

AGROSUPER S.A. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
(Figures expressed in thousands of Chilean pesos - ThCh\$)

For the years ending December 31, 2016 and 2015





INDEPENDENT AUDITOR'S REPORT
(Free translation from the original in Spanish)

Santiago, March 8, 2017

To the Shareholders and Directors
Agrosuper S.A.

We have audited the accompanying consolidated financial statements of Agrosuper S.A. and its subsidiaries, which comprise the consolidated statement of financial position as at December 31, 2016 and 2015 and consolidated the statements of net income, comprehensive income, changes in equity and cash flows for the year then ended and the related notes, to the consolidated financial statements.

Management's responsibility for the financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Generally Accepted Auditing Standards in Chile. Those standards require that we plan and perform the audit to obtain reasonable assurance that the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant for the preparation and fair presentation of the entity's consolidated financial statements with the aim of designing auditing procedures appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express such an opinion. An audit also includes evaluating the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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



Santiago, March 8, 2017
Agrosuper S.A.
2

Opinion

In our opinion, based on our audits and on the reports of the auditors, the consolidated financial statements referred to above present fairly, in all material aspects, the financial position of Agrosuper S.A. and subsidiaries as of December 31, 2016, and 2015, and the results of its operations and cash flows for the year then ended in accordance with International Financial Reporting Standards.

A handwritten signature in blue ink, appearing to read "Guido Licci P.", enclosed within a blue rectangular box. The signature is stylized and somewhat abstract.

Guido Licci P.

A handwritten signature in blue ink that reads "Price water house coopers". The signature is written in a cursive, flowing style.

AGROSUPER S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2016 AND DECEMBER 31, 2015
(In thousands of Chilean pesos - ThCh\$)

ASSETS	Note N°	12.31.2016 ThCh\$	12.31.2015 ThCh\$
CURRENT ASSETS:			
Cash and cash equivalents	7	134,202,537	58,913,497
Other current financial assets	8	3,554,795	8,482,013
Other current non-financial assets	9	13,275,009	21,127,235
Trade and other receivables, current	10	177,590,400	169,574,054
Accounts receivable from related companies, current	11	242,287	-
Inventories, current	12	166,204,873	218,254,271
Current biological assets	13	221,354,198	233,350,525
Current tax assets	14	26,322,690	18,953,932
TOTAL CURRENT ASSETS		742,746,789	728,655,527
NON-CURRENT ASSETS:			
Other non-current financial assets	8	1,837,370	150,422
Non-current receivables	10	5,445,252	4,081,892
Investments accounted for using the equity method	16	16,162,446	17,065,071
Intangible assets other than goodwill	17	23,120,174	25,260,997
Goodwill	18	30,134,750	30,134,750
Property, plant and equipment	19	661,850,678	628,362,308
Non-current biological assets	13	13,793,856	10,438,771
Non-current tax assets	14	14,444,090	18,234,221
Deferred tax assets	20	53,931,306	61,656,275
TOTAL NON-CURRENT ASSETS		820,719,922	795,384,707
TOTAL ASSETS		1,563,466,711	1,524,040,234

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



AGROSUPER S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2016 AND DECEMBER 31, 2015
(In thousands of Chilean pesos - ThCh\$)

	Note N°	12.31.2016 ThCh\$	12.31.2015 ThCh\$
LIABILITIES AND EQUITY			
CURRENT LIABILITIES:			
Other current financial liabilities	21	51,719,918	122,599,679
Trade and other payables	23	121,421,619	126,318,879
Accounts payable to related companies, current	11	51,625,365	34,725,225
Other short term provisions	24	7,815,671	3,781,369
Employee benefit provisions, current	24	15,735,324	14,504,618
Current tax liabilities	14	2,279,184	13,656,326
TOTAL CURRENT LIABILITIES		250,597,081	315,586,096
NON-CURRENT LIABILITIES:			
Other non-current financial liabilities	21	122,374,930	169,597,430
Non-current payables	23	1,556,342	2,169,058
Deferred tax payable	20	120,843,218	121,893,592
Employee benefit provisions, current	24	4,299,282	2,711,939
TOTAL NON-CURRENT LIABILITIES		249,073,772	296,372,019
TOTAL LIABILITIES		499,670,853	611,958,115
EQUITY			
Share capital	25	683,412,291	683,412,291
Retained earnings	25	408,391,916	254,394,338
Other reserves	25	(28,752,562)	(26,457,387)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY		1,063,051,645	911,349,242
NON-CONTROLLING INTERESTS	26	744,213	732,877
TOTAL EQUITY		1,063,795,858	912,082,119
TOTAL EQUITY AND LIABILITIES		1,563,466,711	1,524,040,234

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



AGROSUPER S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015
(In thousands of Chilean pesos - ThCh\$)

Statement of Changes in Equity	Note	Share capital	Exchange differences on conversion reserve	Cash flow hedge reserve	Other miscellaneous reserves	Total other reserves	Retained earnings (accumulated losses)	Equity attributable to owners of the parent company	Non-controlling interest	Total equity
		ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Equity previously reported as of 12.31.2015	25-26	683,412,291	13,318,950	(3,049,550)	(36,726,787)	(26,457,387)	254,394,338	911,349,242	732,877	912,082,119
Equity increase (decrease) due to changes in accounting policy		-	-	-	-	-	-	-	-	-
Equity increase (decrease) due to error correction		-	-	-	-	-	-	-	-	-
Opening equity as of 01.01.2016		683,412,291	13,318,950	(3,049,550)	(36,726,787)	(26,457,387)	254,394,338	911,349,242	732,877	912,082,119
Changes in equity										
Comprehensive income										
Net income for the year		-	-	-	-	-	172,027,398	172,027,398	275,565	172,302,963
Other comprehensive income		-	(6,004,718)	3,631,616	-	(2,373,102)	-	(2,373,102)	(264,229)	(2,637,331)
Total comprehensive income	25-26	-	(6,004,718)	3,631,616	-	(2,373,102)	172,027,398	169,654,296	11,336	169,665,632
Shares issued		-	-	-	-	-	-	-	-	-
Reversal of provisional dividends for 2015 (a)		-	-	-	-	-	34,478,857	34,478,857	-	34,478,857
Provisional dividends for 2016		-	-	-	-	-	(51,608,219)	(51,608,219)	-	(51,608,219)
Equity increase (decrease) for other changes		-	-	-	77,927	77,927	(900,458)	(822,531)	-	(822,531)
Equity increase (decrease) for transactions with own shares		-	-	-	-	-	-	-	-	-
Increase (decrease) in equity		-	(6,004,718)	3,631,616	77,927	(2,295,175)	153,997,578	151,702,403	11,336	151,713,739
Closing equity as of 12.31.2016	25-26	683,412,291	7,314,232	582,066	(36,648,860)	(28,752,562)	408,391,916	1,063,051,645	744,213	1,063,795,858
Statement of Changes in Equity	Note	Share capital	Exchange differences on conversion reserve	Cash flow hedge reserve	Other miscellaneous reserves	Other reserves	Retained earnings (accumulated losses)	Equity attributable to owners of the parent company	Non-controlling interest	Total equity
		ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Equity previously reported as of 12.31.2014	25-26	683,412,291	(12,446,755)	(1,867,860)	(37,035,992)	(51,350,607)	217,446,894	849,508,578	543,173	850,051,751
Equity increase (decrease) due to changes in accounting policy		-	-	-	-	-	-	-	-	-
Equity increase (decrease) due to error correction		-	-	-	-	-	-	-	-	-
Opening equity as of 01.01.2015		683,412,291	(12,446,755)	(1,867,860)	(37,035,992)	(51,350,607)	217,446,894	849,508,578	543,173	850,051,751
Changes in equity										
Comprehensive income										
Net income for the year		-	-	-	-	-	114,929,523	114,929,523	375,556	115,305,079
Other comprehensive income		-	25,765,705	(1,181,690)	-	24,584,015	-	24,584,015	(185,852)	24,398,163
Total comprehensive income	25-26	-	25,765,705	(1,181,690)	-	24,584,015	114,929,523	139,513,538	189,704	139,703,242
Shares issued		-	-	-	-	-	-	-	-	-
Final dividends		-	-	-	-	-	(44,343,514)	(44,343,514)	-	(44,343,514)
Provisional dividends		-	-	-	-	-	(34,478,857)	(34,478,857)	-	(34,478,857)
Equity increase (decrease) for other changes		-	-	-	309,205	309,205	840,292	1,149,497	-	1,149,497
Increase (decrease) in equity		-	25,765,705	(1,181,690)	309,205	24,893,220	36,947,444	61,840,664	189,704	62,030,368
Closing equity as of 12.31.2015	25-26	683,412,291	13,318,950	(3,049,550)	(36,726,787)	(26,457,387)	254,394,338	911,349,242	732,877	912,082,119

(a) See note 25.3 page 85.

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

AGROSUPER S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF NET INCOME, BY FUNCTION FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

(In thousands of Chilean pesos - ThCh\$)

	Note N°	CUMULATIVE	
		01.01.2016	01.01.2015
		12.31.2016	12.31.2015
		ThCh\$	ThCh\$
Revenue	28	1,669,702,546	1,503,869,108
Cost of sales		(1,155,100,543)	(1,055,830,825)
GROSS INCOME		514,602,003	448,038,283
Other expenses by function		(9,425,839)	-
Distribution expenses		(232,837,486)	(216,718,891)
Administrative expenses		(30,470,320)	(30,398,856)
Other income (expense)	32	(11,060,478)	(36,946,629)
Financial income	31	1,336,044	1,605,540
Financial costs	31	(4,115,469)	(9,967,744)
Investments in associates accounted for using the equity method		(31,058)	(1,079,561)
Exchange differences		(3,090,601)	(4,309,683)
NET INCOME (LOSS) BEFORE TAX		224,906,796	150,222,459
Income tax expense	20	(52,603,833)	(34,917,380)
Net income from continuing operations		172,302,963	115,305,079
Net income from discontinued operations		-	-
NET INCOME FOR THE YEAR		172,302,963	115,305,079
NET INCOME (LOSS) ATTRIBUTABLE TO:			
Net income attributable to owners of the parent company		172,027,398	114,929,523
Net income attributable to non-controlling interests		275,565	375,556
NET INCOME FOR THE YEAR		172,302,963	115,305,079
BASIC EARNINGS (LOSS) PER SHARE - PARENT COMPANY			
Basic earnings (loss) per share on continuing operations (Ch\$/share)		10.2237	6.8304

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



AGROSUPER S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015
(In thousands of Chilean pesos - ThCh\$)

	CUMULATIVE	
	01.01.2016 12.31.2016	01.01.2015 12.31.2015
	ThCh\$	ThCh\$
Net income for the year	172,302,963	115,305,079
Exchange differences on conversion		
Gain (loss) from exchange differences on conversion of foreign companies (1)	(6,268,947)	25,579,853
Cash flow hedges		
Gain (loss) from cash flow hedges, before taxes (1)	4,778,442	(1,524,761)
TOTAL OTHER COMPREHENSIVE INCOME, BEFORE TAXES CASH FLOW HEDGES	(1,490,505)	24,055,092
INCOME TAX ON COMPONENTS OF OTHER COMPREHENSIVE INCOME		
Income tax on cash flow hedges in other comprehensive income (1) resultado integral	(1,146,826)	343,071
TOTAL INCOME TAX ON COMPONENTS OF OTHER COMPREHENSIVE INCOME	(1,146,826)	343,071
Other comprehensive income attributable to owners of the parent company	(2,373,102)	24,584,015
Other comprehensive income attributable to non-controlling interests	(264,229)	(185,852)
TOTAL OTHER COMPREHENSIVE INCOME	(2,637,331)	24,398,163
TOTAL COMPREHENSIVE INCOME	169,665,632	139,703,242
COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
Comprehensive income attributable to owners of the parent company (2)	169,654,296	139,513,538
Comprehensive income attributable to non-controlling interests	11,336	189,704
TOTAL COMPREHENSIVE INCOME	169,665,632	139,703,242

(1) These will be reclassified to the Consolidated Statement of Net Income By Function when settled.

(2) Income for the period if no other income or expenditure was recorded against equity.

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



AGROSUPER S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOW (DIRECT METHOD) FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

(In thousands of Chilean pesos - ThCh\$)

	01.01.2016	01.01.2015
	12.31.2016	12.31.2015
	ThCh\$	ThCh\$
Cash flows provided by (used in) operating activities		
Receipts from operating activities		
Receipts from sales of goods and services	1,734,576,385	1,627,316,990
Receipts from royalties, installments, commissions and other operating income	14,534,907	15,792,631
Other receipts from operating activities	10,870,688	45,072,782
Payments for operating activities		
Payments to suppliers for goods and services	(1,253,600,973)	(1,285,181,303)
Payments to and on behalf of employees	(181,559,674)	(187,838,912)
Other payments for operating activities	(7,656,011)	(23,857,660)
Dividends received	1,256	2,271
Income taxes refunded (paid)	(56,111,092)	(48,451,436)
Other cash inflows (outflows)	23,139,061	25,163,525
Net cash flows provided by (used in) operating activities	284,194,547	168,018,888
Cash flows provided by (used in) investing activities		
Loans to related companies	(2,520,718)	(1,600,632)
Receipts from sales of property, plant and equipment	7,546,283	1,302,291
Acquisitions of property, plant and equipment	(103,204,796)	(65,324,985)
Collections from related companies	2,567,253	1,581,987
Interest received	1,330,830	1,700,238
Other cash receipts and (payments)	6,835,721	(4,066,058)
Net cash flows provided by (used in) investing activities	(87,445,427)	(66,407,159)
Cash flow provided by (used in) financing activities		
Total receipts from loans	227,930,920	274,602,194
Loan repayments	(344,066,556)	(417,169,304)
Dividends paid	(905,338)	(44,309,870)
Interest paid	(4,419,106)	(9,957,385)
Net cash flows provided by (used in) financing activities	(121,460,080)	(196,834,365)
Net increase (decrease) in cash and cash equivalents	75,289,040	(95,222,636)
Cash and cash equivalents at beginning of the year	58,913,497	154,136,133
Cash and cash equivalents at the end of the year	134,202,537	58,913,497

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



AGROSUPER S.A. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2016 AND DECEMBER 31, 2015.

Contents	Page
1. General information	1
2. Business description	3
2.1 Historical review	3
2.2 Principal businesses	4
3. Presentation basis for the consolidated financial statements	6
3.1 Basis for the consolidated financial statements	6
3.2 Basis for the preparation and presentation of the financial statements	6
3.3 Changes in accounting policies	7
4. Principal accounting policies	8
4.1 Presentation of financial statements	8
4.2 Accounting period	8
4.3 Consolidation basis	8
4.4 Functional and presentation currency	10
4.5 Conversion basis	11
4.6 Trade and other receivables	11
4.7 Property, plant and equipment	12
4.8 Depreciation	12
4.9 Borrowing costs	13
4.10 Goodwill	13
4.11 Intangible assets other than goodwill	14
4.12 Investments in associates (affiliates)	15
4.13 Impairment of non-financial assets	15
4.14 Financial assets	16
4.15 Inventories	18
4.16 Biological assets	19
4.17 Financial liabilities	20
4.18 Derivative financial instruments	21
4.19 Financial and operating leases	22
4.20 Statement of cash flow	23
4.21 Provisions	23
4.22 Revenue (revenue recognition)	23
4.23 Current and deferred income taxes	23
4.24 Segment reporting	24
4.25 Earnings (losses) per share	24
4.26 Dividends	24
4.27 Environment	25
4.28 Non-current assets held for sale and discontinued operations	25
4.29 New IFRS and Interpretations issued by the IFRS Interpretations Committee (IFRIC)	25



5.	Financial risk management and definition of hedges	28
5.1	Interest rate risk	28
5.2	Exchange rate risk	29
5.3	Commodities risk	29
5.4	Liquidity risk	30
5.5	Credit risk	30
5.6	Risk measurement	31
6.	Management's judgments in applying the Company's accounting policies	32
6.1	Useful lives of assets	32
6.2	Asset impairment	32
6.3	Allowance for doubtful accounts receivable	32
6.4	Provision for employee benefits	32
6.5	The probability of occurrence and the value of uncertain or contingent liabilities	32
6.6	Fair value of biological assets	33
6.7	Net realizable value of inventories	33
6.8	Fair value of financial instruments	33
7.	Cash and cash equivalents	34
8.	Other current and non-current financial assets	35
9.	Other current non-financial assets	35
10.	Current and non-current trade and other receivables	36
11.	Balances and transactions with related companies	40
11.1	Balances and transactions with related companies	40
11.2	Management and the Board of Directors	42
12.	Inventories	43
12.1	Inventory detail	43
12.2	Inventory costs recognized as an expense	43
13.	Biological assets	44
13.1	Biological assets detail	44
13.2	Movement in biological assets	45
13.3	Useful lives and depreciation rates	49
13.4	Gross book value and accumulated depreciation of biological assets	49
13.5	Physical quantities by biological asset groups	49
14.	Current tax assets and liabilities	50
14.1	Current and non-current tax assets	50
14.2	Current and non-current tax liabilities	50
15.	Consolidated financial statements	51
15.1	Financial information	51
15.2	General information regarding the principal subsidiaries	53
16.	Investments in associates accounted for using the equity method	55
16.1	Investment detail	55
16.2	Financial information regarding affiliates	56
17.	Intangible assets other than goodwill	57
17.1	Intangible assets other than goodwill	57
17.2	Movements in intangible assets other than goodwill	58
17.3	Amortization of intangible assets other than goodwill	58
17.4	Research and development expenditure	59



18. Goodwill	60
18.1 Goodwill detail	60
18.2 Movement in goodwill	60
18.3 Acquisition detail	61
19. Property, plant and equipment	62
19.1 Composition	62
19.2 Movements	66
19.3 Additional information	67
20. Current and deferred income taxes	69
20.1 Income tax recognized in net income for the year	69
20.2 Reconciliation of effective tax rate	69
20.3 Deferred taxes	70
20.4 Deferred taxes	71
21. Other current & non-current financial liabilities	71
Interest-bearing loans	71
Bonds payable	72
22. Financial instruments	74
22.1 Classification of financial asset instruments by nature and category	74
22.2 Classification of financial liability instruments by nature and category	75
22.3 Derivative instruments	76
22.4 Fair value assets and liabilities	79
22.5 Fair value hierarchies	81
23. Trade and other payables	82
24. Current provisions	83
24.1 Provision detail	83
24.2 Movements in provisions	83
25. Equity	84
25.1 Paid capital	84
25.2 Capital management	85
25.3 Dividend policy and distribution	85
25.4 Shareholder detail	85
25.5 Earnings per share	85
25.6 Other reserves	86
26. Non-controlling interests	87
27. Operating segments	88
28. Revenue	93
29. Employee benefit expense	94
30. Depreciation and amortization expense	94
31. Financial income and expense	95
32. Other income and expenses	96
33. Third-party guarantees, other contingent assets and liabilities and other commitments	97
33.1 Performance guarantees received as of December 31, 2016	97
33.2 Mortgages received as of December 31, 2016	98
33.3 Pledges and sureties as of December 31, 2016	98
33.4 Performance guarantees granted as of December 31, 2016	100
33.5 Guarantees and joint and several liabilities	101



34. Restrictions and prosecutions **102**
34.1 Restrictions 102
34.2 Prosecutions 103
35. Employee headcount **105**
36. Subsequent events **105**
37. Environment **106**
38. Currency **108**





AGROSUPER S.A. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2016 AND DECEMBER 31, 2015.

(In thousands of Chilean pesos - ThCh\$)

1. GENERAL INFORMATION

Agrosuper S.A. (hereinafter the “Parent Company” or the “Company”) and its subsidiary companies, make up the Agrosuper Group (hereinafter “Agrosuper” or the “Group”).

Agrosuper S.A. was founded by a public deed dated October 29, 2010, granted by the Santiago Notary of Mr. Andres Rubio Flores. The respective extract was published in the Official Gazette on December 24, 2010 and registered on page 69,043, number 48,224 of the Commerce Registry of the Santiago Real Estate Registrar in 2010.

The Company is a publicly held corporation registered in the Securities Registry under number 1084 and is regulated by the Chilean Superintendence of Securities and Insurance.

The Chilean identification number of Agrosuper S.A. is: 76,129,263-3. Its principal registered office is at Camino La Estrella 401, Office 56, Punta de Cortés, Rancagua.

On the date the Company was incorporated its shareholders were Agrocomercial El Paso S.A. and Promotora Doñihue Limitada. Its initial share capital was ThCh\$ 134,901,028 divided into 3,372,525,709 shares.

The Company is controlled by Mr. Gonzalo Vial Vial, whose Chilean identification number is 3,806,024-4, and his children Ms. Maria Cristina Vial Concha, whose Chilean identification number is 7,032,945-K, Ms. Maria del Pilar Vial Concha, whose Chilean identification number is 7,022,695-2, Ms. María José Vial Concha, whose Chilean identification number is 7,022,776-2 and Mr. Gonzalo Vial Concha, whose Chilean identification number is 7,022,663-4, through an indirect participation in the Company. These individuals participate in Agrosuper S.A. through Agrocomercial El Paso S.A., Promotora Doñihue Limitada, Agrícola GV S.A. and Inversiones VC Limitada, as they are directly and indirectly shareholders of all the shares and rights in these companies.



The Company's purpose is to:

- a) Invest in all manner of tangible or intangible, movable or immovable property, including the acquisition of shares, units or rights in any company, regardless of whether they are commercial or civil, communities or associations, bonds, financial instruments, trading instruments and in general in any transferable securities and credit or investment instruments and the management and operation of these investments and their rewards or returns.
- b) Incorporate any company or association and invest in them, either as partners or shareholders, and amend and manage them.
- c) Administer, manufacture, operate and market, directly or through other people, of all manner of movable goods, especially those involved in agriculture, mining, fisheries, food, electricity and fuel.
- d) Administer, construct, operate and market, directly or through other people, of all manner of agricultural or non-agricultural real estate, and dedicate itself to raising all kinds of animals, forestry, fruit and agro-industry in general.
- e) Provision of all manner of services to people or legal entities, in particular to people related to the Company, which include, but is not limited to, administrative, finance, accounting, treasury, internal control and human resources services, in Chile or abroad.
- f) Request, obtain, register, acquire, lease, license and market trademarks, brands, trade names, domain names, patents, inventions, processes, drawings, designs, know-how and other intangible assets related to intellectual and industrial property.



2. BUSINESS DESCRIPTION

2.1 Historical Review

Agrosuper S.A. is the principal meat producing company in Chile, with a significant presence on the world market. The Company is engaged in the business of producing, processing, distributing and marketing chicken, pork, turkey, salmon and processed foods. A significant proportion of the Company's products are sold under its brands: Agrosuper, Santi, Andes Buta, Super Pollo, Súper Cerdo, Sopraval, La Crianza, Súper Salmón, Pollos King, Super Beef and Pancho Pollo. Production is located in Chile with marketing offices both in Chile and abroad.

Agrosuper started in 1955 by producing eggs in Doñihue, in the Sixth Region. Five years later, the Company's founder, Mr. Gonzalo Vial, decided to expand the business into producing and selling live chickens.

In 1974 Agrosuper extended its business to processing and selling chicken meat, which launched the brand Super Pollo.

In 1983 Agrosuper identified a significant opportunity to expand its production by entering the pork business, by drawing on its experience raising live animals and making efficient use of its available infrastructure. It expanded its business to the fattening, processing and marketing of this meat under the brand Super Cerdo.

During 1989 the Company entered the sausage business as this opened up an opportunity to add greater value to chicken and pork meat and take advantage of synergies in distribution and marketing. That same year the production and marketing of trout and salmon began through the company La Fiordos Limitada, which established a pioneering facility in the Puyuhuapi Channel, in the Eleventh Region.

In 1990 Agrosuper began its international expansion process by directly selling its products on the export market.

1996 saw an increase in the consumption of turkey in Chile and worldwide. So Agrosuper decided to invest in Sopraval, in order to bring its experience in raising animals to the turkey business. It achieved significant business synergies, based on its extensive distribution chain and took a leading role in marketing their products. Sopraval is the leading Chilean company in turkey production, with a significant proportion of export sales.

In 2000 Agrosuper acquired Pollos King with the objective of growing its share of the local market, by taking advantage of its experience in the chicken business, which enabled it to attract a wider variety of customers.

In 2002 the Company began to open its own sales offices in its principal target markets, in order to provide personalized customer service and create alliances with local distributors. It began in Italy, followed by the United States in 2003, Japan in 2004, Mexico in 2005, and Brazil and China (Hong Kong and Shanghai) in April 2012.



Since 2011 it has implemented important projects that have enabled it to advance toward full integration of the production cycle in the salmon business, with sanitary standards well above the average for the industry, which includes a processing plant at Quellón, hatching and smolt facilities and the fish food preparation plant at Pargua.

During 2011 Agrosuper acquired the Sopraval shareholding owned by the Allende family, which brought its ownership to 81.2% of that company. At the same time, the Company launched a successful Take-over bid for the remaining shares, finally owning 99.8% of that company.

2.2 Principal Businesses

Meat Segment

This segment includes production, processing, distribution and marketing of meat products based on chicken, pork, turkey and processed foods, for domestic and export markets. These are marketed under the brands Agrosuper, Super Pollo, King, Pancho Pollo, Santi, Super Cerdo, Andes Buta, Sopraval, Super Beef and La Crianza.

This business process is vertically integrated from producing the live animal through to marketing its products on national and international markets, through an extensive distribution chain.

The production process starts by importing the first generation of live animals, which enables the Company to locally develop two generations of chickens (breeders and broilers), three generations of porks (grandparents, breeders and fatteners) and one generation of turkeys (eggs are directly imported from breeders). This secures supplies at a key stage in the chain, which leads to the breeding and fattening stages. This whole process is performed at its own facilities. The Company has food plants and complete sewerage treatment systems that support the productive cycle.

The fattening stage is followed by the processing stage. These plants use the most advanced technology to prepare many fresh and frozen products with various features, depending on the target market or customer. This process secures complete traceability, with quality and biosafety standards that are the highest in the industry.

Processed foods are mainly based on chicken, pork, turkey, salmon and beef. This unit is focused on developing new business segments, by introducing new products with high added value that are convenient, practical and healthy, based on the latest consumption trends.

Therefore, the sanitary status of all its processes, the excellence of its environment, the bio-safety of its operations and the safety of its products are all closely controlled. Its productive processes have been certified as meeting various quality standards, which include: ISO 9001 and HACCP (product quality), BRC (British Retail Consortium), ISO 14001 (environmental management), APL (clean production agreement), BPA (good agricultural practices) and PABCO (animal processing plants under official certification). All these certificates of compliance with quality standards enable it to reach more demanding global markets, such as the North American, European and Asian markets.



Domestic distribution is managed by 32 sales offices throughout the country, which enables it to reach over 300 communities with its products, which represents over 98% of the country. International distribution is managed through commercial offices in Sao Paulo, Brazil; Atlanta, USA; Mexico City, Mexico; Genoa, Italy; Shanghai and Hong Kong, China and Tokyo, Japan.

Aquaculture Segment

This segment includes producing, processing, distributing and marketing products based on Atlantic and Pacific salmon in domestic and export markets. These products are marketed under the Super Salmon brand.

This business process is vertically integrated from producing eggs through to marketing its products on national and international markets, through an extensive distribution chain.

The company has its own breeding program that produces eggs and smolts, which secures a wide safety margin at this key stage in the production chain. This is followed by the fattening process, using only its own concessions and fattening centers. The Company has storage facilities on land and a plant that uses the latest technology, which processes all production and prepares a range of products with various features depending on the target market or customer. This process ensures complete traceability, with quality and biosafety standards that are the highest in the industry.

Therefore, the sanitary status of all its processes, the excellence of its environment, the bio-safety of its operations and the safety of its products are all closely controlled at every stage. The company has certified compliance with various quality standards: ISO 9001 and HACCP (product quality), ISO 14001 (environmental management), OHSAS 18001 (occupational safety), IFS (International Food Standard) Level v5, BRC (British Retail Consortium) v5, Global GAP and BAP (good practices in agriculture and aquaculture) and Kosher Certification. All these certificates of compliance with quality standards enable it to reach more demanding global markets, such as the North American and Asian markets.

The domestic distribution is managed by 32 sales offices throughout the country, which enables it to reach over 300 communities with its products, which represents over 98% of the country. International distribution is managed through commercial offices in Sao Paulo, Brazil; Atlanta, USA; Mexico City, Mexico; Genoa, Italy; Shanghai and Hong Kong, China and Tokyo, Japan.



3. PRESENTATION BASIS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

3.1 Basis for the consolidated financial statements

These consolidated financial statements include assets, liabilities, income, equity and cash flows of the Company and its subsidiaries. The balances and effects of significant transactions between subsidiaries have been eliminated on consolidation together with unrealized income. The participation of minority investors has been recognized within non-controlling interests in the Statements of Financial Position and of Comprehensive Income.

When preparing the consolidated statement of financial position, Management has utilized its best understanding and knowledge to apply standards and interpretations to current facts and circumstances, which may be subject to change. For example, additional amendments to standards or interpretations may be issued by the International Accounting Standards Board (IASB) that may change the current standards.

Net income, conversion differences and dividends declared by subsidiaries and affiliated companies are recognized in equity in each reporting period.

3.2 Basis for the preparation and presentation of the financial statements

These consolidated financial statements for the years ended December 31, 2016 and 2015 have been prepared in accordance with standards and instructions issued by the Superintendent of Securities and Insurance (SVS), which are consistent with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), which includes International Accounting Standard 34 (IAS 34).

Retroactive application of International Financial Reporting Standards (IFRS).

On October 17, 2014 the Superintendence of Securities and Insurance issued Circular 856, instructing inspected entities to record differences in deferred tax assets and liabilities arising as a direct effect of the increase in corporate income tax rate introduced by Law 20,780 against equity for the respective year. This accounting treatment differs from International Accounting Standard 12 (IAS 12) and therefore represented a change in the framework for preparing and presenting financial information from that date.

As the instruction described in the previous paragraph represented a temporary deviation from IFRS, the Company decided to retroactively apply IFRS in 2016 as if it had never ceased to apply them, in accordance with paragraph 4A of IFRS 1 and IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

As this decision did not amend any of the accounts in the consolidated statements of financial position as of December 31, 2016 and 2015, nor December 31, 2015 and 2014, the presentation of the consolidated statement of financial position as of January 1, 2015 (third column) is not necessary, in accordance with paragraph 40A of IAS 1 "Presentation of Financial Statements".

There have been other minor reclassifications to the consolidated financial statements for the previous year, in order to facilitate a comparison.



The preparation of these consolidated financial statements includes estimates made by Group Management, to quantify various assets, liabilities, revenues, expenses and commitments. These estimates basically refer to:

- The asset valuation policy for calculating impairment losses.
- Useful lives of property, plant and equipment and intangible assets.
- The assumptions used to calculate the fair value of biological assets.
- The assumptions used to calculate the fair value of financial instruments.
- The assumptions used to calculate estimates of allowances for doubtful accounts receivable.
- The assumptions used to calculate estimates of the net realizable value of inventories.
- The assumptions used to review impairment of goodwill.
- The probability of occurrence and the value of uncertain or contingent liabilities.
- The provisions for staff benefits.

Although these estimates have been based on the best information available at the date these consolidated financial statements were issued, it is possible that events may occur in the future that will require a change (increase or decrease) in future periods, which would occur prospectively, recognizing the effects of such estimation changes in the corresponding future consolidated financial statements.

3.3 Changes in accounting policies

There are no significant changes in the accounting policies and estimates used to prepare the consolidated financial statements of Agrosuper S.A. and its subsidiaries with respect to the previous year, and they have been consistently prepared according to IFRS, except as indicated in Note 3.2.



4. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies used to prepare these consolidated financial statements are described as follows. These policies have been defined in accordance with IFRS, except as indicated in Note 3.2, and have been applied uniformly throughout all the years presented in these consolidated financial statements.

4.1 Presentation of Financial Statements

Consolidated Statements of Financial Position.

Agrosuper S.A. and its subsidiaries have classified balances as current and non-current for the purposes of presenting its consolidated statement of financial position.

Consolidated Statements of Net Income.

Agrosuper S.A. and its subsidiaries have presented its consolidated statements of net income classified by function and consolidated statements of comprehensive income.

Consolidated Statements of Cash Flow.

Agrosuper S.A. and its subsidiaries have presented its statements of cash flow using the direct method.

4.2 Accounting period

The consolidated financial statements of Agrosuper S.A. and its subsidiaries are for the periods mentioned below:

	CUMULATIVE	
	01.01.2016	01.01.2015
	12.31.2016	12.31.2015
Statements of financial position	X	X
Statements of changes in equity	X	X
Statements of net income by function	X	X
Statements of comprehensive income	X	X
Statements of cash flow	X	X

4.3 Consolidation basis

The consolidated financial statements of Agrosuper S.A. (the Company) and its subsidiaries (collectively, the Group) include the assets, liabilities, income, expenses and cash flows of the Company and its subsidiaries.

The minority shareholders share of equity and net income of the consolidated subsidiaries is presented in the heading "Net equity, non-controlling interests" and Net income attributable to non-controlling interests in the consolidated statement of financial position.



The accounting policies and procedures used by companies in the Agrosuper Group have been aligned with the parent company, in order to present consolidated financial statements using standardized valuation policies.

The financial statements of dependent companies whose functional currency is different from the presentation currency are converted using the following procedures:

- Assets and liabilities are converted using the prevailing exchange rate on the reporting date.
- Items in the income statement are converted using the average exchange rate for the period.
- Net equity remains at the historical exchange rate from the date of acquisition or contribution, and retained earnings are converted using the average exchange rate for the period when they were generated. Exchange differences attributable to the Controller that arise on the conversion of financial statements is recorded under the heading “Exchange differences on conversion” within equity.

4.3.a) Subsidiaries - A subsidiary is an company where Agrosuper S.A. can control its operating and financial policies, in order to obtain a return on its business. This control is generally, but not always, defined as direct or indirect ownership of over 50% of rights in the company. Companies are also consolidated using this method even when this ownership share has not been reached, when it is understood that its business is run for the benefit of Agrosuper S.A., who is exposed to all its risks and rewards. The consolidated financial statements include all assets, liabilities, income, expenses, and cash flows of the Company and its subsidiaries after eliminating inter-company balances and transactions between Group companies, as indicated in IFRS 10.

The table below details the direct and indirect subsidiaries that have been consolidated:

Chilean ID	Company	Relationship	Ownership Interest					
			12.31.2016			12.31.2015		
			Direct	Indirect	Total	Direct	Indirect	Total
76.126.154-1	Agrosuper S.P.A.	Direct Subsidiary	100.00%	0.00%	100.00%	100.00%	0.00%	100.00%
76.129.582-9	Pesquera Los Fiordos Ltda.	Direct Subsidiary	99.99%	0.01%	100.00%	99.99%	0.01%	100.00%
77.805.520-1	Agrocomercial AS Ltda.	Direct subsidiary	99.99%	0.01%	100.00%	99.99%	0.01%	100.00%
79.872.420-7	Exportadora Los Fiordos Ltda.	Indirect Subsidiary	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
88.680.500-4	Agrícola Súper Ltda.	Indirect Subsidiary	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
78.429.980-5	Agro Tantehue Ltda.	Indirect Subsidiary	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
79.984.240-8	Agrosuper Comercializadora de Alimentos Ltda.	Indirect Subsidiary	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
78.408.440-K	Faenadora Lo Miranda Ltda.	Indirect Subsidiary	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
78.483.600-2	Faenadora San Vicente Ltda.	Indirect Subsidiary	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
92.870.000-3	Servicios de Marketing A S Ltda.	Indirect Subsidiary	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
78.370.800-0	Distribuidora Oriente Ltda.	Indirect Subsidiary	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
79.872.410-K	Elaboradora de Alimentos Doñihue Ltda.	Indirect Subsidiary	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
79.561.890-2	Comercializadora de Alimentos Lo Miranda Ltda.	Indirect Subsidiary	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
78.831.670-4	Inversiones Sagunto S.A.	Indirect Subsidiary	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
77.476.390-2	Procesadora de Alimentos del Sur Ltda.	Indirect Subsidiary	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
76.676.350-2	Agrícola Purapel del Maule Ltda.	Indirect Subsidiary	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
82.366.700-0	Sopraval S.A.	Indirect Subsidiary	0.00%	99.80%	99.80%	0.00%	99.80%	99.80%
76.278.340-1	Transportes AS Ltda.	Indirect Subsidiary	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
76.688.951-4	Inversiones Agrosuper Internacional Ltda.	Indirect Subsidiary	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
Foreign	Inversiones Eurosuper SL	Indirect Subsidiary	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
Foreign	Productos Alimenticios Súper R.L.	Indirect Subsidiary	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
Foreign	Andes, Asesorías y Servicios Ltda.	Indirect Subsidiary	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
Foreign	Alimentos Euroagro SL	Indirect Subsidiary	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
Foreign	Agrosuper Asia Limited	Indirect Subsidiary	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
Foreign	Andes Asia INC	Indirect Subsidiary	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
Foreign	Agrosuper Shanghai Limited (c)	Indirect Subsidiary	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
Foreign	Agro Europa SPA	Indirect Subsidiary	0.00%	79.60%	79.60%	0.00%	79.60%	79.60%
Foreign	Agrosuper Brasil Representação de Produtos Alimenticios Ltda	Indirect Subsidiary	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
Foreign	Agro América LLC	Indirect Subsidiary	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%



4.3.b) Affiliates or associates

An associate is company over which Agrosuper S.A. can exercise significant influence, but not control nor joint control, as it can participate in decisions regarding its operational and financial policies. The Group's share of its associates' net assets, after-tax net income and post-acquisition reserves is included in the financial statements. This requires initially recording the investment at cost and then adjusting the book value of the investment in subsequent periods to reflect the Group's share of the associate's net income, less impairment of goodwill and other changes in the associate's net assets, such as dividends.

4.3.c) Acquisitions and disposals

The net income from businesses acquired during the year is included in the consolidated financial statements from the effective date of acquisition; the net income of businesses sold during the year is included in the consolidated financial statements for the year until the effective date of disposal. Gains or losses upon disposal are calculated as the difference between the income obtained for the sale (net of expenses) and the net assets attributable to the interest that has been sold.

4.3.d) Non-controlling interests and transactions.

Agrosuper S.A. applies the policy of considering transactions with non-controlling interests as transactions with Group shareholders. When acquiring a non-controlling interest, the difference between the amount paid and the share of the book value of that company's net assets is recorded in equity. Gains and losses on reductions in non-controlling interests, while retaining control, are also recorded in equity.

4.4 Functional and presentation currency

The functional and presentation currency for Agrosuper S.A. and its subsidiaries is the currency of its primary financial environment. Transactions in a currency other than the company's functional currency are converted using the exchange rate on the date of the transaction. Assets and liabilities expressed in currencies other than the functional currency are converted using the exchange rate on the reporting date. Conversion gains and losses are included as other financial items within net income for the year, except for exchange differences on loans in foreign currency that hedge a net investment in a foreign business. These are recorded directly in equity until the net investment is sold, at which time they are recorded in net income.

The functional currency of Agrosuper S.A. and its subsidiaries is the Chilean peso, except for the subsidiaries Exportadora Los Fiordos Limitada, Agro América LLC, Agrosuper Asia Limited and Agrosuper Shanghai, which is the US dollar, the subsidiaries Agro Europa SpA, Alimentos Euroagro SL and Inversiones Eurosuper SL, which is the Euro, the subsidiaries Productos Alimenticios Super R.L., Andes Asesorías y Servicios Limitada, which is the Mexican peso, the subsidiary Andes Asia INC, which is the Japanese yen and the subsidiary Agrosuper Brasil Representação de Productos Alimenticios Limitada, which is the Brazilian real. Assets and liabilities for subsidiaries with a functional currency other than the Chilean peso are converted to



this currency at the exchange rate on the closing date of the financial statements on consolidation, and income statements are converted using the average exchange rate. Exchange differences on conversion arising on the net assets of these companies are recorded in equity in a separate conversion reserve.

4.5 Conversion basis

Assets and liabilities in UF, US dollars, Euros, Mexican pesos, yens, Pounds Sterling and Brazilian reals have been converted into Chilean pesos at the prevailing exchange rates on the closing date of these financial statements, as detailed below:

	12.31.2016	12.31.2015
	Ch\$	Ch\$
Unidad de Fomento (UF)	26,347.98	25,629.09
US dollar	669.47	710.16
Euro	705.60	774.61
Yen	5.73	5.89
Pound sterling	826.1	1053.02
Brazilian real	205.82	178.31
Mexican peso	32.46	40.95
Hong Kong dollar	86.34	91.63

Exchange differences and inflation indexation adjustments are charged or credited to net income according to IFRS, except for the conversion of subsidiaries financial statements that use a functional currency other than the Chilean peso, which are recorded in other reserves within equity.

4.6. Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market. Those assets that will mature in less than 12 months are classified as current assets. Those assets that will mature in greater than 12 months are classified as non-current assets.

The Company has an allowance for doubtful accounts receivable. This allowance is estimated for specific customers with specific overdue indices at the reporting date, which includes these customer's solvency, their bill payment performance, the percentage of sales by customer and Management's expert judgment. The Company has credit insurance covering 99% of domestic and export sales subject to payment risk. Furthermore, letters of credit confirmed by a Chilean bank are required for some export markets.



4.7 Property, plant and equipment

Property, plant and equipment is stated at cost, excluding periodic maintenance costs, and less accumulated depreciation and accumulated impairment losses. This cost includes the cost of replacing components of property, plant and equipment, if recognition criteria are met.

The cost of major maintenance is added to the book value of property, plant and equipment as a replacement, if recognition criteria are met.

Accounting policies and criteria are applied consistently to additional components that affect the valuation of plant and equipment and their corresponding depreciation.

Any gain or loss from the disposal or withdrawal of an asset is calculated as the difference between the sales price and the asset's book value and is recorded in net income for the period.

The Company reviews the book value of its assets to assess whether there is any indication that the book value may not be recoverable, in accordance with IAS 36. If identified, the recoverable value of the asset is estimated to calculate the extent of the impairment. Assets that do not generate independent cash flows are grouped into appropriate cash generating units (CGU) for impairment testing purposes.

The recoverable amount is the greater of fair value less selling costs, and value in use. Value in use is calculated as the present value of future cash flows discounted at a rate associated with the evaluated asset.

If the recoverable value of an asset is estimated to be less than its value book, the book value is reduced to the recoverable value.

Assets that have an indefinite useful life, for example, land, are not amortized and are tested for impairment on an annual basis. Amortized assets are tested for impairment whenever an event or change in circumstances indicates that their book value may not be recoverable.

Impairment losses can be reversed, but are limited to losses recognized in previous periods, in such a manner that the book value becomes the same as if these impairment adjustments had never been made.

4.8 Depreciation

Components of property, plant and equipment are depreciated on a straight-line basis by distributing the asset's acquisition cost less its estimated residual value over the asset's estimated useful life. The following table presents the main components of property, plant and equipment and their useful lives:



**Maximum useful life (years)
(between)**

Buildings	40 and 50
Buildings and infrastructure	20 and 50
Machinery and equipment	10 and 15
Furniture and office equipment	5 and 10
Fixtures and accessories	10 and 20
IT equipment	3 and 5
Motor vehicles	5 and 10

Property, plant and equipment is depreciated on a straight-line basis over its useful life. However, Exportadora Los Fiordos Limitada has machines and equipment that are depreciated according to the units produced. The useful lives of assets are reviewed on an annual basis to determine whether the conditions used to initially calculate their useful lives have changed.

Land is recorded separately from buildings and facilities that may be located on that land. It is understood to have an indefinite useful life and is not depreciated.

The Group tests property, plant and equipment for impairment at least once each year. Any reversal in impairment losses is recorded in net income, except assets that have been previously revalued whose reversal is recorded in equity.

4.9 Borrowing costs

The Group's property, plant and equipment include borrowing costs incurred to construct or acquire the asset. These costs are capitalized until the assets are in condition to be used, in accordance with IAS 23. Capitalized borrowing costs use the weighted average interest rate of the related loans.

4.10 Goodwill

Goodwill generated upon consolidation represents the excess of the acquisition cost over the Group's share of the fair value of assets and liabilities, including identifiable contingent assets and liabilities of a subsidiary as of the acquisition date.

The valuation of assets and liabilities acquired in taking control of a company is finally calculated based on the fair value of its assets and liabilities. The difference between the acquisition price and the fair value of the acquired company is recorded as goodwill.

Given that the final value of goodwill is reported in the financial statements for the year after acquisition, the financial statements for the previous year used for comparison purposes must be restated to incorporate the final value of the acquired assets and liabilities and the final goodwill as at the acquisition date.

Goodwill is not amortized, but at each reporting date the respective investment is evaluated for evidence of impairment that might reduce its recoverable value to below its book value, which would trigger an annual impairment provision.



4.11 Intangible assets other than goodwill

Separately acquired intangible assets other than goodwill are initially recognized at acquisition cost. The cost of intangible assets acquired in a business combination is their fair value as of the date of acquisition. After initial recognition, intangible assets are recorded at cost less any accumulated amortization and any accumulated impairment loss.

The useful lives of intangible assets are defined as finite and indefinite. Intangible assets with indefinite useful lives are tested for impairment annually either as an individual asset or as a cash generating unit (CGU).

Intangible assets with finite useful lives are amortized over their useful life and are tested for impairment each time there is an indication that the intangible asset may be impaired. The amortization period and amortization method for an intangible asset with a finite useful life are reviewed at least at every reporting date. Expected changes in useful life or the expected consumption pattern of future financial returns are recognized by changing the amortization period or amortization method, as appropriate, and treated as changes in accounting estimates.

Amortization expenses for intangible assets with finite useful lives are recognized in the income statement, which is consistent with the function of an intangible asset.

The Company's main intangible assets are:

(a) Aquaculture concessions

Aquaculture concessions acquired from third parties are presented at historical cost. The useful life of concessions is indefinite, because they have no expiry date or a foreseeable lifetime, so they are not amortized.

(b) Research and development expenses

Research costs are expensed as incurred. An intangible asset that arises from developing an individual project is recognized only when Agrosuper S.A. and its subsidiaries can demonstrate the technical feasibility of completing the intangible asset so that it will become available for use or sale, their intention to complete it and their ability to use or sell the asset, how the asset will generate future financial returns, the availability of resources to complete the asset and the ability to reliably measure expenditure during its development.

(c) Water rights

Commercial brands are initially recognized at their acquisition cost and are not amortized.

(d) Commercial brands

Commercial brands are initially recognized at their acquisition cost and are not amortized.

The brand acquired in the business combination following the acquisition of Sopraval S.A. has been defined as an intangible asset with an indefinite useful life, in accordance with the



Company's business plan. These assets are tested for impairment every year, or when there are indications of a possible loss in value.

(e) Other intangible assets

These intangible assets are mainly IT applications. They are initially recognized at their acquisition cost and are subsequently valued at cost net of accumulated amortization and impairment losses, if any.

4.12 Investments in associates (affiliates)

Investments by Agrosuper S.A. and its subsidiaries in associates are accounted for using the equity method. An associate is an company over which the Company has significant influence that is not a subsidiary or a joint venture. Under the equity method, the investment in the associate is recorded in the statement of financial position at cost plus post-acquisition changes based on the Company's share of the associate's net assets.

The income statement reflects the Company's share in the associate's operating results. When a change has been recognized directly in the associate's equity, the Company recognizes its share of any change and discloses it, if necessary, in the statement of changes in equity. Gains and losses on transactions between the Group and the associate are eliminated on consolidation based on the participation in the associate.

The reporting dates of associates are identical to those of Agrosuper S.A. and its subsidiaries and the associate's policies agree to those used by the Company for equivalent transactions and events under similar circumstances.

4.13 Impairment of non-financial assets

The Company and its subsidiaries assess whether there are indicators that a non-financial asset may be impaired at each reporting date. If such indication exists, or when there is an annual impairment testing requirement, the asset's recoverable value is estimated. An asset's recoverable value is the greater of the fair value of an asset or its cash generating unit, less its selling costs, and its value in use, and is calculated for an individual asset unless the asset does not generate cash inflows that are clearly independent from those of other assets or asset groups. When the book value of an asset exceeds its recoverable value, the asset is considered to be impaired and is written down to its recoverable value.

When assessing value in use, estimated future cash flows are discounted to present value using a before-tax discount rate that reflects current market assessments for the time value of money and the asset's specific risks. An appropriate valuation model is used to calculate fair value less selling costs.

Impairment losses of continuing operations are recognized in the income statement within expense categories consistent with the function of the impaired asset, except for previously revalued properties where the revaluation was recorded in equity. In this case, impairment is also recognized in equity, but limited to the value of the prior revaluation adjustment.



The Group assesses whether there is any indication that a previously recognized impairment loss for an asset may no longer exist or may have decreased, at each reporting date. If such an indication exists, the Group estimates the asset's recoverable value. A previously recorded impairment loss is reversed only if there has been a change in the estimations used to determine the recoverable value since the last impairment loss was recorded. If this is the case, the asset's book value is increased to its recoverable value. This increased value cannot exceed the asset's book value, net of depreciation, if the impairment loss had never been recognized in prior years. This reversal is recognized in the income statement unless an asset has been revalued, in which case the reversal is treated as an increase in the revaluation.

The following criteria are also applied in assessing impairment of specific assets:

- a) **Goodwill** - Goodwill is reviewed annually to determine whether any impairment exists, or more often if events or changes in circumstances indicate that its book value may be impaired.

Impairment is determined for goodwill by evaluating the recoverable value of the cash generating unit (or group of cash generating units) to which the goodwill is allocated. When the recoverable value of the cash generating unit (or group of cash generating units) is less than the book value of the cash generating unit (or group of cash generating units) to which goodwill has been allocated, an impairment loss is recorded. Impairment losses relating to goodwill cannot be reversed in future periods.

The Company and its subsidiaries perform annual impairment testing annually at each reporting date.

- b) **Intangible assets with indefinite useful lives** - The impairment of intangible assets with indefinite useful lives is tested annually at each reporting date, either individually or by cash-generating unit, as appropriate.
- c) **Investments in associates** - After applying the equity method, the Company determines whether an additional impairment loss must be recognized for investments in associates. The Company and its subsidiaries determine whether there is objective evidence that the investment in the associate is impaired at each reporting date. In this case, the Group calculates the impairment as the difference between the associate's fair value and its acquisition cost, and recognizes this expense in the income statement.

4.14 Financial assets

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through net income, loans and receivables, investments held-to-maturity and financial assets available-for-sale, as appropriate. Financial investments not classified at fair value through net income are initially recognized at fair value plus directly attributable transaction costs.

The Company evaluates the existence of embedded derivatives in contracts or financial instruments to determine if their characteristics and risks are closely related to the principal contract provided the set is not being accounted for at fair value. If they are not closely related, they are recorded separately and changes in value are accounted for directly in the statement of comprehensive income.



- a) **The effective interest rate method** - The effective interest rate method is a method of calculating the amortized cost of a financial asset and of allocating interest income throughout the corresponding period. The effective interest rate is the rate that exactly discounts the estimated cash flows receivable (including all charges for points paid or received that form an integral part of the effective interest rate, the transaction costs and other premiums or discounts) over the expected life of the financial asset. All long-term bank liabilities and financial obligations at Agrosuper S.A. and its subsidiaries are recorded using this method.

The Company and its subsidiaries classifies its financial assets after initial recognition and, when permitted and appropriate, reassesses this classification at each reporting date. All regular purchases and sales of financial assets are recognized on the trade date, which is the date on which the company becomes committed to the trade. Regular purchases and sales are purchases or sales of financial assets that require the delivery of assets within the time frame established generally by regulation or market convention. The following investment classifications are used:

- **Financial assets at fair value through net income** - Financial assets at fair value through net income include financial assets held for sale and financial assets initially recognized at fair value through net income.

Financial assets are classified as held for sale if they are acquired for the purpose of selling them in the short term.

Derivatives, including separate embedded derivatives, are also classified as held for sale, unless designated as effective hedging instruments or as financial guarantee contracts. Gains or losses on instruments held-for-sale are recognized in the income statement.

When a contract contains one or more embedded derivatives, the entire hybrid contract can be designated as a financial asset at fair value through net income, except when the embedded derivative does not significantly modify the cash flows, or it is clear that separation of the embedded derivative is prohibited.

- **Investments held-to-maturity** - Investments held-to-maturity are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company has the positive intention and ability to hold to maturity. After initial recognition, financial investments held-to-maturity are subsequently recorded at amortized cost. This cost is calculated as the value initially recognized less prepayments of capital, and the accumulated amortization using the effective interest rate method of any difference between the value initially recognized and the maturity value, less any impairment provision. This calculation includes all the commissions and "points" paid or received between the parties to the contract, which are an integral part of the effective interest rate, transaction costs and all premiums and discounts. Gains or losses are recognized in the income statement, when investments are withdrawn or are impaired, and through the amortization process.



- **Financial assets available-for-sale** - Financial assets available-for-sale are non-derivative financial assets that are designated as available for sale or not classified in any of the three categories mentioned above. These investments are recorded at fair value, when it can be reliably determined. After initial measurement, financial assets available-for-sale are recorded at fair value with unrealized gains or losses recognized directly in equity within the unrealized gain (loss) reserve. When the investment is disposed of, cumulative gains or losses previously recognized in equity are recognized in the income statement. Interest earned or paid on the investment are reported as interest income or expense using the effective interest rate. Dividends earned are recognized in the income statement as dividends received when the right to payment has been established.

- b) **Impairment of financial assets** - Financial assets other than those valued at fair value through net income are reviewed at each reporting date to determine whether there is any indication of impairment. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, which had an impact on the estimated future cash flows of that asset.

Impairment losses related to financial assets valued at amortized cost are calculated as the difference between the asset's book value and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate.

Since all of the Company's financial investments as of December 31, 2016 and December 31, 2015 have been invested in institutions with the highest credit quality and mature in the short term, testing indicates that no observable impairment exists.

- c) **Derivative and hedging financial instruments** - The Company and its subsidiaries uses derivative instruments such as cross currency swaps and interest rate swaps to hedge risks related to fluctuations in interest and exchange rates. Such derivative instruments are initially recognized at fair value on the date on which the derivative contract is signed and are subsequently recorded at fair value. Derivatives are recorded as assets (other financial assets) when their fair value is positive and as liabilities (other financial liabilities) when their fair value is negative.

4.15 Inventories

Raw materials, products in process, finished products and spare parts are valued at the lesser of cost and net realizable value. Net realizable value represents the estimated sales value of the inventory less all remaining production costs and the costs necessary to carry out the sale. Inventory is valued using the following methods:

- a) Finished products and products in process are animals that are no longer alive, such as poultry, pork, turkey and salmon processed into various cuts and packages and sausages, which are valued at their average monthly production cost. The average cost of finished products includes the value of raw materials, labor and indirect manufacturing costs.

- b) Raw materials, consumables and spare parts are valued at average acquisition cost.



e) Inventory in transit is valued at acquisition cost.

Inventories of raw materials, consumables and spare parts that are expected to be used in production within a period of one year are presented as current assets.

4.16 Biological assets

Due to the nature of the business operated by the Company and its subsidiaries, the breeding, incubation, fattening and reproduction of chickens, turkeys, porks, salmon, plantations and developing forests are classified as biological assets. Biological assets intended for sale are classified as current biological assets, and those intended to reproduce new biological assets are classified as non-current.

When the fair value of biological assets cannot be reliably measured and they are recorded at their acquisition cost or cost less accumulated depreciation, the Company regularly evaluates any indication that the book value may not be recoverable, in accordance with IAS 41 or IAS 36, as appropriate. If the recoverable value of an asset is estimated to be less than its value book, the book value is reduced to the recoverable value.

Meat Segment

Chicken, turkey and pork included in current biological assets are valued using the total production cost absorption method. This is due to the short duration of the productive process, which is 43 days for chicken, 130 days for turkey and 180 days for pork, and as this cost is close to their fair values.

Non-current biological assets are valued using a production costing method less accumulated depreciation on the basis of their years of productive life and whose value is close to their fair values.

Aquaculture Segment

Biological assets that include groups or families of breeders, such as eggs, smolts, fish being fattened at sea, are valued at initial recognition and subsequently at their fair value less estimated selling costs, except where their fair value cannot be reliably measured, in accordance with IAS 41. Therefore, in the first instance an active market for these assets is sought.

As there is no active market for live fish inventories in all their stages, they are valued as freshwater fish, such as breeders, eggs, fry and smolts, using their cumulative costs at the reporting date.

The valuation criteria for fish that are being fattened during the three months before their harvest is fair value. This is understood to be their market price less their estimated processing and selling costs. There is a market for fish being fattened that are over a certain size. In every case the market price is adjusted for the distribution of quality and size according to the average weight of each group in the sea at the reporting date, from which the harvesting, processing, packaging, distributing and selling costs are deducted. The volume is adjusted for process wastage.

Changes in the fair value of biological assets are recorded in the income statement for the period.



Salmon valuation model

Each cultivation center is separately evaluated and considers the biomass of fish at the end of each month. The detail includes the total number of fish being fattened three months before they are harvested, their estimated average weight and the cost of fish biomass at that stage. The value is estimated from the weight of that biomass, which in turn is multiplied by the market price per kilo. The market price is obtained from both external and internal sources. The external sources are normally publications of international prices at the reporting date, and the internal sources are selling price ranges at the reporting date.

Assumptions used to determine the fair value of fish being fattened

The fair value of fish biomass is estimated using certain parameters, which are largely based on Company information based on behavioral statistics for these parameters. The estimates consider the following: volume of fish biomass, distribution of harvest weights, and market prices.

Volume of fish biomass

The volume of fish biomass is an estimate based on the number of smolts in the sea, an estimate of their growth, and an estimate of their mortality for the period.

Distribution of harvest weights

Fish grow at various rates and even though average weights can be accurately estimated, there is always a wide variation in the quality and size of the fish.

The distribution of fish quality and size is important, as these attract different prices on the market.

Market prices

The assumptions regarding market prices are important for the evaluation. Furthermore, minor changes in market prices can produce significant changes in the evaluation.

4.17 Financial liabilities

- a) **Classification as debt or equity** - Debt and equity instruments are classified as either financial liabilities or as equity, according to the nature of the contractual arrangement.
- b) **Equity instruments** - An equity instrument is any contract that evidences a residual interest in the assets of a company after deducting all of its liabilities. The equity instruments issued by Agrosuper S.A. are recorded at the value of the consideration received, net of direct issuance costs. The Company currently has only issued one series of shares.
- c) **Financial liabilities** - Financial liabilities are classified either as financial liabilities at fair value through net income, or as other financial liabilities.



Financial liabilities at fair value through net income - Financial liabilities are classified at fair value through net income when they are held for trading or designated as at fair value through net income.

Other financial liabilities - Other financial liabilities including loans are initially valued at the value received, net of transaction costs. Other financial liabilities are subsequently revalued at amortized cost using the effective interest rate method, recognizing the interest expense based on the effective interest rate.

The effective interest rate method is used to calculate the amortized cost of a financial liability and the allocation of interest expense across the entire corresponding period. The effective interest rate is the rate which exactly discounts the future estimated payment cash flows over the expected life of the financial liability, or where appropriate a lesser period, or where the associated liability benefits from an early repayment option that is likely to be exercised.

4.18 Derivative financial instruments

The Company and its subsidiaries uses derivative financial instruments such as currency forwards, cross currency swaps and interest rate swaps to hedge risks related to exchange rates and interest rates, respectively.

Furthermore, it purchases futures and options on the Chicago Stock Exchange, with the aim of avoiding volatility in raw material commodity prices. These investments are initially recognized at fair value on the date on which the derivative contract is signed and are subsequently valued at their fair value.

Changes in the fair value of these derivatives are recorded directly in income, except when the derivative has been designated as a hedge instrument and all of the conditions established under IFRS for applying hedge accounting are met.

Fair value hedge: The gain or loss arising from valuing a hedge instrument must be immediately recognized in the income statement, as must changes in the fair value of the hedged item attributable to the hedged risk, netting the effect in the same income statement account.

Cash flow hedge: Changes in the fair value of the effective portion of derivatives are recorded in a net equity reserve known as cash flow hedges. The cumulative loss or gain in this account is transferred to the income statement to the extent that the hedged item impacts the income statement because of the hedged risk, netting the effect in the same income statement account.

Gains or losses from the ineffective portion of the hedge are recorded directly in the income statement.

A hedge is considered highly effective when the changes in fair value, or underlying cash flows attributable to the risk hedged, are compensated by changes in the fair value or cash flows of the hedge instrument, with an effectiveness in the range of 80% - 125%.

The Company evaluates the existence of embedded derivatives in contracts or financial instruments to determine if their characteristics and risks are closely related to the principal



contract as long as the set is not being accounted for at fair value. If not closely related, they are recorded separately by accounting for variations in value in the income statement. Agrosuper S.A. and its subsidiaries has determined that its contracts have no embedded derivatives at the reporting date.

Fair value and classification of financial instruments

The fair value of derivative financial instruments is calculated as follows:

- Derivatives traded on a formal market are valued at their quoted price at the reporting date.
- Derivatives not traded on formal markets are valued by the Group using discounted expected cash flows and generally accepted options valuation models, based on current and future market conditions at the reporting date.

Therefore, the Group classifies financial instruments into the following hierarchies:

Level 1: Quoted (unadjusted) price in an active market for identical assets and liabilities.

Level 2: Indications other than quoted prices included in level 1 that are observable for assets or liabilities, either directly (i.e. as a price) or indirectly (i.e. as a derivative of a price).

Level 3: Indications for assets or liabilities that are not based on observable market information (non-observable indications).

4.19 Financial and operating leases

Leases are classified as finance leases when the lease terms transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognized as Group assets at their fair value at the date the lease begins, or if this is lower, the net present value of minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are distributed between financial expenses and the reduction of finance lease obligations, in order to achieve a constant interest rate on the remaining liability. Financial costs are directly expensed to the income statement, unless they can be directly attributable to assets, in which case they are capitalized in accordance with general Group policy on financial costs for loans. Contingent lease payments are recognized as an expense in the periods in which they are incurred.

Rent payable under operating leases is charged to the income statement using the straight-line method over the lease term, unless a different systematic basis is more representative of the pattern of leasing benefits for the user. Contingent lease payments are recognized as an expense in the periods in which they are incurred.

Incentives received under operating leases are recognized as liabilities. The added benefit of incentives is recognized as a reduction in the lease expense on a straight line basis, unless a different systematic basis is more representative of the incentive pattern for the user.



4.20 Statement of cash flow

The statement of cash flow reflects cash movements during the period, determined using the direct method. The terms used in these cash flow statements are defined as follows:

- Cash flows: Inflows and outflows of cash or other equivalents including time investments with a term of three months or less that are highly liquid and with a low risk of variation in value.
- Operating activities: Those activities that generate the Group's principal source of revenue as well as other activities that cannot be classified as investing or financing.
- Investing Activities: Those activities involving the acquisition, sale or disposal by other means of non-current assets and other investments not included in cash and cash equivalents.
- Financing activities: Those activities that bring about changes in the size and composition of total equity and financial liabilities.

4.21 Provisions

Provisions are obligations at the reporting date resulting from past events, which may damage the Company's equity, whose value and timing are uncertain. Provisions are recorded at the present value of the most likely amount the Company expects to disburse to settle that obligation.

Provisions are regularly reviewed and quantified using the latest available information at the reporting date.

4.22 Revenue recognition

Revenue from the sale of goods is recognized by Agrosuper S.A. and its subsidiaries when the significant risks and rewards of owning those products are transferred to the buyer, usually when ownership and insurance risk are transferred to the client and the goods are delivered to a contractually agreed location.

4.23 Income and deferred taxes

An income tax provision is calculated based on the Company's corporate taxable income, calculated according to current tax regulations. This calculation for foreign subsidiaries complies with the laws in their respective countries.

Deferred taxes are calculated using the liability method on temporary differences that arise between the tax value of assets and liabilities and their book values. However, if 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 tax is calculated using the current tax rates and



laws, or those about to be approved at the reporting date, which are likely to be applicable when the corresponding deferred tax asset is collected or deferred tax liability is settled.

The Company does not record deferred taxes on temporary differences that arise from investments in subsidiaries, associates and investments in joint control agreements, provided the Company can control when those temporary differences will reverse and the temporary differences are not likely to reverse in the foreseeable future.

Current and deferred income taxes are recognized in the income statement, except taxes arising on items recognized in other comprehensive income, or directly in equity, or on a business combination, in which case, the tax is also recorded in other comprehensive income.

The effects of the change in the rate of corporate income tax approved by Law 20,780 (Tax Reform) on deferred taxes, which according to IAS 12 should be recorded in the income statement, have been recorded as retained earnings, in accordance with the instructions issued by the Chilean Superintendence of Securities and Insurance in its Circular 856 dated October 17, 2014. Subsequent amendments shall be recognized in the income statement for the period, according to IAS 12.

4.24 Segment reporting

The Company and its subsidiaries present segment information based on the financial information available to senior decision makers for assessing performance and allocating resources, in accordance with IFRS 8 “Operating Segments”.

4.25 Earnings (loss) per share

Basic earnings per share is calculated as the quotient of net income (losses) for the period attributable to the Parent Company divided by the average weighted number of ordinary shares in circulation during that period, without including the average number of shares of the Parent Company held by any subsidiaries, should that be the case.

During 2016 and 2015 the Group has not engaged in any transaction with a potential dilutive effect that would make the diluted earnings per share different to basic earnings per share.

4.26 Dividends

Article 79 of Chilean Corporate Law establishes that listed corporations should distribute an annual cash dividend to their shareholders, in proportion to their shares or the proportion established in the company's by-laws if it has preference shares, of at least 30% of net income for each period, except when accumulated losses from prior years must be absorbed, and unless unanimously agreed otherwise by shareholders of all issued shares. Until 2013, the shareholders unanimously agreed not to distribute dividends from net income in previous years, with the aim of allocating them to the Company's Reserve Fund. However, an Ordinary General Shareholders Meeting held on April 15, 2015 agreed to pay a final dividend of Ch\$2.5862185 per share, totaling ThCh\$43,516,475, payable from the distributable income for the year ended December 31, 2014.



Therefore, with effect from June 30, 2015 the Board agreed to provide a quarterly dividend of 30% of net income for the financial year, subject to the Company's final net distributable income.

Interim and final dividends are deducted from Total Equity as soon as they are approved by the competent entity, which in the first case is normally the Company's Board of Directors and in the second case is shareholders at the Ordinary General Shareholders meeting.

4.27 Environment

Expenditure associated with the environment is charged to the income statement when incurred, except for when it relates to an investment project that is associated with production, in which case it is capitalized in accordance with IFRS.

4.28 Non-current assets held for sale and discontinued operations

Non-current assets or groups of assets whose book values will be recovered through sale rather than continued use are classified as held for sale. This condition is only fulfilled when the sale is highly probable and the asset is available for sale immediately in its current state. These assets are valued at the lower of their book value and their fair value less selling costs, considering that depreciation will no longer apply to such assets.

There are no discontinued operations, according to Company analysis based on the criteria described in paragraph 32 of IFRS 5.

4.29 New IFRS and Interpretations from the IFRS Interpretations Committee (IFRIC)

New accounting pronouncements:

- a) The following standards, interpretations and amendments are mandatory for the first time for financial periods beginning on January 1, 2016.**

Standards and Interpretations

- IFRS 14 "Regulatory Deferral Accounts"- published in January 2016. Provisional standard regarding accounting for balances arising from rate regulated transactions ("Regulatory Deferral Accounts"). This standard is applicable only to entities that apply IFRS 1 for the first time.

Improvements to International Financial Reporting Standards applicable to accounting periods beginning on January 1, 2016:

- IFRS 11 "Joint Arrangements", on the acquisition of an interest in a joint operation that constitutes a business. For accounting periods beginning in January 2016.
- IAS 16 "Property, plant and equipment" and IAS 38 "Intangible Assets", on depreciation and amortization. For accounting periods beginning in January 2016.



- IAS 16 "Property, plant and equipment" and IAS 41 "Agriculture", on bearer plants and establishes that these should be accounted for as property, plant and equipment. Therefore, they are included within the scope of IAS 16, instead of IAS 41. For accounting periods beginning in January 2016.
- IAS 27 "Separate financial statements", on the equity method for recognizing investments in subsidiaries. For accounting periods beginning in January 2016.
- IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures". A complete gain or loss is recognized when the transaction involves a business. For accounting periods beginning in January 2016.
- Amendment to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures". For accounting periods beginning in January 2016.
- IAS 1 "Presentation of Financial Statements". On materiality, aggregation and presentation of subtotals. For accounting periods beginning in January 2016.

Improvements to International Financial Reporting Standards (2014) issued in September 2014.

- IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations". When assets are reclassified between the categories "held for sale" and "held for distribution", this does not constitute a change of plan and does not have to be accounted for as such.
- IFRS 7 "Financial Instruments: Disclosures". When financial assets are transferred to third parties and the asset can subsequently be retired, any continuing involvement in the asset must be disclosed and this term is defined. Financial assets and liabilities do not need to be offset in interim financial statements, unless required by IAS 34.
- IAS 19 "Employee Benefits". Clarifies that in order to select the discount rate for post-employment benefit obligations, the important differentiator is the currency in which the liabilities are denominated, and not the country where they are generated.
- IAS 34 "Interim Financial Reporting". Clarifies what is meant by the reference in the standard to "information disclosed in another part of the interim financial information".

The adoption of the standards, amendments and interpretations described above, do not have a significant impact on the consolidated financial statements of the Company.



b) Standards, interpretations and amendments issued, but not yet mandatory and which have not been adopted early.

Standards and Interpretations	Mandatory application
IFRS 9 "Financial Instruments" replaces the current impairment loss model, replacing IAS 39.	January 1, 2018
IFRS 15 "Revenue from contracts with customers". Establishes the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer.	January 1, 2018
IFRS 16 "Leases". Establishes the standards to recognize, measure, present and disclose leases.	January 1, 2019
IFRIC 22 "Transactions in Foreign Currency and Advance Payments"	January 1, 2018

Amendments and improvements to IFRS	Mandatory application
Amendment to IAS 7 "Statement of Cash Flow"	January 1, 2017
Amendment to IAS 12 "Income Tax"	January 1, 2017
Amendment to IFRS 2 "Share-based Payments"	January 1, 2018
Amendment to IFRS 15 "Revenue from Contracts with Customers"	January 1, 2018
Amendment to IFRS 4 "Insurance Contracts", with regard to applying IFRS 9 "Financial Instruments".	January 1, 2018
Amendment to IAS 40 "Investment Property"	January 1, 2018
Amendment to IFRS 1 "First-time Adoption of IFRS"	January 1, 2018
Amendment to IFRS 12 "Disclosures of Interests in Other Entities"	January 1, 2018
Amendment to IAS 28 "Investments in Associates and Joint Ventures"	January 1, 2018

The Company's management believes that the adoption of the above standards, amendments and interpretations will have no significant impact on the Company's consolidated financial statements when they are first applied.



5. FINANCIAL RISK MANAGEMENT AND DEFINITION OF HEDGES

The Group's companies are exposed to risks that are managed by implementing systems that identify, measure, limit concentration and monitor these risks.

The basic policies defined by the Group include the following:

- Comply with good corporate governance standards.
- Strictly comply with all the Company's standards.
- Each business and corporate area defines:
 - I. Its markets and products, based on sufficient knowledge and ability to ensure effective risk management.
 - II. Criteria regarding third parties.
 - III. Authorized operators.
- Businesses and corporate areas establish a predisposition to risk that is consistent with the defined strategy for each of their markets.
- All the transactions performed by businesses and corporate areas are conducted within the limits approved by the appropriate internal entity.
- Businesses, corporate areas, business lines and companies establish sufficient risk management controls to ensure that market transactions are conducted in accordance with the Company's policies, standards and procedures.

5.1. Interest rate risks

Variations in interest rate alter the fair value of assets and liabilities that accrue interest at a fixed rate, as well as future cash flows from assets and liabilities with a variable interest rate.

The objective of interest rate risk management is to achieve a balanced debt structure that minimizes the cost of debt, with reduced volatility in the income statement. The Company manages variable interest rates risks (Libor) associated with loans in US dollars, using hedging instruments that compensate for the volatility of Libor interest rates, as of December 31, 2016.

The percentage of fixed and protected debt over total debt is 100% for both years, which complies with current interest rate hedging policy.

Depending on the Group's estimates and debt structure objectives, hedging transactions take place by purchasing derivatives that mitigate these risks. The status of debts and their associated hedges is as follows:



Financial debt position, net of hedging transactions	12.31.2016	12.31.2015
	ThCh\$	ThCh\$
Bonds payable (Note 21)	163,005,127	157,486,681
Bank loans (Note 21.1)	-	116,070,324
Asset positions in hedging transactions (Note 22.3 a)	(5,328,954)	(1,741,348)
Liability positions in hedging transactions (Note 22.3 a)	11,089,721	18,640,104
Total	168,765,894	290,455,761

The Group's financial debt structure by fixed and variable interest rates, after purchased hedges, is as follows:

Net position:

	12.31.2016	12.31.2015
	%	%
Fixed interest rate	100.00%	100.00%
Variable interest rate	0.00%	0.00%

5.2 Exchange rate risk

Exchange rate risk relates mainly to the following:

- A significant proportion of the Company's revenue is in US dollars and foreign currencies,
- Most of the products marketed in Chile are sold at international prices.
- Debt contracted by the Group's companies that is denominated in a foreign currency.
- Trade receivables at Group companies that are directly linked to movements in the US dollar.
- International payments to buy raw materials associated with animal production.

The Company's exchange rate hedging policy is based on cash flows and maintaining a balance between flows indexed to the US dollar and the assets and liabilities in that currency, in order to mitigate exchange rate risk. The objective is to minimize the exposure of cash flows to exchange rate risk.

The instruments currently used to comply with the policy are currency swaps and exchange rate forwards. Likewise, Group policy is to refinance debt into the functional currency of each company.

5.3 Commodities risk

The Company is exposed to the risk of variations in some commodity prices, primarily on grain purchases for animal production, such as corn and soybean. The policy is to use a hedging range during consumption days for each important raw material and for each component of the price, such as future and premium.

The following table shows the minimum and maximum hedging ranges.



	Future hedge		Premium hedge	
	(consumption days)		(consumption days)	
	Min	Max	Min	Max
Corn + Sorghum	30	150	30	150
Soybeans	30	150	30	150
Fishmeal	30	150	30	150
Soya beans	30	150	30	130

5.4 Liquidity risk

The Company's liquidity policy consisting in obtaining long-term credit facilities and temporary financial investments. Their values should be sufficient to meet projected liquidity requirements for a period that is based on the circumstances and expectations surrounding debt and capital markets.

These projected liquidity requirements include gross financial debt maturity, after financial derivatives. Details of the characteristics and conditions of financial debt and financial derivatives are contained in the attached repayment table.

	2017	2018	2019	2020	2021	2022	2023+	Total
	(US\$ millions)							
Capital repayments	71.37	-	-	-	-	17.89	162.80	252.09
Interest	9.59	7.48	7.48	7.48	7.48	7.31	35.69	82.51
Total	80.96	7.48	7.48	7.48	7.48	25.20	198.49	334.60

Note: Repayments and interest incorporate CCS and IRS gains and losses.

5.5 Credit risk

The Group performs detailed credit risk monitoring.

Trade receivables:

Approximately 99% of sales to domestic and export customers are sold with credit insurance. Letters of credit confirmed by a Chilean bank are also required for some export markets.

Financial assets:

Cash surpluses are invested with first class national and foreign financial entities, within limits established for each instrument.



Banks are selected for investment that have at least 2 investment grade ratings from the 3 major international rating agencies, Moody's, S&P and Fitch.

5.6 Risk measurement

Exchange rate risk:

The Company hedges exchange rates with forwards and cross currency swaps to minimize its exchange rate risks.

The net balance exposure by currency is as follows:

Exposure by currency on net assets (liabilities)	12.31.2016	12.31.2015
	In original currency (thousands)	
US dollar	384,677	472,815
Euro	34,999	46,298
Yen	2,368,828	3,869,543
Mexican peso	439,627	762,866
UF	(6,187)	(6,213)

If exchange rates increase by 10%, the net balance exposure by currency is as follows:

Exposure by currency on net assets (liabilities)	12.31.2016	12.31.2015
	In original currency (thousands)	
US dollar	378,341	462,398
Euro	35,054	46,406
Yen	2,370,884	3,875,329
Mexican peso	440,028	764,430
UF	(6,251)	(6,278)



6. MANAGEMENT'S JUDGMENTS IN APPLYING THE COMPANY'S ACCOUNTING POLICIES

Applying IFRS requires the use of estimates and assumptions that affect the values of assets and liabilities at the reporting date and income and expenses during the reporting period. Management must make judgments and estimates that may have a significant effect on the figures presented in these consolidated financial statements prepared under IFRS.

Management must make judgments and estimates that have a significant effect on the figures presented in these consolidated financial statements. The most critical estimates and judgments are detailed as follows:

6.1 Useful lives of assets

With the exception of land, tangible and intangible assets with a finite life are depreciated linearly or by production units, both over the useful financial life of the asset. Management annually reviews the basis used to calculate useful lives and production units.

6.2 Asset impairment

The Company and its subsidiaries review the book value of its tangible and intangible assets to assess whether there is any indication that these assets could be impaired. Assets that do not generate independent cash flows are grouped into their appropriate cash generating unit (CGU) for impairment testing purposes. The recoverable value of these assets or CGUs is the higher of their fair values (discounted future cash flow method) and their book values.

Management must apply judgment in grouping assets that do not generate independent cash flows and also in estimating the frequency and values of underlying cash flows in their calculations. Subsequent changes in the grouping of CGUs or the frequency of cash flows could impact the book values of the respective assets.

6.3 Allowance for doubtful accounts receivable

The Company has estimated the risk of recovering its accounts receivable, based on portfolio quality, receivables overdue and in judicial collection, and the financial status of customers.

6.4 Provision for employee benefits

The cost of employee benefits relating to services provided by employees during the year are charged to the income statement for that period.

6.5 The probability of occurrence and the value of uncertain or contingent liabilities

Estimates are based on the information available at the reporting date. However, future events may require these estimates to be revalued in future periods.



6.6 Fair value of biological assets

Pre-harvest salmon being fattened at sea are recorded at fair value.

All remaining biological assets are valued using the total production cost absorption method, due to the short term nature of the productive process and as this cost is close to their fair values.

6.7 Net realizable value of inventories

Inventories are valued at the lower of production or acquisition cost and their net realizable cost. The cost of inventories includes all costs arising from production and other costs incurred in that process, which are considered part of cost of sales (absorption costing).

6.8 Fair value of derivative instruments

The fair value of derivative instruments is determined using assumptions based on quoted market rates, adjusted to take into account the specific characteristics of each instrument.



7. CASH AND CASH EQUIVALENTS

- a) Cash and cash equivalents as of December 31, 2016 and December 31, 2015, are detailed as follows:

	12.31.2016	12.31.2015
	ThCh\$	ThCh\$
Cash and bank accounts	20,708,854	14,335,009
Remunerated current accounts	11,678,587	37,687,070
Mutual funds	8,185,700	6,571,063
Term deposits	93,629,396	320,355
Total	<u>134,202,537</u>	<u>58,913,497</u>

Note: The remunerated current accounts as of December 31, 2016 and December 31, 2015 are balances held at Bank of America and JP Morgan.

Fixed-income mutual funds are investments in units, and they are revalued at each reporting date.

There were no restrictions on the availability of cash.

- b) Cash and cash equivalents by currency are as follows:

Currency	12.31.2016	12.31.2015
	ThCh\$	ThCh\$
Chilean peso	107,083,370	5,071,352
US dollar	20,248,225	46,523,056
Euros	5,173,994	6,114,205
Yen	244,270	340,855
Other currencies	1,452,678	864,029
Total	<u>134,202,537</u>	<u>58,913,497</u>



8. OTHER CURRENT AND NON-CURRENT FINANCIAL ASSETS

Other current and non-current financial assets as of December 31, 2016 and December 31, 2015, are detailed as follows:

	Current		Non-Current	
	12.31.2016 ThCh\$	12.31.2015 ThCh\$	12.31.2016 ThCh\$	12.31.2015 ThCh\$
Derivative contracts (1)	3,532,215	1,595,581	1,796,739	145,767
Term deposits (2)	-	6,861,182	-	-
Others	22,580	25,250	40,631	4,655
Total	3,554,795	8,482,013	1,837,370	150,422

(1) Derivative contracts are detailed in Note 22.3 a).

(2) These are term deposits in Chilean pesos, maturing in over 90 days at Banco Estado.

9. OTHER CURRENT NON-FINANCIAL ASSETS

Other current non-financial assets as of December 31, 2016 and December 31, 2015, are detailed as follows:

	12.31.2016 ThCh\$	12.31.2015 ThCh\$
Prepaid expenses	12,807,684	19,846,039
Documents in guarantee	197,506	214,002
Others	269,819	1,067,194
Total	13,275,009	21,127,235



10. TRADE AND OTHER CURRENT RECEIVABLES, NON-CURRENT RIGHTS RECEIVABLE

As of December 31, 2016 and December 31, 2015, these are detailed as follows:

	Trade and other receivables Current		Trade and other receivables Non-current	
	12.31.2016 ThCh\$	12.31.2015 ThCh\$	12.31.2016 ThCh\$	12.31.2015 ThCh\$
Domestic trade receivables	103,804,050	99,905,480	-	-
Export trade receivables	53,616,540	41,862,715	-	-
Notes receivable	5,643,497	10,541,951	-	-
Other receivables	15,108,860	17,788,566	5,445,252	4,081,892
Subtotal	178,172,947	170,098,712	5,445,252	4,081,892
Allowance for doubtful receivables (a)	(582,547)	(524,658)	-	-
Total	177,590,400	169,574,054	5,445,252	4,081,892

(a) The allowance for doubtful receivables is 0.3% of total trade receivables.

The fair values of trade and other receivables are equal to their commercial values as they represent the amounts in cash that will be collected for each concept. The balances are presented gross.

The balances in this account do not generally accrue interest.

There are no significant restrictions on the availability of these accounts receivable.

The Company has no balances in a guaranteed portfolio as of December 31, 2016 and December 31, 2015.

The principal debtors that comprise Trade receivables and other current receivables are as follows:

Customer sector	12.31.2016 ThCh\$	12.31.2015 ThCh\$
Traditional	15,370,276	16,928,131
Supermarkets	72,788,977	76,021,785
Industrial	14,130,747	9,114,272
Food service	7,157,547	8,383,243
Export	53,616,540	41,862,715
Other customers	15,108,860	17,788,566
Total	178,172,947	170,098,712

These values do not include the allowance for doubtful accounts receivable.



The Company has credit insurance covering 99% of domestic and export sales subject to payment risk. This insurance has a deductible of 10% and each customer has an individual policy approved by the insurance company. Furthermore, letters of credit confirmed by a Chilean bank are required for some export markets.

The amounts claimed on these insurance policies and the corresponding compensation received during 2016 and 2015 are as follows:

Detail	12.31.2016	12.31.2015
	ThCh\$	ThCh\$
Damaged	1,036,895	553,865
Compensated	(739,862)	(272,286)
Deductible	<u>(103,690)</u>	<u>(55,387)</u>
Total	<u>193,343</u>	<u>226,192</u>

The compensation received and the premium expense for this insurance are recorded on a cash basis, and the allowance for doubtful accounts receivable is recorded on an accrual basis, as required by International Financial Reporting Standards (IFRS).

The total trade and other accounts receivable portfolio is stratified as follows, by age, by portfolio and by allowance detail, as required by Official Circular 715 dated February 3, 2012.



10.a) Stratification of the trade and other accounts receivable portfolio by age.

Trade and other receivables	Balance as of December 31, 2016											Total current ThCh\$	Total non-current ThCh\$
	Portfolio not yet due ThCh\$	Overdue 1-30 days ThCh\$	Overdue 31-60 days ThCh\$	Overdue 61-90 days ThCh\$	Overdue 91-120 days ThCh\$	Overdue 121-150 days ThCh\$	Overdue 151-180 days ThCh\$	Overdue 181-210 days ThCh\$	Overdue 211-250 days ThCh\$	Overdue over 251 days ThCh\$	Overdue over 251 days ThCh\$		
Trade receivables, gross	134,319,517	24,440,891	1,550,666	833,081	599,894	56,288	137,615	51,355	141,291	453,503	162,584,101	5,445,252	
Documents rejected and in judicial collection	0	0	0	0	0	0	0	0	0	479,986	479,986	0	
Other receivables, gross	15,108,860	0	0	0	0	0	0	0	0	0	15,108,860	0	
Total	149,428,377	24,440,891	1,550,666	833,081	599,894	56,288	137,615	51,355	141,291	933,489	178,172,947	5,445,252	

Trade and other receivables	Balance as of December 31, 2015											Total current ThCh\$	Total non-current ThCh\$
	Portfolio not yet due ThCh\$	Overdue 1-30 days ThCh\$	Overdue 31-60 days ThCh\$	Overdue 61-90 days ThCh\$	Overdue 91-120 days ThCh\$	Overdue 121-150 days ThCh\$	Overdue 151-180 days ThCh\$	Overdue 181-210 days ThCh\$	Overdue 211-250 days ThCh\$	Overdue over 251 days ThCh\$	Overdue over 251 days ThCh\$		
Trade receivables, gross	128,272,316	18,507,562	1,148,874	2,560,346	627,714	337,801	201,656	13,969	86,305	491,959	152,248,502	0	
Documents rejected and in judicial collection	0	0	0	0	0	0	0	0	0	61,644	61,644	0	
Other receivables, gross	17,788,566	0	0	0	0	0	0	0	0	0	17,788,566	4,081,892	
Total	146,060,882	18,507,562	1,148,874	2,560,346	627,714	337,801	201,656	13,969	86,305	553,603	170,098,712	4,081,892	

By portfolio:

Overdue ranges	Balance as of December 31, 2016						Balance as of December 31, 2015					
	Non-renegotiated portfolio		Renegotiated portfolio		Total gross portfolio		Non-renegotiated portfolio		Renegotiated portfolio		Total gross portfolio	
	Number of Customers	Gross amount ThCh\$	Number of Customers	Gross amount ThCh\$	Number of Customers	Gross amount ThCh\$	Number of Customers	Gross amount ThCh\$	Number of Customers	Gross amount ThCh\$	Number of Customers	Gross amount ThCh\$
Not yet due	6,132	149,399,921	10	28,456	6,142	149,428,377	6,528	145,473,783	9	587,099	6,537	146,060,882
Between 1 and 30 days	1,956	24,429,053	9	11,838	1,965	24,440,891	2,323	18,503,262	2	4,300	2,325	18,507,562
Between 31 and 60 days	364	1,550,416	1	250	365	1,550,666	512	1,148,874	0	0	512	1,148,874
Between 61 and 90 days	328	833,081	0	0	328	833,081	337	2,560,346	0	0	337	2,560,346
Between 91 and 120 days	340	599,894	0	0	340	599,894	265	627,714	0	0	265	627,714
Between 121 and 150 days	290	56,288	0	0	290	56,288	236	337,801	0	0	236	337,801
Between 151 and 180 days	268	137,615	0	0	268	137,615	190	201,656	0	0	190	201,656
Between 181 and 210 days	301	51,355	0	0	301	51,355	213	13,969	0	0	213	13,969
Between 211 and 250 days	238	141,291	0	0	238	141,291	201	86,305	0	0	201	86,305
Over 250 days	1,983	933,489	0	0	1,983	933,489	1,475	553,603	0	0	1,475	553,603
Total	12,200	178,132,403	20	40,544	12,220	178,172,947	12,280	169,507,313	11	591,399	12,291	170,098,712

10.b) Portfolio contested and in judicial collection.



Portfolio rejected and in judicial collection	Balance as of 12.31.2016		Balance as of 12.31.2015	
	Number of Customers	Amount ThCh\$	Number of Customers	Amount ThCh\$
Collectable documents rejected	28	57,686	32	43,255
Collectable documents in judicial collection	96	422,300	106	740,940
Total	124	479,986	138	784,195

10.c) Allowance and write offs.

Allowances and write-offs	Balances as of	
	12.31.2016	12.31.2015
	ThCh\$	ThCh\$
Allowances	608,470	531,852
Write offs in the period	(25,923)	(7,194)
Total	582,547	524,658



11. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Transactions between the Company and its subsidiaries consist of recurring transactions made under regular business terms. These intergroup transactions have been eliminated upon consolidation and are not disclosed in this note.

11.1 Balances and transactions with related companies

Receivables and payables between the Company and its unconsolidated related companies are detailed as follows:

a) Current receivables

Country	Relationship	Chilean ID	Company	Transaction Currency	Transaction	Total current	
						12.31.2016 ThCh\$	12.31.2015 ThCh\$
Chile	Common shareholder	77.482.620-3	Frutícola Ramirana Ltda.	Chilean peso	Comercial	226,657	-
Chile	Common shareholder	76.008.900-1	Agroindustrial y Comercial Superfruit Ltda.	Chilean peso	Comercial	4,931	-
Chile	Common shareholder	76.526.470-7	Viña Ventisquero Ltda.	Chilean peso	Comercial	10,699	-
Total						242,287	-

b) Non-current receivables

There are no non-current receivables with unconsolidated related companies as of December 31, 2016 and December 31, 2015.

c) Current payables

Country	Relationship	Chilean ID	Company	Transaction Currency	Transaction	Total current	
						12.31.2016 ThCh\$	12.31.2015 ThCh\$
Chile	Common shareholder	96.725.160-7	Graneles de Chile S.A. (a)	Chilean peso	Commercial	-	246,369
Chile	Common shareholder	78.146.060-5	Fruticola Tantehue Ltda. (a)	Chilean peso	Commercial	17,146	-
Chile	Controlling shareholder	78.407.260-6	Promotora Doñihue Ltda. (b)	Chilean peso	Dividend	50,823,774	33,954,777
Chile	Minority shareholder	96.733.090-6	Agrocomercial El Paso S.A. (b)	Chilean peso	Dividend	784,445	524,079
Total						51,625,365	34,725,225

(a) These are invoices for business transactions.

(b) Interim dividends are the current dividend provision for each period.

d) Non-current payables

There are no non-current payables with unconsolidated related companies as of December 31, 2016 and December 31, 2015.



e) Significant transactions and their effect on net income

Chilean ID	Company	Relationship	Transaction description	12.31.2016		12.31.2015	
				ThCh\$		ThCh\$	
				Transactions	Effect on net income (loss)	Transactions	Effect on net income (loss)
96.725.160-7	Graneles de Chile S.A.	Common shareholder	Sale of raw materials	1,559,639	1,559,639	1,660,171	1,660,171
96.725.160-7	Graneles de Chile S.A.	Common shareholder	Purchase of raw materials	6,180,150	(6,180,150)	23,740,409	(23,740,409)
96.725.160-7	Graneles de Chile S.A.	Common shareholder	Commissions and services	1,940,353	(1,940,353)	1,774,255	(1,774,255)
96.725.160-7	Graneles de Chile S.A.	Common shareholder	Demurrage	2,079,121	(2,079,121)	2,077,532	(2,077,532)
79.806.660-9	Barros y Errazuriz Abogados Ltda.	Director in common	Consultancy fees	186,456	(186,456)	239,133	(239,133)
84.356.800-9	Alimentos Watts S.A	Director in common	Product sales	693,755	693,755	694,867	694,867
79.923.160-3	Soc. Comercial Las Coscojas Ltda.	Common shareholder	Inland freight	3,741,752	(3,741,752)	7,981,219	(7,981,219)
96.787.400-0	Mercoexpress S.A.	Common shareholder	Freight	8,586,467	(8,586,467)	10,247,304	(10,247,304)
96.787.400-0	Mercoexpress S.A.	Common shareholder	Storage	1,661,774	(1,661,774)	-	-
77.082.030-8	Agrogestión Vitra Ltda.	Common shareholder	Commission and warehousing	120,558	(120,558)	177,942	(177,942)
77.897.320-0	Agrosilos Ltda.	Common shareholder	Product purchases	-	-	2,441,565	(2,441,565)
96.909.330-8	Puerto Panul S.A.	Common shareholder	Services received	3,457,617	(3,457,617)	2,491,114	(2,491,114)
76.482.190-4	Agrícolas Tejas Verdes Ltda.	Common shareholder	Purchase of raw materials	89,429	(89,429)	96,673	(96,673)



11.2 Senior Management and the Board of Directors

Agrosuper S.A. is managed by a Board of Directors composed of six members. The directors shall serve a term of three years and may be re-elected.

The current Board of Agrosuper S.A. was re-elected on April 25, 2014 at the Fourth Ordinary General Shareholders meeting, and has not changed at the date these consolidated financial statements were issued. It is composed of:

Gonzalo Vial Vial	: Chairman of the Board
Fernando Barros Tocornal	: Vice Chairman of the Board
Antonio Tuset Jorratt	: Director
Canio Corbo Lioi	: Director
Verónica Edwards Guzmán	: Director
Juan Claro González	: Director

a) Director's remuneration

The parent company's Directors have received remuneration and accrued a share of net income as of December 31, 2016 and 2015, as follows:

Name	Position	12.31.2016		12.31.2015	
		Board Remuneration ThCh\$	Share of Net Income ThCh\$	Board Remuneration ThCh\$	Share of Net Income ThCh\$
Gonzalo Vial Vial	Chairman	112,314	229,740	107,963	153,740
Fernando Barros Tocornal	Vice Chairman	84,236	172,303	80,972	115,305
Antonio Tuset Jorratt	Director	56,157	114,868	53,981	76,870
Canio Corbo Lioi	Director	56,157	114,868	53,981	76,870
Veronica Edwards Guzman	Director	56,157	114,868	53,981	76,870
Juan Claro Gonzalez	Director	56,157	114,868	53,981	76,870
Total		421,178	861,515	404,859	576,525

b) Senior executive's remuneration

	12.31.2016 ThCh\$	12.31.2015 ThCh\$
Remuneration	5,260,813	5,530,992
Social security and other benefits	52,853	48,094
Termination benefits	291,311	930,449
Total	5,604,977	6,509,535



12. INVENTORIES

12.1 Inventories are detailed as follows:

	12.31.2016	12.31.2015
	ThCh\$	ThCh\$
Raw materials	76,516,613	89,859,632
Products in process	3,423,009	4,994,107
Finished products (a)	63,948,178	101,803,138
Materials, consumables and spare parts	23,350,805	22,723,480
Obsolescence provision (b)	<u>(1,033,732)</u>	<u>(1,126,086)</u>
Total	<u>166,204,873</u>	<u>218,254,271</u>

Management estimates that its inventory will be used within less than one year.

The company has no inventories valued at fair value, it has no rebates on inventories nor reversed any rebates in the period and it has not provided any inventories as a guarantee, as of December 31, 2016 and December 31, 2015.

- (a) Finished products are expressed at their consolidated value. Therefore, any profit margins are discounted on sales and purchases to subsidiaries and associate companies.
- (b) The Company has provided against any obsolescence associated with consumable supplies, covering supplies that will not be used in production.

12.2 Inventory costs recognized as an expense

Inventory recognized as an expense within operating costs during the years ended December 31, 2016 and 2015, is detailed as follows:

	Cumulative	Cumulative
	01.01.2016 to	01.01.2015 to
	12.31.2016	12.31.2015
	ThCh\$	ThCh\$
Finished goods	<u>1,152,709,592</u>	<u>1,054,039,781</u>



13. BIOLOGICAL ASSETS

13.1 Detail of biological assets

Biological assets as of December 31, 2016 and December 31, 2015 are as follows:

	Current	
	12.31.2016	12.31.2015
	ThCh\$	ThCh\$
Poultry business	28,291,514	30,036,899
Pork business	77,623,937	74,466,759
Aquaculture business	115,438,747	128,846,867
Total	221,354,198	233,350,525

	Non-current	
	12.31.2016	12.31.2015
	ThCh\$	ThCh\$
Poultry business	7,004,768	3,555,172
Pork business	3,754,317	3,406,516
Aquaculture business	3,034,771	3,477,083
Total	13,793,856	10,438,771



13.2 Movement in biological assets

Movements in biological assets associated with the poultry, pig, aquaculture and forestry businesses as of December 31, 2016 and December 31, 2015 are as follows:

a. Poultry business

	Current	
	From 01.01.2016 to 12.31.2016	From 01.01.2015 to 12.31.2015
Opening balance	30,036,899	27,998,895
Changes to biological assets		
Increases for incubation and birth costs	70,632,745	64,169,666
Increases for fattening costs	321,279,025	315,022,935
Unrealized income / (loss)	-147,742	147,743
Decreases for processing	(393,509,413)	(377,302,340)
Total changes to biological assets	(1,745,385)	2,038,004
Closing balance of current poultry assets	28,291,514	30,036,899
	Non-current	
	From 01.01.2016 to 12.31.2016	From 01.01.2015 to 12.31.2015
Opening balance	3,555,172	2,800,849
Changes to biological assets		
Increases for purchases and relocating breeders	18,561,279	5,962,265
Decreases for depreciation and processing breeders	(15,111,683)	(5,207,942)
Total changes to biological assets	3,449,596	754,323
Closing balance of non-current poultry assets	7,004,768	3,555,172



b. Pork business

	Current	
	From 01.01.2016 to 12.31.2016	From 01.01.2015 to 12.31.2015
Opening balance	74,466,759	77,311,714
Changes to biological assets		
Increases for fattening costs	352,245,787	345,729,966
Unrealized income / (loss)	154,692	(154,692)
Decreases for processing	<u>(349,243,301)</u>	<u>(348,420,229)</u>
Total changes to biological assets	<u>3,157,178</u>	<u>(2,844,955)</u>
Closing balance of current pork assets	<u>77,623,937</u>	<u>74,466,759</u>
	Non-current	
	From 01.01.2016 to 12.31.2016	From 01.01.2015 to 12.31.2015
Opening balance	3,406,516	2,337,499
Changes to biological assets		
Increases for purchases and relocating breeders	3,241,032	2,934,498
Decreases for depreciation and processing breeders	<u>(2,893,231)</u>	<u>(1,865,481)</u>
Total changes to biological assets	<u>347,801</u>	<u>1,069,017</u>
Closing balance of non-current pork assets	<u>3,754,317</u>	<u>3,406,516</u>



c. Aquaculture business

	Current	
	From 01.01.2016 to 12.31.2016	From 01.01.2015 to 12.31.2015
Opening balance	128,846,867	99,221,238
Changes to biological assets		
Increases for incubation and birth costs	9,250,940	14,168,780
Fair value aquaculture segment	24,240,279	(2,170,475)
Increases for fattening costs	136,005,851	189,032,567
Decreases for processing	(182,905,190)	(171,405,243)
Total changes to biological assets	(13,408,120)	29,625,629
Closing balance of current aquaculture assets	115,438,747	128,846,867
	Non-current	
	From 01.01.2016 to 12.31.2016	From 01.01.2015 to 12.31.2015
Opening balance	3,477,083	4,682,963
Changes to biological assets		
Increases for purchases and relocating breeders	2,878,473	5,692,562
Decreases for spawning, transfers and harvesting	(3,320,785)	(6,898,442)
Total changes to biological assets	(442,312)	(1,205,880)
Closing balance of non-current aquaculture assets	3,034,771	3,477,083

Salmon valuation model

Each cultivation center is separately evaluated and considers the biomass of fish at the end of each month. The detail includes the total number of fish being fattened three months before they are harvested, their estimated average weight and the cost of fish biomass at that stage. The value is estimated from the weight of that biomass, which in turn is multiplied by the market price per kilo. The market price is obtained from both external and internal sources. The external sources are normally publications of international prices at the reporting date, and the internal sources are selling price ranges at the reporting date.

Assumptions used to determine the fair value of fish being fattened for harvest

The fair value of fish biomass is estimated using certain parameters, which are largely based on Company information based on behavioral statistics for these parameters. The estimates consider the following: volume of fish biomass, distribution of harvest weights, and market prices.



Volume of fish biomass

The volume of fish biomass is an estimate based on the number of smolts in the sea, an estimate of their growth, and an estimate of their mortality for the period.

Distribution of harvest weights

Fish grow at various rates and even though average weights can be accurately estimated, there is always a wide variation in the quality and size of the fish.

The distribution of fish quality and size is important, as these attract different prices on the market.

Market prices

The assumptions regarding market prices are important for the evaluation. Furthermore, minor changes in market prices can produce significant changes in the evaluation.

Effect of growth on the fair value of biological assets during the period, and the gain or loss arising from changes in their fair value less costs.

Effect on the income statement between January 1 and December 31, 2016

Period	Fair value	Costs	Net income (loss) ThCh\$
Dec-15	52,915,808	55,773,765	(2,857,957)
Dec-16	59,526,045	38,143,723	21,382,322
Total			24,240,279

Effect on the income statement between January 1 and December 31, 2015

Period	Fair value	Costs	Net income (loss) ThCh\$
Dec-14	30,628,321	31,315,803	(687,482)
Dec-15	52,915,808	55,773,765	(2,857,957)
Total			(2,170,475)

Therefore, the (charge) credit to the income statement for the fair value of biological assets harvested and sold for the years ended December 31, 2016 and 2015 is ThCh\$ 9,022,743 and ThCh\$ (4,974,585) respectively.

13.3 Useful lives and depreciation rates

Poultry business

	Birds	Useful life in months	Useful life in years
Poultry	Hens, roosters and older chickens, breeders	16 months	1 year 4 months
	Breeder turkeys	14.5 months	1 year 2.5 months

Pork business

	Animals	Useful life in months	Useful life in years
Porks	Females	10 months	1 year
	Males	12 months	1 year
	Breeding stock	13 months	1 year 1 month

13.4 Gross book value and accumulated depreciation for non-current biological assets

	12.31.2016			12.31.2015		
	Gross value ThCh\$	Cumulative Depreciation ThCh\$	Net value ThCh\$	Gross value ThCh\$	Cumulative Depreciation ThCh\$	Net value ThCh\$
Poultry business	11,380,123	(4,375,355)	7,004,768	5,581,868	(2,026,696)	3,555,172
Pork business	6,391,698	(2,637,381)	3,754,317	6,122,649	(2,716,133)	3,406,516
Aquaculture business	3,034,771	-	3,034,771	3,477,083	-	3,477,083
TOTAL	20,806,592	(7,012,736)	13,793,856	15,181,600	(4,742,829)	10,438,771

13.5 Physical quantities by biological asset groups

Period	Chickens			Pigs		
	Biomass (Kg)	Units	Sale (Kg) (*)	Biomass (Kg)	Units	Sale (Kg) (*)
Dec-15	180,024,805	20,252,590	355,854,194	93,737,618	1,688,613	360,494,063
Dec-16	17,897,743	20,109,824	382,681,664	92,581,073	1,734,408	358,454,266

Period	Turkeys			Salmon		
	Biomass (Kg)	Units	Sale (Kg) (*)	Biomass (Kg)	Units	Sale (Kg) (*)
Dec-15	15,112,592	2,739,493	74,714,774	37,477,682	20,750,281	36,035,966
Dec-16	15,607,665	2,749,744	80,913,436	28,203,976	16,677,561	46,572,210

(*) Sales volumes are measured from January 1 to the close of the indicated month.

The biological assets recorded at production cost, such as porks, chickens and turkeys, are not impaired, at the date these consolidated financial statements were issued, in accordance with IAS 41.



14. CURRENT TAX ASSETS AND LIABILITIES

Current and non-current tax assets and liabilities as of December 31, 2016 and December 31, 2015 are as follows:

14.1 Current and non-current tax assets

	Current		Non-current	
	12.31.2016	12.31.2015	12.31.2016	12.31.2015
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Provisional monthly payments (a)	12,932,695	4,722,419	-	-
Training credits	342,501	1,206,386	-	-
Other credits	6,780,742	5,216,227	-	-
VAT recoverable	1,132,976	1,042,675	-	-
Exporters VAT	5,133,776	6,766,225	-	-
Austral law credits	-	-	14,444,090	18,234,221
Total	26,322,690	18,953,932	14,444,090	18,234,221

(a) These are monthly provisional tax payments less the corresponding corporate income tax provision, by legal entity.

14.2 Current and non-current tax liabilities

	Current	
	12.31.2016	12.31.2015
	ThCh\$	ThCh\$
Corporate income tax provision	45,994,699	49,032,532
Credits used to reduce the income tax provision (a)	(43,715,515)	(35,376,206)
	<u>2,279,184</u>	<u>13,656,326</u>

(a) These are primarily provisional monthly income tax payments.



15. CONSOLIDATED FINANCIAL STATEMENTS

15.1. Financial information

The consolidated financial statements include the financial statements of the parent company and its controlled subsidiaries. Information regarding subsidiaries as of December 31, 2016 and December 31, 2015 is as follows.

Balances as of December 31, 2016

Chilean ID	Company	Country	Relationship	Functional Currency	Share %		Current Assets	Non-current Assets	Current Liabilities	Non-current Liabilities	Revenue	Net Income (loss)
					Direct	Indirect						
							ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
77.805.520-1	Agrocomercial AS Ltda.	Chile	Direct Subsidiary	Chilean peso	99.99%	0.01%	110,069,077	1,233,839,306	228,582,481	131,986,963	381,073,235	114,060,975
76.129.582-9	Pesquera Los Fiordos Ltda.	Chile	Direct Subsidiary	Chilean peso	99.99%	0.01%	452	106,020,293	13,161	-	-	31,251,565
76.126.154-1	Agrosuper S.P.A.	Chile	Direct Subsidiary	Chilean peso	100.00%	0.00%	9,851	110,203	25,430	44,117	-	12,731
79.872.420-7	Exportadora Los Fiordos Ltda.	Chile	Indirect Subsidiary	US dollar	0.00%	100.00%	186,156,391	135,019,460	115,976,925	101,750,606	306,025,760	31,212,198
88.680.500-4	Agrícola Super Ltda.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	330,225,256	523,125,450	50,033,170	385,882,194	677,955,375	29,901,964
79.984.240-8	Agrosuper Comercializadora de Alimentos Ltda.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	396,979,335	106,765,898	209,155,549	285,442,478	1,277,066,142	42,014,567
78.429.980-5	Agro Tantehue Ltda.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	6,280,634	328,222	3,759,240	378,311	22,093,284	1,627,337
79.561.890-2	Comercializadora de Alimentos Lo Miranda Ltda.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	28,693	805,256	-	211,052	-	152,714
78.370.800-0	Distribuidora Oriente Ltda.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	2,616,694	1,124,373	2,699,450	-	2,019,358	357,161
79.872.410-K	Elaboradora de Alimentos Doñihue Ltda.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	21,986,131	9,999,624	11,235,493	10,929,902	58,605,132	1,461,148
78.408.440-K	Faenadora Lo Miranda Ltda.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	24,877,484	54,548,341	17,408,195	30,641,276	79,058,200	1,213,395
78.483.600-2	Faenadora San Vicente Ltda.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	19,140,634	50,622,411	16,302,355	20,122,106	75,872,417	541,524
92.870.000-3	Serv. de Marketing AS Ltda.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	1,906,440	714,200	392,916	173,371	1,971,340	2,184,528
In process	Inv. Agrosuper Internac. Ltda.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	3,001,741	6,138,699	1,700	252,529	-	869,529
78.831.670-4	Inversiones Sagunto S.A.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	20	38,045,972	12	-	-	-
76.676.350-2	Agrícola Purapel del Maule Ltda.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	168,478	10,533,038	25,306	11,944,583	-	(370,378)
77.476.390-2	Procesadora de Alimentos del Sur Ltda.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	16,506,157	39,113,199	10,124,357	35,633,256	61,037,114	588,825
82.366.700-0	Sopraval S.A.	Chile	Indirect Subsidiary	Chilean peso	0.00%	99.79%	93,806,288	118,490,727	38,892,746	10,743,617	194,111,071	26,890,399
76.278.340-1	Transportes AS Ltda.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	232,950	2,193,781	202,815	2,756,443	296,233	(44,545)
Foreign	Agro América LLC	USA	Indirect Subsidiary	US dollar	0.00%	100.00%	31,616,390	8,173	31,453,803	-	205,328,801	(30,155)
Foreign	Agro Europa SPA	Italy	Indirect Subsidiary	Euro	0.00%	79.60%	16,894,854	16,361	14,897,053	-	93,088,161	1,080,691
Foreign	Agrosuper Asia Limited	China	Indirect Subsidiary	US dollar	0.00%	100.00%	344,947	594,625	187,229	-	1,956,936	8,170
Foreign	Agrosuper Brasil Representação de Produtos Alimentícios Ltda.	Brazil	Indirect Subsidiary	Real	0.00%	100.00%	63,909	-	21,697	-	-	(34,407)
Foreign	Alimentos Euroagro SL	Spain	Indirect Subsidiary	Euro	0.00%	100.00%	49,407	-	-	177,134	31,646	(101,880)
Foreign	Andes Asia INC	Japan	Indirect Subsidiary	Yen	0.00%	100.00%	11,053,274	69,545	10,468,045	-	48,901,892	159,347
Foreign	Agrosuper Shanghai	China	Indirect Subsidiary	Chinese Yuan	0.00%	100.00%	1,377,148	2,727	882,168	-	2,758,321	12,102
Foreign	Andes, Asesorías y Servicios Ltda.	Mexico	Indirect Subsidiary	Mexican peso	0.00%	100.00%	47,853	10,257	41,589	-	334,122	713
Foreign	Inversiones Eurosuper SL	Spain	Indirect Subsidiary	Euro	0.00%	100.00%	37,862	2,957,971	2,529	-	-	131,055
Foreign	Productos Alimenticios Súper R.L.	Mexico	Indirect Subsidiary	Mexican peso	0.00%	100.00%	6,837,986	31,517	4,651,874	-	46,514,129	255,059



Balances as of December 31, 2015

Chilean ID	Company	Country	Relationship	Functional Currency	Share %		Current Assets ThCh\$	Non-current Assets ThCh\$	Current Liabilities ThCh\$	Non-current Liabilities ThCh\$	Revenue ThCh\$	Net Income (loss) ThCh\$
					Direct	Indirect						
77.805.520-1	Agrocomercial AS Ltda.	Chile	Direct Subsidiary	Chilean peso	99.99%	0.01%	86,313,286	1,157,930,285	227,841,509	6,569,653	407,749,022	169,774,999
76.129.582-9	Pesquera Los Fiordos Ltda.	Chile	Direct Subsidiary	Chilean peso	99.99%	0.01%	2,313	91,239,062	4,148	-	-	(30,512,861)
76.126.154-1	Agrosuper S.P.A.	Chile	Direct Subsidiary	Chilean peso	100.00%	0.00%	198	110,106	578	71,951	-	10,547
79.872.420-7	Exportadora Los Fiordos Ltda.	Chile	Indirect Subsidiary	US dollar	0.00%	100.00%	241,758,086	152,541,308	198,507,165	107,074,465	238,779,406	(30,625,156)
88.680.500-4	Agrícola Super Ltda.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	322,570,930	411,987,167	63,979,518	138,783,982	682,216,740	42,020,066
78.429.980-5	Agro Tantehue Ltda.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	9,000,044	4,083,516	1,299,483	1,652,683	19,177,831	766,114
79.984.240-8	Agrosuper Comercializadora de Alimentos Ltda.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	412,647,551	63,344,820	327,504,332	43,664,601	1,297,487,118	35,928,817
79.561.890-2	Comercializadora de Alimentos Lo Miranda Ltda.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	16,491	826,445	-	224,354	-	253,972
78.370.800-0	Distribuidora Oriente Ltda.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	431,949	1,070,455	167,948	-	460,744	549,139
79.872.410-K	Elaboradora de Alimentos Doñihue Ltda.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	18,532,711	10,591,854	11,364,513	5,650,720	55,780,610	1,155,472
78.408.440-K	Faenadora Lo Miranda Ltda.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	23,400,068	55,931,451	28,119,564	4,390,096	83,138,454	1,153,669
78.483.600-2	Faenadora San Vicente Ltda.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	15,246,339	47,724,706	15,654,303	10,010,115	80,458,553	1,346,691
92.870.000-3	Faenadora San Cristobal Ltda..	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	1,626,390	6,693,712	111,497	173,919	1,149,997	2,484,407
77.920.130-9	Inversiones Doñihue Ltda.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	16	164,506	600	241,739	-	166,870
78.831.670-4	Inversiones Sagunto S.A.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	20	38,045,972	12	-	-	-
76.676.350-2	Agrícola Purapel del Maule Ltda.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	75,190	10,888,924	8,924	11,853,183	-	(292,724)
77.476.390-2	Procesadora de Alimentos del Sur Ltda.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	13,835,869	39,892,183	8,717,147	34,237,916	63,673,403	(145,341)
82.366.700-0	Sopraval S.A.	Chile	Indirect Subsidiary	Chilean peso	0.00%	99.79%	109,640,676	73,719,336	36,710,185	10,879,573	206,171,863	45,364,808
76.278.340-1	Transportes AS Ltda.	Chile	Indirect Subsidiary	Chilean peso	0.00%	100.00%	175,420	2,142,685	219,792	2,586,296	284,784	(41,693)
Foreign	Agro América LLC	USA	Indirect Subsidiary	US dollar	0.00%	100.00%	41,250,079	6,131	41,091,705	-	129,831,811	178,249
Foreign	Agro Europa SPA	Italy	Indirect Subsidiary	Euro	0.00%	79.60%	20,468,326	14,358	18,253,973	-	90,022,072	1,385,268
Foreign	Agrosuper Asia Limited	China	Indirect Subsidiary	US dollar	0.00%	100.00%	685,550	182,069	475,394	-	2,153,571	1,422
Foreign	Agrosuper Brasil Representação de Produtos Alimentícios Ltda.	Brazil	Indirect Subsidiary	Real	0.00%	100.00%	88,707	4,226	25,019	-	264,156	4,749
Foreign	Alimentos Euroagro SL	Spain	Indirect Subsidiary	Euro	0.00%	100.00%	155,841	776	-	189,733	257,939	3,301
Foreign	Andes Asia INC	Japan	Indirect Subsidiary	Yen	0.00%	100.00%	25,310,638	113,762	24,879,073	-	30,377,364	74,743
Foreign	Agrosuper Shanghai	China	Indirect Subsidiary	Chinese Yuan	0.00%	100.00%	216,769	2,930	119,145	-	406,109	3,900
Foreign	Andes, Asesorías y Servicios Ltda.	Mexico	Indirect Subsidiary	Mexican peso	0.00%	100.00%	61,324	9,440	51,752	-	333,493	3,499
Foreign	Inversiones Eurosuper SL	Spain	Indirect Subsidiary	Euro	0.00%	100.00%	290,317	2,855,240	-	-	-	135,718
Foreign	Productos Alimenticios Súper R.L.	Mexico	Indirect Subsidiary	Mexican peso	0.00%	100.00%	13,756,386	25,321	11,318,118	-	53,079,695	817,592



15.2 General information regarding the principal subsidiaries

- Agrícola Super Ltda. (Formerly Agrícola Super Pollo Ltda.) was constituted on February 12, 1982 before the Notary Public Mr. Sergio Rodríguez Garcés. The company's aim is to operate and market directly or through other people all manner of movable goods, especially those related to food and agriculture; to manage, operate, market directly and through other people all manner of agricultural, farm, forestry, fruit and general agro-industrial property; to provide services in general, and any other business that the shareholders agree.
- Agrosuper Comercializadora de Alimentos Limitada was incorporated by public deed on April 10, 1990, before Notary Public Mr. Aliro Veloso Muñoz. The company's aim is to purchase, sell, market and distribute directly, indirectly or through a third party, for itself or on behalf of a third party, all manner of goods and foods; to provide services in general, and any other business that the shareholders agree.
- Agrocomercial AS Limitada was incorporated on August 6, 2002 by public deed before Santiago Notary Public Mrs. Antonia Mendoza Escalas. The company's aim is to acquire, market and sell poultry, porks and animals in general; to acquire, manage and operate its own property or that of third parties, and to operate agro-industrial businesses. During February 2012, Agrocomercial AS Limitada became the parent company for the Group businesses in the meats segment.
- Procesadora de Alimentos del Sur Limitada (formerly Faenadora Rosario Limitada) was incorporated on July 13, 2000 as a limited liability company, by public deed before Notary Public Mrs. Antonia Mendoza Escalas. The company's aim is to process and conserve in refrigeration meats and complementary products from poultry, cattle and animals in general, such as porks, sheep, cattle and their by-products; to operate agro-industrial establishments and refrigerators that process and preserve meat in general and their by-products; to market, distribute, acquire, import and export, either directly or through third parties, owned meat products or those of third parties, as by-products, and to provide services in general.
- Faenadora Lo Miranda Limitada was incorporated on August 4, 1993 as a limited liability company by public deed, before Notary Public Mr. Felix Jara Cadot. The company's aim is to process, conserve in refrigeration, distribute, import and export meat and complementary products such as poultry, cattle and animals in general; to operate agro-industrial establishments and refrigerators to process meat in general; to provide services in general, and any other business that the shareholders agree.
- Faenadora San Vicente Limitada was incorporated on March 1, 1994. The company's aim is to process, conserve in refrigeration, market, distribute and import its own poultry and by-products or those of third parties; to provide services in general, and any other business that the shareholders agree.
- Elaboradora de Alimentos Doñihue Limitada was incorporated on January 9, 1989. The company's aim is to prepare sausages and cured meats.
- Pesquera Los Fiordos Limitada was created on October 25, 2010 through the division and modification of Agrícola Agrosuper S.A., which was detailed in the first point of this note.



Pesquera Los Fiordos Limitada is the parent company for the Group businesses in the aquaculture segment.

- Exportadora Los Fiordos Limitada was incorporated on January 9, 1989 by public deed, before Notary Public Mr. Aliro Veloso Muñoz. The company's aim is to extract, farm and fish for anything that lives in water; to freeze, conserve, prepare and transform it; to explore the fishing industry in general and its derivatives; to prepare fishmeal and fish oil.
- Sopraval S.A. was incorporated by public deed on July 20, 1967, when it was named Sociedad de Productores Avícolas de Valparaíso Limitada. On December 31, 1992 the company amended its statutes to become a privately held corporation, amending its name from Sopraval Limitada to Sopraval S.A. Subsequently, on March 22, 1993 it became a publically held corporation and was registered on the Securities Registry under number 449, and subject to regulation by the Chilean Superintendence of Securities and Insurance. Currently the company has its registered office at J. J. Godoy "La Calera", in Valparaiso Region, Chile. On August 29, 2011, the subsidiary Sopraval S.A. requested the voluntary cancellation of its registration in the Securities Register held by the Superintendence of Securities and Insurance. The company's aim is to farm poultry, to produce turkey meat and prepare turkey sausages.
- The foreign subsidiaries Agro América LLC, Agro Europa SPA, Alimentos Euroagro SL, Inversiones Eurosuper SL, Productos Alimenticios Super Limitada, Andes y Asesorías y Servicios Limitada, Andes Asia INC, Agrosuper Asia Limited, Agrosuper Brasil Representação de Productos Alimenticios Limitada, and Agrosuper Shanghai Limited aim to import, sell and distribute food products derived from chicken, turkey, pork, beef, salmon and generally any food product; to broker such products; and to represent other companies and their products, brands and licenses.



16. INVESTMENTS IN ASSOCIATES ACCOUNTED FOR USING THE EQUITY METHOD

16.1 Investment details

Equity method investments in associates are detailed as follows:

As of December 31, 2016

Chilean ID	Company	Country	Functional Currency	Percentage Share %	Balance as of 01.01.2016 ThCh\$	Share of Loss ThCh\$	Others Increases (Decrease) ThCh\$	Conversion Difference ThCh\$	Balance as of 12.31.2016 ThCh\$
76.498.850-7	Puerto Las Losas S.A.	Chile	US dollar	49.00	17,065,071	12,965	-	(915,590)	16,162,446
Total					17,065,071	12,965	-	(915,590)	16,162,446

As of December 31, 2015

Chilean ID	Company	Country	Functional Currency	Percentage Share %	Balance as of 01.01.2015 ThCh\$	Share of Loss ThCh\$	Others Increases (Decrease) ThCh\$	Conversion Difference ThCh\$	Balance as of 12.31.2015 ThCh\$
76.498.850-7	Puerto Las Losas S.A.	Chile	US dollar	49.00	15,333,339	(881,566)	-	2,613,298	17,065,071
Total					15,333,339	(881,566)	-	2,613,298	17,065,071



16.2 Financial information regarding affiliates

As of December 31, 2016

Chilean ID	Company	Current Assets ThCh\$	Non-current Assets ThCh\$	Current Liabilities ThCh\$	Non-current Liabilities ThCh\$	Revenue ThCh\$	Net Income (loss) ThCh\$
76.498.850-7	Puerto Las Losas S.A.	<u>2,391,245</u>	<u>31,169,184</u>	<u>545,618</u>	<u>0</u>	<u>2,727,421</u>	<u>26,460</u>

As of December 31, 2015

Chilean ID	Company	Assets current ThCh\$	Non-current current ThCh\$	Current current ThCh\$	Non-current current ThCh\$	Revenue ThCh\$	Net Income (loss) neta año ThCh\$
76.498.850-7	Puerto Las Losas S.A.	<u>1,597,860</u>	<u>33,846,936</u>	<u>617,839</u>	<u>0</u>	<u>1,384,102</u>	<u>(1,799,115)</u>



17. INTANGIBLE ASSETS OTHER THAN GOODWILL

17.1 Intangible assets other than goodwill

	12.31.2016		
	Gross value	Cumulative Amortización & Impairment	Net value
	ThCh\$	ThCh\$	ThCh\$
Aquaculture concessions	3,762,693	-	3,762,693
Mining concessions	209,062	-	209,062
Water rights and easements	3,679,881	-	3,679,881
IT projects	17,094,549	(7,419,420)	9,675,129
Brand (a)	5,098,755	-	5,098,755
Other intangible assets.	1,363,307	(668,653)	694,654
Total	31,208,247	(8,088,073)	23,120,174

	12.31.2015		
	Gross value	Cumulative Amortización & Impairment	Net value
	ThCh\$	ThCh\$	ThCh\$
Aquaculture concessions	3,841,006	-	3,841,006
Mining concessions	209,062	-	209,062
Water rights and easements	3,723,721	-	3,723,721
IT projects	16,799,883	(5,106,084)	11,693,799
Brand (a)	5,098,755	-	5,098,755
Other intangible assets.	1,363,104	(668,450)	694,654
Total	31,035,531	(5,774,534)	25,260,997

- a) Intangible assets identified at acquisition and reviewed within a one year period, as indicated by IFRS 3 (see note 18.1). The Sopraval brand is recorded at its fair value at acquisition date, which was provided by a third party valuation. This brand has been assigned an indefinite useful life, as a result of the long-term business plan and business forecasts for this brand.



17.2 Movements in intangible assets other than goodwill

Movements of identifiable intangible assets as of December 31, 2016 and December 31, 2015 are detailed as follows:

As of December 31, 2016	Mining Concessions	Aquaculture Concessions ThCh\$	Water Rights ThCh\$	IT Projects ThCh\$	Brand ThCh\$	Others Intangibles ThCh\$	Total ThCh\$
Opening balance as of January 1, 2016	209,062	3,841,006	3,723,721	11,693,799	5,098,755	694,654	25,260,997
Additions	-	141,768	11,000	364,210	-	-	516,978
Amortization	-	-	-	(2,382,846)	-	-	(2,382,846)
Other increases (decreases)	-	(220,081)	(54,840)	(34)	-	-	(274,955)
Closing balance as of December 31, 2016	<u>209,062</u>	<u>3,762,693</u>	<u>3,679,881</u>	<u>9,675,129</u>	<u>5,098,755</u>	<u>694,654</u>	<u>23,120,174</u>
As of December 31, 2015	Mining Concessions	Aquaculture Concessions ThCh\$	Water Rights ThCh\$	IT Projects ThCh\$	Brand ThCh\$	Others Intangibles ThCh\$	Total ThCh\$
Opening balance as of January 1, 2015	209,062	3,254,779	3,584,346	7,989,729	5,098,755	694,654	20,831,325
Additions	-	31,505	-	4,265,529	-	-	4,297,034
Amortization	-	-	-	(562,067)	-	-	(562,067)
Other increases (decreases)	-	554,722	139,375	608	-	-	694,705
Closing balance as of December 31, 2015	<u>209,062</u>	<u>3,841,006</u>	<u>3,723,721</u>	<u>11,693,799</u>	<u>5,098,755</u>	<u>694,654</u>	<u>25,260,997</u>

17.3 Amortization of intangible assets other than goodwill

Impairment testing is performed annually on intangible assets with indefinite useful lives, either individually or as cash-generating units (CGU).

Intangible assets with finite useful lives are amortized over their useful life and are tested for impairment each time there is an indication that the intangible asset may be impaired. The amortization period and amortization method for an intangible asset with a finite useful life are reviewed at least at every reporting date.

The amortization periods for intangible assets are:

- The SAP IT Project is expenditure on the SAP Project, which will be depreciated on the basis of its returns and estimated usage.

The definition of identifiable assets arising from the acquisition of Sopralval S.A., recognized the Sopralval brand, which is not being amortized because its useful life is indefinite, according to independent third parties.



17.4 Research and development expenditure

Research and development expenditure is as follows:

Research and Development Expenses

	12.31.2016	12.31.2015
	ThCh\$	ThCh\$
Meat	1,009,169	1,271,034
Aquaculture	609,461	307,520
	<u>1,618,630</u>	<u>1,578,554</u>

These disbursements are amortized during the year.



18. GOODWILL

18.1 Goodwill detail

Goodwill as of December 31, 2016 and December 31, 2015 is detailed as follows:

December 2016

Company	Book Equity ThCh\$	Fair Value Adjustment ThCh\$	Fair Value Equity ThCh\$	Acquisition Value ThCh\$	Goodwill ThCh\$
Comercial Geiser S.A.	1,356,245	1,560,730	2,916,976	16,484,368	13,567,392
Sopraval S.A.	38,064,166	-	38,064,166	54,631,524	16,567,358
			<u>40,981,142</u>	<u>71,115,892</u>	<u>30,134,750</u>

December 2015

Company	Book Equity ThCh\$	Fair Value Adjustment ThCh\$	Fair Value Equity ThCh\$	Acquisition Value ThCh\$	Goodwill ThCh\$
Comercial Geiser S.A.	1,356,245	1,560,730	2,916,976	16,484,368	13,567,392
Sopraval S.A.	38,064,166	-	38,064,166	54,631,524	16,567,358
			<u>40,981,142</u>	<u>71,115,892</u>	<u>30,134,750</u>

18.2 Movements in goodwill

Movements as of 12.31.2016

Chilean ID	Company	Balance as of 01.01.2016 ThCh\$	Increases ThCh\$	Decreases ThCh\$	Impairment Losses ThCh\$	Balance as of 12.31.2016 ThCh\$
82.366.700-0	Sopraval S.A.	16,567,358	-	-	-	16,567,358
76.127.489-9	Comercial Geiser S.A.	13,567,392	-	-	-	13,567,392
Total		<u>30,134,750</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,134,750</u>

Movements as of 12.31.2015

Chilean ID	Company	Balance as of 01.01.2015 ThCh\$	Increases ThCh\$	Decreases ThCh\$	Impairment Losses ThCh\$	Balance as of 12.31.2015 ThCh\$
82.366.700-0	Sopraval S.A.	16,567,358	-	-	-	16,567,358
76.127.489-9	Comercial Geiser S.A.	13,567,392	-	-	-	13,567,392
Total		<u>30,134,750</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,134,750</u>



18.3 Acquisition details

a. Comercial Geiser S.A.

This acquisition integrated into the Group the distribution of its products in the north of Chile, where the acquired company had operated between the Fourth and First Regions.

Main reasons for this business combination:

The acquisition was part of the Group's business plan to integrate and control the distribution of products sold in the north of Chile. This acquisition meets the definition of IFRS 3 "Business Combinations", as the acquisition is associated with a business unit.

Factors resulting in goodwill:

Goodwill is mainly the synergy arising from integrating the distribution and logistics business unit for Agrosuper products, which results in distribution cost efficiencies and a better understanding of customer's requirements in the north of Chile.

b. Inversiones Sagunto S.A. and Sopraval S.A.

Main reasons for this business combination:

The acquisition was part of the Group's business plan to integrate and control the production and marketing of agricultural products associated with the turkey business.

This acquisition meets the definition of IFRS 3 "Business Combinations", as the acquisition is associated with a business unit.

Factors resulting in goodwill:

Goodwill represents the excess acquisition cost over the fair value of the Company's share in the identifiable assets, liabilities and contingent liabilities at the acquisition date of Sopraval S.A. It is recorded at acquisition cost less accumulated impairment losses.

Goodwill is not amortized, but at each reporting date the respective investment is evaluated for evidence of impairment that might reduce its recoverable value to below its book value, which would trigger an impairment provision.



19. PROPERTY, PLANT AND EQUIPMENT

19.1 Detail

The net and gross values of property, plant and equipment as of December 31, 2016 and December 31, 2015 are detailed by class as follows:

NET VALUES	12.31.2016	12.31.2015
	ThCh\$	ThCh\$
Property, plant and equipment, net		
Land	84,026,768	87,802,293
Construction in progress	73,672,378	55,274,315
Buildings	301,748,655	291,710,565
Plant and equipment	89,938,007	89,649,256
IT equipment	1,614,891	1,385,379
Fixtures and fittings	83,500,228	76,033,437
Motor vehicles	7,625,095	6,181,095
Other property, plant and equipment	19,724,656	20,325,968
Total property, plant and equipment, net	661,850,678	628,362,308
GROSS VALUES	12.31.2016	12.31.2015
	ThCh\$	ThCh\$
Property, plant and equipment, gross		
Land	84,026,768	87,802,293
Construction in progress	73,672,378	55,274,315
Buildings	534,550,272	515,010,077
Plant and equipment	216,651,497	206,100,263
IT equipment	7,237,623	6,512,335
Fixtures and fittings	319,248,013	298,430,059
Motor vehicles	13,219,032	11,133,327
Other property, plant and equipment	97,969,545	97,230,193
Total property, plant and equipment, gross	1,346,575,128	1,277,492,862
ACCUMULATED DEPRECIATION	12.31.2016	12.31.2015
	ThCh\$	ThCh\$
Accumulated Depreciation		
Buildings	(232,801,617)	(223,299,512)
Plant and equipment	(126,713,490)	(116,451,007)
IT equipment	(5,622,732)	(5,126,956)
Fixtures and fittings	(235,747,785)	(222,396,622)
Motor vehicles	(5,593,937)	(4,952,232)
Other property, plant and equipment	(78,244,889)	(76,904,225)
Total accumulated depreciation	(684,724,450)	(649,130,554)



The main assets that comprise construction in progress, buildings and plant and equipment, indicating their segment, geographical location and book value as of December 31, 2016 and December 31, 2015 are described as follows.

As of December 31, 2016

Construction in progress	Chicken ThCh\$	Pigs ThCh\$	Turkeys ThCh\$	Salmon ThCh\$	Others ThCh\$	Book Value ThCh\$	Region
Industrial Buildings	20,563,190	9,589,091	-	-	3,592,150	33,744,431	VI Region.
Industrial Buildings	-	10,023,230	-	-	987,270	11,010,500	RM
Industrial Buildings	-	-	8,785,457	-	240,189	9,025,646	V Region
Treatment Plant	-	4,286,895	-	-	-	4,286,895	RM
Treatment Plant	-	95,400	-	-	-	95,400	V Region
Treatment Plant	-	6,171,195	-	-	-	6,171,195	VI Region.
Cultivation Center	-	-	-	3,297,146	-	3,297,146	XI Region
Others	-	-	-	-	6,041,166	6,041,166	
Total	20,563,190	30,165,811	8,785,457	3,297,146	10,860,775	73,672,379	

As of December 31, 2015

Construction in progress	Chicken ThCh\$	Pigs ThCh\$	Turkeys ThCh\$	Salmon ThCh\$	Others ThCh\$	Book Value ThCh\$	Region
Industrial Buildings	16,570,745	2,914,193	-	-	2,758,502	22,243,440	VI Region.
Industrial Buildings	-	5,295,545	-	-	580,690	5,876,235	RM
Industrial Buildings	-	116,339	7,301,139	-	181,950	7,599,428	V Region
Treatment Plant	-	3,665,397	-	-	-	3,665,397	RM
Treatment Plant	-	77,973	-	-	-	77,973	V Region
Treatment Plant	-	8,485,441	-	-	-	8,485,441	VI Region.
Cultivation Center	-	-	-	4,825,503	-	4,825,503	XI Region
Others	-	1,487,658	-	-	1,013,240	2,500,898	
Total	16,570,745	22,042,546	7,301,139	4,825,503	4,534,382	55,274,315	



As of December 31, 2016

Buildings	Chicken ThCh\$	Pigs ThCh\$	Turkeys ThCh\$	Salmon ThCh\$	Others ThCh\$	Book Value ThCh\$	Region
Industrial Buildings	-	-	-	4,605,088	-	4,605,088	IX Region
Industrial Buildings	8,097,795	43,260,770	-	-	5,464,452	56,823,017	RM
Industrial Buildings	9,178,190	6,116,452	29,849,788	-	2,043,951	47,188,381	V Region
Industrial Buildings	60,420,999	79,647,581	-	-	17,963,112	158,031,692	VI Region.
Industrial Buildings	-	-	-	10,539,765	-	10,539,765	X Region
Industrial Buildings	-	-	-	2,234,185	-	2,234,185	XI Region
Water Wells	448,140	2,559,128	-	-	-	3,007,268	RM
Water Wells	106,671	423,206	-	-	-	529,877	V Region
Water Wells	778,818	3,044,971	-	-	11,846	3,835,635	VI Region.
Others	-	2,419,808	-	-	12,533,939	14,953,747	
Total	79,030,613	137,471,916	29,849,788	17,379,038	38,017,300	301,748,655	

As of December 31, 2015

Buildings	Chicken ThCh\$	Pigs ThCh\$	Turkeys ThCh\$	Salmon ThCh\$	Others ThCh\$	Book Value ThCh\$	Region
Industrial Buildings	-	-	-	5,322,096	-	5,322,096	IX Region
Industrial Buildings	8,839,309	44,610,788	-	-	5,844,408	59,294,505	RM
Industrial Buildings	5,790,801	6,219,525	30,773,272	-	1,705,246	44,488,844	V Region
Industrial Buildings	49,712,850	77,735,087	-	-	18,267,793	145,715,730	VI Region.
Industrial Buildings	-	-	-	11,467,536	-	11,467,536	X Region
Industrial Buildings	-	-	-	2,551,662	-	2,551,662	XI Region
Water Wells	361,446	2,755,066	-	-	-	3,116,512	RM
Water Wells	46,861	482,863	-	-	-	529,724	V Region
Water Wells	723,853	3,317,320	-	-	14,876	4,056,049	VI Region.
Others	59,910	1,325,750	-	-	13,782,247	15,167,907	
Total	65,535,030	136,446,399	30,773,272	19,341,294	39,614,570	291,710,565	



As of December 31, 2016

Plant and equipment	Chicken ThCh\$	Pigs ThCh\$	Turkeys ThCh\$	Salmon ThCh\$	Others ThCh\$	Book Value ThCh\$	Region
Industrial Equipment	-	6,376,034	-	-	-	6,376,034	III Region
Industrial Equipment	-	-	-	1,087,526	-	1,087,526	IX Region
Industrial Equipment	212,807	1,080,989	-	-	1,327,996	2,621,792	RM
Industrial Equipment	166,545	412,773	5,313,071	-	1,872,300	7,764,689	V Region
Industrial Equipment	32,924,585	16,896,108	-	-	6,349,032	56,169,725	VI Region.
Industrial Equipment	-	-	-	11,419,596	-	11,419,596	X Region
Industrial Equipment	-	-	-	1,874,900	-	1,874,900	XI Region
Others	-	-	-	-	2,623,745	2,623,745	
Total	33,303,937	24,765,904	5,313,071	14,382,022	12,173,073	89,938,007	

As of December 31, 2015

Plant and equipment	Chicken ThCh\$	Pigs ThCh\$	Turkeys ThCh\$	Salmon ThCh\$	Others ThCh\$	Book Value ThCh\$	Region
Industrial Equipment	-	7,891,480	-	-	-	7,891,480	III Region
Industrial Equipment	-	-	-	1,597,525	-	1,597,525	IX Region
Industrial Equipment	271,170	1,280,919	-	-	1,648,728	3,200,817	RM
Industrial Equipment	46,356	512,194	3,536,648	-	3,002,644	7,097,842	V Region
Industrial Equipment	31,678,623	15,330,581	-	-	6,591,001	53,600,205	VI Region.
Industrial Equipment	-	-	-	12,475,420	-	12,475,420	X Region
Industrial Equipment	-	-	-	726,239	-	726,239	XI Region
Others	-	-	-	-	3,059,728	3,059,728	
Total	31,996,149	25,015,174	3,536,648	14,799,184	14,302,101	89,649,256	



19.2 Movements

Movements in net property, plant and equipment for the years ended December 31, 2016 and December 31, 2015 are detailed as follows:

	Land ThCh\$	Construction in Progress ThCh\$	Buildings ThCh\$	Plant and equipment ThCh\$	IT Equipment ThCh\$	Fixtures and fittings ThCh\$	Vehicles ThCh\$	plant and equipment ThCh\$	Total ThCh\$
Assets									
Opening balances as of January 1, 2016	87,802,293	55,274,315	291,905,377	89,649,256	1,385,379	75,838,625	6,181,095	20,325,968	628,362,308
Additions	10,105	79,176,941	646,406	1,506,799	349,446	9,026,075	2,681,943	698,685	94,096,400
Reclassifications	(673,206)	(57,862,240)	25,826,771	12,218,452	555,238	15,918,465	149,650	3,866,870	-
Disposals	(2,907,247)	(2,640,153)	(688,311)	(930,932)	(3,639)	(465,099)	(313,925)	(12,462)	(7,961,768)
Depreciation	-	-	(14,833,176)	(12,001,878)	(666,179)	(16,025,155)	(1,061,451)	(3,521,905)	(48,109,744)
Other increases (decreases) (a)	(205,177)	(276,485)	(1,108,412)	(503,690)	(5,354)	(792,683)	(12,217)	(1,632,500)	(4,536,518)
Closing balance as of December 31, 2016	84,026,768	73,672,378	301,748,655	89,938,007	1,614,891	83,500,228	7,625,095	19,724,656	661,850,678
	Land ThCh\$	Construction in Progress ThCh\$	Buildings ThCh\$	Plant and equipment ThCh\$	IT Equipment ThCh\$	Fixtures and fittings ThCh\$	Vehicles ThCh\$	Other property plant and equipment ThCh\$	Total ThCh\$
Assets									
Opening balances as of January 1, 2015	86,172,860	33,798,280	292,251,661	95,822,683	1,185,767	81,730,562	5,069,687	21,359,714	617,391,214
Additions	214,814	53,286,011	100,094	435,867	741,818	268,634	2,197,868	4,861,029	62,106,135
Reclassifications	932,922	(23,580,665)	11,142,117	3,887,708	54,371	9,937,688	780,253	(3,154,394)	-
Disposals	(39,740)	(8,819,112)	(2,905)	(618,634)	(10,882)	(132,048)	(818,708)	(117,835)	(10,559,864)
Depreciation	-	-	(14,753,704)	(12,265,837)	(597,354)	(17,931,678)	(1,078,317)	(4,438,325)	(51,065,215)
Other increases (decreases) (a)	521,437	589,801	2,973,302	2,387,469	11,659	2,160,279	30,312	1,815,779	10,490,038
Closing balance as of December 31, 2015	87,802,293	55,274,315	291,710,565	89,649,256	1,385,379	76,033,437	6,181,095	20,325,968	628,362,308

- a) The line other increases (decreases) as of December 31, 2016 is mainly the conversion of property, plant and equipment at the subsidiary Exportadora Los Fiordos Limitada for ThCh\$ (4,470,067), whose functional currency is US dollars as these have been converted to the functional currency of the parent company the Chilean peso, which is also the presentation currency, according to the methodology indicated in IAS 21. The conversion of property, plant and equipment at the subsidiary Exportadora Los Fiordos Limitada as of December 31, 2015 was ThCh\$ 10,484,755.



19.3 Additional information

a) Interest capitalization

The Company and its subsidiaries capitalized interest in property, plant and equipment, in accordance with the IAS 23.

	01.01.2016 to 12.31.2016	01.01.2015 to 12.31.2015
	ThCh\$	ThCh\$
Capitalized financial costs	<u>1,612,110</u>	<u>872,849</u>

The average capitalized interest rates as of December 31, 2016 and 2015 were 2.88% and 3.77%, respectively.

b) Insurance

The Company and its subsidiaries have taken out insurance policies to cover possible risks to property, plant and equipment as well as possible claims related to their businesses. These policies sufficiently cover the risks to which they are exposed.

c) Pledges and mortgages associated with property, plant and equipment

The Agrosuper Group has pledges and mortgages on property, plant and equipment, which are detailed in Notes 33.3 and 33.5.

d) Depreciation expense

Depreciation is calculated on a straight-line basis over the respective useful life of the asset.

This useful life has been determined based on natural expected deterioration, technical or commercial obsolescence from changes and/or improvements in production and changes in market demand for the products produced by these assets.



Estimated useful lives by asset class are detailed as follows:

	Financial useful life Range of years
Buildings	40 and 50
Buildings and infrastructure	20 and 50
Machinery and equipment	10 and 15
Furniture and office equipment	5 and 10
Fixtures and accessories	10 and 20
IT equipment	3 and 5
Motor vehicles	5 and 10

The residual value and useful life of assets are reviewed, and adjusted where necessary, at each reporting date.

The charge to the income statement for depreciation on property, plant and equipment is as follows:

	12.31.2016	12.31.2015
	ThCh\$	ThCh\$
Cost of sales	41,780,074	45,216,465
Administrative & distribution expenses	1,064,634	339,660
Other non-operating expenses	<u>5,265,036</u>	<u>5,509,090</u>
Total	<u>48,109,744</u>	<u>51,065,215</u>

e) Cost of dismantling, withdrawal or rehabilitation

The Agrosuper Group has no contractual obligations to withdraw, dismantle and rehabilitate any of its facilities as of December 31, 2016 and December 31, 2015, and therefore has no provisions for these costs.

f) Goods temporarily out of service

The Agrosuper Group has property, plant and equipment that is temporarily out of service as of December 31, 2016. This is machinery and equipment at the Huasco agro-industrial complex amounting to ThCh\$ 14,147,445, which is being relocated to other facilities according to the Company's reuse plan, and whose depreciation for the year was ThCh\$ 2,371,571.



20. CURRENT AND DEFERRED INCOME TAXES

20.1 Income tax recognized in net income for the year

	12.31.2016	12.31.2015
	ThCh\$	ThCh\$
Current tax expense (income)	<u>45,994,699</u>	<u>49,032,532</u>
Total net current tax expense (income)	<u>45,994,699</u>	<u>49,032,532</u>
Deferred tax expense (income)		
Tax expense adjustment (prior period)	(394,892)	(1,878,467)
Tax effect of change in income tax rate	1,423,687	1,958,403
Deferred tax expense (income) for new and reversed temporary differences	5,250,908	(6,619,544)
Others	<u>329,431</u>	<u>(7,575,544)</u>
Total net deferred tax income (expense)	<u>6,609,134</u>	<u>(14,115,152)</u>
Total income tax income (expense)	<u>52,603,833</u>	<u>34,917,380</u>

20.2 Reconciliation of effective tax rate

A reconciliation of the legal tax rate in Chile and the effective tax rate applicable to the Company and its subsidiaries is as follows:

	12.31.2016	12.31.2015
	ThCh\$	ThCh\$
Reconciliation of income tax at the legal rate with the income tax expense at the effective rate	53,977,631	33,800,053
Tax effect of rates in foreign jurisdictions	187,795	251,665
Tax effect of tax deductible expenditure	(2,428,817)	(2,972,914)
Tax effect of disallowable expenditure	(396,466)	5,298,163
Increase (decrease) for tax adjustments for inflation	(1,194,543)	(5,016,831)
Tax effect of change in income tax rate	1,423,688	1,958,403
Others	<u>1,034,545</u>	<u>1,598,841</u>
Total income tax expense	<u>52,603,833</u>	<u>34,917,380</u>

The corporate income tax rate used for the 2016 and 2015 reconciliations is 24% and 22.5% respectively, according to current tax regulations at the reporting date. In comparison the accounting income tax rate for the years 2016 and 2015 is 23.3% and 23.2%, respectively.



20.3 Deferred taxes

Deferred tax assets and liabilities as of December 31, 2016 and December 31, 2015 are detailed as follows:

a) Deferred tax assets relating to:

	12.31.2016	12.31.2015
	ThCh\$	ThCh\$
Provision for the indefinite strike at the Huasco agro-industrial complex	43,858,136	46,084,263
Taxable vs financial goodwill	3,471,146	3,450,774
Vacation provision	3,572,493	1,895,545
Tax losses	536,089	6,920,308
Other provisions	619,345	1,464,979
Allowance for doubtful accounts receivable	122,904	121,409
Other events	1,286,128	1,718,997
Fair value of IFRS Swap	465,065	-
Total deferred tax assets	<u>53,931,306</u>	<u>61,656,275</u>

There is no valuation provision on deferred tax assets at the reporting date because it is likely that deferred tax assets will be completely recovered.

b) Deferred tax liabilities relating to:

	12.31.2016	12.31.2015
	ThCh\$	ThCh\$
Difference between taxable and financial value of fixed assets	72,072,294	77,199,658
Animals born in the field	26,077,197	23,122,388
Indirect manufacturing expenses	7,539,775	11,176,619
Deferred expenses	6,947,175	6,835,379
Fair value of biological assets and inventories	5,588,350	(122,224)
Collective agreement bonus	632,031	675,883
Other events	1,986,396	3,005,889
Total deferred tax liabilities	<u>120,843,218</u>	<u>121,893,592</u>



20.4 Deferred Taxes

Movements on deferred tax assets and liabilities are as follows:

Deferred tax movements	Assets ThCh\$	Liabilities ThCh\$
Balance as of January 1, 2015	60,298,870	125,197,328
Increase (decrease) for deferred taxes on net income	1,014,334	(3,303,736)
Increase (decrease) for deferred taxes on comprehensive income	343,071	-
Balance as of December 31, 2015	61,656,275	121,893,592
Increase (decrease) for deferred taxes on net income	(7,724,969)	96,452
Increase (decrease) for deferred taxes on comprehensive income	-	(1,146,826)
Balance as of December 31, 2016	53,931,306	120,843,218

21. OTHER CURRENT AND NON-CURRENT FINANCIAL LIABILITIES

Other current and non-current financial liabilities as of December 31, 2016 and December 31, 2015 are detailed as follows:

	<u>Current</u>		<u>Non-Current</u>	
	<u>12.31.2016</u> ThCh\$	<u>12.31.2015</u> ThCh\$	<u>12.31.2016</u> ThCh\$	<u>12.31.2015</u> ThCh\$
Interest-bearing loans	-	116,070,324	-	-
Hedging instruments (*)	10,215,734	4,500,085	873,987	14,140,019
Bonds payable	41,504,184	2,029,270	121,500,943	155,457,411
Total	51,719,918	122,599,679	122,374,930	169,597,430

(*) See Note 22.3.a

21.1 Interest bearing loans

	<u>Current</u>		<u>Non-Current</u>	
	<u>12.31.2016</u> ThCh\$	<u>12.31.2015</u> ThCh\$	<u>12.31.2016</u> ThCh\$	<u>12.31.2015</u> ThCh\$
Bank loans	-	116,070,324	-	-
Total	-	116,070,324	-	-



a) Detail of interest bearing bank loans

As of December 31, 2016

- Current

There are no interest bearing bank loans as of December 31, 2016.

As of December 31, 2015

- Current

Chilean ID Debtor	Country Debtor	Company Debtor	Contract Number	Loan Date	Maturity Date	Chilean ID Creditor	Country Creditor	Bank Creditor	Curr.	Repayments	Nominal Annual Interest Rate	Nominal Current Value			Accounting Current Value		
												Up to 90 days ThCh\$	Over 90 days up to 1 year ThCh\$	Nominal Total ThCh\$	Up to 90 days ThCh\$	Over 90 days up to 1 year ThCh\$	Accounting Total ThCh\$
88.680.500-4	Chile	Agricola Super Ltda.	Credit line	12/30/2015	1/4/2016	97.030.000-7	Chile	Banco Estado	CLP	At maturity	4.68%	-	-	-	9,667	-	9,667
79.984.240-8	Chile	Agrosuper Comercializadora de Alimentos Ltda	10007500	6/26/2015	2/19/2016	97.004.000-5	Chile	Banco de Chile	CLP	At maturity	3.47%	6,349,300	6,349,300	6,464,370	6,464,370	6,464,370	
79.984.240-8	Chile	Agrosuper Comercializadora de Alimentos Ltda	10007800	10/7/2015	3/7/2016	97.030.000-7	Chile	Banco Estado	USD	At maturity	0.47%	7,101,600	7,101,600	7,109,481	7,109,481	7,109,481	
79.984.240-8	Chile	Agrosuper Comercializadora de Alimentos Ltda	10008050	12/9/2015	2/8/2016	97.951.000-4	Chile	HSBC Bank Chile	CLP	At maturity	3.78%	7,020,600	7,020,600	7,036,818	7,036,818	7,036,818	
79.984.240-8	Chile	Agrosuper Comercializadora de Alimentos Ltda	10008151	11/19/2015	1/21/2016	97.030.000-7	Chile	Banco Estado	CLP	At maturity	3.76%	7,128,300	7,128,300	7,135,745	7,135,745	7,135,745	
79.984.240-8	Chile	Agrosuper Comercializadora de Alimentos Ltda	10004351	6/27/2013	1/5/2016	97.006.000-6	Chile	BCI	USD	Semi-annual	0.45%	53,262,000	53,262,000	53,383,970	53,383,970	53,383,970	
79.984.240-8	Chile	Agrosuper Comercializadora de Alimentos Ltda	Credit line	12/30/2015	1/4/2016	97.036.000-K	Chile	Banco Santander Chile	CLP	At maturity	5.04%	-	-	-	325,407	325,407	
79.872.420-7	Chile	Exportadora Los Fiordos Ltda	10007501	6/26/2015	2/22/2016	97.004.000-5	Chile	Banco de Chile	CLP	At maturity	3.47%	6,349,300	6,349,300	6,464,370	6,464,370	6,464,370	
79.872.420-7	Chile	Exportadora Los Fiordos Ltda	10008150	12/21/2015	1/21/2016	97.030.000-7	Chile	Banco Estado	CLP	At maturity	3.76%	6,910,000	6,910,000	6,917,217	6,917,217	6,917,217	
79.872.420-7	Chile	Exportadora Los Fiordos Ltda	10008152	12/28/2015	1/28/2016	97.030.000-7	Chile	Banco Estado	CLP	At maturity	3.85%	10,612,500	10,612,500	10,615,905	10,615,905	10,615,905	
79.872.420-7	Chile	Exportadora Los Fiordos Ltda	10008154	12/29/2015	1/27/2016	97.030.000-7	Chile	Banco Estado	CLP	At maturity	3.25%	10,605,000	10,605,000	10,607,374	10,607,374	10,607,374	
Total												115,338,600	-	115,338,600	116,070,324	-	116,070,324

21.2 Bonds payable

An Extraordinary Board meeting was held on June 1, 2011, where the Board unanimously agreed to register in the Securities Registry of the Superintendence of Securities and Insurance two lines of virtual bonds, which may be expressed in UF, US dollars, or nominal Chilean pesos. They shall be placed on the general market, the first for a term not exceeding ten years and the second for a term not exceeding thirty years (hereinafter referred to as the "lines of bonds"). These lines of bonds are limited to UF 8,500,000 in Chilean pesos, without prejudice to bonds that are subsequently placed under these lines that may be expressed UF or in US dollars.

On December 20, 2011, Agrosuper S.A. placed bonds from the "D" series, Symbol BAGRS-D, which were registered on the Securities Registry of the Superintendence of Securities and Insurance under the number 679 dated September 15, 2011.



On September 6, 2012, Agrosuper S.A. placed bonds from the "E" series, Symbol BAGRS-E, which were registered on the Securities Registry of the Superintendence of Securities and Insurance under the number 678 dated September 15, 2011.

The bonds payable as of December 31, 2016 and December 31, 2015 are as follows:

As of December 31, 2016

Document	Registration number	Symbol	Series	Nominal value	Curr.	Nom. rate	Eff. rate	Maturity	Interest payments	Repayments	Current			Non-Current					
											Up to 90 days ThCh\$	90 days to 1 year ThCh\$	Total current as of 12.31.2016 ThCh\$	1 to 3 years ThCh\$	Over 5 years ThCh\$	Total non- current as of 12.31.2016 ThCh\$			
Bonds	679	BAGRS-D	D	5,000,000	UF	3.8%	4.78%	01.09.2032	Semi-annual from 01.03.2012	22 equal semiannual installments from 01.03.2022	1,634,198		1,634,198		121,500,943	121,500,943			
Bonds	678	BAGRS-E	E	1,500,000	UF	3.5%	3.78%	01.09.2017	Semi-annual from 01.03.2013	Bullet	451,992	39,417,994	39,869,986			0			
Total Current											41,504,184			Total Non-current			121,500,943		

As of December 31, 2015

Document	Registration number	Symbol	Series	Nominal value	Curr.	Nom. rate	Eff. rate	Maturity	Interest payments	Repayments	Current			Non-Current					
											Up to 90 days ThCh\$	90 days to 1 year ThCh\$	Total current as of 12.31.2015 ThCh\$	3 to 5 years ThCh\$	Over 5 years ThCh\$	Total non- current as of 12.31.2015 ThCh\$			
Bonds	679	BAGRS-D	D	5,000,000	UF	3.8%	4.78%	01.09.2032	Semi-annual from 01.03.2012	22 equal semiannual installments from 01.03.2022	1,589,610		1,589,610		117,266,004	117,266,004			
Bonds	678	BAGRS-E	E	1,500,000	UF	3.5%	3.78%	01.09.2017	Semi-annual from 01.03.2013	Bullet	439,660		439,660	38,191,407		38,191,407			
Total Current											2,029,270			Total Non-current			155,457,411		



22. FINANCIAL INSTRUMENTS

22.1 Classification of financial asset instruments by nature and category

The financial asset instruments classified by nature and category as of December 31, 2016 and December 31, 2015 are detailed as follows:

	December 31, 2016					
	Financial assets held for trading ThCh\$	Financial assets at fair value through net income ThCh\$	Investments held to maturity ThCh\$	Loans and receivables ThCh\$	Financial assets available for sale ThCh\$	Hedging instruments ThCh\$
Cash and cash equivalents	8,185,700	-	93,629,396	-	-	-
Other financial assets, current	-	-	-	22,580	-	3,532,215
Trade and other receivables	-	-	-	178,172,947	-	-
Accounts receivable from related companies	-	-	-	242,287	-	-
Total current	8,185,700	-	93,629,396	178,437,814	-	3,532,215
Other financial assets, non-current	-	-	-	40,631	-	1,796,739
Rights receivable	-	-	-	5,445,252	-	-
Accounts receivable from related companies	-	-	-	-	-	-
Total non-current	-	-	-	5,485,883	-	1,796,739
Total	8,185,700	-	93,629,396	183,923,697	-	5,328,954

	December 31, 2015					
	Financial assets held for trading ThCh\$	Financial assets at fair value through net income ThCh\$	Investments held to maturity ThCh\$	Loans and receivables ThCh\$	Financial assets available for sale ThCh\$	Hedging instruments ThCh\$
Cash and cash equivalents	6,571,063	-	320,355	-	-	-
Other financial assets, current	-	-	6,861,182	25,250	-	1,595,581
Trade and other receivables	-	-	-	170,098,712	-	-
Accounts receivable from related companies	-	-	-	-	-	-
Total current	6,571,063	-	7,181,537	170,123,962	-	1,595,581
Other financial assets, non-current	-	-	-	4,655	-	145,767
Rights receivable	-	-	-	4,081,892	-	-
Accounts receivable from related companies	-	-	-	-	-	-
Total non-current	-	-	-	4,086,547	-	145,767
Total	6,571,063	-	7,181,537	174,210,509	-	1,741,348

The cash balance is cash and bank balances including the remunerated account, which have not been included in this classification and total ThCh\$ 32,387,441 and ThCh\$ 52,022,079, as of December 31, 2016 and December 31, 2015, respectively.



22.2 Classification of financial liability instruments by nature and category

The financial liability instruments classified by nature and category as of December 31, 2016 and December 31, 2015 are detailed as follows:

December 31, 2016					
	Financial liabilities held for trading	liabilities at fair value through net income	Loans and payables	Hedging instruments	Bonds payable
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Other financial liabilities, current	-	-	-	10,215,734	41,504,184
Trade and other payables, current	-	-	121,421,619	-	-
Accounts payable to related companies	-	-	51,625,365	-	-
Total current	-	-	<u>173,046,984</u>	<u>10,215,734</u>	<u>41,504,184</u>
Other financial liabilities, non-current	-	-	-	873,987	121,500,943
Accounts payable to related companies	-	-	-	-	-
Trade and other payables, non-current	-	-	1,556,342	-	-
Total non-current	-	-	<u>1,556,342</u>	<u>873,987</u>	<u>121,500,943</u>
Total	-	-	<u><u>174,603,326</u></u>	<u><u>11,089,721</u></u>	<u><u>163,005,127</u></u>
December 31, 2015					
	Financial liabilities held for trading	liabilities at fair value through net income	Loans and payables	Hedging instruments	Bonds payable
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Other financial liabilities, current	-	-	116,070,324	4,500,085	2,029,270
Trade and other payables, current	-	-	126,318,879	-	-
Accounts payable to related companies	-	-	34,725,225	-	-
Total current	-	-	<u>277,114,428</u>	<u>4,500,085</u>	<u>2,029,270</u>
Other financial liabilities, non-current	-	-	-	14,140,019	155,457,411
Accounts payable to related companies	-	-	-	-	-
Trade and other payables, non-current	-	-	2,169,058	-	-
Total non-current	-	-	<u>2,169,058</u>	<u>14,140,019</u>	<u>155,457,411</u>
Total	-	-	<u><u>279,283,486</u></u>	<u><u>18,640,104</u></u>	<u><u>157,486,681</u></u>



22.3 Derivative instruments

Agrosuper S.A. and its subsidiaries purchases interest rate and exchange rate hedges, in accordance with risk management policy.

The Company classifies its hedges as cash flow hedges:

- Effective hedges and ineffective hedges: The Company uses hedges to cover the risk of volatility in cash flow attributable to changes in interest rates or exchange rates on loans with variable interest rates or in a currency other than the Chilean Peso.

The effective part of changes in value of hedge instruments is recorded temporarily in equity, until the envisaged transactions occur. The ineffective part is recorded directly in the statement of comprehensive income.

The details hedging contracts and their hedged items are as follows:

Hedge Instrument	Transaction Number	Currency	Rate received	Rate paid	Hedged Instrument	Hedge
CCS	CCS1	UF/USD	Fixed rate	Fixed rate	Series E bond	Cash flow
CCS	CCS2	UF/USD	Fixed rate	Fixed rate	Series D bond	Cash flow



a) Assets and liabilities for hedge instruments

Financial derivative transactions that qualify as hedge instruments resulted in recognizing the following assets and liabilities in the statement of financial position as of December 31, 2016 and December 31, 2015:

	December 31, 2016			
	Asset		Liability	
	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$
Effective hedges	-	1,589,959	8,231,117	57,133
Cash flow hedge	-	1,589,959	8,231,117	57,133
Ineffective hedges	3,532,215	206,780	1,984,617	816,854
Cash flow hedge	-	206,780	20,948	816,854
Other hedge derivatives	3,532,215	-	1,963,669	-
Total	3,532,215	1,796,739	10,215,734	873,987

	December 31, 2015			
	Asset		Liability	
	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$
Effective hedges	1,541,257	-	4,313,202	12,895,097
Cash flow hedge	1,541,257	-	4,313,202	12,895,097
Ineffective hedges	54,324	145,767	186,883	1,244,922
Cash flow hedge	54,324	145,767	186,883	1,244,922
Other hedge derivatives	-	-	-	-
Total	1,595,581	145,767	4,500,085	14,140,019

b) Other information about derivative instruments

The Company's financial derivatives as of December 31, 2016 and December 31, 2015, their fair values, their maturity and their notional and contractual values are detailed as follows:

December 31, 2016								
Financial derivatives	Fair value ThCh\$	Notional value					Subsequent years ThCh\$	Total ThCh\$
		Under 1 year ThCh\$	1 - 2 years ThCh\$	2 - 3 years ThCh\$	3 - 4 years ThCh\$	4 - 5 years ThCh\$		
Effective hedges	(6,698,291)	47,781,725	-	-	-	-	68,363,801	116,145,526
Cross Currency Swap	(6,698,291)	47,781,725	-	-	-	-	68,363,801	116,145,526
Business hedges	937,525	330,439,833	-	33,473,500	140,588,700	-	-	504,502,033
Forwards	1,568,546	323,745,133	-	-	-	-	-	323,745,133
Interest Rate Swap (a)	(631,021)	6,694,700	-	33,473,500	140,588,700	-	-	180,756,900
TOTAL	<u>(5,760,766)</u>	<u>378,221,558</u>	-	<u>33,473,500</u>	<u>140,588,700</u>	-	<u>68,363,801</u>	<u>620,647,559</u>

December 31, 2015								
Financial derivatives	Fair value ThCh\$	Notional value					Subsequent years ThCh\$	Total ThCh\$
		Under 1 year ThCh\$	1 - 2 years ThCh\$	2 - 3 years ThCh\$	3 - 4 years ThCh\$	4 - 5 years ThCh\$		
Effective hedges	(15,667,042)	275,872,952	50,685,870	-	-	-	-	326,558,822
Cross Currency Swap	(12,895,097)	-	50,685,870	-	-	-	-	50,685,870
Forwards	(2,771,945)	275,872,952	-	-	-	-	-	275,872,952
Business hedges	(1,231,714)	142,032,000	14,203,200	-	42,609,600	191,743,200	-	390,588,000
Interest Rate Swap (a)	(1,231,714)	142,032,000	14,203,200	-	42,609,600	191,743,200	-	390,588,000
TOTAL	<u>(16,898,756)</u>	<u>417,904,952</u>	<u>64,889,070</u>	-	<u>42,609,600</u>	<u>191,743,200</u>	-	<u>717,146,822</u>

- a) The fair value of Interest Rate Swaps should not suffer major changes during the year, as all their notional amount are composed of contrary positions, minimizing their effects.



22.4 Fair value assets and liabilities

Fair value is generally understood to be the price of a financial instrument at a particular time in a free and voluntary transaction between interested parties, duly informed and independent of each other. The fair value of financial instruments without available market prices have been estimated using current values or other valuation techniques. These techniques are significantly affected by the underlying assumptions, including the discount rate and the prepayment assumptions. Therefore, the estimates of fair value for some financial assets and liabilities cannot be justified in comparison with independent markets and in many cases they cannot be immediately placed.

The estimates of fair value that follow do not attempt to estimate the value of the Company's returns on its business, nor future business, so do not represent the value of the Company as a going concern.

The methods used to estimate the fair value of its financial instruments are described as follows:

a) Cash and mutual funds:

The book value of cash and mutual funds in banks is approximately their estimated fair value given their short-term nature.

b) Transactions pending settlement (asset and liability)

The book value of transactions in foreign currencies is approximately their estimated fair value given their short-term nature.

c) Financial investments:

The estimated fair value of consolidated financial instruments is calculated using market prices or prices quoted for financial instruments with similar characteristics.

d) Financial instruments

The fair value of financial instruments is the estimated amount that the Company expects to receive or pay to terminate those contracts or agreements, taking into account current interest rates and prices.



As of December 31, 2016

	Book Value	Estimated Fair Value	Unrecognized Gain (Loss)
	ThCh\$	ThCh\$	ThCh\$
Current assets			
Cash and cash equivalents	101,815,096	101,815,096	-
Other financial assets, current	3,554,795	3,554,795	-
Trade and other receivables	177,590,400	177,590,400	-
Accounts receivable from related companies	242,287	242,287	-
Non-current			
Other financial assets, non-current	1,837,370	1,837,370	-
Accounts receivable, non-current	5,445,252	5,445,252	-
Accounts receivable from related companies	-	-	-
Current liabilities			
Other financial liabilities, current	51,719,918	50,415,927	1,303,991
Trade and other payables, current	121,421,619	121,421,619	-
Accounts payable to related companies	51,625,365	51,625,365	-
Non-current			
Other financial liabilities, non-current	122,374,930	148,233,338	(25,858,408)
Accounts payable to related companies	-	-	-
Trade and other payables, non-current	1,556,342	1,556,342	-

As of December 31, 2015

	Book Value	Estimated Fair Value	Unrecognized Gain (Loss)
	ThCh\$	ThCh\$	ThCh\$
Current assets			
Cash and cash equivalents	6,891,418	6,891,418	-
Other financial assets, current	8,482,013	8,482,013	-
Trade and other receivables	169,574,054	169,574,054	-
Accounts receivable from related companies	-	-	-
Non-current			
Other financial assets, non-current	150,422	150,422	-
Accounts receivable, non-current	4,081,892	4,081,892	-
Accounts receivable from related companies	-	-	-
Current liabilities			
Other financial liabilities, current	122,599,679	122,275,599	324,080
Trade and other payables, current	126,318,879	126,318,879	-
Accounts payable to related companies	34,725,225	34,725,225	-
Non-current			
Other financial liabilities, non-current	169,597,430	186,313,792	(16,716,362)
Accounts payable to related companies	-	-	-
Trade and other payables, non-current	2,169,058	2,169,058	-

The cash balance is cash and bank balances including the remunerated account, which have not been included in this classification. It is ThCh\$ 32,387,441 and ThCh\$ 52,022,079, as of December 31, 2016 and December 31, 2015, respectively.



22.5 Fair value hierarchies

Financial instruments recognized at fair value in the statement of financial position are classified into the following hierarchies:

- (a) Level 1: Quoted (unadjusted) price in an active market for identical assets and liabilities.
- (b) Level 2: Indications other than quoted prices included in level 1 that are observable for assets or liabilities, either directly (i.e. as a price) or indirectly (i.e. as a derivative of a price).
- (c) Level 3: Indications for assets or liabilities that are not based on observable market information (non-observable indications).

Financial assets and liabilities at fair value as of December 31, 2016 and December 31, 2015 are detailed as follows:

Financial instruments measured at fair

Description	Fair value measured at the reporting date			
	12.31.2016	Level 1	Level 2	Level 3
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Financial assets				
Effective cash flow hedges	1,589,959		1,589,959	
Ineffective hedges	3,738,995	-	3,738,995	-
Total financial assets	5,328,954	-	5,328,954	-
Financial liabilities				
Effective cash flow hedges	8,288,250	-	8,288,250	-
Ineffective hedges	2,801,471		2,801,471	
Total financial liabilities	11,089,721	-	11,089,721	-

Description	Fair value measured at the reporting date			
	12.31.2015	Level 1	Level 2	Level 3
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Financial assets				
Effective cash flow hedges	1,541,257	-	1,541,257	-
Ineffective hedges	200,091	-	200,091	-
Total financial assets	1,741,348	-	1,741,348	-
Financial liabilities				
Effective cash flow hedges	17,208,299	-	17,208,299	-
Ineffective hedges	1,431,805	-	1,431,805	-
Total financial liabilities	18,640,104	-	18,640,104	-



23. TRADE AND OTHER PAYABLES

Trade and other payables as of December 31, 2016 and December 31, 2015 are detailed as follows:

	Current		Non-current	
	12.31.2016	12.31.2015	12.31.2016	12.31.2015
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Trade payables	96,423,672	105,255,557	-	-
Documents payable	44,913	7,838	-	-
Sundry creditors	1,261,024	993,523	-	-
Accounts payable to purchase equipment (a)	622,537	605,551	1,556,342	2,169,058
Retentions	20,610,849	15,167,239	-	-
Prepaid revenue	2,458,624	4,289,171	-	-
Total	121,421,619	126,318,879	1,556,342	2,169,058

- a) This includes promissory notes arising from the purchase of property and water rights associated with the plant at Faenadora El Milagro, located at San Francisco de Mostazal. This account payable is repayable in 20 equal installments on a six monthly basis in UF and finally matures on May 22, 2020.

Comparative information regarding not yet due and overdue trade accounts payable is as follows.

	As of December 31, 2016			As of December 31, 2015		
	Goods and Services	Others	Total	Goods and Services	Others	Total
Trade payables not yet due						
Trade payables not yet due by due date	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Under 30 days	37,027,698	51,095,234	88,122,932	57,106,698	35,044,512	92,151,210
Between 31 and 60 days	4,646,911	-	4,646,911	8,988,864	-	8,988,864
Between 61 and 90 days	747,172	-	747,172	1,588,205	-	1,588,205
Total trade payables not yet due	42,421,781	51,095,234	93,517,015	67,683,767	35,044,512	102,728,279
Average payment period (days)			30			30
Trade payables overdue						
Trade payables overdue by due date	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Between 0 and 5 days	1,701,626	-	1,701,626	1,335,216	-	1,335,216
Between 6 and 20 days	1,205,031	-	1,205,031	1,192,062	-	1,192,062
Total trade payables overdue	2,906,657	-	2,906,657	2,527,278	-	2,527,278
Average payment period (days)			17			18
Total trade payables	45,328,438	51,095,234	96,423,672	70,211,045	35,044,512	105,255,557



24. CURRENT AND NON-CURRENT PROVISIONS

24.1 Detail of provisions

Provisions as of December 31, 2016 and December 31, 2015 are detailed as follows:

	Current		Non-Current	
	12.31.2016	12.31.2015	12.31.2016	12.31.2015
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Vacation provision (1)	8,239,665	8,343,721	-	-
Performance bonus provisions (2)	6,852,498	5,699,558	-	-
Legal bonus and other benefits	643,161	461,339	-	-
Termination benefits	-	-	4,299,282	2,711,939
Employee benefits provision	15,735,324	14,504,618	4,299,282	2,711,939
Extrordinary turkey fatality provision (bird flu)	4,337,384	-	-	-
Other provisions (3)	3,478,287	3,781,369	-	-
Other provisions	7,815,671	3,781,369	-	-
Total	23,550,995	18,285,987	4,299,282	2,711,939

- (1) This provision is for accrued employee vacations, in accordance with current labor law.
- (2) This provision is for all benefits and bonuses that the Company must pay its employees and executives that are established in collective bargaining agreements or employment contracts, as appropriate.
- (3) This provision covers estimated future payments for services received and goods acquired that are still being processed. This provision includes ThCh\$ 1,369,742 as of December 31, 2016 for the indefinite strike at the Huasco agro-industrial complex. As of December 31, 2015 it was ThCh\$ 2,052,979.

24.2 Movements in provisions

	Employee Benefits Provision						Other Provisions	
	Vacation Provision	Performance Bonus	Other Benefits	Total Current	Termination Benefits	Total Non-Current	Other Provisions	Total Current
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Opening balance as of January 1, 2016	8,343,721	5,699,558	461,339	14,504,618	2,711,939	2,711,939	3,781,369	3,781,369
Provisions added	2,508,430	6,864,701	2,403,965	11,777,096	3,294,734	3,294,734	27,408,433	27,408,433
Provisions used	(2,352,789)	(5,946,342)	(1,273,887)	(9,573,018)	(1,687,872)	(1,687,872)	(22,054,380)	(22,054,380)
Provisions reversed	(170,275)	256,851	(943,699)	(857,123)	-	-	(1,278,125)	(1,278,125)
Conversion adjustment	(89,422)	(22,270)	(4,557)	(116,249)	(19,519)	(19,519)	(41,626)	(41,626)
Closing balance as of December 31, 2016	8,239,665	6,852,498	643,161	15,735,324	4,299,282	4,299,282	7,815,671	7,815,671
	Employee Benefits Provision						Other Provisions	
	Vacation Provision	Performance Bonus	Other Benefits	Total Current	Termination Benefits	Total Non-Current	Other Provisions	Total Current
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Opening balance as of January 1, 2015	8,396,685	5,866,306	385,242	14,648,233	1,188,129	1,188,129	6,232,096	6,232,096
Provisions added	1,953,192	9,862,305	4,304,732	16,120,229	1,784,551	1,784,551	31,750,405	31,750,405
Provisions used	(1,989,271)	(10,029,053)	(4,228,635)	(16,246,959)	(260,741)	(260,741)	(34,194,626)	(34,194,626)
Provisions reversed	(16,885)	-	-	(16,885)	-	-	(6,506)	(6,506)
Closing balance as of December 31, 2015	8,343,721	5,699,558	461,339	14,504,618	2,711,939	2,711,939	3,781,369	3,781,369



25. EQUITY

25.1 Share capital

Company incorporation

Agrosuper S.A. was incorporated by public deed on October 29, 2010, under the name Agrosuper S.A. and its Chilean identification number is: 76,129,263-3. Its registered office is at Camino la Estrella 401, Office 7, Sector Punta de Cortes, Rancagua.

On the date the Company was incorporated its shareholders were Agrocomercial El Paso S.A. and Promotora Doñihue Limitada. Its initial share capital was ThCh\$ 134,901,028 divided into 3,372,525,709 shares. This capital was paid through contributions in shares and rights from the following companies: Agrícola Agrosuper S.A. and Pesquera Los Fiordos Limitada and payment for one share in cash.

Capital increases

- An Extraordinary Shareholders meeting was held on December 15, 2010, which agreed to increase capital from ThCh\$ 134,901,028 to ThCh\$ 147,343,669, through issuing 52,053,605 shares, which represented ThCh\$ 12,442,641. This sum was entirely paid by Agrocomercial El Paso S.A. by contributing 15,200 shares in Agrícola Agrosuper S.A. and 1.52% of the social rights in Pesquera Los Fiordos Limitada, whose contributions were valued at ThCh\$ 12,439,719 and ThCh\$ 2,921 respectively.
- An Extraordinary Shareholders meeting was held on December 27, 2010, which agreed to increase capital from ThCh\$ 147,343,669 to ThCh\$ 683,412,291, through issuing 13,401,715,543 shares, which represented ThCh\$ 536,068,622. This sum was paid through contributing the following loans:
 - Promotora Doñihue Limitada subscribed to 13,198,009,467 shares through contributing a loan that at the date of the meeting was receivable from Agrícola Agrosuper S.A. of ThCh\$ 527,920,379 according to the accounts of both companies.
 - Agrocomercial El Paso S.A. subscribed to 203,706,076 shares through contributing a loan that at the date of the meeting was receivable from Agrícola Agrosuper S.A. of ThCh\$ 8,148,243 according to the accounts of both companies.

The shares issued are detailed as follows:

Date	Reason	Number of shares
10/29/2010	Incorporation of Agrosuper S.A.	3,372,525,709
12/15/2010	Capital increase	52,053,605
12/27/2010	Capital increase	13,401,715,543

Total subscribed and paid shares

16,826,294,857



25.2 Capital management

The Company's capital management objective is to be appropriately capitalized, to ensure that it has access to financial markets to develop its medium and long-term goals, thus optimizing shareholder returns and maintaining a sound financial position.

25.3 Dividend policy and distribution

The Company's statutes and Article 79 of Corporate Law establishes that the Company will annually distribute a mandatory dividend equivalent to 30% of the net income for the year, provided that there were no losses for the year or accumulated losses from previous years, unless unanimously agreed otherwise by holders of all the issued shares at an Ordinary General Shareholders meeting. The Board agreed to provide for a quarterly dividend of 30% of net income for the year with effect from June 30, 2015.

According to Circular 687, this policy is the Board's intention, so its implementation depends on actual net income, forecasts of net income prepared regularly by Management, investment opportunities, the Company's business requirements, and it must be unanimously approved at an Ordinary General Shareholders Meeting.

An Ordinary General Shareholders Meeting was held on April 25, 2016 and unanimously agreed not to distribute dividends from net income for the year ended December 31, 2015, in order to credit them to the Company's Reserve Fund, and this accounting provision has been reversed. However, this decision does not contradict the policy of providing for a quarterly dividend of 30% of net income for the year.

25.4 Shareholder detail

The Company's shareholders are detailed as follows:

Chilean ID	Shareholder	Number of Shares	% Ownership
78.407.260-6	Promotora Doñihue Ltda.	16,570,535,175	98.48%
96.733.090-6	Agrocomercial El Paso S.A.	255,759,682	1.52%

Total

16,826,294,857	100.00%
-----------------------	----------------

25.5 Earnings per share

Basic earnings per share is calculated by dividing the net income attributable to owners of the controller by the weighted average number of shares outstanding during the year:

	12.31.2016	12.31.2015
Net income attributable to owners of the parent company ThCh\$	172,027,398	114,929,523
Basic weighted average number of shares	<u>16,826,294,857</u>	<u>16,826,294,857</u>
Basic earnings (loss) per share (Ch\$/share)	<u>10.22</u>	<u>6.83</u>



25.6 Other reserves

The detail of other reserves included in equity is as follows:

Description	12.31.2016	12.31.2015
	ThCh\$	ThCh\$
Exchange differences on conversion reserve (a)	7,314,232	13,318,950
Cash flow hedge reserve (b)	582,066	(3,049,550)
Other reserves:		
Effect of business combinations under common control (c)	(35,940,928)	(35,940,928)
Other reserves	(707,932)	(785,859)
Total	<u>(28,752,562)</u>	<u>(26,457,387)</u>

a) Exchange differences on conversion reserve

This reserve is the effect of converting the financial statements of subsidiaries whose functional currency is not the Chilean peso, and generating exchange differences on conversion.

b) Cash flow hedge reserve

Under IFRS, changes in the fair value of financial instruments designated as cash flow hedges should be recorded in an equity reserve net of adjustments for any ineffective portion.

c) Effect of business combinations under common control

	ThCh\$
Net effect of the capital decrease Exportadora Los Fiordos Ltda (1)	(38,197,462)
Effect on deferred tax of the merger with Comercial Geiser S.A. (2)	<u>2,256,534</u>
Total net effect of business combinations	<u>(35,940,928)</u>

- 1) This effect is due to the decrease in equity at Exportadora Los Fiordos Limitada during 2016, due to the withdrawal of the partner Inversiones VC Limitada, who withdrew its capital contribution. This caused an increase in the participation of Agrícola Agrosuper S.A. (merged with Agrosuper S.A.) in Exportadora Los Fiordos Limitada from 51.49% to 99.99%.
- 2) This is the effect of deferred taxes on the merger of Comercial Geiser S.A. with Agrosuper Comercializadora de Alimentos Limitada in 2010.



26. NON-CONTROLLING INTERESTS

Non-controlling interests as of December 31, 2016 and December 31, 2015 are detailed as follows:

Subsidiary	Minority shareholder	12.31.2016		
		Subsidiary Equity ThCh\$	Minority Shareholding	Minority Interest ThCh\$
Sopraval S.A.	Others	162.660.653	0,20492%	333.324
Agroeuropa SPA	Balestrero G & G SRL	2.014.162	20,40000%	410.889
	Total			744.213

Subsidiary	Minority shareholder	12.31.2015		
		Subsidiary Equity ThCh\$	Minority Shareholding	Minority Interest ThCh\$
Sopraval S.A.	Others	135.770.254	0,20492%	278.220
Agroeuropa SPA	Balestrero G & G SRL	2.228.710	20,40000%	454.657
	Total			732.877



27. OPERATING SEGMENTS

Segmentation criteria

The Agrosuper Group has defined the basis for segmenting its business with a focus on priorities, consisting of meat, aquaculture and others.

As the subsidiaries within the Group are basically aligned along these business lines, the segment information is based on the financial information of the companies within each segment.

Segment information as of December 31, 2016 and December 31, 2015 is as follows.

Income Statement - As of December 31, 2016.

	January 1 to December 31, 2016				Total Consolidated ThCh\$
	Meat ThCh\$	Aquaculture ThCh\$	Others ThCh\$	Total Segment ThCh\$	
Revenue	1,370,619,065	254,434,251	11,386,208	1,636,439,524	1,669,702,546
Cost of sales	(937,144,663)	(217,876,574)	(79,306)	(1,155,100,543)	(1,155,100,543)
Gross margin before fair value	433,474,402	36,557,677	11,306,902	481,338,981	514,602,003
(Charge) credit to the income statement for the fair value of biological assets harvested and sold	-	9,022,743	-	9,022,743	-
(Charge) credit to the income statement for the fair value of the growth in biological assets for the period	-	24,240,279	-	24,240,279	-
GROSS MARGIN	433,474,402	69,820,699	11,306,902	514,602,003	514,602,003
Other expenses by function	(4,343,710)	(5,082,129)	-	(9,425,839)	(9,425,839)
Distribution costs	(197,941,123)	(23,706,772)	(11,189,591)	(232,837,486)	(232,837,486)
Administration and sales expenses	(26,958,216)	(3,512,104)	-	(30,470,320)	(30,470,320)
Other gains (losses)	(7,051,603)	(4,057,766)	48,891	(11,060,478)	(11,060,478)
Financial income	1,068,999	267,045	-	1,336,044	1,336,044
Financial costs	(3,271,183)	(844,286)	-	(4,115,469)	(4,115,469)
Share of net income in equity accounted associates	(31,058)	-	-	(31,058)	(31,058)
Exchange differences	(2,187,796)	(902,805)	-	(3,090,601)	(3,090,601)
OTHER EXPENDITURE	(240,715,690)	(37,838,817)	(11,140,700)	(289,695,207)	(289,695,207)
NET INCOME (LOSS) BEFORE TAXES	192,758,712	31,981,882	166,202	224,906,796	224,906,796
Income tax expense	(44,883,420)	(7,686,210)	(34,203)	(52,603,833)	(52,603,833)
NET INCOME (LOSS)	147,875,292	24,295,672	131,999	172,302,963	172,302,963
NET INCOME (LOSS) ATTRIBUTABLE TO:					
Net income (loss) attributable to owners of the parent company	147,622,160	24,273,239	131,999	172,027,398	172,027,398
Net income (loss) attributable to non-controlling interests	253,132	22,433	-	275,565	275,565
NET INCOME (LOSS)	147,875,292	24,295,672	131,999	172,302,963	172,302,963



Income Statement - As of December 31, 2015.

	January 1 to December 31, 2015				Total Consolidated ThCh\$
	Meat ThCh\$	Aquaculture ThCh\$	Others ThCh\$	Total Segment ThCh\$	
Revenue	1,358,007,384	139,641,376	13,365,408	1,511,014,168	1,503,869,108
Cost of sales	(891,387,752)	(164,346,581)	(96,492)	(1,055,830,825)	(1,055,830,825)
Gross margin before fair value	466,619,632	(24,705,205)	13,268,916	455,183,343	448,038,283
(Charge) credit to the income statement for the fair value of biological assets harvested and sold	-	(4,974,585)	-	(4,974,585)	-
(Charge) credit to the income statement for the fair value of the growth in biological assets for the period	-	(2,170,475)	-	(2,170,475)	-
GROSS MARGIN	466,619,632	(31,850,265)	13,268,916	448,038,283	448,038,283
Distribution costs	(186,827,405)	(16,992,246)	(12,899,240)	(216,718,891)	(216,718,891)
Administration and sales expenses	(26,276,666)	(4,106,572)	(15,618)	(30,398,856)	(30,398,856)
Other gains (losses)	(26,303,815)	(10,676,781)	33,967	(36,946,629)	(36,946,629)
Financial income	1,274,279	331,261	-	1,605,540	1,605,540
Financial costs	(8,001,668)	(1,966,076)	-	(9,967,744)	(9,967,744)
Share of net income in equity accounted associates	(1,079,561)	-	-	(1,079,561)	(1,079,561)
Exchange differences	(2,089,760)	(2,219,923)	-	(4,309,683)	(4,309,683)
OTHER EXPENDITURE	(249,304,596)	(35,630,337)	(12,880,891)	(297,815,824)	(297,815,824)
NET INCOME (LOSS) BEFORE TAXES	217,315,036	(67,480,602)	388,025	150,222,459	150,222,459
Income tax expense	(49,190,471)	14,310,150	(37,059)	(34,917,380)	(34,917,380)
NET INCOME (LOSS)	168,124,565	(53,170,452)	350,966	115,305,079	115,305,079
NET INCOME (LOSS) ATTRIBUTABLE TO:					
Net income (loss) attributable to owners of the parent company	167,777,765	(53,199,208)	350,966	114,929,523	114,929,523
Net income (loss) attributable to non-controlling interests	346,800	28,756	-	375,556	375,556
NET INCOME (LOSS)	168,124,565	(53,170,452)	350,966	115,305,079	115,305,079



Statement of Financial Position - As of December 31, 20160

ASSETS	31.12.2016			Total ThCh\$
	Meat ThCh\$	Aquaculture ThCh\$	Others ThCh\$	
CURRENT ASSETS				
Cash and cash equivalents	109,254,283	24,948,254	-	134,202,537
Other current financial assets	2,893,958	660,837	-	3,554,795
Other current non-financial assets	9,337,439	3,889,872	47,698	13,275,009
Trade and other receivables	157,172,228	20,364,584	53,588	177,590,400
Accounts receivable from related companies	242,243	44	-	242,287
Inventories	137,691,821	27,561,468	951,584	166,204,873
Biological assets	105,915,450	115,438,748	-	221,354,198
Current tax assets	22,167,199	4,131,837	23,654	26,322,690
Total current assets	544,674,621	196,995,644	1,076,524	742,746,789
NON-CURRENT ASSETS				
Other non-current financial assets	1,495,803	341,567	-	1,837,370
Trade and other receivables	5,369,406	61,560	14,286	5,445,252
Accounts receivable from related companies	-	-	-	-
Equity method investments	16,162,446	-	-	16,162,446
Intangible assets other than goodwill	18,124,532	4,995,642	-	23,120,174
Goodwill	30,096,367	18,789	19,594	30,134,750
Property, plant and equipment	599,424,391	59,844,901	2,581,386	661,850,678
Biological assets, non-current	10,759,086	3,034,770	-	13,793,856
Non-current tax assets	-	14,444,090	-	14,444,090
Deferred tax assets	52,366,886	687,117	877,303	53,931,306
Total non-current assets	733,798,917	83,428,436	3,492,569	820,719,922
Total assets	1,278,473,538	280,424,080	4,569,093	1,563,466,711
LIABILITIES				
	31.12.2016			Total ThCh\$
	Meat ThCh\$	Aquaculture ThCh\$	Others ThCh\$	
CURRENT LIABILITIES				
Other current financial liabilities	42,105,187	9,614,731	-	51,719,918
Trade and other payables	97,305,918	20,425,142	3,690,559	121,421,619
Accounts payable to related companies	48,786,630	2,838,735	-	51,625,365
Other current provisions	7,123,506	692,165	-	7,815,671
Current tax liabilities	1,769,908	407,077	102,199	2,279,184
Employee benefit provisions, current	13,216,708	2,516,530	2,086	15,735,324
Total current liabilities	210,307,857	36,494,380	3,794,844	250,597,081
NON-CURRENT LIABILITIES				
Other non-current financial liabilities	99,625,430	22,749,500	-	122,374,930
Trade payables, non-current	1,556,342	-	-	1,556,342
Deferred tax liabilities	96,629,511	23,856,805	356,902	120,843,218
Employee benefit provisions, non-current	3,801,992	495,947	1,343	4,299,282
Total non-current liabilities	201,613,275	47,102,252	358,245	249,073,772
TOTAL LIABILITIES	411,921,132	83,596,632	4,153,089	499,670,853



Assets and liabilities for the meat segment for the year ended December 31, 2016 are detailed as follows:

	Chicken ThCh\$	Pork ThCh\$	Turkey ThCh\$	Processed meat ThCh\$	Total meat ThCh\$
Current assets	182,993,802	260,408,935	63,787,602	37,484,282	544,674,621
Non-current assets	268,670,486	346,254,373	95,901,812	22,972,246	733,798,917
Total assets	451,664,288	606,663,308	159,689,414	60,456,528	1,278,473,538
Current liabilities	72,961,494	94,483,230	26,420,819	16,442,314	210,307,857
Non-current liabilities	80,737,199	89,760,064	23,047,510	8,068,502	201,613,275
Total liabilities	153,698,693	184,243,294	49,468,329	24,510,816	411,921,132



Statement of Financial Position - As of December 31, 2015

ASSETS	31.12.2015			Total ThCh\$
	Meat ThCh\$	Aquaculture ThCh\$	Others ThCh\$	
CURRENT ASSETS				
Cash and cash equivalents	45,398,739	13,514,758	-	58,913,497
Other current financial assets	6,536,240	1,945,773	-	8,482,013
Other current non-financial assets	14,196,239	6,830,200	100,796	21,127,235
Trade and other receivables	148,743,589	20,525,133	305,332	169,574,054
Accounts receivable from related companies	-	-	-	-
Inventories	148,005,023	69,906,947	342,301	218,254,271
Biological assets	104,503,656	128,846,869	-	233,350,525
Current tax assets	12,733,211	6,057,610	163,111	18,953,932
Total current assets	480,116,697	247,627,290	911,540	728,655,527
NON-CURRENT ASSETS				
Other non-current financial assets	115,916	34,506	-	150,422
Accounts receivable, non-current	3,862,804	184,731	34,357	4,081,892
Equity method investments	17,065,071	-	-	17,065,071
Intangible assets other than goodwill	20,083,787	5,177,210	-	25,260,997
Goodwill	30,115,960	18,790	-	30,134,750
Property, plant and equipment	559,482,666	66,692,364	2,187,278	628,362,308
Biological assets, non-current	6,961,684	3,477,087	-	10,438,771
Non-current tax assets	-	18,234,221	-	18,234,221
Deferred tax assets	56,632,555	4,615,391	408,329	61,656,275
Total non-current assets	694,320,443	98,434,300	2,629,964	795,384,707
Total assets	1,174,437,140	346,061,590	3,541,504	1,524,040,234
LIABILITIES				
	31.12.2015			
	Meat ThCh\$	Aquaculture ThCh\$	Others ThCh\$	Total ThCh\$
CURRENT LIABILITIES				
Other current financial liabilities	94,475,314	28,124,365	-	122,599,679
Trade and other payables	93,536,841	28,442,426	4,339,612	126,318,879
Accounts payable to related companies	32,644,261	2,080,964	-	34,725,225
Other current provisions	2,461,502	1,239,107	80,760	3,781,369
Current tax liabilities	13,556,381	68,135	31,810	13,656,326
Employee benefit provisions, current	12,766,169	1,735,897	2,552	14,504,618
Total current liabilities	249,440,468	61,690,894	4,454,734	315,586,096
NON-CURRENT LIABILITIES				
Other non-current financial liabilities	130,691,780	38,905,650	-	169,597,430
Trade payables, non-current	2,169,058	-	-	2,169,058
Deferred tax liabilities	99,374,583	22,200,475	318,534	121,893,592
Employee benefit provisions, non-current	2,358,143	352,955	841	2,711,939
Total non-current liabilities	234,593,564	61,459,080	319,375	296,372,019
TOTAL LIABILITIES	484,034,032	123,149,974	4,774,109	611,958,115



Assets and liabilities for the meat segment for the year ended December 31, 2015 are detailed as follows:

	Chicken ThCh\$	Pork ThCh\$	Turkey ThCh\$	Processed meat ThCh\$	Total meat ThCh\$
Current assets	159,149,520	225,432,481	63,072,330	32,462,366	480,116,697
Non-current assets	261,570,397	316,335,985	91,884,586	24,529,475	694,320,443
Total assets	420,719,917	541,768,466	154,956,916	56,991,841	1,174,437,140
Current liabilities	93,326,811	100,631,544	33,978,047	21,504,066	249,440,468
Non-current liabilities	91,820,001	104,926,593	27,974,621	9,872,349	234,593,564
Total liabilities	185,146,812	205,558,137	61,952,668	31,376,415	484,034,032

28. REVENUE

Revenue for the years ended December 31, 2016 and 2015 is detailed as follows:

	01.01.2016 to 12.31.2016	01.01.2015 to 12.31.2015
	ThCh\$	ThCh\$
Chicken business revenue	502,743,157	481,648,005
Pork business revenue	570,134,910	572,924,165
Turkey business revenue	143,342,350	152,030,764
Processed meat business revenue	154,398,648	151,404,450
Aquaculture business revenue (a)	287,697,273	132,496,316
Others	11,386,208	13,365,408
Total	<u>1,669,702,546</u>	<u>1,503,869,108</u>

(a) Changes in the fair value of biological assets credited to the income statement for the year ended December 31, 2016 of ThCh\$ 33,263,022. The same cause resulted in a charge to the income statement for the year ended December 31, 2015 of ThCh\$ 7,145,060.



29. EMPLOYEE BENEFIT EXPENSE

Employee benefit expense for the years ended December 31, 2016 and 2015 is detailed as follows:

	01.01.2016 to 12.31.2016	01.01.2015 to 12.31.2015
	ThCh\$	ThCh\$
Wages and salaries	144,235,440	141,619,063
Social security and other welfare benefits	9,365,627	9,185,555
Employee termination benefits	14,892,126	14,524,891
Legal bonuses	2,955,482	2,946,154
Allowances	3,422,184	3,387,365
Performance bonuses	1,681,977	1,665,566
Shared funds	326,486	275,704
Other employee expenses	33,843	43,497
Total	<u>176,913,165</u>	<u>173,647,795</u>

30. DEPRECIATION AND AMORTIZATION EXPENSE

Depreciation and amortization expense for the years ended December 31, 2016 and 2015 are detailed as follows:

	01.01.2016 to 12.31.2016	01.01.2015 to 12.31.2015
	ThCh\$	ThCh\$
Depreciation of property, plant and equipment (a)	48,109,744	51,065,215
Depreciation of non-current biological assets	13,539,415	5,600,900
Amortization of intangible assets	2,382,846	562,067
Total	<u>64,032,005</u>	<u>57,228,182</u>

(a) See note 19.d



31. FINANCIAL INCOME AND EXPENSE

Financial income and expenses for the years ended December 31, 2016 and 2015 are detailed as follows:

FINANCIAL INCOME	01.01.2016 to 12.31.2016	01.01.2015 to 12.31.2015
	ThCh\$	ThCh\$
Interest on financial investments	424,287	1,187,248
Interest on loans to related companies	859,246	372,749
Other financial income	52,511	45,543
Total financial income	1,336,044	1,605,540

FINANCIAL COSTS	01.01.2016 to 12.31.2016	01.01.2015 to 12.31.2015
	ThCh\$	ThCh\$
Interest on bank loans	1,872,514	3,159,229
Derivatives on bank loans	(4,302,092)	(741)
Financial expenses for bonds	7,777,976	7,203,225
Bank fees and commissions	341,361	404,595
Other financial costs	37,820	74,285
Capitalized interest (Note 19.3 a)	(1,612,110)	(872,849)
Total financial costs	4,115,469	9,967,744



33. THIRD-PARTY GUARANTEES, OTHER CONTINGENT ASSETS AND LIABILITIES AND OTHER COMMITMENTS.

33.1 Performance guarantees received as of December 31, 2016

Issuing Bank	Document Number	Issue Date	Maturity Date	In favor of	Chilean ID	Taken by	Chilean ID	Document Value	Currency	Value TUCS
Chile	37591	27.11.2014	01.10.2017	Agrícola Súper Ltda.	88.680.500-4	Ag. De Aduanas Carmen G. Fernandez Y Mónica L. Ferr	85.077.100-6	15.000.000	USD	10.042
BCI	224351	11.12.2014	30.09.2017	Agrícola Súper Ltda.	88.680.500-4	Ag. De Aduanas Jorge Vio Arias Y Cía. Ltda.	89.848.400-9	15.000.000	USD	10.042
Santander	168384	09.02.2015	09.02.2018	Faenadora San Vicente Ltda.	78.483.600-2	Jhony Esteban Cisterna Cabezas	11.274.824-5	7.900.000.000	CLP	7.900
Santander	191	29.12.2014	26.12.2017	Faenadora San Vicente Ltda.	79.483.600-2	Sociedad Constructora E Inmobiliaria Tegmor Ltda.	76.601.220-5	20.500.000.000	CLP	20.500
Chile	358271-8	01.02.2016	31.01.2017	Agrosuper Comer. De Alimentos Ltda.	79.984.240-8	Transportes Cabo Frio Ltda.	78.058.280-4	7000.000	UF	18.444
CHILE	378817-8	27.01.2016	28.02.2017	Agrícola Súper Ltda.	88.680.500-4	Resiter Industrial S.A.	76.329.072-7	4.200.000	UF	110.662
BCI	306974	28.01.2016	20.01.2017	Elaboradora de Alimentos Dotihue Ltda.	79.872.410-K	Dimesión Sociedad Anónima	99.538.350-0	5000.000	UF	13.174
BCI	244064	31.12.2016	31.12.2018	Agrosuper Comer. De Alimentos Ltda.	79.984.240-8	Sociedad Comercial Las Coscojas	79.923.160-3	7000.000	UF	18.444
chile	260798-9	19.02.2016	02.01.2019	Agrosuper Comer. De Alimentos Ltda.	79.984.240-8	Donoso Hermanos Y Cía Ltda.	78.931.090-4	7000.000	UF	18.444
chile	50178	26.02.2016	27.02.2018	Agrosuper S.A.	76.129.263-3	Infocorp Chile S.A.	96.872.550-5	13.840.900	USD	9.266
Santander	7	17.02.2016	17.02.2017	Agrícola Súper Ltda.	88.680.500-4	Constructora Malhás Y Otros Ltda.	76.096.052-7	23.052.676.000	CLP	23.053
Santander	505	14.03.2016	02.03.2017	Agrícola Súper Ltda.	88.680.500-4	Sociedad Crevicon Ingenieros Ltda.	76.079.581-K	1.436.54	UF	37.850
Estado	8920082	30.03.2016	28.02.2017	Agrícola Súper Ltda.	88.680.500-4	Servicios Industriales Riesal Ltda.	76.277.319-8	20.322.343.000	CLP	20.322
CHILE	359761-6	31.03.2016	31.03.2017	Procesadora de Alimentos del Sur Ltda.	77.476.390-2	Transportes Don Eduardo Ltda.	76.002.915-7	3.250.000	UF	85.631
CHILE	359760-6	31.03.2016	31.03.2017	Faenadora Lo Miranda Ltda.	78.408.440-K	Transportes Don Eduardo Ltda.	76.002.915-7	1.750.000	UF	46.109
CHILE	334095-4	22.04.2016	28.12.2018	Agrosuper Comer. De Alimentos Ltda.	79.984.240-8	Servicios San Fabian S.A.	96.979.980-4	7000.000	UF	18.444
Santander	537	02.05.2016	01.05.2017	Agrícola Súper Ltda.	88.680.500-4	Transportes Vidal Hermanos Ltda.	78.634.350-K	7000.000	UF	18.444
Santander	536	02.05.2016	01.05.2017	Agrícola Súper Ltda.	88.680.500-4	Transportes Vidal Hermanos Ltda.	78.634.350-K	7000.000	UF	18.444
chile	374393-2	06.05.2016	02.01.2019	Agrosuper Comer. De Alimentos Ltda.	79.984.240-8	Transportes Lasama Ltda	78.788.940-9	7000.000	UF	18.444
Corpanca	168439	27.04.2016	28.03.2017	Faenadora San Vicente Ltda.	78.483.600-2	Constructora Gresol Ltda.	83.241.200-7	5.028.200	UF	132.483
Bci	253035	17.03.2016	15.02.2017	Agrícola Súper Ltda.	88.680.500-4	Constructora Inarco S.A.	96.513.310-0	5.371.59	UF	141.531
Estado	6749131	24.05.2016	25.05.2017	Faenadora San Vicente Ltda.	78.483.600-2	Sociedad Metalurgica Y Constructora Roma	76.084.982-0	5.150.000.000	CLP	5.150
Chile	330949-5	19.05.2016	14.02.2017	Agrícola Súper Ltda.	88.680.500-4	Patricio Soto Y Cía. Ltda.	77.372.490-3	365.938.839.000	CLP	365.939
Santander	73	10.08.2016	30.09.2017	Agrícola Súper Ltda.	88.680.500-4	Constructora Rutas Spa	76.495.749-0	642.111	UF	16.918
Santander	128960	09.08.2016	09.08.2018	Faenadora San Vicente Ltda.	78.483.600-2	Beatriz Del Carmen Giglio Fernandez	7.350.220-9	109.04	UF	2.873
CHILE	353409-0	05.08.2016	14.03.2017	Agrícola Súper Ltda.	88.680.500-4	Patricio Soto Y Cía. Ltda.	77.372.490-3	14.527.51	UF	382.771
CHILE	353412-1	05.08.2016	30.01.2017	Agrícola Súper Ltda.	88.680.500-4	Patricio Soto Y Cía. Ltda.	77.372.490-3	5.811.000	UF	153.108
CHILE	353411-3	05.08.2016	30.01.2017	Agrícola Súper Ltda.	88.680.500-4	Patricio Soto Y Cía. Ltda.	77.372.490-3	5.811.000	UF	153.108
CHILE	353410-5	05.08.2016	30.01.2017	Agrícola Súper Ltda.	88.680.500-4	Patricio Soto Y Cía. Ltda.	77.372.490-3	5.811.000	UF	153.108
CHILE	353407-4	05.08.2016	30.01.2017	Agrícola Súper Ltda.	88.680.500-4	Patricio Soto Y Cía. Ltda.	77.372.490-3	5.811.000	UF	153.108
CHILE	353408-2	05.08.2016	30.01.2017	Agrícola Súper Ltda.	88.680.500-4	Patricio Soto Y Cía. Ltda.	77.372.490-3	5.811.000	UF	153.108
BCI	331069	26.08.2016	24.01.2017	Agrícola Súper Ltda.	88.680.500-4	Emin Ingeniería Y Construcción S.A.	97.237.520-5	779.000	UF	20.525
CHILE	358813-8	24.02.2016	23.02.2017	Agrosuper S.A.	76.129.263-3	Pitagora S.A.	96.954.290-0	14.521.90	UF	382.623
Santander	2250	16.08.2016	20.02.2017	Faenadora San Vicente Ltda.	78.483.600-2	Constructora Gresol Ltda.	83.241.200-7	3.054.07	UF	80.469
Chile	15150-0	23.08.2016	23.08.2018	Faenadora San Vicente Ltda.	78.483.600-2	Sociedad De Transportes Riquelme Ltda.	78.813.140-2	1.200.000.000	CLP	1.200
Santander	2796	19.02.2016	31.03.2017	Procesadora de Alimentos del Sur Ltda.	77.476.390-2	Ecoser S.A.	96.729.820-4	5.500.000	UF	144.914
Chile	354282-3	07.09.2016	03.03.2017	Agrícola Súper Ltda.	88.680.500-4	Tycos Services S.A.	83.157.200-0	1.297.000	UF	34.173
Chile	354285-7	07.09.2016	03.03.2017	Sopraval S.A.	82.366.700-0	Tycos Services S.A.	83.157.200-0	925.000	UF	24.372
Chile	354287-3	07.09.2016	03.03.2017	Agrícola Súper Ltda.	88.680.500-4	Tycos Services S.A.	83.157.200-0	858.000	UF	22.607
Chile	354779-2	27.09.2016	03.04.2017	Agrosuper Comer. De Alimentos Ltda.	79.984.240-8	Jorquera Transportes S.A.	79.620.090-1	7000.000	UF	18.444
BCI	294547	28.09.2016	01.04.2017	Agrosuper Comer. De Alimentos Ltda.	79.984.240-8	Transportes Los Lirios Ltda.	78.188.275-9	7000.000	UF	18.444
BCI	313402	29.09.2016	01.04.2017	Agrosuper Comer. De Alimentos Ltda.	79.984.240-8	Transportes Lasama Ltda	78.788.940-9	7000.000	UF	18.444
Santander	44	29.09.2016	01.04.2017	Agrosuper Comer. De Alimentos Ltda.	79.984.240-8	Sociedad Industrial Y De Inversiones Torres Nevada Ltda	79.740.840-9	7000.000	UF	18.444
chile	354743-3	27.09.2016	03.04.2017	Agrosuper Comer. De Alimentos Ltda.	79.984.240-8	Transportes Cabo Frio Ltda.	78.058.280-4	7000.000	UF	18.444
Scotiabank	166021	27.09.2016	01.04.2017	Agrosuper Comer. De Alimentos Ltda.	79.984.240-8	Transportes Casablanca S.A.	85.131.900-K	7000.000	UF	18.444
BCI	343097	28.09.2016	01.04.2017	Agrosuper Comer. De Alimentos Ltda.	79.984.240-8	Sociedad Comercial Las Coscojas	79.923.160-3	7000.000	UF	18.444
chile	332453-4	15.09.2016	13.03.2017	Faenadora San Vicente Ltda.	78.483.600-2	Compañía Sudamericana De Postensados S.A.	96.981.260-6	5.480.922.000	CLP	5.481
BBVA	128354	27.09.2016	01.04.2017	Agrosuper Comer. De Alimentos Ltda.	79.984.240-8	Sociedad De Transportes Nazar Ltda	99.582.220-5	7000.000	UF	18.444
Chile	337288-8	29.09.2016	09.02.2017	Agrosuper S.A.	76.129.263-3	Fernando Mayer S.A.	92.772.000-0	30.056.483.000	CLP	30.056
CHILE	337275-7	29.09.2016	09.02.2017	Agrosuper S.A.	76.129.263-3	Fernando Mayer S.A.	92.772.000-0	30.056.483.000	CLP	30.056
CHILE	337271-5	29.09.2016	09.02.2017	Agrosuper S.A.	76.129.263-3	Fernando Mayer S.A.	92.772.000-0	30.056.483.000	CLP	30.056
CHILE	337254-5	29.09.2016	09.02.2017	Agrosuper S.A.	76.129.263-3	Fernando Mayer S.A.	92.772.000-0	30.056.483.000	CLP	30.056
CHILE	337256-1	29.09.2016	09.02.2017	Agrosuper S.A.	76.129.263-3	Fernando Mayer S.A.	92.772.000-0	30.056.483.000	CLP	30.056
CHILE	337262-6	29.09.2016	09.02.2017	Agrosuper S.A.	76.129.263-3	Fernando Mayer S.A.	92.772.000-0	30.056.483.000	CLP	30.056
Santander	12	30.09.2016	15.06.2017	Agrícola Súper Ltda.	88.680.500-4	Victor Ricardo Leiva Castro S.A.	78.650.610-7	1.780.006.000	CLP	1.780
Santander	13	30.09.2016	13.05.2017	Agrícola Súper Ltda.	88.680.500-4	Victor Ricardo Leiva Castro S.A.	78.650.610-7	47.113.509.000	CLP	47.114
CHILE	350660-7	28.04.2016	01.03.2017	Agrícola Súper Ltda.	88.680.500-4	Francisco Riquelme S.I.E.I.R.L.	76.247.722-K	2.141.000	UF	56.411
CHILE	350666-5	28.04.2016	01.03.2017	Agrícola Súper Ltda.	88.680.500-4	Francisco Riquelme S.I.E.I.R.L.	76.247.722-K	1.835.000	UF	48.349
CHILE	354991-4	04.10.2016	16.08.2017	Agrícola Súper Ltda.	88.680.500-4	Constructora Inarco S.A.	96.513.310-0	8.501.47	UF	223.997
CHILE	371730-5	26.10.2016	02.11.2017	Agrícola Súper Ltda.	88.680.500-4	Jorquera Transportes S.A.	79.620.090-1	5.000.000	UF	131.740
CHILE	355987-0	07.11.2016	16.10.2017	Fundación Agrosuper	65.038.200-5	Patricio Soto Y Cía. Ltda.	77.372.490-3	1.577.278	UF	41.558
CHILE	355986-2	07.11.2016	16.10.2017	Fundación Agrosuper	65.038.200-5	Patricio Soto Y Cía. Ltda.	77.372.490-3	95.000	UF	2.503
CHILE	357042-8	07.12.2016	12.07.2017	Agrícola Súper Ltda.	88.680.500-4	Constructora Gresol Ltda.	83.241.200-7	3.705.002	UF	97.620
CHILE	357041-0	07.12.2016	12.07.2017	Agrícola Súper Ltda.	88.680.500-4	Constructora Gresol Ltda.	83.241.200-7	3.705.002	UF	97.620
CHILE	357040-2	07.12.2016	28.08.2017	Agrícola Súper Ltda.	88.680.500-4	Constructora Gresol Ltda.	83.241.200-7	5.557.53	UF	146.430
CHILE	357043-6	07.12.2016	12.07.2017	Agrícola Súper Ltda.	88.680.500-4	Constructora Gresol Ltda.	83.241.200-7	3.705.002	UF	97.620
BCI	307602	01.12.2016	02.02.2017	Agrosuper S.A.	76.129.263-3	Envases Chike S.A.	76.278.438-6	5000.000	UF	13.174
Santander	5181	02.12.2016	02.02.2017	Agrosuper S.A.	76.129.263-3	Syntheon Chile Ltda.	77.396.020-8	5000.000	UF	13.174
Santander	59	01.12.2016	24.10.2017	Agrícola Súper Ltda.	88.680.500-4	Victor Ricardo Leiva Castro S.A.	78.650.610-7	10.342.517.000	CLP	10.343
Santander	44	01.12.2016	07.10.2017	Agrícola Súper Ltda.	88.680.500-4	Victor Ricardo Leiva Castro S.A.	78.650.610-7	45.639.290.000	CLP	45.639
Chile	334457-6	21.10.2016	24.08.2017	Agrícola Súper Ltda.	88.680.500-4	Patricio Soto Y Cía. Ltda.	77.372.490-3	1.777.747.000	CLP	1.778
Chile	334459-2	21.10.2016	24.08.2017	Agrícola Súper Ltda.	88.680.500-4	Patricio Soto Y Cía. Ltda.	77.372.490-3	1.503.849.000	CLP	1.504
Chile	334441-1	21.10.2016	24.08.2017	Agrícola Súper Ltda.	88.680.500-4	Patricio Soto Y Cía. Ltda.	77.372.490-3	21.348.586.000	CLP	21.349
chile	331610-9	16.11.2016	15.11.2017	Agrícola Súper Ltda.	88.680.500-4	Patricio Soto Y Cía. Ltda.	77.372.490-3	46.522.701.000	CLP	46.523
Santander	171	12.12.2016	21.11.2017	Agrícola Súper Ltda.	88.680.500-4	Constructora Heavy Duty Ltda.	76.4738.265-K	37.859.927.000	CLP	37.860
BCI	465379	12.12.2016	14.10.2017	Agrícola Súper Ltda.	88.680.500-4	Ingeniería Y Servicios Akaino Ltda.	77.397.200-1	22.275.691.000	CLP	22.276
BCI	255628	29.11.2016	14.07.2017	Agrícola Súper Ltda.	88.680.500-4	Constructora Inarco S.A.	96.513.310-0	5.632.31	UF	148.400
BCI	313402	29.09.2016	01.04.2017	Agrosuper Comer. De Alimentos Ltda.	79.984.240-8	Transportes Lasama Ltda	78.788.940-9	7000.000	UF	18.444
Santander	44	29.09.2016	01.04.2017	Agrosuper Comer. De Alimentos Ltda.	79.984.240-8	Sociedad Industrial Y De Inversiones Torres Nevada Ltda	79.740.840-9	7000.000	UF	18.444
chile	354742-5	27.09.2016	03.04.2017	Agrosuper Comer. De Alimentos Ltda.	79.984.240-8	Transportes Casablanca S.A.	85.131.900-K	7000.000	UF	18.444
BICE	209933	23.09.2016	01.03.2017	Agrosuper Comer. De Alimentos Ltda.	79.984.240-8	Sotaser S.A.	78.057.000-8	7000.000	UF	18.444
chile	176253-2	30.09.2016	03.04.2017	Agrosuper Comer. De Alimentos Ltda.	79.984.240-8	Sociedad Comercial Do A Isidora Ltda.	77.970.090-9	18.357.010.000	CLP	18.357
chile	354743-3	27.09.2016	03.04.2017	Agrosuper Comer. De Alimentos Ltda.	79.984.240-8	Transportes Cabo Frio Ltda.	78.058.280-4	7000.000	UF	18.444
chile	241844-5	04.10.2016	03.04.2017	Agrosuper Comer. De Alimentos Ltda.	79.984.240-8	Transportes Pacifico Ltda.	78.535.500-1	7000.000	UF	18.444
Itau	97788	30.06.2016	01.04.2017	Agrosuper Comer. De Alimentos Ltda.	79.984.					



33.2 Mortgages received as of December 31, 2016

Number	Parties	Start date	Contract	Beneficiary
107-2007	Teresa Abusleme y Cia. Ltda. and Agrosuper Comercializadora de Alimentos Ltda.	8/1/2001	Distribution contract (Curicó). Includes a mortgage over the Curico branch property.	Agrosuper Comercializadora de Alimentos Ltda
108-2007	Distribuidora Sur Ltda. and Agrosuper Comercializadora de Alimentos Ltda.	8/1/2001	Distribution contract (Talca). Includes a mortgage over the Talca branch property.	Agrosuper Comercializadora de Alimentos Ltda
CONT-110-2007	Distribuidora de Productos Alimenticios Chiloe and Distribuidora Super Ltda	3/2/2000	Mortgage agreement to ensure compliance with the Chiloe distribution contract.	Agrosuper Comercializadora de Alimentos Ltda
111-2007	Distribuidora Las Lechuzas Ltda. and Distributor Super Ltda	3/2/2000	Distribution contract. XI Region Includes a mortgage over the Coyhaique branch property.	Agrosuper Comercializadora de Alimentos Ltda
1044-2010	Hodar y Ossandón Ltda and Agrosuper Comercializadora de Alimentos Ltda	12/29/2010	Mortgage and prohibition over the San Felipe branch property.	Agrosuper Comercializadora de Alimentos Ltda

33.3 Pledges and sureties as of December 31, 2016

Pledges

Number	Parties	Start date	Contract	Beneficiary
CONT-995-2007	Agrosuper Comercializadora de Alimentos Ltda and Victor Medina Diaz	10/5/2007	Term sale with pledge. In judicial process (Case filed)	Agrosuper Comercializadora de Alimentos Ltda
CONT-178-2008	Mario Raúl Vidal Pardo and Agrosuper Comercializadora de Alimentos Ltda	5/1/2008	Pledge over a bus to ensure that Mario Vidal repays a debt to Agrosuper. In judicial process (Case filed)	Agrosuper Comercializadora de Alimentos Ltda
51-2013	Transportes Poga Ltda and Agrosuper Comercializadora de Alimentos Ltda	1/9/2015	Pledge over goods to ensure that a debt is repaid to Agrosuper Comercializadora de Alimentos Ltda	Agrosuper Comercializadora de Alimentos Ltda
51-2013	Transportes y Servicios Los Puentes Ltda and Agrosuper Comercializadora de Alimentos Ltda	1/9/2015	Pledge over goods to ensure that a debt is repaid to Agrosuper Comercializadora de Alimentos Ltda	Agrosuper Comercializadora de Alimentos Ltda
283-2015	Ricardo Leiva y Transportes Vamari and Agrícola Super Ltda	5/26/2015	Pledge over five trucks and a machine belonging to Ricardo Leiva y Transportes Vamari, to ensure the payment of invoice 524 dated 12/02/2014.	Agrícola Super Ltda

Sureties in favor of Agrosuper

Number	Parties	Start date	Contract
286-2010	Agrícola Agrosuper Ltda to Aje International Inc. (Contract 07-2009 typed)	3/19/2010	Joint and several guarantee contract for chicken imports from USA
596-2010	Juan Carlos Viacava Viacava to Agrosuper Comercializadora de Alimentos Ltda	7/12/2010	Joint and several guarantee
785-2011	Carlos Reyes Garrido and Agrosuper Comercializadora de Alimentos Ltda	10/11/2011	Joint and several guarantee to ensure obligations of Comercializadora Reyes y Sepúlveda y Compañía Ltda for purchases, loans and other debts
2013	Agrocomercial AS Ltda and Agrícola Super Ltda . In favor of Empresa Eléctrica de Atacama S.A.	12/24/2013	Guarantee contract to ensure prompt and full payment of electricity invoices issued by the Company to the customer under the supply contract.
575-2011	Distribuidora Oriente Ltda and Hodar y Ossandón Ltda	7/7/2010	Sale and distribution of King products in San Felipe. Includes a joint and several guarantee from Mr. Alex Guillermo Ossandón Gómez.
658-2010	Agrosuper Comercializadora de Alimentos Ltda and Hoddar y Ossandón Ltda	7/26/2010	Sale and distribution of King products in San Felipe. Includes a joint and several guarantee from Mr. Alex Guillermo Ossandón Gómez.
755-2011	Teresa Abusleme y Cia Ltda and Agrosuper Comercializadora de Alimentos Ltda	9/27/2011	Product distribution and marketing contract V Region.
756-2011	Distribuidora Sur Ltda and Agrosuper Comercializadora de Alimentos Ltda	9/27/2011	Product distribution and marketing contract IV Region.
757-2011	Distribuidora Chiloe S.A. and Agrosuper Comercializadora de Alimentos Ltda	9/27/2011	Product distribution and marketing contract X Region.
758-2011	Distribuidora Las Lechuzas Ltda and Agrosuper Comercializadora de Alimentos Ltda	4/1/2011	Product distribution and marketing contract XI Region
938-2011	Comercializadora Ffa Ltda and Agrosuper Comercializadora de Alimentos Ltda	12/2/2011	Product distribution and marketing contract to final consumers



Sureties in favor of third parties

Number	Parties	Start date	Contract	Beneficiary
602-2010	Banco Scotiabank Sud Americano and Agrosuper Comercializadora de Alimentos Ltda	7/12/2010	Derivative contracts with general conditions on the local market. Also a guarantee from Agrícola Super.	
315-2011	BCI Factoring S.A., Exportadora Los Fiordos Ltda and Agrícola Super Ltda	4/28/2011	A joint and several guarantee from Agrícola Super Ltda in favor of BCI Factoring S.A. for the obligations of Exportadora Los Fiordos Ltda.	BCI Factoring S.A.
29-2012	Banco Scotiabank Chile and Agrícola Super Ltda in favor of Agrocomercial AS Ltda	7/12/2010	Guarantee by Agrícola Super in favor of Scotiabank that ensures derivative contracts with general conditions	Scotiabank
742-2012	BCI Factoring S.A. and Agrícola Super Ltda in favor of Procesadora de Alimentos del Sur Ltda	9/27/2012	Guarantee by Agrícola Super Ltda in favor of BCI Factoring S.A.	BCI Factoring S.A.
743-2012	BCI Factoring S.A. and Agrícola Super Ltda in favor of Faenadora San Vicente Ltda	9/27/2012	Guarantee by Agrícola Super Ltda in favor of BCI Factoring S.A.	BCI Factoring S.A.
744-2012	BCI Factoring S.A. and Agrícola Super Ltda in favor of Elaboradora de Alimentos Doñihue Ltda	9/27/2012	Guarantee by Agrícola Super Ltda in favor of BCI Factoring S.A.	BCI Factoring S.A.
745-2012	BCI Factoring S.A. and Agrícola Super Ltda in favor of Faenadora Lo Miranda Ltda	9/27/2012	Guarantee by Agrícola Super Ltda in favor of BCI Factoring S.A.	BCI Factoring S.A.
893-2012	JP Morgan Chase Bank NA Chile and Agrícola Super Ltda in favor of Agrosuper Comercializadora de Alimentos Ltda, Exportadora Los Fiordos Ltda and Agrocomercial AS Ltda	10/4/2012	Guarantee by Agrícola Super Ltda in favor of JP Morgan Chase Bank NA Chile	JP Morgan Chase Bank NA Chile
	Celfin Capital S.A. Corredores de Bolsa and Agrosuper Comercializadora de Alimentos Ltda	1/3/2013	Guarantee by Agrícola Super Ltda in favor of Celfin Capital S.A. Corredores de Bolsa	Celfin Capital S.A. Corredores de Bolsa
	Celfin Capital S.A. Corredores de Bolsa and Agrocomercial AS Ltda	1/3/2013	Guarantee by Agrícola Super Ltda in favor of Celfin Capital S.A. Corredores de Bolsa	Celfin Capital S.A. Corredores de Bolsa
	Celfin Capital S.A. Corredores de Bolsa and Exportadora Los Fiordos Ltda	1/3/2013	Guarantee by Agrícola Super Ltda in favor of Celfin Capital S.A. Corredores de Bolsa	Celfin Capital S.A. Corredores de Bolsa
233-2013	Rabobank Cooperative Centrale Raiffeisen-Boerenbank B.A.	1/25/2013	Guarantee by Agrocomercial AS Ltda in favor of Rabobank International	Rabobank Cooperative Centrale Raiffeisen-Boerenbank
	Banco Bilbao Viscaya Argentina Chile and Agrícola Super in favor of Agrosuper Comercializadora de Alimentos Ltda, Exportadora Los Fiordos Ltda and Agrocomercial AS Ltda.	7/14/2011	Joint and several CCG derivative guarantee.	Banco Bilbao Viscaya Argentina Chile
	Banco de Chile and Agrícola Super in favor of Exportadora Los Fiordos Ltda.	6/25/2007	Joint and several CCG derivative guarantee.	Banco de Chile
	Banco Estado and Agrícola Super Ltda. in favor of Agrosuper Comercializadora de Alimentos Ltda.	3/12/2014	Agrícola Super Ltda guarantees an appendix to the general conditions for derivative contracts for Agrosuper Comercializadora de Alimentos Ltda.	Banco Estado
	Banco Estado and Agrícola Super Ltda in favor of Agrocomercial AS Ltda.	3/12/2014	Agrícola Super Ltda guarantees an appendix to the general conditions for derivative contracts for Agrocomercial AS Ltda.	Banco Estado
	Banco Estado and Agrícola Super Ltda in favor of Exportadora Los Fiordos Ltda.	3/12/2014	Agrícola Super Ltda guarantees an appendix to the general conditions for derivative contracts for Exportadora Los Fiordos Ltda.	Banco Estado
	Banco Bilbao Viscaya Argentina Chile and Agrícola Super Ltda in favor of Agrosuper Comercializadora de Alimentos Ltda in favor of Agrocomercial AS Ltda.	5/20/2014	Agrícola Super Ltda and Agrosuper Comercializadora de Alimentos Ltda guarantee an appendix to the general conditions for derivative contracts for Agrocomercial AS Ltda.	Banco Bilbao Viscaya Argentina Chile
	Banco Bilbao Viscaya Argentina Chile and Agrícola Super Ltda and Agrosuper Comercializadora de Alimentos Ltda in favor of Exportadora Los Fiordos Ltda.	5/20/2014	Agrícola Super Ltda and Agrosuper Comercializadora de Alimentos Ltda guarantee the general conditions for derivative contracts for Exportadora Los Fiordos Ltda.	Banco Bilbao Viscaya Argentina Chile
	Banco Bilbao Viscaya Argentina Chile and Agrícola Super Ltda in favor of Agrosuper Comercializadora de Alimentos Ltda.	5/20/2014	Agrícola Super Ltda guarantees the general conditions for derivative contracts for Agrosuper Comercializadora de Alimentos Ltda.	Banco Bilbao Viscaya Argentina Chile
	Banco Bilbao Viscaya Argentina Chile and Agrosuper Comercializadora de Alimentos Ltda in favor of Agrícola Super Ltda.	5/20/2014	Agrosuper Comercializadora de Alimentos Ltda guarantees the general conditions for derivative contracts for Agrícola Super Ltda.	Banco Bilbao Viscaya Argentina Chile
	JP Morgan Chase Bank NA and Agrocomercial AS Ltda, Agrícola Super Ltda in favor of Exportadora Los Fiordos Ltda	6/21/2016	Agrocomercial AS Ltda and Agrícola Super Ltda guarantee ISDA contracts for Exportadora Los Fiordos Ltda	
	JP Morgan Chase Bank NA and Agrocomercial AS Ltda, Agrícola Super Ltda in favor of Agrosuper Comercializadora de Alimentos Ltda	11/4/2015	Agrocomercial AS Ltda and Agrícola Super Ltda guarantee ISDA contracts for Agrosuper Comercializadora de Alimentos Ltda	
	Banco Estado and Agrícola Super Ltda in favor of Distribuidora Oriente Ltda	9/11/2015	Agrícola Super Ltda guarantees the general conditions for derivative contracts for Distribuidora Oriente Ltda	
	Banco Estado and Agrícola Super Ltda in favor of Elaboradora de Alimentos Doñihue Ltda	9/11/2015	Agrícola Super Ltda guarantees the general conditions for derivative contracts for Elaboradora de Alimentos Doñihue Ltda	
	Banco Estado and Agrícola Super Ltda in favor of Sopraval S.A.	9/11/2015	Agrícola Super Ltda guarantees the general conditions for derivative contracts for Sopraval S.A.	
	Banco Estado and Agrícola Super Ltda in favor of Faenadora Lo Miranda Ltda	9/11/2015	Agrícola Super Ltda guarantees the general conditions for derivative contracts for Faenadora Lo Miranda Ltda	
	Banco Estado and Agrícola Super Ltda in favor of Faenadora San Vicente Ltda	9/11/2015	Agrícola Super Ltda guarantees the general conditions for derivative contracts for Faenadora San Vicente Ltda	
	Banco Estado and Agrícola Super Ltda in favor of Procesadora de Alimentos del Sur Ltda	9/11/2015	Agrícola Super Ltda guarantees the general conditions for derivative contracts for Procesadora de Alimentos del Sur Ltda	
	Banco Bilbao Viscaya Argentina and Exportadora Los Fiordos Ltda	5/20/2014	Agrosuper S.A. guarantees the general conditions for derivative contracts for Exportadora Los Fiordos Ltda	
	Goldman Sachs Bank USA and Agrícola Super Ltda	12/6/2016	Agrícola Super Ltda guarantees ISDA contracts for Agrosuper Comercializadora de Alimentos Ltda	
	Merill Lynch International and Agrocomercial AS Ltda	7/1/2015	Agrícola Super Ltda guarantees ISDA contracts for Agrosuper Comercializadora de Alimentos Ltda	
	DND Bank and Agrosuper S.A. and Agrícola Super Ltda in favor of Exportadora Los Fiordos Ltda	10/3/2016	Agrosuper S.A. and Agrícola Super Ltda guarantees ISDA contracts for Agrosuper Comercializadora de Alimentos Ltda	
	DND Bank and Agrosuper S.A. and Agrícola Super Ltda in favor of Agrosuper Comercializadora de Alimentos Ltda	10/3/2016	Agrosuper S.A. and Agrícola Super Ltda guarantees ISDA contracts for Exportadora Los Fiordos Ltda	



33.4 Performance guarantees received as of December 31, 2016

Bank	Document Number	Date Granted	Maturity Date	Beneficiary	Chilean ID	Taken by	Document Value	Currency	Value ThCh\$
Estado	7,056,099	10/28/2013	7/1/2019	General Directorate of Maritime Territory	61.102.014-7	ELF	1,350,000	CLP	1,350
Estado	7,433,828	7/10/2014	7/1/2019	General Directorate of Maritime Territory and the Merchant Navy	61.102.014-7	ELF	2,100,000	CLP	2,100
Estado	7,807,185	7/21/2014	9/30/2020	Public Purchasing and Procurement Department	60.808.000-7	ACA	100,000	CLP	100
Estado	4,226	1/23/2015	6/30/2020	General Directorate of Maritime Territory	61.102.014-7	ELF	1,911,400	CLP	1,911
Estado	498,285	3/19/2015	6/30/2020	General Directorate of Maritime Territory and the Merchant Navy	61.102.014-7	ELF	4,554,478	CLP	4,554
Estado	8,682,281	12/16/2015	12/30/2017	Innova Chile Committee	60.706.069-K	SOPRAVAL S.A.	2,705,700	CLP	2,706
Estado	9,142,519	3/14/2016	5/31/2017	General Army Treasury	61.101.049-4	ACA	34,218,236	CLP	34,218
Estado	9,142,520	3/14/2016	5/31/2017	General Army Treasury	61.101.049-4	ACA	15,726,375	CLP	15,726
Estado	9,142,518	3/14/2016	5/31/2017	General Army Treasury	61.101.049-4	ACA	31,688,059	CLP	31,688
Estado	9,143,431	5/10/2016	12/31/2016	Transportation Director, Ministry of Public Works	61.202.000-0	ACA	1,193,262	CLP	1,193
Estado	9,143,324	5/18/2016	10/31/2017	Innova Chile Committee	60.706.069-K	F. Lo Miranda Ltda	1,230,000	CLP	1,230
Estado	9,143,325	5/18/2016	10/31/2017	Innova Chile Committee	60.706.069-K	F. Lo Miranda Ltda	41,000,000	CLP	41,000
Estado	9,143,107	6/8/2016	12/15/2018	Innova Chile Committee	60.706.069-K	SOPRAVAL S.A.	1,894,630	CLP	1,895
Estado	9,143,291	6/8/2016	4/15/2017	Innova Chile Committee	60.706.069-K	SOPRAVAL S.A.	63,154,324	CLP	63,154
Estado	9,143,143	6/13/2016	9/14/2017	Innova Chile Committee	60.706.069-K	ACA	50,000,000	CLP	50,000
Estado	9,143,142	6/13/2016	9/14/2017	Innova Chile Committee	60.706.069-K	ACA	1,500,000	CLP	1,500
Estado	9,531,624	7/8/2016	6/30/2021	General Directorate of Maritime Territory and the Merchant Navy	61.102.014-7	ELF	2,240,752	CLP	2,241
Chile	150,813	8/19/2016	12/30/2017	Innova Chile Committee	60.706.069-K	SOPRAVAL S.A.	66,387,220	CLP	66,387
Chile	354026-1	8/30/2016	3/29/2017	Inmobiliaria Pilares S.A.	76.026.047-9	ACA	6,000	UF	158,088
Chile	354025-3	8/30/2016	4/13/2017	Inmobiliaria Pilares S.A.	76.026.047-9	ACA	6,000	UF	158,088
Chile	354024-5	8/30/2016	5/2/2017	Inmobiliaria Pilares S.A.	76.026.047-9	ACA	6,000	UF	158,088
Chile	354023-7	8/30/2016	5/15/2017	Inmobiliaria Pilares S.A.	76.026.047-9	ACA	6,000	UF	158,088
Chile	354022-9	8/30/2016	5/30/2017	Inmobiliaria Pilares S.A.	76.026.047-9	ACA	6,000	UF	158,088
Chile	354021-1	8/30/2016	6/14/2017	Inmobiliaria Pilares S.A.	76.026.047-9	ACA	6,000	UF	158,088
Chile	339735-9	11/10/2016	2/28/2017	Navy Accounting Department	61.966.700-K	ACA	13,241,130	CLP	13,241
Chile	339743-0	11/10/2016	2/28/2017	Navy Accounting Department	61.966.700-K	ACA	9,904,484	CLP	9,904
Chile	339786-2	12/7/2016	12/6/2017	Transportation Director	61.202.000-0	ACA	1,193,262	CLP	1,193
Total									<u>1,295,819</u>



33.5 Guarantees and joint and several liabilities

- a) On November 25, 2011, Agrosuper S.A. took over these obligations, in his capacity as legal successor to Agrícola Agrosuper S.A., as the former had directly owned all the shares in the latter for an uninterrupted period exceeding 10 days, in accordance with paragraph 2 of Article 103 of Law 18,046 on Corporations. On November 25, 2011, the Directors of Agrícola Agrosuper S.A. declared the dissolution of this company as Agrosuper S.A. had directly owned all its shares for an uninterrupted period exceeding 10 days, in accordance with Article 108 of Law 18,046. This was recorded in a public deed granted by the Santiago Notary Public Mr. Andres Rubio Flores.
- b) On June 5, 2013, at an extraordinary Board meeting of Agrosuper S.A. the Directors unanimously agreed to approve personal guarantees from Agrosuper S.A. in favor of Banco Rabobank Chile and Banco de Crédito e Inversiones, in order to ensure compliance with the liabilities payable by its subsidiaries Exportadora Los Fiordos Limitada and Agrosuper Comercializadora de Alimentos Limitada, up to a limit of US\$100,000,000 (one hundred million US dollars) for Banco Rabobank Chile, and up to a limit of US\$150,000,000 (one hundred and fifty million US dollars) for Banco de Crédito e Inversiones. These personal guarantees may be formed in national or foreign currency, through a simple guarantee contract, a joint and several guarantee contract, or through endorsement letters and promissory notes in accordance with the law.

There is no outstanding balance payable to Banco Rabobank Chile as of December 31, 2016.

- c) On August 7, 2013, at an ordinary Board meeting of Agrosuper S.A. the Directors unanimously agreed to approve that the Company becomes a joint and several guarantor for Exportadora Los Fiordos Limitada, with respect to compliance with its obligations arising from: /a/ Interest rate swap contract dated March 21, 2013, Page 662285, which establishes the interest rate for 20% of the loan of US\$ 100,000,000, repayable over 7 years with 3 grace years, granted by Banco BBVA on September 13, 2012; /b/ Interest rate swap contract dated March 22, 2013, Page 662292, which establishes the interest rate for 20% of the loan of US\$ 100,000,000, repayable over 7 years with 3 grace years, granted by Banco BBVA on September 13, 2012; /c/ Interest rate swap contract dated March 28, 2013, Page 662318, which establishes the interest rate for 20% of the loan of US\$ 100,000,000, repayable over 7 years with 3 grace years, granted by Banco BBVA on September 13, 2012; and /d/ Interest rate swap contract dated April 3, 2013, Page 662329, which establishes the interest rate for 20% of the loan of US\$ 100,000,000, repayable over 7 years with 3 grace years, granted by Banco BBVA on September 13, 2012.
- d) On May 7, 2014, at an ordinary Board meeting of Agrosuper S.A. the Directors unanimously agreed to approve a personal guarantee from Agrosuper S.A. in favor of Banco BBVA, in order to ensure the prompt and full payment of obligations arising from: /a/ Interest rate swap contract dated March 12, 2014, Page 664063, for a loan of US\$ 10,000,000 (ten million US dollars), repayable over 3 years; and /b/ Interest rate swap contract dated March 12, 2014, Page 664084, for a loan of US\$ 10,000,000 (ten million US dollars), repayable over 3 years.



34. RESTRICTIONS AND PROSECUTIONS

34.1 Restrictions

Agrosuper S.A.

The Company has no individual restrictions. However, as a parent company it is a guarantor for its subsidiaries and requires certain restrictions in relation to bank obligations as of December 31, 2016, detailed as follows:

- Maintain a debt ratio of less than 1, measured as Net Financial Debt divided by Equity.

The Company complied with all of its management restrictions and financial indicators, as indicated in the original loan contracts and their respective amendments, as of December 31, 2016 and December 31, 2015.

Bonds

Agrosuper S.A. has agreed the following financial covenants with bond holders, measured using its financial statements.

- Maintain a debt ratio of less than 1, measured as Net Financial Liabilities divided by Equity, throughout the bond period.
- Not sell one or more essential assets in one transaction or a series of transactions, which represent more than 10% of the total assets of the bond issuer.

The Company fully complied with these restrictions and commitments as of December 31, 2016 and December 31, 2015.



34.2 Prosecutions

The parent company and its subsidiaries have no provisions for contingent liabilities, as Management believe that none of the legal cases described below individually or jointly represent a significant contingency for the Company.

a) Judicial and Administrative Cases

a.1 Cases over ThCh\$ 50,000.

	Parties	Legal action	Organization	Case No - Year began	Observations
1	National Consumer Service vs Agrosuper S.A.	Class Action Lawsuit for alleged violation of widespread and collective consumer interest.	Seventeenth Civil Court of Santiago	C-27058-2015	Proceedings progressing
2	National Consumer Service vs Agrosuper S.A.	Class Action Lawsuit for alleged violation of widespread and collective consumer interest.	Twenty-ninth Civil Court of Santiago.	C-28470-2015	Proceedings progressing
3	Chilean Treasury vs Agrícola Super Limitada	Collection of fines	Chilean Treasury	8-2007	No movement
4	Agribusiness AS Ltda. vs Atacama Environmental Assessment Service	Judicial claim against administrative fines	Civil Court of Freirina.	C-157-2012	Proceedings progressing
5	Agribusiness AS Ltda. vs Atacama Environmental Assessment Service	Judicial claim against administrative fines	Civil Court of Freirina.	C-14-2013	Proceedings progressing
6	Exportadora Los Fiordos Ltda. vs Environmental Superintendent	Appeal against alleged environmental violations	Third Environmental Court of Valdivia	R-23-2015	Appeal submitted to the Supreme Court.

Explanatory notes:

- There are 33 fine appeals or judicial processes, which are currently at various stages, the amount involved in each individual case varies from UTM 2 to 950.
- There are 80 fine appeals or judicial processes, where the amount involved has not yet been determined, as the proceedings are still in progress.



b) Employment prosecutions

b.1 Cases over ThCh\$ 50,000.

Plaintiff	Defendant	Legal action	Organization	Case No.	Observations
Luis Alberto Espina Aguirre	Procesadora de Alimentos del Sur	Compensation for damages for an occupational accident.	First Civil Court of Rengo.	O-170-2016	Proceedings progressing.

There are 9 occupational cases where the Group is the defendant that total ThCh\$ 202,214 as of December 31, 2016.



35. EMPLOYEE HEADCOUNT

The distribution of employees at Agrosuper S.A., including information relating to subsidiaries by business, as of December 31, 2016 and 2015, was as follows:

	12.31.2016		12.31.2015	
	Total No.	Average for the Year No.	Total No.	Average for the Year No.
Executives	42	42	41	46
Professionals and managers	2,586	2,557	2,527	2,580
Technicians	779	778	821	832
Workers and other employees	10,513	10,549	11,062	11,213
Total	13,920	13,926	14,451	14,671

36. SUBSEQUENT EVENTS

- On January 18, 2017, a material event was reported to the Superintendent of Securities and Insurance regarding an outbreak of avian flu in the "El Melon" sector at Sopraval S.A., a subsidiary of Agrosuper S.A.
- A Board Meeting was held on March 8, 2017, which approved the consolidated financial statements as of December 31, 2016, prepared according to the financial information preparation and presentation standards issued by the SVS, in accordance with International Financial Reporting Standards (IFRS).

No other significant subsequent events have occurred between December 31, 2016 and the date of issuance of these consolidated financial statements.



37. ENVIRONMENT

Concern for the environment has been a fundamental pillar in the Company's development, evidenced by its commitment to identify and implement new technologies that enables it to efficiently use natural resources throughout its production chain and minimize the external consequences of producing food.

Therefore, Agrosuper has integrated state-of-the-art technology into all its productive processes, with special emphasis on the treatment process for wastewater and slurry that uses seven activated sludge treatment plants, seven bio-digesters, four vermicomposters, and five composting plants. The Company has developed a technological improvement plan, and has invested Ch\$ 32,290 million this year, in order to register, control and reduce the smells emitted during animal processing, using electronic monitoring, improvements in pig pens and the machinery associated with its composting processes.

All the Company's facilities are governed by environmental regulations, through Clean Production Agreements (APL), whose objective is to improve the environmental conditions of its facilities and promote continuous improvements in its productive processes. These processes are structured to meet specific management and production standards, such as HACCP, ISO9001, BRC and ISO14001, that enable the Company to certify the safety and quality standards of its products, and the external consequences associated with its food and meat processing plants.

Agrosuper strictly controls its greenhouse gas emissions (GHG) on a voluntary basis to meet these standards, and its investments have enabled it to become the first agro-industrial company in the world to reduce its greenhouse gas emissions under the Kyoto Protocol. Therefore, the Company reduced its emissions during 2016 by 509,961 tons of equivalent carbon dioxide, which are available on the United Nations website (<https://offset.climateneutralnow.org/>) for individuals and companies to offset their emissions through our projects, making us the only Agroindustrial Company worldwide to participate in this initiative.

Environmental expenditure as of December 31, 2016 and 2015 is detailed as follows:

Environmental expenditure	Cumulative	
	12.31.2016	12.31.2015
	ThCh\$	ThCh\$
Slurry treatment plants	40,001,189	40,467,408
Environmental management	3,273,351	2,898,167
Total	43,274,540	43,365,575

These costs are mainly: Remuneration, production, maintenance and administration.



Environmental investments	Cumulative	
	12.31.2016	12.31.2015
	ThCh\$	ThCh\$
Slurry treatment	13,850,672	6,450,818
Emissions reduction	18,184,197	6,657,173
Health regulations	172,371	123,504
Water savings	-	2,245
Plantations and hedges	87,956	132,754
Total	<u>32,295,196</u>	<u>13,366,494</u>



38. CURRENCY

Current assets by currency are as follows:

CURRENT ASSETS	Currency	12.31.2016	12.31.2015
		TbCh\$	TbCh\$
Cash and cash equivalents	Chilean peso	107,083,370	5,071,352
	US Dollar	20,248,225	46,523,056
	Euro	5,173,994	6,114,205
	Yen	244,270	340,855
	Mexican peso	602,628	684,184
	U.F.	-	-
	Other currencies	850,050	179,845
Other current financial assets	Chilean peso	1,683,114	7,633,801
	US Dollar	565,810	407,191
	Euro	-	-
	Yen	-	-
	Mexican peso	-	-
	U.F.	1,305,871	441,021
	Other currencies	-	-
Other current non-financial assets	Chilean peso	5,458,813	15,352,744
	US Dollar	7,335,258	5,453,809
	Euro	63,734	128,451
	Yen	-	-
	Mexican peso	4,433	46,139
	U.F.	367,494	90,501
	Other currencies	45,277	55,591
Trade and other receivables	Chilean peso	120,164,332	117,877,571
	US Dollar	46,491,397	33,469,578
	Euro	6,281,139	9,541,063
	Yen	2,548,829	4,454,500
	Mexican peso	2,104,703	3,759,532
	U.F.	-	-
	Other currencies	-	471,810
Accounts receivable from related companies	Chilean peso	242,287	-
	US Dollar	-	-
	Euro	-	-
	Yen	-	-
	Mexican peso	-	-
	U.F.	-	-
	Other currencies	-	-
Inventories	Chilean peso	78,811,672	29,677,246
	US Dollar	51,060,725	122,943,983
	Euro	13,376,713	21,137,495
	Yen	11,323,763	17,953,584
	Mexican peso	11,632,000	26,541,963
	U.F.	-	-
	Other currencies	-	-
Current biological assets	Chilean peso	105,915,451	90,923,277
	US Dollar	115,438,747	142,427,248
	Euro	-	-
	Yen	-	-
	Mexican peso	-	-
	U.F.	-	-
	Other currencies	-	-
Current tax assets	Chilean peso	24,641,045	17,040,688
	US Dollar	351,511	350,434
	Euro	677,270	734,020
	Yen	3,288	53,557
	Mexican peso	260,916	745,852
	U.F.	-	-
	Other currencies	388,660	29,381
TOTAL CURRENT ASSETS	Chilean peso	444,000,084	283,576,679
	US Dollar	241,491,673	351,575,299
	Euro	25,572,850	37,655,234
	Yen	14,120,150	22,802,496
	Mexican peso	14,604,680	31,777,670
	U.F.	1,673,365	531,522
	Other currencies	1,283,987	736,627
Total		742,746,789	728,655,527



Non-current assets by currency are as follows:

NON-CURRENT ASSETS:	Currency	12.31.2016	12.31.2015
		TbCh\$	TbCh\$
Other non-current financial assets	Chilean peso	1,837,370	150,422
	US Dollar	-	-
	Euro	-	-
	Yen	-	-
	Mexican peso	-	-
	U.F.	-	-
	Other currencies	-	-
Trade and other receivables	Chilean peso	5,445,252	4,044,702
	US Dollar	-	-
	Euro	-	-
	Yen	-	37,190
	Mexican peso	-	-
	U.F.	-	-
	Other currencies	-	-
Investments accounted for using the equity method	Chilean peso	16,162,446	17,065,071
	US Dollar	-	-
	Euro	-	-
	Yen	-	-
	Mexican peso	-	-
	U.F.	-	-
	Other currencies	-	-
Intangible assets other than goodwill	Chilean peso	18,454,669	20,462,138
	US Dollar	4,665,015	4,798,167
	Euro	183	246
	Yen	307	446
	Mexican peso	-	-
	U.F.	-	-
	Other currencies	-	-
Goodwill	Chilean peso	30,134,750	30,134,750
	US Dollar	-	-
	Euro	-	-
	Yen	-	-
	Mexican peso	-	-
	U.F.	-	-
	Other currencies	-	-
Property, plant and equipment	Chilean peso	602,099,939	561,810,289
	US Dollar	59,717,073	66,511,071
	Euro	16,179	14,887
	Yen	8,206	16,853
	Mexican peso	6,554	4,982
	U.F.	-	-
	Other currencies	2,727	4,226
Non-current biological assets	Chilean peso	10,759,085	6,961,684
	US Dollar	3,034,771	3,477,087
	Euro	-	-
	Yen	-	-
	Mexican peso	-	-
	U.F.	-	-
	Other currencies	-	-
Non-current tax assets	Chilean peso	-	-
	US Dollar	14,444,090	18,234,221
	Euro	-	-
	Yen	-	-
	Mexican peso	-	-
	U.F.	-	-
	Other currencies	-	-
Deferred tax assets	Chilean peso	53,189,790	57,254,245
	US Dollar	698,669	4,342,757
	Euro	-	-
	Yen	25,057	59,273
	Mexican peso	17,790	-
	U.F.	-	-
	Other currencies	-	-
TOTAL NON-CURRENT ASSETS	Chilean peso	738,083,301	697,883,301
	US Dollar	82,559,618	97,363,303
	Euro	16,362	15,133
	Yen	33,570	113,762
	Mexican peso	24,344	4,982
	U.F.	-	-
	Other currencies	2,727	4,226
Total		820,719,922	795,384,707



Current liabilities by currency are as follows:

CURRENT LIABILITIES	Currency	12.31.2016		12.31.2015	
		Up to 90 days ThCh\$	91 days to 1 year ThCh\$	Up to 90 days ThCh\$	91 days to 1 year ThCh\$
Other current financial liabilities	Chilean peso	977,349	12,103	52,440,754	562,701
	US Dollar	663,655	8,281,055	67,297,724	218,515
	Euro	45,309	19,130	21,348	618
	Yen	183,553	-	3,449	-
	Mexican peso	32,897	-	25,002	-
	U.F.	-	41,504,185	2,029,270	-
	Other currencies	682	-	298	-
Trade and other payables	Chilean peso	87,404,982	-	105,569,293	-
	US Dollar	31,100,431	-	5,971,253	-
	Euro	218,164	-	1,118,953	-
	Yen	335,245	-	-	-
	Mexican peso	249,964	-	69,678	-
	U.F.	117,494	-	100,584	-
	Other currencies	1,995,339	-	13,489,118	-
Accounts payable to related companies	Chilean peso	49,896,916	-	34,725,225	-
	US Dollar	413,335	-	-	-
	Euro	-	-	-	-
	Yen	-	-	-	-
	Mexican peso	-	-	-	-
	U.F.	-	-	-	-
	Other currencies	-	-	-	-
Other current provisions	Chilean peso	7,282,322	-	3,054,900	-
	US Dollar	511,430	-	726,469	-
	Euro	-	-	-	-
	Yen	-	-	-	-
	Mexican peso	-	-	-	-
	U.F.	-	-	-	-
	Other currencies	-	-	-	-
Current tax liabilities	Chilean peso	-299,083	-	10,970,552	1,695,033
	US Dollar	17,806	-	630	-
	Euro	511,919	-	557,093	-
	Yen	-	-	4,742	-
	Mexican peso	63,575	-	426,703	-
	U.F.	-	-	-	-
	Other currencies	1,984,967	-	1,573	-
Employee benefit provisions, current	Chilean peso	-	14,472,643	-	12,469,809
	US Dollar	352,582	731,073	-	1,752,660
	Euro	-	99,289	-	109,836
	Yen	-	61,540	-	116,461
	Mexican peso	-	12,303	-	21,906
	U.F.	-	-	-	-
	Other currencies	-	5,894	-	33,946
TOTAL CURRENT LIABILITIES	Chilean peso	145,262,486	14,484,746	206,760,724	14,727,543
	US Dollar	33,059,239	9,012,128	73,996,076	1,971,175
	Euro	775,392	118,419	1,697,394	110,454
	Yen	518,798	61,540	8,191	116,461
	Mexican peso	346,436	12,303	521,383	21,906
	U.F.	117,494	41,504,185	2,129,854	-
	Other currencies	3,980,988	5,894	13,490,989	33,946
Total		184,060,833	65,199,215	298,604,611	16,981,485



Non-current liabilities by currency are as follows:

NON-CURRENT LIABILITIES	Currency	12.31.2016				12.31.2015			
		1 to 3 years	3 to 5 years	5 to 10 years	Over 10 years	1 to 3 years	3 to 5 years	5 to 10 years	Over 10 years
		ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Other non-current financial liabilities	Chilean peso	-	-	-	-	-	-	-	-
	US Dollar	61,512	755,342	57,133	-	12,901,351	1,238,668	-	-
	Euro	-	-	-	-	-	-	-	-
	Yen	-	-	-	-	-	-	-	-
	Mexican peso	-	-	-	-	-	-	-	-
	U.F.	-	-	121,500,943	-	38,191,407	-	117,266,004	-
	Other currencies	-	-	-	-	-	-	-	-
Trade and other payables	Chilean peso	-	-	-	-	-	-	-	-
	US Dollar	-	-	-	-	-	-	-	-
	Euro	-	-	-	-	-	-	-	-
	Yen	-	-	-	-	-	-	-	-
	Mexican peso	-	-	-	-	-	-	-	-
	U.F.	1,556,342	-	-	-	2,169,058	-	-	-
	Other currencies	-	-	-	-	-	-	-	-
Deferred tax liabilities	Chilean peso	57,298,245	7,116,626	17,791,565	15,060,411	95,887,507	173,919	150,285	2,811,325
	US Dollar	15,942,996	1,387,886	3,469,716	2,775,773	12,510,302	-	10,360,254	-
	Euro	-	-	-	-	-	-	-	-
	Yen	-	-	-	-	-	-	-	-
	Mexican peso	-	-	-	-	-	-	-	-
	U.F.	-	-	-	-	-	-	-	-
	Other currencies	-	-	-	-	-	-	-	-
Employee benefit provisions, non-current	Chilean peso	4,299,282	-	-	-	2,525,743	-	-	-
	US Dollar	-	-	-	-	186,196	-	-	-
	Euro	-	-	-	-	-	-	-	-
	Yen	-	-	-	-	-	-	-	-
	Mexican peso	-	-	-	-	-	-	-	-
	U.F.	-	-	-	-	-	-	-	-
	Other currencies	-	-	-	-	-	-	-	-
TOTAL NON-CURRENT LIABILITIES	Chilean peso	61,597,527	7,116,626	17,791,565	15,060,411	98,413,250	173,919	150,285	2,811,325
	US Dollar	16,004,508	2,143,228	3,526,849	2,775,773	25,597,849	1,238,668	10,360,254	-
	Euro	-	-	-	-	-	-	-	-
	Yen	-	-	-	-	-	-	-	-
	Mexican peso	-	-	-	-	-	-	-	-
	U.F.	1,556,342	-	121,500,943	-	40,360,465	-	117,266,004	-
	Other currencies	-	-	-	-	-	-	-	-
Total		79,158,377	9,259,854	142,819,357	17,836,184	164,371,564	1,412,587	127,776,543	2,811,325

* * * * *