly the vehicle and wheeled machinery markets on the west coast of the continent (mainly Chile and Peru). Since 2014 these markets have suffered a marked fall in vehicle imports, which has affected ship operators and forced them to adapt their supply to these reduced volumes. This trend began to reverse itself in 2016, mainly during the second half of the year, with an increase over 2015 in imports of light vehicles to Chile, CSAV's most important market. Although 2014 levels have not yet been reached, vehicle import volumes should show positive trends in 2017 and growth from that point forward.

(iii) Fuel Prices

An important component of the transport industry's cost structure is the cost of energy, or fuel, which is usually called "bunker" within the maritime shipping industry. In the vessels it operates, the Company primarily uses the fuels IFO 380, IFO 580 and MGO/LS.

Most of CSAV's maritime freight sales are agreed with contracts and generally a percentage of those rates are subject to price adjustments, based on changes in the cost of fuel, known as a Bunker Adjustment Factor ("BAF"). The BAF surcharge normally covers the risk of volatility in fuel prices. However, it may be affected by price movements during the period between its calculation and actual collection.

Note 5 Financial Risk Management (continued)

(a) Business Risk (continued)

(iii) Fuel Prices (continued)

The Company also has fixed-price sales and contracts without a BAF, and sales with a BAF clause that limits its coverage. Therefore, it purchases fuel hedges with terms that match the volumes covered, to reduce the impact of volatility, and ensure that fuel costs (bunkers) are matched to the corresponding maritime freight contracts. For example, for transport services directly operated by the Company during the first quarter of 2017, an increase in fuel prices of US$10 per metric ton of fuel would have had a negative impact of around ThUS$145 on the Company's results. This value is based on the fuel volumes consumed by the Company during the period and assumes that BAF surcharges cannot be passed on to customers and no fuel hedges exist. Effective BAF surcharges and fuel hedges significantly reduce this exposure.

(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 charter and/or slot sale agreements, (ii) counterparty risk in the case of financial assets maintained with banks and (iii) counterparty risk in the case of financial hedges with banks or other institutions.

(i) Accounts Receivable

The Company has a strict credit policy for managing its portfolio of accounts receivable. Most of the Company's customers are direct customers. This policy is based on lines of credit and payment terms granted on the basis of an individual analysis of the solvency, payment capacity, and general references of each customer, the customer's shareholders, industry and market where it does business, as well as its payment history with the Company.

These lines of credit are reviewed at least yearly, and special care is taken so that the conditions offered, with respect to both amounts and terms, are appropriate given market conditions and expected volumes. Payment behavior and the percentage of use of these lines are regularly monitored and updated to reflect changes in volume and sales estimates.

Note 5 Financial Risk Management (continued)

(b) Credit Risk

(i) Accounts Receivable (continued)

Agencies that represent CSAV are constantly monitored to ensure that the administrative, commercial, operational and collection processes, and their relationship with customers and suppliers complies with agreed contract terms.

Furthermore, there is a rigorous policy to record an allowance for doubtful accounts for any debt carrying a material credit risk or which is over 180 days overdue, even when the debt may be recoverable based on historical behavior.

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

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

	Note	As of March 31, 2017 ThUS$	As of December 31, 2016 ThUS$
Trade receivables	9	15,676	18,922
Impairment of trade receivables	9	(1,106)	(1,124)
Trade receivables, net		**14,570**	**17,798**
Other receivables	9	5,498	3,001
Impairment of other receivables	9	-	-
Other receivables, net	**9**	**5,498**	**3,001**
Total receivables, net		**20,068**	**20,799**

Note 5 Financial Risk Management (continued)

(b) Credit Risk

(i) Accounts Receivable (continued)

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

Provisioning Criteria for Receivables	Factor
Receivables over 180 days	100%
Legal collections, checks issued with insufficient funds and other similar concepts	100%
High-risk customers and agencies, based on a case-by-case analysis	100%

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

	As of March 31, 2017	As of December 31, 2016
	ThUS$	ThUS$
Opening balance	1,124	1,761
Increase (decrease) in impairment for the period	(18)	(637)
Impairment of accounts receivable, closing balance (Note 9)	**1,106**	**1,124**

(ii) Financial Assets

The Company has a policy for managing its financial assets, which includes time deposits and repurchase agreements. It has its current accounts and investments in financial institutions with risk classification of "investment grade."

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

		As of March 31, 2017	As of December 31, 2016
	Note	ThUS$	ThUS$
Banks	7	7,744	3,756
Time deposits	7	44,029	50,845
Total		**51,773**	**54,601**

Note 5 Financial Risk Management (continued)

(b) Credit Risk (continued)

(iii) Hedging Positions

As part of its risk management policy, the Company can take out interest rate, exchange rate and oil price hedges. These hedge positions are contracted through financial institutions that are highly regarded in the industry and have "investment grade" risk ratings. Its hedge positions as of March 31, 2017 and December 31, 2016, are detailed as follows:

			Valuation	
			As of March 31, 2017	As of December 31, 2016
		Note	ThUS$	ThUS$
Koch Supply & Trading	Fuel Oil Swaps	12	411	804
	Total		**411**	**804**

(c) Liquidity Risk

Liquidity risk refers to the Company's exposure to business or market factors that may affect its ability to generate income and cash flows, including the effect of contingencies and regulatory requirements associated with its business.

CSAV is not directly exposed to the container business, as explained in this note, but indirectly as a main shareholder of HLAG. This limits the Company's liquidity risk in that business to the expected flow of dividends or any additional capital required by this joint venture. It is important to mention that CSAV has specific long-term borrowing to finance its investment in HLAG.

CSAV has sufficient liquidity to cover its direct transport services. However, and in light of the risks described above, the Company maintains the following line of credit to be used if needed:

- Working capital line of up to US$ 10,000,000 with HSBC Chile, valid until December 2017. As of March 31, 2017, this credit line has not been drawn down.

Note 5 Financial Risk Management (continued)

(c) Liquidity Risk (continued)

As a reference of the Company's liquidity risk as of March 31, 2017, the contractual maturities of its financial liabilities, including estimated interest payments, are detailed below:

As of March 31, 2017	Note	Carrying Amount	Contractual Cash Flows	6 Months or Less	6 to 12 Months	1 – 2 Years	2 – 5 Years	More than 5 Years
		ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Non-derivative financial liabilities								
Bonds payable	22	(49,944)	(61,552)	(1,284)	(1,284)	(2,567)	(56,417)	-
Unsecured bank instruments	22	(44,474)	(52,526)	(875)	(1,796)	(17,504)	(32,351)	-
Trade and other payables and payables to related parties	10 and 23	(23,447)	(23,447)	(22,202)	-	(1,245)	-	-
Total		**(117,865)**	**(137,525)**	**(24,361)**	**(3,080)**	**(21,316)**	**(88,768)**	**-**

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

As a reference of the Company's liquidity risk as of December 31, 2016, the contractual maturities of its financial liabilities, including estimated interest payments, are detailed below:

As of December 31, 2016	Note	Carrying Amount	Contractual Cash Flows	6 Months or Less	6 to 12 Months	1 – 2 Years	2 – 5 Years	More than 5 Years
		ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Non-derivative financial liabilities								
Unsecured bank instruments	22	(94,137)	(116,143)	(1,976)	(4,181)	(4,297)	(100,573)	(5,116)
Trade and other payables and payables to related parties	10 and 23	(21,483)	(21,483)	(18,983)	-	(2,500)	-	-
Derivative financial liabilities								
Total		**(115,620)**	**(137,626)**	**(20,959)**	**(4,181)**	**(6,797)**	**(100,573)**	**(5,116)**

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

(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.

Note 5 Financial Risk Management (continued)

(d) Market Risk (continued)

When necessary, the Company uses accounting hedges to mitigate changes in these variables. Variations in the market price of these hedges, in accordance with current regulations, are recorded in other comprehensive income. Details of the derivatives held by the Company, including their fair value, are presented in Note 12 to these interim consolidated financial statements.

(i) Interest rate fluctuations

Interest rate fluctuations impact the Company's floating rate obligations.

As of March 31, 2017 and December 31, 2016, the Company's net asset and liability position in interest-bearing financial instruments, by type of interest, is detailed as follows:

		As of March 31, 2017	As of December 31, 2016
	Note	ThUS$	ThUS$
Financial assets at fixed rates:			
Time deposits	7	44,029	50,845
Total financial assets at fixed rates		**44,029**	**50,845**
Financial assets at variable rates:			
Cash on hand and bank balances	7	7,757	3,763
Hedging assets	8	411	804
Total financial assets at variable rates		**8,168**	**4,567**
Total financial assets		**52,197**	**55,412**
Financial liabilities at fixed rates:			
Bank loans	22	(49,944)	(49,262)
Total financial liabilities at fixed rates		**(49,944)**	**(49,262)**
Financial liabilities at variable rates:			
Bank loans	22	(44,474)	(44,875)
Total financial liabilities at variable rates		**(44,474)**	**(44,875)**
Total financial liabilities		**(94,418)**	**(94,137)**
Net fixed-rate position		(5,915)	1,583
Net variable-rate position		(36,306)	(40,308)

Note 5 Financial Risk Management (continued)

(d) Market Risk (continued)

(i) Interest rate fluctuations (continued)

The Company does not hedge interest rates on loans with variable interest rates based on Libor.

The potential effect of interest rate fluctuations on variable-rate financial instruments (assets and liabilities) held by CSAV as of March 31, 2017, that are not hedged is shown in the following table. The variation considers: (i) an increase of 1% in the 6-month Libor rate, which is used for variable-rate financial liabilities, and (ii) an increase of 1% in the overnight Libor rate, which is primarily used to invest cash surpluses. The combined effect on the Company's results for each period would be the following:

	For the three months ended March 31,	
	2017	2016
	ThUS$	ThUS$
Effect on profit or loss of		
increase of 100 basis points in 180-day LIBOR and overnight LIBOR	(103)	(206)

(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 and the functional currency of HLAG. However, the Company also has income and costs in other currencies, such as Chilean pesos, euros, yen and others.

Most of CSAV’s assets and liabilities are expressed in US dollars. However, the Company has certain assets and liabilities in other currencies, which are detailed in Note 33 to these interim consolidated financial statements.

The Company does not have any foreign currency hedges as of March 31, 2017, and manages the risk of exchange rate variations by periodically converting any balances in local currency that exceed payment requirements in that currency into US dollars.

Note 5 Financial Risk Management (continued)

(d) Market Risk (continued)

(ii) Exchange rate fluctuations (continued)

The following table shows the maximum exposure to fluctuations in foreign currency of the Company's non-U.S. dollar-denominated financial assets and liabilities as of March 31, 2017 and December 31, 2016:

As of March 31, 2017	Euro	Real	Peso / UF	Other	Total
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Cash and cash equivalents	370	8	519	501	1,398
Trade and other receivables (current and non-current)	183	176	1,022	499	1,880
Tax assets	-	-	82	443	525
Trade payables and tax liabilities (current and non-current)	(1,251)	(967)	(1,328)	(982)	(4,528)
Payables to related parties (current and non-current)	-	-	(1,441)	(1)	(1,442)
Net exposure	**(698)**	**(783)**	**(1,146)**	**460**	**(2,167)**

As of December 31, 2016	Euro	Real	Peso / UF	Other	Total
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Cash and cash equivalents	84	33	413	544	1,074
Trade and other receivables (current and non-current)	292	223	1,297	457	2,269
Tax assets	-	-	316	409	725
Trade payables and tax liabilities (current and non-current)	(2,048)	(1,729)	(2,609)	(343)	(6,729)
Payables to related parties (current and non-current)	-	-	(912)	(179)	(1,091)
Net exposure	**(1,672)**	**(1,473)**	**(1,495)**	**888**	**(3,752)**

The potential effect of a 10% depreciation in the US dollar (USD) with respect to other important currencies to which the Company is exposed as of March 31, 2017, would have an estimated loss of ThUS$241 on the Company's results for the first quarter of 2017, (keeping all other variables constant).

Note 6 Segment Reporting

The Company's operating segments have been determined in accordance with IFRS 8, based on the main business lines developed by the CSAV Group. The performance of these businesses is reviewed routinely by the Company's senior management using regularly available information in order to: (i) measure each business's performance; (ii) evaluate its risks; and (iii) allocate the resources that each business requires.

In determining the operating segments to report, certain segments have been grouped together because they share similar economic characteristics, services and processes, as well as a common regulatory environment, as stipulated in IFRS 8. The information routinely examined by CSAV's senior management consists of the results and management information for each of the operating segments, whether operated directly by CSAV or its domestic or foreign subsidiaries, associates and joint ventures.

Although the Company's management and accounting reports may have different classifications and viewpoints, they are both determined using the policies described in Note 3 to these interim consolidated financial statements. As a result, there are no differences in the totals in measurements of results, assets and liabilities for each segment and the accounting criteria applied in preparing the interim consolidated financial statements.

In accordance with the preceding paragraphs, the CSAV Group has identified the following two operating segments as of March 31, 2017:

(i) Container Shipping: These are the container shipping services operated by HLAG, represented by the investment in that joint venture, plus certain assets and liabilities related to the container shipping business that are controlled by CSAV (deferred tax assets, financial liabilities to finance the investment and others).

(ii) Other Transport Services: These are the transport services operated directly by CSAV and its subsidiaries, such as car (vehicle) transport and logistics services (Norgistics). Liquid bulk cargo services were part of this segment until they were sold in October 2016. The results of this unit up to the date of sale are presented in discontinued operations (see Note 35).

Note 6 Segment Reporting (continued)

During the first quarter of 2017, no single customer represented more than 10% of CSAV's consolidated revenue. Similarly, no customers met this criteria for the same period in 2016.

Results by operating segment for the three months ended March 31, 2017, are presented as follows:

Statement of Income by Operating Segment	For the three months ended March 31, 2017		
	Container Shipping	Other Transport Services	Total
	ThUS$	ThUS$	ThUS$
Revenue	-	26,003	26,003
Cost of sales	-	(23,368)	(23,368)
Gross profit	**-**	**2,635**	**2,635**
Other income	-	457	457
Administrative expenses	(795)	(2,511)	(3,306)
Other gains	-	17	17
Operating profit (loss)	**(795)**	**598**	**(197)**
Finance income	-	158	158
Finance costs	(1,128)	-	(1,128)
Share of profit (loss) of associates	(15,395)	-	(15,395)
Exchange differences	1	(46)	(45)
Profit (loss) before tax	**(17,317)**	**710**	**(16,607)**
Income tax benefit (expense) from continuing operations	(5,551)	90	(5,461)
Profit (loss) from continuing operations	**(22,868)**	**800**	**(22,068)**
Profit (loss) for the period	**(22,868)**	**800**	**(22,068)**
Profit (loss) attributable to:			
Profit (loss) attributable to owners of the company	(22,868)	800	(22,068)
Profit (loss) for the period	**(22,868)**	**800**	**(22,068)**

Note 6 Segment Reporting (continued)

Results by operating segment for the three months ended March 31, 2016, are presented as follows:

Statement of Income by Operating Segment	For the three months ended March 31, 2016 Restated		
	Container Shipping	Other Transport Services	Total
	ThUS$	ThUS$	ThUS$
Revenue	-	27,523	27,523
Cost of sales	-	(33,300)	(33,300)
Gross profit	**-**	**(5,777)**	**(5,777)**
Other income	-	489	489
Administrative expenses	(793)	(2,563)	(3,356)
Other gains	-	17	17
Operating loss	**(793)**	**(7,834)**	**(8,627)**
Finance income	-	33	33
Finance costs	(696)	-	(696)
Share of profit (loss) of associates	(8,050)	-	(8,050)
Exchange differences	5	(129)	(124)
Loss before tax	**(9,534)**	**(7,930)**	**(17,464)**
Income tax benefit (expense) from continuing operations	(11,611)	1,522	(10,089)
Loss from continuing operations	**(21,145)**	**(6,408)**	**(27,553)**
Profit from discontinued operations	-	658	658
Loss for the period	**(21,145)**	**(5,750)**	**(26,895)**
Profit (loss) attributable to:			
Loss attributable to owners of the company	(21,145)	(6,075)	(27,220)
Profit attributable to non-controlling interests	-	325	325
Loss for the period	**(21,145)**	**(5,750)**	**(26,895)**

Note 6 Segment Reporting (continued)

Assets and liabilities by segment as of March 31, 2017 and December 31, 2016, are summarized as follows:

	As of March 31, 2017			As of December 31, 2016		
	Container Shipping	Other Transport Services	Total	Container Shipping	Other Transport Services	Total
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Assets per segment	234,595	151,350	385,945	242,064	154,358	396,422
Associates and joint ventures	1,756,934	-	1,756,934	1,771,737	-	1,771,737
Liabilities per segment	101,958	56,227	158,185	101,958	59,737	161,695
Net assets	**1,889,571**	**95,123**	**1,984,694**	**1,911,843**	**94,621**	**2,006,464**

Cash flows by segment for the periods ended March 31, 2017 and 2016, are presented as follows:

Statement of Cash Flows by Operating Segments	For the period ended As of March 31, 2017		
	Container Shipping	Other Transport Services	Total
	ThUS$	ThUS$	ThUS$
Net cash flows used in operating activities	(795)	(1,364)	(2,159)
Net cash flows provided by investing activities	-	159	159
Net cash flows used in financing activities	(848)	-	(848)
Effect of exchange rate changes on cash and cash equivalents	-	26	26
Decrease in cash and cash equivalents	**(1,643)**	**(1,179)**	**(2,822)**

Statement of Cash Flows by Operating Segments	For the period ended As of March 31, 2016		
	Container Shipping	Other Transport Services	Total
	ThUS$	ThUS$	ThUS$
Net cash flows used in operating activities	(793)	(11,690)	(12,483)
Net cash flows provided by investing activities	-	91	91
Net cash flows used in financing activities	(692)	(36)	(728)
Effect of exchange rate changes on cash and cash equivalents	-	21	21
Decrease in cash and cash equivalents	**(1,485)**	**(11,614)**	**(13,099)**

Note 6 Segment Reporting (continued)

Revenue detailed by geographic area is as follows:

	Other Transport Services For the three months ended March 31, 2017	2016
	ThUS$	**ThUS$**
Asia	7,144	7,616
Europe	8,959	8,912
North and South America	9,900	10,995
Chile	*2,597*	*2,594*
Other Americas (excluding Chile)	*7,303*	*8,401*
Total	**26,003**	**27,523**

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

(i) Income for the segment is composed of revenues and expenses related to operations that are directly attributable to the reporting segment.

(ii) Income was recorded by measuring operating revenues and expenses using the same criteria defined in Note 3 of these interim consolidated financial statements (Note 3.18); and

(iii) 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 those directly or indirectly attributable to each segment.

In accordance with IFRS 8, paragraph 33, non-current assets detailed by geographic segment are as follows:

Non-Current Assets (*)	As of March 31, 2017	As of December 31, 2016
	ThUS$	**ThUS$**
Europe	1,756,934	1,771,737
Asia	13	12
North and South America	19,118	19,176
Chile	*18,936*	*18,989*
Other Americas (excluding Chile)	*182*	*187*
Total	**1,776,065**	**1,790,925**

(*) Includes balances of property, plant and equipment, investment property, intangible assets other than goodwill and equity method investments.

Note 7 Cash and Cash Equivalents

Cash and cash equivalents are detailed in the following table:

	As of March 31, 2017	As of December 31, 2016
	ThUS$	ThUS$
Cash on hand	13	7
Bank balances	7,744	3,756
Time deposits	44,029	50,845
Total	**51,786**	**54,608**

As of both March 31, 2017, and December 31, 2016, the Company does not have any funds classified as cash and cash equivalents that are not freely available.

As of March 31, 2017 and December 31, 2016, cash and cash equivalents are detailed as follows:

	As of March 31, 2017	As of December 31, 2016
Currency	ThUS$	ThUS$
US dollar	50,388	53,534
Chilean peso	519	413
Euro	370	84
Real	8	33
Other currencies	501	544
Total	**51,786**	**54,608**

Note 8 Other Financial Assets

Other financial assets are detailed as follows:

	Current		Non-Current	
	As of March 31, 2017	As of December 31, 2016	As of March 31, 2017	As of December 31, 2016
	ThUS$	ThUS$	ThUS$	ThUS$
Hedging derivative contracts (Note 12)	411	804	-	-
Other financial instruments	-	-	66	63
Total other current financial assets	**411**	**804**	**66**	**63**

Note 9 Trade and Other Receivables

Trade and other receivables are detailed as follows:

	Current	
	As of March 31, 2017	As of December 31, 2016
	ThUS$	ThUS$
Trade receivables	15,676	18,922
Impairment of trade receivables	(1,106)	(1,124)
Trade receivables, net	**14,570**	**17,798**
Other receivables	5,498	3,001
Impairment of other receivables	-	-
Other receivables, net	**5,498**	**3,001**
Total receivables, net	**20,068**	**20,799**

Trade receivables are derived mainly from operations linked to the provision of services related to the maritime transport business, logistics operations and other similar activities. Most current trade receivables are due within three months from the reporting date of these interim consolidated financial statements.

There are no debtors classified as non-current for the period ended March 31, 2017, and for the year ended December 31, 2016.

Note 9 Trade and Other Receivables (continued)

Other receivables primarily include freight payable from agencies, advances to suppliers, receivables from shipowners and receivables from personnel, among others.

The fair value of trade and other accounts receivable does not differ significantly from their carrying amount.

The CSAV Group records provisions when there is evidence of impairment of trade receivables, based on the principles described in Note 10 of these interim consolidated financial statements that are summarized below:

Impairment of Receivables	Factor
Over 180 days	100%
Legal collections, checks issued with insufficient funds and other similar concepts	100%
High-risk customers and cases according to each case and market conditions	100%

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

	As of March 31, 2017		As of December 31, 2016	
	No. of Customers	ThUS$	No. of Customers	ThUS$
Current	276	12,121	163	10,099
Due between 1 and 30 days	141	5,618	86	5,316
Due between 31 and 60 days	50	890	82	1,395
Due between 61 and 90 days	24	371	71	1,733
Due between 91 and 120 days	19	488	41	1,269
Due between 121 and 150 days	5	96	38	873
Due between 151 and 180 days	125	484	53	114
Closing balance		**20,068**		**20,799**

Note 9 Trade and Other Receivables (continued)

Changes in impairment losses on trade and other receivables are detailed as follows:

	As of March 31, 2017	As of December 31, 2016
	ThUS$	ThUS$
Opening balance	1,124	1,761
Increase (decrease) in impairment for the period	(18)	(637)
Closing balance	**1,106**	**1,124**

Once out-of-court and legal collections steps have been exhausted, the respective receivables 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 and visualize these accounts.

Note 10 Balances and Transactions with Related Parties

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

	Current	
	As of March 31, 2017	As of December 31, 2016
	ThUS$	ThUS$
Receivables from related parties	49	50
Payables to related parties	(1,469)	(1,901)
Total	**(1,420)**	**(1,851)**

Receivables from and Payables to Related Parties:

Receivables from and payables to related parties arise from routine business transactions carried out under market conditions, with respect to price and payment.

No write-offs or provisions have been recorded during the period for accounts receivable from related parties.

As of March 31, 2017 and December 31, 2016, the Company has no receivables from related parties classified as non-current.

Note 10 Balances and Transactions with Related Parties (continued)

Receivables from related parties are detailed as follows:

Taxpayer ID Number	Country	Company	Transaction	Relationship	Currency	Current 03.31.2017 ThUS$	Current 12.31.2016 ThUS$
Foreign	Brazil	Companhia Libra de Navegacao S.A. (1)	Current account	Common shareholder and/or director	US$	20	21
89.602.300-4	Chile	CSAV Austral SpA (1)	Current account	Common shareholder and/or director	US$	2	2
Foreign	Brazil	Norgistics Brasil Operador Multimodal Ltda. (1)	Current account	Common shareholder and/or director	US$	27	27
		Total				**49**	**50**

Payables to related parties are detailed as follows:

Taxpayer ID Number	Country	Company	Transaction	Relationship	Currency	Current 03.31.2017 ThUS$	Current 12.31.2016 ThUS$
Foreign	Peru	Consorcio Naviero Peruano S.A.	Current account	Common shareholder and/or director	US$	2	2
Foreign	Argentina	CSAV Argentina S.A. (1)	Current account	Common shareholder and/or director	US$	-	63
96.915.330-0	Chile	Iquique Terminal Internacional S.A.	Current account	Common shareholder and/or director	US$	22	66
Foreign	Malta	Norasia Container Lines Ltd. (1)	Current account	Common shareholder and/or director	US$	15	-
92.048.000-4	Chile	SAAM S.A.	Current account	Common shareholder and/or director	US$	1,420	1,629
Foreign	Peru	Tramarsa S.A.	Current account	Common shareholder and/or director	US$	10	65
Foreign	Brazil	Tugbrasil Apoio Portuario SA	Current account	Common shareholder and/or director	US$	-	11
Foreign	United States	Florida International Terminal, LLC	Current account	Common shareholder and/or director	US$	-	51
Foreign	Brazil	SAAM Smit Towage Brasil S.A.	Current account	Common shareholder and/or director	US$	-	14
		Total				**1,469**	**1,901**

(1) After the merger with HLAG in 2014, these parties are no longer subsidiaries of CSAV, but of HLAG, and through it CSAV affiliates. Therefore, their balances are presented as unconsolidated related parties.

Note 10 Balances and Transactions with Related Parties (continued)

Transactions with related parties:

The Company classifies as transactions with related parties those that represent more than 0.1% of Group consolidated costs, which include cost of sales and administrative expenses.

The following table details transactions with related parties:

Company	Taxpayer ID Number	Country	Relationship	Transaction	For the periods ended Mar 31, 2017 ThUS$	Mar 31, 2016 ThUS$
Banco Itau Chile	76.645.030-K	Chile	Common shareholder and/or director	Interest on loans	(130)	-
Ecuaestibas S.A.	Foreign	Ecuador	Common shareholder and/or director	Services received	(28)	-
Florida International Terminal, LLC	Foreign	United States	Common shareholder and/or director	Port services received	(39)	-
Hapag Lloyd Chile SPA (1)	76.380.217-5	Chile	Common shareholder and/or director	Real estate lease	305	303
Hapag Lloyd Chile SPA (1)	76.380.217-5	Chile	Common shareholder and/or director	Services received	-	(217)
Iquique Terminal Internacional S.A.	96.915.330-0	Chile	Common shareholder and/or director	Port services received	(76)	-
SAAM S.A.	92.048.000-4	Chile	Common shareholder and/or director	Services received	(259)	(553)
SAAM S.A.	92.048.000-4	Chile	Common shareholder and/or director	Real estate lease	28	29
SAAM Smit Towage Brasil S.A.	Foreign	Brazil	Common shareholder and/or director	Services received	(48)	-
Southern Shipmanagement (Chile) Ltda. (1)	87.987.300-2	Chile	Common shareholder and/or director	Administrative services received	-	(710)
Southern Shipmanagement CO. S.A. (1)	Foreign	Panama	Common shareholder and/or director	Administrative services received	-	(814)
Tramarsa S.A.	Foreign	Peru	Common shareholder and/or director	Agencying services	(134)	-
Quiñenco	91.705.000-7	Chile	Parent company	Interest on loans	-	(233)

(1) After the merger with HLAG in 2014, these parties are no longer subsidiaries of CSAV, but of HLAG, and through it CSAV affiliates. Therefore, their balances are presented as unconsolidated related parties.

Note 10 Balances and Transactions with Related Parties (continued)

Remuneration of Board of Directors and Key Personnel

(a) Board Compensation

During the period ended March 31, 2017, the Company's directors have received ThUS$92 (ThUS$122 as of March 31, 2016) for attending Board and committee meetings.

(b) 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 CSAV Group's key management personnel amounts to ThUS$361 for the period ended March 31, 2017 (ThUS$405 for the period ended March 31, 2016).

	For the three months ended March 31,	
	2017	2016
	ThUS$	ThUS$
Short-term employee benefits	350	391
Other benefits	11	14
Total	**361**	**405**

On average, five CSAV executives were classified as key personnel during the three months ended March 31, 2017. Six executives on average were classified as key personnel during the same period in 2016.

The Company has not given any guarantees on behalf of key management personnel.

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

Note 11 Inventories

The Company's inventories as of March 31, 2017 and 2016, are detailed as follows:

	As of March 31, 2017	As of December 31, 2016
	ThUS$	ThUS$
Fuel	3,085	4,235
Other inventories	16	15
Total	**3,101**	**4,250**

The items included under fuel correspond to fuel found on vessels in operation that will be consumed in the normal course of services provided. These items are valued in accordance with Note 3.11.

Fuel consumed and recorded in profit or loss under continuing operations amounts to ThUS$4,996 for the three months ended March 31, 2017 and ThUS$4,534 for the three months ended March 31, 2016.

Note 12 Hedge Assets and Liabilities

Hedge assets and liabilities are presented under other current financial assets and other current financial liabilities, respectively, detailed as follows:

Current		As of March 31, 2017		As of December 31, 2016	
		Assets	Liabilities	Assets	Liabilities
	Note	ThUS$	ThUS$	ThUS$	ThUS$
Fuel swaps (a)	8	411	-	804	-
Total		**411**	**-**	**804**	**-**

Explanatory notes for the table above:

(a) Fuel price hedging contracts

Details of CSAV's fuel price hedging contracts for the period ended March 31, 2017, were as follows:

Type	Institution	Date of Agreement	Date of Maturity	Currency	As of March 31, 2017 Recognized in Equity	Recognized in Profit or Loss	Total
Swap	Koch Supply & Trading	Aug-2016	IV - 2017	US$	411	218	629
				Total	**411**	**218**	**629**

Note 12 Hedge Assets and Liabilities (continued)

(a) Fuel price hedging contracts (continued)

Details of CSAV's fuel price hedging contracts for the year ended December 31, 2016, were as follows:

					As of December 31, 2016		
Derivative	Institution	Date of Agreement	Date of Maturity	Currency	Recognized in Equity	Recognized in Profit or Loss	Total
Swap	Goldman Sachs (JANY)	Oct-2015	II - 2016	US$	-	(84)	(84)
Swap	Goldman Sachs (JANY)	Dec-2015	IV - 2016	US$	-	469	469
Swap	Goldman Sachs (JANY)	Feb-2016	IV - 2016	US$	-	1,067	1,067
Swap	Koch Supply & Trading	Oct-2015	II - 2016	US$		(692)	(692)
Swap	Koch Supply & Trading	Aug-2016	IV - 2017	US$	804	-	804
				Total	**804**	**760**	**1,564**

(b) Interest rate hedges

As of March 31, 2017, the CSAV Group has not contracted any interest rate swaps to hedge its exposure to variable interest rates.

(c) Exchange rate hedges

As of March 31, 2017, the CSAV Group does not have any exchange rate hedge contracts.

Note 13 Other Non-Financial Assets

Other non-financial assets are detailed below:

Other Non-Financial Assets	As of March 31, 2017	As of December 31, 2016
Current	**ThUS$**	**ThUS$**
Insurance	38	141
Prepaid charters	1,505	1,048
Other	268	155
Total current	**1,811**	**1,344**
Non-Current	**ThUS$**	**ThUS$**
Other	7	9
Total non-current	**7**	**9**

Prepaid insurance is insurance premiums for shipping operations and certain real estate that remain in effect after the date these financial statements were closed.

Prepaid charters are for vessels operated by the CSAV group, according to the contractual terms and conditions with shipowners, and are normally used within the following 30 days.

The item other includes payments of other customary duties and guarantees for maritime transport operations.

Note 14 Investments in Subsidiaries

(a) Consolidated Subsidiaries

The Company has consolidated investments in subsidiaries, as described in Note 3 of these interim consolidated financial statements, which are detailed as follows:

Taxpayer ID Number	Company	Country	Currency (UM)	Ownership Interest as of March 31, 2017 Direct	2017 Indirect	2017 Total	2016 Direct	2016 Indirect	2016 Total
Foreign	CSAV Germany Container Holding GmbH	Germany	US$	100.00%		100.00%	100.00%		100.00%
Foreign	Tollo Shipping Co. S.A. and Subsidiaries	Panama	US$	100.00%	-	100.00%	100.00%	-	100.00%
Foreign	Maritime Shipping & Trading International Inc. (3)	Marshall Islands	US$	-	-	-	-	50.00%	50.00%
Foreign	Maritime Shipping Trading Inc. (3)	Panama	US$	-	-	-	-	50.00%	50.00%
Foreign	OV Bermuda Ltd. (1)	Bermuda	US$	-	-	-	-	50.00%	50.00%
Foreign	Navibras Comercial Maritima e Afretamentos Ltda.	Brazil	US$	-	100.00%	100.00%	-	100.00%	100.00%
Foreign	Lennox Ocean Shipping Co. S.A. (2)	Panama	US$	-	-	-	-	100.00%	100.00%
Foreign	Corvina Shipping Co. S.A	Panama	US$	100.00%	-	100.00%	100.00%	-	100.00%
Foreign	Global Commodity Investments (2)	Panama	US$	-	-	-	-	100.00%	100.00%
Foreign	CSAV Sudamericana de Vapores S.A (2)	Panama	US$	-	-	-	-	100.00%	100.00%
96.840.960-6	Odfjell & Vapores S.A (1)	Chile	US$	-	-	-	51.00%	-	51.00%
96.838.110-5	Euroatlantic Container Line S.A. (2)	Chile	US$	-	-	-	99.90%	0.10%	100.00%
96.838.050-7	Compañía Naviera Rio Blanco S.A.	Chile	US$	99.00%	1.00%	100.00%	99.00%	1.00%	100.00%
76.028.729-6	Norgistics Holding S.A. and Subsidiaries	Chile	US$	99.00%	1.00%	100.00%	99.00%	1.00%	100.00%
76.028.758-K	Norgistics Chile S.A.	Chile	US$	-	100.00%	100.00%	-	100.00%	100.00%
Foreign	Norgistics México S.A. de C.V.	Mexico	US$	-	100.00%	100.00%	-	100.00%	100.00%
Foreign	Norgistics Lojistik Hizmetleri A.S.	Turkey	TRY	-	100.00%	100.00%	-	100.00%	100.00%
Foreign	Norgistics (China) Ltd. [Hong Kong]	China	HKD	-	100.00%	100.00%	-	100.00%	100.00%
Foreign	Norgistics Peru S.A.C.	Peru	US$	-	100.00%	100.00%	-	100.00%	100.00%
Foreign	Norgistics Brasil Transportes Ltd. (4)	Brazil	US$	-	-	-	-	100.00%	100.00%
Foreign	Norgistics (China) Ltd.	China	RMB	100.00%	-	100.00%	100.00%	-	100.00%

(1) In October 2016, these subsidiaries were sold to Odfjell Tankers as described in Note 2 b) and Note 35 of these financial statements.
(2) In December 2016, these companies merged with their respective parent company as explained in Note 14 c).
(3) In December 2016, these subsidiaries were dissolved as described in Note 14 c).
(4) In February 2017, this subsidiary merged with Navibras Comercial Maritima e Afretamentos Ltda., as explained in Note 14 c).

Note 14 Investments in Subsidiaries (continued)

(b) Summarized financial information:

The summarized financial information of the Company's subsidiaries as of March 31, 2017 and December 31, 2016, is as follows:

As of March 31, 2017:

Company Name	Current Assets	Non-Current Assets	Current Liabilities	Non-Current Liabilities	Revenue	Profit (Loss) for the Period
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Tollo Shipping Co. S.A. and Subsidiary	110,152	101	755,349	-	-	(28)
Corvina Shipping Co. S.A.	755,455	40	2,819	-	-	29
Norgistics (China) Ltd.	1,906	10	339	-	468	(49)
Norgistics Holding S.A. and Subsidiaries	4,903	941	3,088	-	3,005	27
Compañía Naviera Rio Blanco S.A.	25	974	2,385	-	-	(4)
CSAV Germany Container Holding GmbH	131	1,756,935	939,170	-	-	(37,876)

As of December 31, 2016:

Company Name	Current Assets	Non-Current Assets	Current Liabilities	Non-Current Liabilities	Revenue	Profit (Loss) for the Period
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Tollo Shipping Co. S.A. and Subsidiary	110,562	21	755,679	-	-	810
Corvina Shipping Co. S.A.	755,457	40	2,850	-	174	1,319
Odfjell y Vapores S.A.	-	-	-	-	-	1,242
Norgistics (China) Ltd.	1,972	11	379	-	2,639	183
Norgistics Holding S.A. and Subsidiaries	5,526	1,016	3,761	-	15,772	(512)
Compañía Naviera Rio Blanco S.A.	25	974	2,380	-	-	(16)
CSAV Germany Container Holding GmbH	132	1,771,735	916,691	-	-	(16,321)

As of March 31, 2017 and December 31, 2016, there are no subsidiaries with non-controlling interests.

Note 14 Investments in Subsidiaries (continued)

(b) Summarized financial information (continued):

Summarized information regarding subsidiaries with non-controlling interests:

	As of March 31, 2016				
	Discontinued Operations				
	Odfjell y Vapores S.A.	OV Bermuda Limited	Maritime Shipping & Trading International Inc.	Maritime Shipping Trading Inc.	Total
Non-controlling interest (%)	**49%**	**50%**	**50%**	**50%**	**ThUS$**
Revenue	2,170	2,450	-	-	4,620
Profit for the period	416	242	-	-	658
Total comprehensive income	**416**	**242**	**-**	**-**	**658**
Profit attributable to non-controlling interests	204	121	-	-	325
Net cash flows provided by (used in) operating activities	431	(2)	-	-	429
Net cash flows provided by investing activities	-	-	-	-	-
Net cash flows used in financing activities	-	(36)	-	-	(36)

Note 14 Investments in Subsidiaries (continued)

(c) Movements in investments:

c.1) During the three months ended March 31, 2017, the CSAV Group has recorded the following movements in investments in subsidiaries.

c.1.1) On January 31, 2017, Tollo Shipping Co. S.A. ("Tollo"), Corvina Shipping Co S.A., Norgistics Holding S.A. and Norgistics Chile S.A., agreed to merge their subsidiaries Navibras Comercial Maritima e Afretamentos Ltda. and Norgistics Brasil Transporte LTDA, whereby the latter would be absorbed by the former, which would become the legal successor and be controlled and consolidated by Tollo.

c.2) During the 2016 period, the CSAV Group has recorded the following movements in investments in subsidiaries.

c.2.1) On October 19, 2016, the subsidiary Odfjell y Vapores S.A. declared a dividend payable to its shareholders of ThUS$13,155, of which ThUS$6,709 was due to CSAV and ThUS$6,446 to its partner Odfjell Tankers. CSAV's portion was paid on the same date, while the portion payable to Odfjell Tankers was left pending.

c.2.2) On October 19, 2016, after paying the dividend mentioned above, CSAV sold its subsidiaries Odfjell y Vapores S.A. and OV Bermuda Ltd. to its partner Odfjell Tankers. From that date, both companies became wholly-owned subsidiaries of the buyer, as explained in Note 2 b) and Note 35 of these financial statements.

c.2.3) On December 7, 2016, the companies Maritime Shipping & Trading International Inc. and Maritime Shipping Trading Inc., were dissolved after paying the respective dividends and returns of capital to their shareholders, Tollo Shipping Co. S.A. (subsidiary of CSAV) and Tikal Business & lnvestment S.A. (minority partner). The amount paid by both subsidiaries to non-controlling interests was ThUS$148 in dividends and ThUS$10 in returns of capital.

c.2.4) On December 20, 2016, Compañía Sud Americana de Vapores S.A. acquired one share of Euroatlantic Container Line S.A (ECLA), representative of 0.1% of its share capital, from Global Shipping Co. S.A., making CSAV the only shareholder of ECLA. In conformity with article 108 of Law 18,046, ECLA was fully absorbed and dissolved on December 31, 2016, and its assets, liabilities, rights and obligations were transferred to CSAV.

c.2.5) On December 31, 2016, the CSAV Group's corporate structure was simplified to reflect its current business circumstances and, as a result, the company Lennox Ocean Shipping Co. S.A. was merged with its parent company, Tollo Shipping Co. S.A., and the companies CSAV Sudamericana de Vapores S.A and Global Commodity Investments Inc. were merged with their parent company, Corvina Shipping Co. S.A.

Note 15 Equity Method Investments

As described in Note 1 to these interim consolidated financial statements, as of March 31, 2017, CSAV has a 31.35% interest in and is the largest shareholder of Hapag-Lloyd AG (HLAG), which is headquartered in Hamburg, Germany. In addition, with respect to its investment in HLAG, the Company is party to a joint control agreement with two other major shareholders of this German company: the City of Hamburg, through its holding company HGV Hamburger Gesellschaft für Vermögens- und Beteiligungsmanagement mbH (HGV), which holds 20.6% of the share capital; and German businessman Klaus Michael Kühne, through Kühne Maritime GmbH (KM), who owns 19.6%; together, they hold approximately 72% of HLAG. By virtue of the above, based on CSAV's shareholding in HLAG and the existence and characteristics of the aforementioned joint control agreement, in accordance with IFRS 11, CSAV's investment in HLAG has been defined as a joint venture that must be accounted for using the equity method in accordance with IAS 28. This definition has remained unchanged since the date on which CSAV acquired its original interest in HLAG during the business combination of its container shipping business and HLAG in 2014.

CSAV also has a small investment in the German company Hamburg Container Lines Holding GmbH & Co. KG, which it controls jointly with the two partners mentioned above. That investment is presented as a joint venture.

Movements in investments in associates and joint ventures as of March 31, 2017, are detailed as follows:

Name of Associate or Joint Venture	Country	Local Currency	Direct and Indirect Ownership Interest	Opening Balance	Capital Movements and Dividends	Result due to Dilution of Interest	Share of Profit (Loss)	Share of Other Comprehensive Loss	Share of Other Equity Reserves	Balance as of December 31, 2016
				ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Hamburg Container Lines Holding	Germany	Euro	50.00%	106	-	-	-	(3)	-	103
Hapag-Lloyd AG	Germany	Euro	31.35%	1,771,631	-	-	(15,395)	595	-	1,756,831
Total				**1,771,737**	**-**	**-**	**(15,395)**	**592**	**-**	**1,756,934**

Movements in CSAV's investment in the Hapag-Lloyd AG (HLAG) joint venture during the period ended March 31, 2017, are detailed as follows:

(a) Share of Profit (Loss): For the period ended March 31, 2017, the loss attributable to the owners of the controller of HLAG was ThUS$66,900. To this amount, CSAV must add the fair value adjustment of the assets and liabilities of HLAG, based on the Purchase Price Allocation (PPA) report performed upon acquisition. That adjustment for the period ended March 31, 2017, amounts to a gain of ThUS$17,794 on the figure reported by HLAG. Thus, the joint venture reported a total loss of ThUS$49,106 for the purpose of calculating CSAV's equity method value. The Company's 31.35 % stake in this loss is ThUS$15,395 for the quarter.

Note 15 Equity Method Investments (continued)

(b) Share of Other Comprehensive Income: HLAG recorded other comprehensive income (in U.S. dollars) for the period ended March 31, 2017, consisting of a gain of ThUS$3,500 from revaluing its defined benefit plans (CSAV's stake is ThUS$1,097), a gain of ThUS$4,300 for exchange differences (CSAV's stake is ThUS$1,348), and a loss of ThUS$5,900 on cash flow hedges (CSAV's stake is ThUS$1,850), giving a total gain of ThUS$1,900 and a gain of ThUS$595 for CSAV's stake (31.35% with no variations) in the other comprehensive income of the joint venture.

Movements in investments in associates and joint ventures as of December 31, 2016, are detailed as follows:

Name of Associate or Joint Venture	Country	Local Currency	Direct and Indirect Ownership Interest	Opening Balance	Capital Movements and Dividends	Result due to Dilution of Interest	Share of Profit (Loss)	Share of Other Comprehensive Loss	Share of Other Equity Reserves	Balance as of December 31, 2016
				ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Odfjell & Vapores Ltd. (*)	Bermuda	US dollars	50.00%	11		-	(11)	-	-	-
Hamburg Container Lines Holding	Germany	Euro	50.00%	102	-	-	(2)	6	-	106
Hapag-Lloyd AG	Germany	Euro	31.35%	1,792,425	-	-	(7,009)	(13,826)	41	1,771,631
Total				**1,792,538**	**-**	**-**	**(7,022)**	**(13,820)**	**41**	**1,771,737**

(*) This associate was sold in October 2016 and, therefore, its results have been classified as discontinued operations as described in Note 35 of this report, in accordance with IFRS 5.

For example, since HLAG is a publicly-listed corporation in Germany that trades its shares on the Frankfurt and other exchanges, the market (exchange) value of CSAV's investment in the joint venture, which totaled ThUS$1,088,035 as of March 31, 2017, is presented as follows. In accordance with IFRS 13, the market value of CSAV's investment in HLAG could be its fair value using Level 1 valuation criteria. However, the Company has chosen to use Level 3 valuation criteria, consisting mainly of the business's discounted cash flows, to value its interest in that joint venture. That methodology is fairly similar to the value in use analysis used to test the investment for impairment.

Considering the indications of impairment present as of December 31, 2016, CSAV conducted impairment testing on its investment in HLAG as of the end of the year and concluded that the recoverable amount of its investment in HLAG is greater than its carrying amount, using value in use methodology in IAS 36.

Note 15 Equity Method Investments (continued)

Summarized financial information regarding associates and joint ventures as of March 31, 2017:

Name of Associate or Joint Venture	Ownership Interest	Current Assets	Non-Current Assets	Current Liabilities	Non-Current Liabilities	Revenue	Cost of Sales	Profit (Loss) for the Period (2)
		ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Hamburg Container Lines Holding GmbH & Co. KG	50.00%	175	30	4	-	-	-	-
Hapag-Lloyd AG. (1)	31.35%	1,679,900	10,289,200	2,548,500	4,144,100	2,298,900	(2,146,300)	(66,900)

(1) This information comes directly from the consolidated financial statements of HLAG in US$ and, therefore, does not include the effects of the PPA performed by CSAV.
(2) Profit (loss) attributable to the owners of the company.

Summarized financial information regarding associates and joint ventures as of December 31, 2016:

Name of Associate or Joint Venture	Ownership Interest	Current Assets	Non-Current Assets	Current Liabilities	Non-Current Liabilities	Revenue	Cost of Sales	Profit (Loss) for the Period (2)
		ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Odfjell & Vapores Ltd. (Bermuda)	50.00%	5	-	-	-	-	-	(14)
Hamburg Container Lines Holding GmbH & Co. KG	50.00%	175	30	4	-	-	-	(3)
Hapag-Lloyd AG. (1)	31.35%	1,698,000	10,267,400	2,787,000	3,836,700	8,652,800	(7,898,800)	(106,700)

(1) This information comes directly from the consolidated financial statements of HLAG in US$ and, therefore, does not include the effects of the PPA performed by CSAV.
(2) Profit (loss) attributable to the owners of the company.

Note 16 Intangible Assets Other than Goodwill

The following table details intangible assets other than goodwill for the periods ended March 31, 2017 and December 31, 2016:

	As of March 31, 2017			As of December 31, 2016		
	Gross Value	Accumulated Amortization	Net Value	Gross Value	Accumulated Amortization	Net Value
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Patents, trademarks and other rights, net	123	(41)	82	123	(41)	82
Computer software	29	(26)	3	29	(26)	3
Total intangible assets	**152**	**(67)**	**85**	**152**	**(67)**	**85**

The movements in intangible assets other than goodwill, for the periods ended March 31, 2017 and December 31, 2016, are as follows:

Movement as of March 31, 2017	Patents, Trademarks and Other Rights	Computer Software	Total Intangible Assets
	ThUS$	ThUS$	ThUS$
Net balance as of January 1, 2017	82	3	85
Amortization for the period	-	-	-
Net balance	**82**	**3**	**85**

Movement as of December 31, 2016	Patents, Trademarks and Other Rights	Computer Software	Total Intangible Assets
	ThUS$	ThUS$	ThUS$
Net balance as of January 1, 2016	92	3	95
Amortization for the year	(10)	-	(10)
Net balance	**82**	**3**	**85**

Note 17 Goodwill

Goodwill is detailed as follows:

	As of March 31, 2017	As of December 31, 2016
	ThUS$	ThUS$
Norgistics Holding S.A.	17	17
Total	**17**	**17**

The movement in goodwill for the periods ended March 31, 2017 and December 31, 2016, is as follows:

	As of March 31, 2017	As of December 31, 2016
	ThUS$	ThUS$
Balance as of January 1	17	17
Other movements	-	-
Impairment loss	-	-
Total	**17**	**17**

Goodwill has been generated in the acquisition of subsidiaries and businesses that have enabled the Company to operate its business segments.

As explained in Note 3.8, each year the Company performs an evaluation that allows it to validate the value of acquired goodwill by estimating and sensitizing the future cash flows of each business segment discounted to a cost-of-capital rate.

Note 18 Property, Plant and Equipment

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

	As of March 31, 2017			As of December 31, 2016		
	Gross PP&E	Accumulated Depreciation	Net PP&E	Gross PP&E	Accumulated Depreciation	Net PP&E
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Buildings	2,090	(463)	1,627	2,047	(415)	1,632
Office equipment	233	(124)	109	307	(193)	114
Other	1,348	(203)	1,145	1,405	(259)	1,146
Total	**3,671**	**(790)**	**2,881**	**3,759**	**(867)**	**2,892**

The item Buildings includes buildings and facilities belonging to the CSAV Group that are used for its normal operations. As of the date these interim consolidated financial statements were closed, the Company and its subsidiaries had not detected any signs of impairment in its property, plant and equipment. Certain operating assets are valued using the present value of their operating cash flows.

The details and movements of the different categories of property, plant and equipment as of March 31, 2017, are provided in the following table:

As of March 31, 2017	Buildings, Net	Office Equipment, Net	Other Property, Plant and Equipment, Net	Property, Plant and Equipment, Net
	ThUS$	ThUS$	ThUS$	ThUS$
Opening balance	1,632	114	1,146	2,892
Additions	-	3		3
Depreciation expense	(5)	(8)	(1)	(14)
Total changes in PPE	(5)	(5)	(1)	(11)
Closing balance	**1,627**	**109**	**1,145**	**2,881**

Note 18 Property, Plant and Equipment (continued)

The details and movements of the different categories of property, plant and equipment as of December 31, 2016, are provided in the following table:

As of December 31, 2016	Land	Buildings, Net	Office Equipment, Net	Vessels, Net	Other Property, Plant and Equipment, Net	Total Property, Plant and Equipment, Net
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Opening balance	2,142	3,045	109	18,266	1,165	24,727
Additions	-	-	100	-	-	100
Disposals (sale of assets)	-	-	-	-	(13)	(13)
Depreciation expense	-	(19)	(95)	-	(6)	(120)
Depreciation expense for discontinued operations	-	-	-	(1,516)	-	(1,516)
Reclassified to/from investment property	(2,142)	(1,394)	-		-	(3,536)
Reclassified to assets held for sale (discontinued operations)	-	-	-	(16,750)	-	(16,750)
Total changes in PPE	(2,142)	(1,413)	5	(18,266)	(19)	(21,835)
Closing balance	**-**	**1,632**	**114**	**-**	**1,146**	**2,892**

(1) As of December 31, 2016, the Company classified part of its property, plant and equipment that is no longer used directly in its operations but is leased to third parties or kept for investment purposes as investment property, as detailed in Note 19.

(2) As of December 31, 2016, as described in notes 2 and 35 of this report, the Company presents expenses related to the PPE of its liquid bulk business unit, such as depreciation, in profit (loss) from discontinued operations.

Note 19 Investment Property

The details and movements of the different categories of investment property as of March 31, 2017 and December 31, 2016, are provided in the following table:

As of March 31, 2017	Land	Buildings, Net	Investment Property
	ThUS$	ThUS$	ThUS$
Opening balance	2,142	14,069	16,211
Depreciation expense	-	(46)	(46)
Total changes	-	(46)	(46)
Closing balance	**2,142**	**14,023**	**16,165**

As of December 31, 2016	Land	Buildings, Net	Investment Property
	ThUS$	ThUS$	ThUS$
Opening balance	-	12,853	12,853
Transfers from (to) PPE	2,142	1,394	3,536
Depreciation expense	-	(178)	(178)
Total changes	2,142	1,216	3,358
Closing balance	**2,142**	**14,069**	**16,211**

As of March 31, 2017, the Company has classified part of its property, plant and equipment that is not directly used in its operations but is leased to third parties or kept for investment purposes as investment property (see Note 18) in accordance with the accounting policy described in Note 3 section 3.6 to these interim consolidated financial statements.

During the periods ended March 31, 2017 and December 31, 2016, the Company has disclosed revenue associated with its investment property of ThUS$451 and ThUS$408, respectively, in other income.

The estimated fair value of the Company's investment property as of March 31, 2017, amounts to ThUS$30,388, which is greater than its carrying amount.

Note 20 Tax Assets and Liabilities

The balances of current and non-current tax assets and liabilities are detailed as follows:

Current Tax Assets:

Current Tax Assets	As of March 31, 2017	As of December 31, 2016
	ThUS$	ThUS$
Recoverable income taxes	430	640
Monthly provisional tax payments	113	89
Other recoverable taxes	1,442	1,585
Total current tax assets	**1,985**	**2,314**

Current tax liabilities:

Current Tax Liabilities	As of March 31, 2017	As of December 31, 2016
	ThUS$	ThUS$
Income taxes payable	4	48
Property taxes payable	-	1
Other taxes payable	1	2
Total current tax liabilities	**5**	**51**

Note 21 Current and Deferred Income Taxes

(a) CSAV has calculated an estimated tax loss of ThUS$1,052,151 according to tax laws and regulations in effect as of March 31, 2017. Therefore, it has not made a standalone income tax provision. As of December 31, 2016, the Company had a standalone tax loss of ThUS$1,077,076, calculated in estimating deferred taxes in its financial statements.

Taxable income for the period ended March 31, 2017, was calculated using a rate of 25.5% for 2017, on the basis of Law 20,780 (2014 Tax Reform), published in the Official Gazette on September 29, 2014.

Among the main amendments is a progressive increase in corporate income tax rates, set to reach 27% in 2018 for entities applying the semi-integrated system.

Law No. 20,899 was published on February 8, 2016. This law simplifies the taxation system established in the aforementioned tax reform, improves other legal provisions and makes the semi-integrated system mandatory for all corporations starting January 1, 2017.

Therefore, because CSAV is a publicly-held corporation, deferred tax assets and liabilities have been valued and accounted for using the semi-integrated taxation system, in accordance with laws and regulations in effect on the date these financial statements were issued.

(b) As of March 31, 2017, CSAV has recorded a provision for single tax under Article 21 of the Income Tax Law of ThUS$13. As of March 31, 2016, the Company did not record a provision for single tax because it had rejected expenses as of that date.

(c) As of March 31, 2017 and December 31, 2016, the Company has not recorded any accumulated earnings and profits or any retained non-taxable earnings.

(d) Deferred taxes

Deferred tax assets and liabilities are offset if the right to set-off has been legally recognized and if the deferred taxes are associated with the same tax authority, and if the type of temporary differences is equivalent.

Note 21 Current and Deferred Income Taxes (continued)

(d) Deferred taxes (continued)

The detail of deferred tax assets as of March 31, 2017 and December 31, 2016, is as follows:

Types of Temporary Differences	Deferred Tax Assets As of March 31, 2017	As of December 31, 2016
	ThUS$	ThUS$
Tax losses	284,595	289,300
Provisions	2,918	3,676
Total	**287,513**	**292,976**

The Company has recorded the aforementioned amount for the balance of tax losses as of period end as deferred tax assets, since it is likely that its future tax earnings will enable it to use that asset, in accordance with IAS 12. As of March 31, 2017, the Company estimates that these future tax earnings will come mainly from the container shipping segment and, specifically, from dividends expected from CSAV's investment in the HLAG joint venture through its subsidiary in Germany, CSAV Germany Container Holding GmbH.

The detail of deferred tax liabilities as of March 31, 2017 and December 31, 2016, is as follows:

Types of Temporary Differences	Deferred Tax Liabilities As of March 31, 2017	As of December 31, 2016
	ThUS$	ThUS$
Revaluation of financial instruments	(111)	(205)
Other	(392)	(411)
Total	**(503)**	**(616)**

Note 21 Current and Deferred Income Taxes (continued)

(d) Deferred taxes (continued)

The following table shows movements of deferred tax assets and liabilities recorded during the period ended March 31, 2017:

Types of Temporary Differences	Balance as of January 1, 2017	Recognized in Profit (Loss)	Recognized in Equity	Balance as of March 31, 2017
	ThUS$	ThUS$	ThUS$	ThUS$
Tax losses	289,300	(4,705)	-	284,595
Provisions	3,676	(758)	-	2,918
Total deferred tax assets	**292,976**	**(5,463)**	**-**	**287,513**

Types of Temporary Differences	Balance as of January 1, 2017	Recognized in Profit (Loss)	Recognized in Equity	Balance as of March 31, 2017
	ThUS$	ThUS$	ThUS$	ThUS$
Revaluation of financial instruments	205	-	(94)	111
Other deferred taxes	411	(19)	-	392
Total deferred tax liabilities	**616**	**(19)**	**(94)**	**503**

Note 21 Current and Deferred Income Taxes (continued)

(d) Deferred taxes (continued)

The following table shows movements of deferred tax assets and liabilities recorded during the year ended December 31, 2016:

Types of Temporary Differences	Balance as of January 1, 2016	Recognized in Profit (Loss)	Recognized in Equity	Other Variations	Balance as of December 31, 2016
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Tax losses	307,051	(17,751)	-	-	289,300
Provisions	6,359	(2,679)		(4)	3,676
Revaluation of financial instruments	238	-	(238)	-	-
Total deferred tax assets	**313,648**	**(20,430)**	**(238)**	**(4)**	**292,976**

Types of Temporary Differences	Balance as of January 1, 2016	Recognized in Profit (Loss)	Recognized in Equity	Other Variations	Balance as of December 31, 2016
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Revaluation of financial instruments	-	-	205	-	205
Depreciation	1,604	-	-	(1,604)	-
Other deferred taxes	345	66	-	-	411
Total deferred tax liabilities	**1,949**	**66**	**205**	**(1,604)**	**616**

Other variations include the deconsolidation of deferred tax assets and liabilities related to the liquid bulk cargo business which, as described in Note 2 b) and Note 35 of this report, was sold during the last quarter of 2016. The effects on profit and loss related to deferred taxes for the period ended March 31, 2016, have been classified as profit (loss) from discontinued operations. Additional information on the financial position of discontinued operations is contained in Note 35 of this report.

Note 21 Current and Deferred Income Taxes (continued)

(e) Effect of current and deferred income taxes on profit or loss

	For the three months ended March 31, 2017	Restated 2016
	ThUS$	ThUS$
Current income tax expense		
Current tax expense	(4)	-
Expense for ITL Art. 21 tax (*)	(13)	-
Other tax benefits	-	4
Total current tax benefit (expense), net	**(17)**	**4**
Deferred tax expense		
Origin and reversal of temporary differences	(5,444)	(9,228)
Other deferred tax expenses	-	(865)
Total deferred tax expense, net	**(5,444)**	**(10,093)**
Income tax expense	**(5,461)**	**(10,089)**
Income tax expense from continuing operations	(5,461)	(10,089)
Income tax benefit from discontinued operations	-	119

(*) ITL: Income tax law (Chile).

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

	For the three months ended March 31, 2017	Restated 2016
	ThUS$	ThUS$
Current tax expense:		
Current tax expense, net, Chilean	(17)	4
Current tax expense, net	**(17)**	**4**
Deferred tax expense:		
Deferred tax benefit (expense), Chilean	(5,444)	(10,093)
Deferred tax benefit (expense), net	**(5,444)**	**(10,093)**
Income tax benefit (expense), net	**(5,461)**	**(10,089)**
Income tax expense from continuing operations	(5,641)	(10,089)
Income tax benefit from discontinued operations	-	119

Note 21 Current and Deferred Income Taxes (continued)

(g) Reconciliation of effective tax rate

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:

Reconciliation of Effective Tax Rate		For the three months ended March 31, 2017		Restated 2016
		ThUS$		ThUS$
Loss for the period		**(22,068)**		**(26,895)**
Total income tax expense		(5,461)		(10,089)
Loss before tax		(16,607)		(16,806)
Reconciliation of effective tax rate	25.50%	**4,235**	24.00%	**4,033**
Tax effect of rates in other jurisdictions	(58.20%)	(9,666)	(82.84%)	(13,922)
Tax effect of non-taxable revenue	27.52%	4,571	(0.29%)	(48)
Tax calculated with applicable rate	(27.71%)	(4,601)	(0.90%)	(151)
Other increases (decreases) in statutory taxes	0.00%	-	(0.01%)	(1)
Total adjustments to tax expense using statutory rate	(58.39%)	**(9,696)**	(84.03%)	**(14,122)**
Income tax expense using effective rate	(32.89%)	**(5,461)**	(60.03%)	**(10,089)**
Income tax expense from continuing operations		(5,461)		(10,089)
Income tax benefit from discontinued operations		-		119

Law No. 20,780, published on September 29, 2014, modified the corporate tax rate applicable to profits obtained in 2014 and subsequent years, leaving the rate at 20%. The calculation of current and deferred income taxes takes into account these new tax rates (25.5% in 2017 and 27% from 2018 forward) as detailed in Note 3.13 to these interim consolidated financial statements.

Note 22 Other Financial Liabilities

Other financial liabilities are detailed as follows:

Other Financial Liabilities	As of March 31, 2017 Current	As of December 31, 2016 Current
	ThUS$	ThUS$
Bank loans (a)	97	530
Bonds payable (c)	642	-
Total current	**739**	**530**

Other Financial Liabilities	As of March 31, 2017 Non-Current	As of December 31, 2016 Non-Current
	ThUS$	ThUS$
Bank loans (b)	44,377	44,345
Bonds payable (c)	49,302	49,262
Total non-current	**93,679**	**93,607**

Balances of other financial liabilities are reconciled as follows:

	Balance as of December 31, 2016	Cash Flow	Changes that Do Not Affect Cash Flows		Balance as of March 31, 2017
			Accrued Interest	Amortization of Capitalized Expenses	
Current	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**
Bank loans	530	(848)	415	-	97
Bonds payable	-	-	642	-	642
Non-Current					
Bank loans	44,345	-	-	32	44,377
Bonds payable	49,262	-	-	40	49,302
Total	**94,137**	**(848)**	**1,057**	**72**	**94,418**

Note 22 Other Financial Liabilities (continued)

(a) Current Bank Loans:

As of March 31, 2017

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	Over 90 Days up to 1 Year	Current Portion
								ThUS$	ThUS$	ThUS$
90.160.000-7	Compañía Sud Americana de Vapores S.A.	Chile	76.645.030-K	Banco Itaú Chile	Chile	US$	Semi-annual	-	97	97
				Total				**-**	**97**	**97**

As of December 31, 2016

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	Over 90 Days up to 1 Year	Current Portion
								ThUS$	ThUS$	ThUS$
90.160.000-7	Compañía Sud Americana de Vapores S.A.	Chile	76.645.030-K	Banco Itaú Chile	Chile	US$	Semi-annual	530	-	530
				Total				**530**	**-**	**530**

Note 22 Other Financial Liabilities (continued)

(b) Non-current bank loans:

As of March 31, 2017

Taxpayer ID of Debtor	Name of Debtor	Country of Debtor	Taxpayer ID of Creditor	Creditor Entity (Bank)	Country of Creditor	Currency	Type of Amortization	1 to 2 Years	2 to 3 Years	3 to 5 Years	5 to 10 Years	Non-Current Portion	Total Debt	Average Annual Interest Rate	
								ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	Nominal	Effective
90.160.000-7	Compañía Sud Americana de Vapores S.A.	Chile	76.645.030-K	Banco Itaú Chile (1)	Chile	US$	Semi-annual	-	4,931	19,723	19,723	44,377	44,474	LB 6M+2.5%	LB 6M+2.5%
			Total					**-**	**4,931**	**19,723**	**19,723**	**44,377**	**44,474**		

(1) The loan from Banco Itaú Chile is presented net of origination and underwriting fees. Face value of the loan is ThUS$45,000.

As of December 31, 2016

Taxpayer ID of Debtor	Name of Debtor	Country of Debtor	Taxpayer ID of Creditor	Creditor Entity (Bank)	Country of Creditor	Currency	Type of Amortization	1 to 2 Years	2 to 3 Years	3 to 5 Years	5 to 10 Years	Non-Current Portion	Total Debt	Average Annual Interest Rate	
								ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	Nominal	Effective
90.160.000-7	Compañía Sud Americana de Vapores S.A.	Chile	76.645.030-K	Banco Itaú Chile	Chile	US$	Semi-annual	-	9,854	19,709	14,782	44,345	44,875	LB 6M+2.5%	LB 6M+2.5%
				Total				**-**	**9,854**	**19,709**	**14,782**	**44,345**	**44,875**		

Note 22 Other Financial Liabilities (continued)

(c) Bonds Payable:

As of March 31, 2017

Current Portion

Registry Number	Series	Currency	Nominal Amount Placed	Contractual Interest Rate	Type of Interest Rate	Type of Amortization	Issuing Company	Country of Issuer	Up to 90 Days	Over 90 Days	Total Current
									ThUS$	ThUS$	ThUS$
839	B	US$	50,000	0.052	Annual	At maturity	Compañía Sud Americana de Vapores S.A.	Chile	642	-	642
							Total		**642**	**-**	**642**

Non-Current Portion

Registry Number	Series	Currency	Nominal Amount Placed	Contractual Interest Rate	Type of Interest Rate	Type of Amortization	Issuing Company	Country of Issuer	More than 5 up to 10	Total non-current
									ThUS$	ThUS$
839	B	US$	50,000	0.052	Annual	At maturity	Compañía Sud Americana de Vapores S.A.	Chile	49,302	49,302
							Total		**49,302**	**49,302**

As of December 31, 2016

Non-Current Portion

Registry Number	Series	Currency	Nominal Amount Placed	Contractual Interest Rate	Type of Interest Rate	Type of Amortization	Issuing Company	Country of Issuer	More than 5 up to 10	Total non-current
									ThUS$	ThUS$
839	B	US$	50,000	0.052	Annual	At maturity	Compañía Sud Americana de Vapores S.A.	Chile	49,262	49,262
							Total		**49,262**	**49,262**

Note 22 Other Financial Liabilities (continued)

Bank Loans (continued):

Certain financial obligations place restrictions on management and require fulfillment of certain financial indicators, as described in Note 36 to these interim consolidated financial statements.

CSAV's total financial debt and liquidity lines subject to restrictions or covenants as of March 31, 2017, include:

1. Bank loan with Banco Itaú Chile for US$ 45,000,000, fully drawn down.

2. Bond for US$ 50,000,000, line fully issued and placed.

As of March 31, 2017, the Company has complied with all applicable covenants set forth in its financial obligations, detailed in the table below.

Financial Entity	Covenant	Condition	As of March 31, 2017	As of December 31, 2016
Bank loan - Banco Itaú Chile (US$ 45,000,000)	(Consolidated) Leverage Ratio	No greater than 1.3	0.08	0.09
	Ratio of (Consolidated) Unencumbered Assets	Greater than 1.3	21.8	26.22
	Total Assets	Minimum of ThUS$1,730,325 (1)	ThUS$2,142,879	ThUS$2,168,159
Bank loans Bond issuance (US$ 50,000,000)	(Consolidated) Leverage Ratio	No greater than 1.3	0.08	N/A
	Ratio of (Consolidated) Unencumbered Assets	Greater than 1.3	21.8	N/A
	Total Assets	Minimum of ThUS$1,730,000 (1)	ThUS$2,142,879	N/A

(1) This limit may be adjusted proportionally if the Company is required to decrease its total assets, due to the application of IFRS accounting standards, but not due to the disposal, transfer or assignment of assets.

Note 23 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 March 31, 2017 Current	As of December 31, 2016 Current
	ThUS$	ThUS$
Operating costs	18,142	16,146
Consortia and other	1,445	-
Administrative	298	335
Dividends	53	53
Other	795	548
Total	**20,733**	**17,082**

	Non-Current	Non-Current
	ThUS$	ThUS$
Other operating income	1,245	2,500
Total non-current	**1,245**	**2,500**

Up-to-date and past due trade payables as of March 31, 2017, are as follows:

Up-to-date trade payables:

Type of Supplier	Amount by Payment Terms						Total
	Up to 30 Days	31-60	61-90	91-120	121-365	Over 366 Days	
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Products	1,869	-	-	-	-	-	1,869
Services	11,390	5,032	130	549	-	127	17,228
Other	-	-	-	-	-	-	-
Total	**13,259**	**5,032**	**130**	**549**	**-**	**127**	**19,097**

Past-due trade payables:

Type of Supplier	Amounts by Days Past Due						Total ThUS$
	Up to 30 Days	31-60	61-90	91-120	121-180	Over 181 Days	
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Products	-	-	-	-	-	-	-
Services	398	410	174	323	38	293	1,636
Other	-	-	-	-	-	-	-
Total	**398**	**410**	**174**	**323**	**38**	**293**	**1,636**

Note 23 Trade and Other Payables (continued)

Up-to-date and past-due trade payables as of December 31, 2016, are as follows:

Up-to-date trade payables:

Type of Supplier	Amount by Payment Terms						
	Up to 30 Days	31-60	61-90	91-120	121-365	Over 366 Days	Total
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Products	1,661	6	1	-	-	-	1,668
Services	13,453	96	75	171	-	-	13,795
Other	-	-	-	-	-	-	-
Total	**15,114**	**102**	**76**	**171**	**-**	**-**	**15,463**

Past-due trade payables:

Type of Supplier	Amounts by Days Past Due						
	Up to 30 Days	31-60	61-90	91-120	121-180	Over 181 Days	Total
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Products	-	-	-	-	-	-	-
Services	308	329	295	117	479	91	1,619
Other	-	-	-	-	-	-	-
Total	**308**	**329**	**295**	**117**	**479**	**91**	**1,619**

As of March 31, 2017, the estimated average payment period for past-due receivables is 50 days. As of the date of issuance of this report, none of the accounts disclosed above include interest payments for the Company.

Note 24 Provisions

Current provisions as of March 31, 2017, are detailed as follows:

Current	Legal Claims	Onerous Contracts	Other Provisions	Total
	ThUS$	ThUS$	ThUS$	ThUS$
Balance as of January 1, 2017	22,231	4,044	4,818	31,093
Additions during the period	25	1,986	-	2,011
Decreases during the period	(414)	(4,045)	(309)	(4,768)
Transfer from (to) non-current provisions	-	-	-	-
Closing balance of current provisions	**21,842**	**1,985**	**4,509**	**28,336**

Current provisions as of December 31, 2016, are detailed as follows:

Current	Legal Claims	Onerous Contracts	Other Provisions	Total
	ThUS$	ThUS$	ThUS$	ThUS$
Balance as of January 1, 2016	17,847	490	4,018	22,355
Provisions during the period	358	4,045	-	4,403
Provisions used	(10,609)	(491)	(2,326)	(13,426)
Transfer to non-current provisions	15,174	-	3,126	18,300
Disposal for transaction	(539)	-	-	(539)
Closing balance of current provisions	**22,231**	**4,044**	**4,818**	**31,093**

Note 24 Provisions (continued)

Non-current provisions as of March 31, 2017, are detailed as follows:

Non-Current	Legal Claims	Onerous Contracts	Other Provisions	Total
	ThUS$	ThUS$	ThUS$	ThUS$
Balance as of January 1, 2017	9,448	-	-	9,448
Decreases during the period	-	-	-	-
Transfer from (to) current provisions	-	-	-	-
Closing balance of non-current provisions	**9,448**	**-**	**-**	**9,448**

Non-current provisions as of December 31, 2016, are detailed as follows:

Non-Current	Legal Claims	Onerous Contracts	Other Provisions	Total
	ThUS$	ThUS$	ThUS$	ThUS$
Balance as of January 1, 2016	30,622	-	3,126	33,748
Decreases during the period	(6,000)	-	-	(6,000)
Transfer from (to) current provisions	(15,174)	-	(3,126)	(18,300)
Closing balance of non-current provisions	**9,448**	**-**	**-**	**9,448**

Provisions for legal claims correspond mainly to estimated disbursements for claims and lawsuits related to transported cargo and lawsuits and other legal proceedings to which the Company is exposed, mainly including those related to investigations carried out by anti-monopoly authorities in the car carrier business, as indicated in Note 36 to the interim consolidated financial statements.

Within onerous contracts, the Company provisions estimates of services to which it has committed (in-transit voyages or contracts) for which there is reasonable certainty that the revenue obtained will not cover the costs incurred at the end of the voyage and, therefore, the voyages or contracts are expected to end with operating losses. These provisions are expected to be used within the current period, based on the Company's business cycle. Nevertheless, new provisions may be made in future periods.

Note 24 Provisions (continued)

All legal claims and contingencies related to the direct operations of the container shipping business are presently, following the merger with HLAG in 2014, the legal and financial responsibility of HLAG and its subsidiaries, including legal expenses and possible disbursements, even when CSAV is party to the claim. The Company has established provisions in the accounts legal claims and other provisions for other contingencies not related to the direct operation of this business where it believes disbursements to be reasonably likely.

During the second half of 2016, the Company successfully resolved its dispute with the "NYSA-ILA" Pension Fund covering the longshoremen at the ports of New York and New Jersey (USA) brought against CSAV for an alleged withdrawal liability of approximately ThUS$12,000, related to the business combination with HLAG. The Company promptly challenged the claim and ultimately resolved the issue. After resolving the claim, during the first half of 2016 the Company reversed total provisions of ThUS$12,515 recorded in legal claims. These provisions were for the amount of the claim plus certain legal expenses, divided into a current portion (ThUS$6,515) and a non-current portion (ThUS$6,000). These movements are presented within this note in the item "decreases during the period" for the year ended December 31, 2016, separated into their current and non-current portions.

As of the reporting date, all amounts provisioned by the Company and its subsidiaries have been classified as either current or non-current based on the best estimate of the timing of their use or consumption.

Note 25 Other Non-Financial Liabilities

Other non-financial liabilities are detailed as follows:

Current	As of March 31, 2017	As of December 31, 2016
	ThUS$	ThUS$
Revenue from voyages in transit	1,590	2,993
Total current	**1,590**	**2,993**

Non-Current	As of March 31, 2017	As of December 31, 2016
	ThUS$	ThUS$
Other non-financial liabilities	181	181
Total non-current	**181**	**181**

Revenue from voyages in transit corresponds to income documented as of the reporting date for vessels in transit towards their destinations at that date (i.e. that have not yet completed the transport service). These amounts are presented in profit or loss once the voyages have been completed, normally within the following 30 days.

Other non-financial liabilities include guarantees received for real estate leases and the provision of other services that involve third-party use of the Company's assets or equipment.

Note 26 Employee Benefit Obligations

a) Employee benefit expenses

	For the three months ended March 31, 2017	Restated 2016
	ThUS$	ThUS$
Salaries and wages	1,409	1,493
Short-term employee benefits	144	175
Total employee benefits expense	**1,553**	**1,668**

b) Employee benefit accrual

	As of March 31, 2017	As of December 31, 2016
	ThUS$	ThUS$
Vacations payable	257	273
Other benefits	-	1,420
Total employee benefits provision	**257**	**1,693**

The Company had not made any employee benefits provisions classified as non-current as of March 31, 2017 and December 31, 2016.

Note 27 Classes of Financial Assets and Liabilities

The following table details the carrying amount and fair value of consolidated financial assets and liabilities:

Description of Financial Assets	Note	Current		Non-Current		Fair Value	
		As of March 31, 2017	As of December 31, 2016	As of March 31, 2017	As of December 31, 2016	As of March 31, 2017	As of December 31, 2016
		ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Cash and cash equivalents	7	51,786	54,608	-	-	51,786	54,608
Other financial assets	8	411	804	66	63	477	867
Trade and other receivables	9	20,068	20,799	-	-	20,068	20,799
Receivables from related parties	10	49	50	-	-	49	50
Total		**72,314**	**76,261**	**66**	**63**	**72,380**	**76,324**

Description of Financial Liabilities	Note	Current		Non-Current		Fair Value	
		As of March 31, 2017	As of December 31, 2016	As of March 31, 2017	As of December 31, 2016	As of March 31, 2017	As of December 31, 2016
		ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Bank loans	22	97	530	44,377	44,345	44,474	44,875
Bonds payable	22	642	-	49,302	49,262	49,944	49,262
Trade and other payables	23	20,733	17,082	1,245	2,500	21,978	19,582
Payables to related parties	10	1,469	1,901	-	-	1,469	1,901
Total		**22,941**	**19,513**	**94,924**	**96,107**	**117,865**	**115,620**

Note 27 Classes of Financial Assets and Liabilities (continued)

The average interest rates used to determine the fair value of financial liabilities as of March 31, 2017 and December 31, 2016, are summarized below:

	As of March 31, 2017	As of December 31, 2016
Variable rate financial liabilities	Libor + 2.53%	Libor + 2.53%
Fixed rate financial liabilities	5.20%	5.20%

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 28 Equity and Reserves

(a) Changes in Capital – 2017

(i) Issued Capital

Subscribed and paid-in capital as of March 31, 2017 amounts to US$ 3,199,108,383.17, equivalent to 30,696,876,188 shares.

(ii) Capital Increase Agreements

An extraordinary meeting of the shareholders of CSAV was held on March 30, 2017, at which the shareholders agreed to increase the Company's capital by US$ 260 million through a rights issue of 9,500 million shares. The Board will issue these shares in a single transaction, as decided by the Board, for which the shareholders granted it broad powers. They must be issued, subscribed and paid by March 30, 2020.

(b) Changes in Capital - 2016

(i) Issued Capital

In 2016, based on agreements adopted by shareholders at the extraordinary meeting held on April 20, 2016, share issuance and placement costs of US$2,683,131.91, recorded until that date in other miscellaneous reserves within equity, were deducted from share capital.

After this change, the Company's capital as of December 31, 2016, amounts to US$3,199,108,383.17, equivalent to 30,696,876,188 subscribed and paid shares.

(ii) Capital Increase Agreements

During 2016, the Company did no agree to carry out any capital increases, reductions or other adjustments.

Note 28 Equity and Reserves (continued)

(c) Movements in shares for 2017 and 2016

As of March 31, 2017, the Company's shares are detailed as follows:

Series	Number of Subscribed Shares	Number of Paid-in Shares	Number of Voting Shares
Single	30,696,876,188	30,696,876,188	30,696,876,188

	As of March 31, 2017	As of December 31, 2016
Number of Shares	**Common Stock**	**Common Stock**
Issued as of January 1	30,696,876,188	30,696,876,188
From capital increase	-	-
Shares canceled	-	-
Total at end of period	**30,696,876,188**	**30,696,876,188**

Note 28 Equity and Reserves (continued)

(d) Treasury Shares

The Company had no treasury stock as of March 31, 2017 and December 31, 2016.

(e) Share Issuance Costs

At the extraordinary shareholders' meeting held on April 20, 2016, the shareholders agreed to deduct share issuance and placement costs of ThUS$2,683, recorded until that date in other miscellaneous reserves within equity, from share capital. As a result, as of March 31, 2017 and December 31, 2016, other equity reserves contain no share issuance costs.

(f) Other Reserves

Other reserves are detailed as follows:

	As of March 31, 2017	As of December 31, 2016
	ThUS$	ThUS$
Translation adjustment reserve	(17,362)	(18,714)
Cash flow hedge reserve	244	2,393
Reserve for gains and losses on defined-benefit plans	2,607	1,510
Other Miscellaneous Reserves	5,747	5,749
Total reserves	**(8,764)**	**(9,062)**

Explanation of movements:

Translation adjustment reserve

The translation reserve includes all foreign exchange differences that arise from translating to the Group's functional currency the financial statements of Group companies with a different functional currency, based on the currency translation methodology defined in IAS 21. This applies to both the CSAV Group and the consolidated entities of its associates and joint ventures.

Note 28 Equity and Reserves (continued)

(f) Other Reserves (continued)

The balance and movement of the translation adjustment reserve are explained as follows:

	As of March 31, 2017	As of December 31, 2016
	ThUS$	ThUS$
Balance as of January 1	**(18,714)**	**(16,941)**
Subsidiaries and other investments	4	(271)
Share of loss of equity method associates and joint ventures (Note 15)	1,348	(1,502)
Closing balance	**(17,362)**	**(18,714)**

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. Movements during the period are explained by accounting hedges realized during the period and new hedges entered into.

The balance and movement of this reserve are explained below:

	As of March 31, 2017	As of December 31, 2016
	ThUS$	ThUS$
Balance as of January 1	**2,393**	**(340)**
Deferred taxes on hedges	94	(444)
Increase (decrease) from hedge derivatives	(393)	1,798
Share of loss of equity method associates and joint ventures (Note 15)	(1,850)	1,379
Closing balance	**244**	**2,393**

Note 28 Equity and Reserves (continued)

(g) Other Reserves (continued)

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 provisions for defined-benefit plans.

The balance and movement of this reserve are explained below:

	As of March 31, 2017	As of December 31, 2016
	ThUS$	ThUS$
Balance as of January 1	**1,510**	**15,210**
Share of loss of equity method associates and joint ventures (Note 15)	1,097	(13,700)
Closing balance	**2,607**	**1,510**

Other Miscellaneous Reserves

The balance and movement of other miscellaneous reserves are explained as follows:

	As of March 31, 2017	As of December 31, 2016
	ThUS$	ThUS$
Balance as of January 1	**5,749**	**2,974**
Share issuance costs	-	2,683
Share of loss of equity method associates and joint ventures (Note 15)	-	41
Other movements in reserves	(2)	51
Closing balance	**5,747**	**5,749**

(h) Dividends and Retained Earnings (Accumulated Losses)

CSAV's dividend policy, which is summarized in Note 3.23 to these interim consolidated financial statements, establishes that profits are to be distributed in accordance with instructions in SVS Ruling 1945, which is detailed as follows: As of March 31, 2017 and December 31, 2016, the Company has not recorded provisions for the minimum mandatory dividend because it has accumulated financial losses.

Note 28 Equity and Reserves (continued)

(g) Dividends and Retained Earnings (Accumulated Losses) (continued)

Distributable net profits are determined on the basis of "profit attributable to owners of the Company" presented in the consolidated income statement for each reporting period. This profit shall be adjusted, if necessary, to reflect all gains resulting from variations in the fair value of certain assets and liabilities that have not been realized as of period end. Thus, these gains will be incorporated into the determination of distributable net profits in the year in which they are 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. For the purpose of determining the balance of distributable retained earnings or accumulated losses, separate records are kept for these first-time adoption adjustments and they are not considered in determining that balance.

The following table details how distributable net profits as of March 31, 2017 and December 31, 2016, are determined:

	As of March 31, 2017	As of December 31, 2016
	ThUS$	ThUS$
Initial distributable profit	(1,324,066)	(1,300,749)
Net income (loss) attributable to owners of the controller	(22,068)	(23,317)
Distributable net profit	**(1,346,134)**	**(1,324,066)**
Retained earnings (accumulated losses)	**(1,205,650)**	**(1,183,582)**

Note 29 Revenue, Cost of Sales and Administrative Expenses

Revenue and cost of sales are detailed in the following table:

	For the three months ended March 31, 2017	Restated 2016
Revenue	**ThUS$**	**ThUS$**
Revenue from transport services	25,898	27,216
Other income	105	307
Total operating income	**26,003**	**27,523**
Cost of sales		
Cargo, intermodal and other related costs	(5,374)	(5,968)
Vessel charter, port, canal and other related expenses	(12,574)	(22,263)
Fuel expenses	(4,996)	(4,534)
Other costs	(424)	(535)
Total cost of sales	**(23,368)**	**(33,300)**

As indicated in Note 3.17, since the implementation of IFRS, revenue and cost of sales for maritime services in-transit are recognized in the income statement based on the degree of completion.

For voyages in transit not included in the provision for onerous contracts, income is recognized only to the extent that the related costs (incurred) can be recovered, and as a result the Company recognizes income and expenses for the same amount, taking a position with a neutral effect on its margin until the voyage is completed.

These changes implied recognizing income and expenses for an amount of ThUS$1,768 for the period ended March 31, 2017, and income and expenses for an amount of ThUS$2,834 for the period ended March 31, 2016, which form part of revenues and cost of sales, as indicated above.

Should the Company determine that a voyage or committed contract will produce a loss, it shall be provisioned in cost of sales (onerous contract as described in Note 24) without recording its income and expenses separately.

Note 29 Revenues, Cost of Sales and Administrative Expenses (continued)

Administrative expenses are detailed in the following table:

	For the three months ended March 31, 2017	Restated 2016
Administrative expenses	**ThUS$**	**ThUS$**
Personnel payroll expenses	(1,553)	(1,668)
Advisory and other services	(665)	(526)
Communications and reporting expenses	(109)	(80)
Depreciation and amortization	(64)	(67)
Other	(915)	(1,015)
Total administrative expenses	**(3,306)**	**(3,356)**

As described in Note 6 (Segment Reporting) to this report, consolidated administrative expenses have been separated for the purposes of controlling and measuring the performance of each CSAV business segment. During the period ended March 31, 2017, total administrative expenses were ThUS$3,306—the container shipping business segment represents ThUS$795 and the other transport services business segment (vehicle transport and others) represents expenses of ThUS$2,511—accounting for 24% and 76% of total administrative expenses, respectively.

Note 30 Other Expenses and Other Gains (Losses)

(a) Other Expenses

The Company had no expenses classified under the heading "other expenses" for the period ended March 31, 2017 and 2016.

(b) Other gains

For the period ended March 31, 2017, this account includes:

(i) Gain of ThUS$17 from other income and amounts recovered during the period.

For the period ended March 31, 2016, this account includes:

(i) Gain of ThUS$17 from other income and expenses related to other operating activities during the period.

Note 31 Finance Income and Costs

Finance income and costs are detailed as follows:

	For the three months ended March 31,	
	2017	Restated 2016
Finance income	**ThUS$**	**ThUS$**
Interest income from time deposits	158	29
Other finance income	-	4
Total finance income	**158**	**33**
Finance costs		
Interest expense on financial liabilities	(1,056)	(365)
Interest expense on other financial instruments	-	(233)
Other finance expenses	(72)	(98)
Total finance costs	**(1,128)**	**(696)**

Note 32 Exchange Differences

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 profit or loss for the period according to the following table:

	For the three months ended March 31, 2017	Restated 2016
	ThUS$	ThUS$
Cash and cash equivalents	49	(5)
Trade and other receivables, Net	88	555
Receivables from related parties	-	21
Current tax receivables	9	15
Other assets	14	(8)
Other financial assets	-	8
Total assets	**160**	**586**
Provisions	(5)	(279)
Trade and other payables	(54)	(191)
Payables to related parties	(113)	(240)
Provisions	-	-
Tax payables	-	-
Other liabilities	(33)	-
Post-employment benefits obligation	-	-
Total liabilities	**(205)**	**(710)**
Total exchange differences	**(45)**	**(124)**

Note 33 Foreign Currency

Current assets		As of March 31, 2017	As of December 31, 2016
	Currency	**ThUS$**	**ThUS$**
Cash and cash equivalents	Ch$	519	413
	US$	50,388	53,534
	EUR	370	84
	BRL	8	33
	OTHER	501	544
Other financial assets	US$	411	804
Other non-financial assets	Ch$	76	76
	US$	1,580	1,143
	BRL	-	-
	OTHER	155	125
Trade and other receivables	Ch$	1,022	1,297
	US$	18,188	18,530
	EUR	183	292
	BRL	176	223
	OTHER	499	457
Receivables from related parties	Ch$	-	-
	US$	49	50
Inventories	Ch$	73	72
	US$	3,028	4,178
Current tax assets	Ch$	82	316
	US$	1,460	1,589
	OTHER	443	409
Total current assets	Ch$	1,772	2,174
	US$	75,104	79,828
	EUR	553	376
	BRL	184	256
	OTHER	1,598	1,535
	Total	**79,211**	**84,169**

Note 33 Foreign Currency (continued)

Non-Current Assets	Currency	As of March 31, 2017 ThUS$	As of December 31, 2016 ThUS$
Other financial assets	US$	66	63
Other non-financial assets	US$	1	-
	EUR	-	1
	OTHER	6	8
Equity method investments	US$	1,756,831	1,771,634
	EUR	103	103
Intangible assets other than goodwill	BRL	82	82
	US$	-	-
	OTHER	3	3
Goodwill	US$	17	17
Property, plant and equipment	Ch$	-	-
	US$	2,799	2,810
	BRL	20	21
	OTHER	62	61
Investment property	US$	16,165	16,211
Deferred tax assets	US$	286,863	292,326
	OTHER	650	650
Total non-current assets	Ch$	-	-
	US$	2,062,742	2,083,061
	EUR	103	104
	BRL	102	103
	OTHER	721	722
	Total	**2,063,668**	**2,083,990**
TOTAL ASSETS	Ch$	1,772	2,174
	US$	2,137,846	2,162,889
	EUR	656	480
	BRL	286	359
	OTHER	2,319	2,257
	Total	**2,142,879**	**2,168,159**

Note 33 Foreign Currency (continued)

Current Liabilities		As of March 31, 2017			As of December 31, 2016		
		90 Days	90 Days to 1 Year	Total	90 Days	90 Days to 1 Year	Total
	Currency	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Other financial liabilities	US$	-	739	739	-	530	530
Trade and other payables	Ch$	1,328	-	1,328	2,609	-	2,609
	US$	16,209	-	16,209	10,403	-	10,403
	EUR	1,251	-	1,251	2,048	-	2,048
	BRL	967	-	967	1,729	-	1,729
	OTHER	978	-	978	293	-	293
Payables to related parties	Ch$	750	-	750	912	-	912
	US$	718	-	718	810	-	810
	BRL	-	-	-	-	-	-
	OTHER	1	-	1	179	-	179
Other provisions	Ch$	186	-	186	184	-	184
	US$	28,102	-	28,102	30,833	-	30,833
	EUR	-		-	-	-	-
	OTHER	48	-	48	76	-	76
Current tax liabilities	US$	1	-	1	1	-	1
	OTHER	4	-	4	50	-	50
Employee benefits provisions	Ch$	189	-	189	1,631	-	1,631
	US$	49	-	49	51	-	51
	OTHER	19	-	19	11	-	11
Other non-financial liabilities	US$	1,590	-	1,590	2,993	-	2,993
Total current liabilities	Ch$	2,453	-	2,453	5,336	-	5,336
	US$	46,669	739	47,408	45,091	530	45,621
	EUR	1,251	-	1,251	2,048	-	2,048
	BRL	967	-	967	1,729	-	1,729
	OTHER	1,050	-	1,050	609	-	609
	Total	**52,390**	**739**	**53,129**	**54,813**	**530**	**55,343**

Note 33 Foreign Currency (continued)

Non-Current Liabilities		As of March 31, 2017				As of December 31, 2016			
		1 to 3 Years	3 to 5 Years	5 to 10 Years	Total	1 to 3 Years	3 to 5 Years	5 to 10 Years	Total
	Currency	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**
Other financial liabilities	US$	4,931	19,723	69,025	93,679	9,854	19,709	64,044	93,607
Trade and other payables	US$	1,245	-	-	1,245	2,500	-	-	2,500
Payables to related parties	US$	-	-	-	-	-	-	-	-
Other provisions	US$	9,448	-	-	9,448	9,448	-	-	9,448
Deferred tax liabilities	US$	503	-	-	503	616	-	-	616
Other non-financial liabilities	US$	181	-	-	181	181	-	-	181
Total non-current liabilities	US$	16,308	19,723	69,025	105,056	22,599	19,709	64,044	106,352
	Total	**16,308**	**19,723**	**69,025**	**105,056**	**22,599**	**19,709**	**64,044**	**106,352**
TOTAL LIABILITIES	Ch$				2,453				5,336
	US$				152,464				151,973
	EUR				1,251				2,048
	BRL				967				1,729
	OTHER				1,050				609
	Total				**158,185**				**161,695**

Note 34 Earnings (Loss) per Share

Earnings (loss) per share as of March 31, 2017 and 2016, are determined as follows:

	For the three months ended March 31, 2017	For the three months ended March 31, Restated 2016
Loss attributable to owners of the company	(22,068)	(27,553)
Profit from discontinued operations attributable to owners of the company	-	333
Loss attributable to owners of the company	**(22,068)**	**(27,220)**
Weighted average number of shares	30,696,876,188	30,358,617,220
Loss per share for continuing operations US$	(0.0007)	(0.0009)
Loss per share for discontinued operations US$	-	0.0000
Loss per share US$	**(0.0007)**	**(0.0009)**

Number of Subscribed and Paid Shares	For the three months ended March 31, 2017	For the three months ended March 31, 2016
Issued as of January 1	30,696,876,188	30,696,876,188
From capital increase	-	-
Shares canceled	-	-
Issued as of period end	**30,696,876,188**	**30,696,876,188**
Weighted average number of shares	30,696,876,188	30,358,617,220

Note 35 Discontinued Operations

As described in Note 2 b) of this report, since the Company had a disposal plan for its liquid bulk cargo business unit as of September 30, 2016, which was part of the other transport services segment defined in Note 6, and because that plan: (i) had been approved by the Board and Management, (ii) was underway at that time, and (iii) had a high likelihood of success; the Company decided to classify that business unit in the interim consolidated financial statements as of September 30, 2016, as held for sale and discontinued operations. This was done in accordance with IFRS 5.

As described before, the activities and transactions of the liquid bulk cargo business unit are considered discontinued operations from that date and are presented separately in the consolidated statement of income. The discontinued unit's results and net cash flows from operating, investing and financing activities are detailed separately in this note.

On October 19, 2016, CSAV disposed of that business unit by selling all shares of Odfjell y Vapores S.A., OV Bermuda Ltd. and Odfjell & Vapores Ltd. (Bermuda) directly and indirectly held by CSAV to its partner, Odfjell Tankers. As a result of that transaction, those companies are now wholly owned subsidiaries of the buyer. This information was disclosed in the interim consolidated financial statements as of September 30, 2016, in Note 40 on events after the reporting period. As a result, as of March 31, 2017, CSAV does not have any assets or liabilities related to the liquid bulk business unit and the current consolidated statement of financial position does not contain any assets or liabilities classified as held for sale.

Section a) of this note details the results of discontinued operations while section b) details net cash flows in comparison to the prior year. In accordance with IFRS 5, and for comparison purposes, certain restatements have been made to the consolidated statement of income for the period ended March 31, 2016, and its related notes.

Note 35 Discontinued Operations (continued)

(a) Statement of Income from Discontinued Operations

Statement of Income	For the three months ended March 31, 2016
Profit (loss) for the period	**ThUS$**
Revenue	4,621
Cost of sales	(3,758)
Gross profit	**863**
Administrative expenses	(71)
Net operating loss	**792**
Finance costs	(54)
Exchange differences	39
Loss before tax	**777**
Income tax expense	(119)
Profit (loss) for the period	**658**

(b) Statement of Cash Flows

Statement of Cash Flows	For the three months ended March 31, 2016
	ThUS$
Net cash flows provided by operating activities	429
Net cash flows provided by investing activities	-
Net cash flows used in financing activities	(36)
Increase in cash and cash equivalents before effect of exchange rate changes	**393**
Effect of exchange rate changes on cash and cash equivalents	7
Increase in cash and cash equivalents	**400**

Note 36 Contingencies and Commitments

(a) Guarantees Granted

(i) Bank guarantees: The Company and its subsidiaries have not granted any bank guarantees as of March 31, 2017.

(ii) Guarantee notes: There are minor guarantees, mainly associated with rental of premises in subsidiaries, whose disclosure is not necessary for the interpretation of these financial statements.

(b) Other Legal Contingencies

The Company is a defendant in certain lawsuits and arbitration claims relating to cargo transport, mainly seeking compensation for damages and losses. Most of these potential losses are covered by insurance policies. For the portion not covered by insurance, including the cost of the respective deductibles, the Company has recorded sufficient provisions to cover the estimated amount of likely contingencies. The amount of the respective provisions is presented in Note 24 of this report within legal claims.

In connection with investigation proceedings carried out as a result of infringements to free competition regulations within the car carrier business referenced in a material event filing dated September 14, 2012, as well as those currently in progress in other jurisdictions, in the first quarter of 2013 the Board of Directors decided to provision ThUS$40,000 to cover any amounts that the Company may eventually have to pay in the future as a result of these proceedings, based on car carrier business volumes covering multiple routes that it has operated worldwide. The amount provisioned is a reasonable estimate of these disbursements that has been used as payments have been recorded based on the procedures and agreements detailed in numbers 1 to 5 of the following paragraphs. To date, the original provision is considered a reasonable estimate of the overall cost of these proceedings. The Company does not currently have sufficient background information to predict the termination date of these proceedings, with the exception of the investigations conducted by the following authorities, whose status is explained below:

1. On February 27, 2014, CSAV signed a plea agreement with the United States Department of Justice (hereinafter DOJ) as part of the aforementioned investigation, by virtue of which CSAV agreed to pay a fine of ThUS$8,900, which is covered by the aforementioned provision. The first three payments totaling ThUS$6,750, not including legal expenses, were made in May 2014, 2015 and 2016. A fine imposed by the United States Federal Maritime Commission (hereinafter FMC) of ThUS$625 was paid during 2014. These amounts have been properly deducted from the provision recorded in 2013. The final payment to the DOJ of ThUS$2,150 will be made in May 2017, thus completing the full ThUS$8,900 mentioned previously.

Note 36 Contingencies and Restrictions (continued)

(b) Other Legal Contingencies (continued)

In addition, based on investigations by the DOJ, some end buyers, car distributors and freight forwarders or direct contract holders 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 former agency in New Jersey, for damages and losses suffered directly by contracting freight services or indirectly by buying imported cars in the United States. These class action suits were consolidated in the District Court of New Jersey. However, in late August 2015 the court ruled that they should be decided by the FMC, based on a motion filed by the Company. As of December 31, 2016, there are pending appeals against this ruling. In parallel, these class action suits have been re-initiated at the FMC, which has suspended processing until the appeals filed in the ordinary courts have been resolved. The US Shipping Act of 1984 and the FMC's regulations do not provide for resolving class actions and in the past the FMC has rejected these cases when it has deemed that they do not fall within its administrative functions. Therefore, and given the fact that these lawsuits are in their initial stages, it is not yet possible to estimate whether it will have any economic impact on the Company beyond the provisions recorded.

2. On January 27, 2015, the Chilean National Economic Prosecutor's Office (FNE) issued a summons against several shipping companies, including CSAV, for violating letter a) of article 3 of Decree Law 211 of 1973, regarding the Defense of Free Competition (“DL 211”), in the car carrier business (the “Summons”). As indicated in the Summons and set forth in article 39 bis of DL 211, because the Company is cooperating with the FNE's investigation, it is exempt from fines relating to the practices referred to in the Summons and, therefore, these proceedings have no financial impact on CSAV's results. The Summons is being processed by Chile's Antitrust Court.

3. On November 25, 2015, Brazil's Court of the Administrative Council for Economic Defense (CADE) approved a suspension agreement (*compromisso de cessação*) previously agreed between the Company and the General Superintendent of CADE, which bound the Company to pay a fine of approximately ThUS$1,822, which was covered by the provision referred to above.

Note 36 Contingencies and Restrictions (continued)

(b) Other Legal Contingencies (continued)

4. On December 9, 2015, the South African Competition Tribunal approved a consent agreement between CSAV and the South African Competition Commission, which commits the Company to pay a fine equivalent to approximately ThUS$566, which was also covered by the provision referred to above.

5. The Company actively collaborated with an investigation initiated in China in June 2015. As a result, on December 15, 2015, the Prices and Antimonopoly Supervising Office of the National Commission for Development and Reforms of the Republic of China (NDRC) fined CSAV approximately ThUS$475, out of total fines of approximately ThUS$62,860 applied to eight international shipping companies. This fine of ThUS$475 is also covered by the provision referenced above.

The fines referenced in 3, 4 and 5 above have been paid in full and were consequently deducted from the respective provision recorded in 2013. As a result, to date they are not part of the current provisions for legal claims.

As of December 31, 2016, claims have been filed against CSAV related to its container shipping business prior to the merger with HLAG. In accordance with the merger agreement between CSAV and HLAG, HLAG is now legally and financially liable for all legal contingencies related to the operations of the container shipping business, including legal expenses and possible disbursements, even when CSAV is party to the claim. This is the case with the administrative proceedings initiated by the Peruvian National Institute in Defense of Competition and Protection of Intellectual Property (INDECOPI) against several shipping companies, including CSAV, for participating in liner conferences, particularly the Asia West Coast South America Agreement (AWCSA) even though Peru ratified the United Nations' "Convention of a Code of Conduct for Liner Conferences."

The Company has established provisions for other contingencies not related to this business where it believes disbursements to be reasonably likely. The case against the "NYSA-ILA" Pension Fund (hereinafter the "Fund") reported in prior reports, was successfully resolved in CSAV's favor during the first half of 2016. As a result, the Fund refunded provisional payments made by the Company up to the date of the agreement. The Fund, which covers the longshoremen at the ports of New York and New Jersey (USA), and to which the Company contributed because of its container shipping business that is currently operated by HLAG, filed a claim against CSAV for an alleged withdrawal liability of approximately ThUS$12,000. The Company promptly challenged and successfully resolved the claim. The financial effects of the resolution are detailed in Note 24 to these interim consolidated financial statements.

Note 36 Contingencies and Restrictions (continued)

(c) Operating Restrictions

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

(i) Loan with Banco Itaú Chile for ThUS$45,000: a) Maintain consolidated leverage with a ratio of total liabilities to total equity no greater than 1.3; b) Maintain unencumbered assets for 130% of consolidated financial liabilities. c) Quiñenco S.A. shall be the controller of the Company or shall hold at least 37.4% of its subscribed and paid capital. d) Maintain total minimum consolidated assets of ThUS$1,730,325.

(ii) Bearer bonds for ThUS$50,000, series B, SVS securities registration No. 839: a) Maintain consolidated leverage with a ratio of total liabilities to total equity no greater than 1.3; b) Maintain unencumbered assets for 130% of consolidated financial liabilities. c) Maintain total minimum consolidated assets of ThUS$1,730,000.

Additionally, the loan and bond agreements oblige the Company to comply with certain positive restrictions, such as complying with the law, duly paying taxes, maintaining insurance, and other similar matters, and also to obey certain negative restrictions, such as not furnishing chattel mortgages, except those authorized by the respective instrument, not undergoing corporate mergers, except those authorized, or not selling PPE, among other similar obligations.

(d) Mortgages for Financial Commitments.

As of March 31, 2017 and December 31, 2016, the Company has not mortgaged any of its assets to guarantee its financial obligations.

Note 37 Operating Lease Commitments

As of March 31, 2017, the Company charters, under an operating lease system, 9 vessels (7 as of December 2016) and has no lease commitments for containers or other maritime shipping equipment.

CSAV's charter term for vessels normally varies between one month and two years. The majority of the charter rates are fixed.

The cost of staffing and operating a vessel, known as its running cost, varies between US$ 7,000 and US$ 9,000 per day and can be contracted in conjunction with the chartered vessel (“time charter”) or separately from the chartered vessel (“bareboat charter”). This note contains the total cost of commitments regarding chartered vessels. Therefore, time charter commitments include their running costs, as these are an integral part of the Company's obligations.

The following table presents the future minimum non-cancelable payments at nominal value for vessel charters as of March 31, 2017:

As of March 31, 2017	Total Commitments	Total Revenue	Total Net
	ThUS$	ThUS$	ThUS$
Less than one year	20,278	-	20,278
One to three years	-	-	-
Total	**20,278**	**-**	**20,278**

As of December 31, 2016	Total Commitments	Total Revenue	Total Net
	ThUS$	ThUS$	ThUS$
Less than one year	23,671	-	23,671
One to three years	3,116	-	3,116
Total	**26,787**	**-**	**26,787**

In the table above, vessel costs exclude all charter expenses that have already been provisioned as of the date of these financial statements as onerous contracts. If vessels have been chartered or sub-chartered to third parties, these future minimum non-cancelable receipts are offset against charter commitments.

Note 38 Environmental Issues

Due to the nature of its services, the Company has not incurred any material 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 39 Sanctions

During the three months ended March 31, 2017, and the year ended December 31, 2016, neither the Company nor its subsidiaries, directors and managers have been sanctioned by the SVS. The Company and its subsidiaries have also not received any significant sanctions from any other regulatory bodies or jurisdictions, other than those included in Note 36 to these interim consolidated financial statements.

Note 40 Events after the Reporting Period

Between the closing date and issuance of these consolidated financial statements, the following relevant events occurred and the Company has decided to present them as subsequent events:

(a) Beginning of INDECOPI Sanctioning Proceedings in Peru

As part of the international investigations on collusion in the car carrier business conducted by authorities from the United States, Chile and other jurisdictions since September 2012, the Peruvian National Institute for the Defense of Competition and the Protection of Intellectual Property (INDECOPI) has decided to initiate sanctioning proceedings against six shipping companies for alleged anti-competitive practices in the international rolling stock shipping market with effects in Peruvian territory. This occurred after CSAV agreed to provide information under the Peruvian leniency system.

The Company's decision to use this mechanism in Peru mirrors its collaboration in other jurisdictions, where it has reached agreements with authorities and closed the respective case.

CSAV emphatically opposes any practices that violate the current laws in any jurisdiction in which it does business and has strict protocols to ensure compliance. Therefore, when the Company received information requests from the United States and Canada in September 2012 regarding possible agreements between shipping companies in the car carrier business between 2000 and September 2012, it proceeded to, as authorized by the Board, fully collaborate with the investigations underway in the different jurisdictions where CSAV provided car carrier services. It also implemented prompt and effective measures to cease any involvement in the conducts under investigation.

Note 40 Events after the Reporting Period (continued)

(a) Beginning of INDECOPI Sanctioning Proceedings in Peru (continued)

As a result, CSAV intensified measures to ensure compliance with antitrust regulations, and reinforced internal control processes and training of sales, operations and management personnel throughout the world. It also created a "Compliance Officer" position. This person is charged with ensuring that the Company's operations strictly adhere to antitrust laws.

As indicated at the beginning of this section, in this case CSAV agreed to provide information under the Peruvian leniency system, which releases it from fines for conducts referenced in the sanctioning proceedings in exchange for cooperating with the investigation and, therefore, this process will have no financial impact on CSAV's results.

(b) Closing of Merger between Hapag-Lloyd and UASC

As reported as a material event on May 24, 2017, on that same date in the City of Hamburg, the merger was closed between the German shipping company Hapag Lloyd AG ("HLAG"), a joint venture of which CSAV is the largest shareholder, and United Arab Shipping Company Limited ("UASC"), a shipping company based in the Persian Gulf that is also primarily engaged in container shipping. The respective merger agreement, known as the Business Combination Agreement ("BCA"), was reported as a material event on July 18, 2016. Closing of the merger was subject to regulatory approval from the corresponding antitrust authorities and consent from both shipping companies' creditors, as well as fulfillment of other conditions precedent that are customary in this type of agreement, including a corporate restructuring of UASC and its businesses, all of which have been fulfilled to the parties' satisfaction on this date.

As a result, the combined entity HLAG became the fifth largest container shipping company in the world with total transport capacity of 1.6 million TEUs and annual volumes of around 10 million TEUs. HLAG expects this merger to generate annual synergies of US$435 million, which will be offset by the non-recurring costs from the merger and subsequent integration of both companies during the second half of 2017. However, a significant portion of these synergies will be realized in 2018 and the full amount will be reached in 2019.

HLAG's combined fleet (post-merger) includes 230 container ships. It is considered one of the industry's most modern and most efficient fleets with an average vessel age of only 7.2 years and an average size of around 6,840 TEUs, which has almost 30% more capacity than the average of the industry's 15 largest shipping lines (5,280 TEUs). The combined fleet's new profile is the foundation for a very large portion of its estimated synergies, which are based on optimizing the new configuration of the combined entity's vessels and services, harnessing cost advantages for mobilized space and more efficiently using the new fleet.

Note 40 Events after the Reporting Period (continued)

(b) Closing of Merger between Hapag-Lloyd and UASC (continued)

As a result of closing the merger, HLAG has acquired 100% of the shares of UASC and UASC's former controllers (Qatar Holding LLC, owned by the State of Qatar ("QH"), and the Public Investment Fund, on behalf of the Kingdom of Saudi Arabia ("PIF")), have acquired 14.4% and 10.1%, respectively, of the shares of HLAG, while the remaining minority shareholders of UASC now hold 3.5% of the shares.

Thus, as of merger closing and prior to the capital increase described below, HLAG's shareholder structure is as follows: CSAV, through its German subsidiary CSAV Germany Container Holding GmbH ("CSAV Germany"), is the largest shareholder and owner of 22.6% of HLAG; the City of Hamburg, through its holding company HGV Hamburger Gesellschaft für Vermögens- und Beteiligungsmanagement mbH ("HGV"), holds 14.9%; German businessman Klaus Michael Kühne, through Kühne Maritime GmbH ("KM") and associate owns 14.6%; QH, 14.4%; PIF, 10.1%; TUI-Hapag Beteiligungs GmbH, 8.9%; and the remaining minority shareholders and stock market investors (free float), represent around 14.5%.

Despite having diluted their respective interests, CSAV, HGV and KM have adjusted their shareholder agreement in order to retain common control over HLAG, and have committed to exercise the voting rights of all their shares by mutual agreement, equivalent to approximately 51.5% of the shares issued by HLAG. Notwithstanding, they have eliminated all restrictions on the transfer of shares contained in the original agreement, except for the right of first refusal under certain circumstances.

Now that the merger is complete, HLAG will carry out a capital increase for the euro-equivalent of US$400 million in order to strengthen its financial position. This will take place through a rights issue on the German exchange over the next six months where all shareholders will have preferential subscription rights. This capital increase must be approved by HLAG's shareholders at their annual general meeting (AGM), to be held in Hamburg on May 29, 2017. Regarding this capital increase, CSAV Germany, HGV and KM had already made the necessary agreements for CSAV Germany to have a total interest in HLAG of at least 25%, which will allow CSAV to maintain decisive influence in certain key matters related to HLAG such as capital increases, mergers, spin-offs and other amendments to HLAG's bylaws, all of which require 75% approval.

Looking forward to HLAG's next capital increase, last March 30, 2017, CSAV's shareholders approved a capital increase of US$260 million to be carried out by issuing 9,500 million shares. This figure can be modified slightly to ensure that CSAV raises sufficient funds to subscribe and acquire enough shares to give it a 25% interest in HLAG.

Note 40 Events after the Reporting Period (continued)

(b) Closing of Merger between Hapag-Lloyd and UASC (continued)

Finally, the Company reports that, despite the merger's positive economic impact because of the expected US$435 million in annual synergies, the HLAG-UASC merger will generate a dilution loss for CSAV since its shareholding in HLAG will decrease from 31.4% to 25% (after temporarily holding 22.6% and then subscribing additional shares of HLAG). This loss cannot be reasonably quantified at this time since the information needed to perform the calculation will depend on HLAG's accounting records for the transaction, which will be available once HLAG publishes its interim consolidated financial statements as of June 30, 2017, currently scheduled for August 10, 2017.

This dilution loss will arise because IFRS 3 requires the terms of exchange of the business combination to be reflected at fair value in accordance with IFRS 13. In the case of HLAG's shares, which represent the 28% interest given to UASC's shareholders, since HLAG trades on the Frankfurt exchange, fair value is the market value of HLAG's stock (valuation level 1 according to IFRS 13). For UASC's valuation, the fair value of that company's assets and liabilities must be calculated without considering the effect of any synergies to be obtained from the merger. This fair value must be calculated using a purchase price allocation report (PPA), which is not yet available. Because the value of the net identifiable assets of that PPA will be less than the accounting value at which CSAV records its investment in HLAG, disclosed in Note 15 of this report, the aforementioned dilution would generate an accounting loss.

It is important to mention that the dilution loss will be calculated based on the net dilution for CSAV considering the HLAG shares that CSAV will subscribe in its next capital increase to increase its interest from 22.6% to 25%, since that subscription is also committed to in the same BCA, as part of the business combination that gives rise to the dilution in CSAV's interest in HLAG.