



CONSOLIDATED FINANCIAL STATEMENTS
For the periods ending March 31, 2016 and 2015

HORTIFRUT S.A. AND SUBSIDIARIES
Thousands of United States Dollar

HORTIFRUT S.A. AND SUBSIDIARIES

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HORTIFRUT S.A. AND SUBSIDIARIES

CLASSIFIED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the periods ending March 31, 2016 (unaudited) and the period ending December 31, 2015.

Statement of Financial Position	Note	31-mar-16 KUS\$	31-dec-15 KUS\$
Assets			
Current Assets			
Cash and cash equivalents	7	66,364	24,599
Other current financial assets	8	6,819	3
Other current non financial assets	14	4,620	6,643
Current trade debtors and other accounts receivable	9	35,738	44,512
Current accounts receivable from related entities	10	53,250	38,555
IStock	11	30,433	41,679
Current biological assets	12	3,578	7,182
Total current assets		<u>200,802</u>	<u>163,173</u>
Non current assets			
Other non current financial assets	8	2,115	-
Other non current non financial assets	14	36	11
Non current fees receivable	9	1,415	1,286
Non current accounts receivable with related entities	10	5,438	9,669
Investments recorded using the equity method	16	24,813	24,595
Intangible assets other than appreciation	17	29,023	29,181
Appreciation	18	26,769	26,769
Properties, plant and equipment	19	206,221	201,902
Deferred tax assets	20	16,712	14,317
Total non current assets		<u>312,542</u>	<u>307,730</u>
Total Assets		<u>513,344</u>	<u>470,903</u>

The attached notes number 1 to 38 form an integral part of these financial statements.

HORTIFRUT S.A. AND SUBSIDIARIES

CLASSIFIED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

**For the periods ending March 31, 2016 (unaudited) and
the period ending December 31, 2015.**

Equity and Liabilities	Nota	31-mar-16	31-dec-15
		KUS\$	KUS\$
Liabilities			
Current Liabilities			
Other current financial liabilities	21	105,841	100,139
Current trade accounts and other accounts payable	22	49,071	46,686
Current accounts payable to related entities	10	2,269	2,253
Other current provisions	23	1,641	113
Current tax liabilities	20	5,818	360
Current provisions for employee benefits	23	1,462	1,248
Other current non financial liabilities		3,186	2,920
Total current liabilities		169,288	153,719
Non current liabilities			
Other non current financial liabilities	21	68,654	61,925
Other non current accounts payable	22	756	756
Non current accounts payable to related entities	10	22,443	22,734
Other non current provisions		76	76
Deferred tax liabilities	20	27,728	26,626
Total non current liabilities		112,117	112,117
Total liabilities		288,945	265,836
Equity			
Issued capital	24	136,411	136,411
Accumulated profit (loss)	25	35,213	25,302
Issued premium	24	(1,262)	(1,262)
Other reserves	26	21,331	14,403
Equity attributable to parent company's equity holders		191,693	174,854
Non parent Company ownership	27	32,706	30,213
Total equity		224,399	205,067
Total equity and liabilities		513,344	470,903

The attached notes number 1 to 38 form an integral part of these financial statements.

HORTIFRUT S.A. AND SUBSIDIARIES

CONSOLIDATED INTERIM INCOME STATEMENT

For the periods ending March 31, 2016 and 2015 (unaudited).

Income Statement	Note	01-jan-16 31-mar-16 KUS\$	01-jan-15 31-mar-15 KUS\$
Profit (loss)			
Operating revenue	29	170,945	161,612
Cost of sales	30	<u>(140,293)</u>	<u>(137,635)</u>
Gross profit		<u>30,652</u>	<u>23,977</u>
Other income, per function	29	43	43
Administrative expenses	30	(6,049)	(4,999)
Other expenses, per function	30	(278)	(529)
Other profit (loss)		(14)	(27)
Financial income		216	91
Financial expenses	31	(1,163)	(1,156)
Interest in profit (loss) of related companies and joint Ventures which are recorded using the equity method	16	108	(190)
Exchange rate differences	32	1,521	(2,419)
Before tax profit		<u>25,036</u>	<u>14,791</u>
Gains tax profit	20	(5,575)	(3,682)
Profit (loss) from continued operations		<u>19,461</u>	<u>11,109</u>
Profit (loss)		<u>19,461</u>	<u>11,109</u>
Profit (loss) attributable to			
Profit (loss), attributable to parent Company equity holders		17,771	10,179
Profit (loss), attributable to non parent Company equity holders	27	<u>1,690</u>	<u>930</u>
Profit (loss)		<u>19,461</u>	<u>11,109</u>
Profits per share			
Profit per basic share			
Profit (loss) per basic share from continued operations (US\$ per share)	28	<u>0.040804</u>	<u>0.023372</u>
Profit (loss) per basic share		<u>0.040804</u>	<u>0.023372</u>
Profit per diluted share			
Diluted profit (loss) per share from continued operations (US\$ per share)		<u>0.040804</u>	<u>0.023372</u>
Diluted profit (loss) per share		<u>0.040804</u>	<u>0.023372</u>

Attached notes number 1 to 38 form an integral part of these financial statements.

HORTIFRUT S.A. AND SUBSIDIARIES

CONSOLIDATED INTERIM INTEGRAL INCOME STATEMENT

For the periods ending March 31, 2016 and 2015 (unaudited).

Other integral income statement	01-jan-16 31-mar-16 KUS\$	01-jan-15 31-mar-15 KUS\$
Profit (loss)	19,461	11,109
Components of other integral result, before tax		
Exchange rate differences due to conversi3n		
Profit (loss) due to Exchange rate differences, before tax	977	(3,840)
Other integral result, before tax, exchange rate differences due to conversion	977	(3,840)
Cash flow hedging		
Profit (loss) due to cash flow hedging, before tax (1)	10,216	1,305
Other integral result, before tax, cash flow hedging	10,216	1,305
Other components of other integral result, before tax	11,193	(2,535)
Gains tax related with components of other integral result		
Gains tax related with cash flow hedging of other integral result (1)	(2,436)	(358)
Total gains tax related with components of other integral result	(2,436)	(358)
Other integral result	8,757	(2,893)
Total integral result (2)	28,218	8,216
Integral result attributable to		
Integral result attributable to the parent company's equity holders	25,725	8,603
Integral result attributable to non parent company interests	2,493	(387)
Total integral result	28,218	8,216

(1) These concepts will be re-classified in the consolidated income statement per function once they are liquidated.

(2) Corresponds to profits in the period in case no income or expense is recorded against equity.

The attached notes number 1 to 38 form an integral part of these financial statements.

HORTIFRUT S.A. AND SUBSIDIARIES

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN NET EQUITY

As of March 31, 2016 and March 31, 2015

	Issued capital Note 24 KUS\$	Issued premium Note 24 KUS\$	Surplus revaluation Bearer Plants Note 26 KUS\$	Reserves due to exchange rate differences and Others Note 26 KUS\$	Cash flow hedging reserves Note 26 KUS\$	Other reserves Note 26 KUS\$	Accumulated profit (loss) Note 25 KUS\$	Equity attributable to parent company's equity holders KUS\$	Non parent company interests Note 27 KUS\$	Total equity KUS\$
Opening balance as of 01/01/2016	136,411	(1,262)	-	(7,682)	(2,851)	(10,533)	50,238	174,854	30,213	205,067
Increase (decrease) due to changes in accounting policies	-	-	24,936	-	-	24,936	(24,936)	-	-	-
Opening Balance Re-expressed	136,411	(1,262)	24,936	(7,682)	(2,851)	14,403	25,302	174,854	30,213	205,067
Changes in equity										
Integral Result										
Profit (loss)	-	-	-	-	-	-	17,771	17,771	1,690	19,461
Other integral result	-	-	(1,026)	174	7,780	6,928	1,026	7,954	803	8,757
Integral result	-	-	(1,026)	174	7,780	6,928	18,797	25,725	2,493	28,218
Dividends	-	-	-	-	-	-	(8,886)	(8,886)	-	(8,886)
Total changes in equity	-	-	-	-	-	-	(8,886)	(8,886)	-	(8,886)
Closing balance on 31/03/2016	136,411	(1,262)	23,910	(7,508)	4,929	21,331	35,213	191,693	32,706	224,399

	Issued capital Note 25 KUS\$	Issued premium Note 25 KUS\$	Surplus revaluation Bearer Plants KUS\$	Reserves due to exchange rate differences and Others KUS\$	Cash flow hedging reserves KUS\$	Other reserves Note 27 KUS\$	Accumulated profit (loss) Note 26 KUS\$	Equity attributable to parent company's equity holders KUS\$	Non parent company interests Note 28 KUS\$	Total equity KUS\$
Opening balance as of 01/01/2015	136,411	(1,262)	-	(1,596)	(1,797)	(3,393)	37,455	168,911	26,934	195,845
Increase (decrease) due to changes in accounting policies	-	-	19,247	-	-	19,247	(19,247)	-	-	-
Opening Balance Re-expressed	136,411	(1,262)	19,247	(1,596)	(1,797)	15,854	17,908	168,911	26,934	195,845
Changes in equity										
Integral Result										
Profit (loss)	-	-	-	-	-	-	10,179	10,179	930	11,109
Other integral result	-	-	(276)	(2,116)	947	(1,445)	276	(1,169)	(1,724)	(2,893)
Integral Result	-	-	(276)	(2,116)	947	(1,445)	10,455	9,010	(794)	8,216
Dividends	-	-	-	-	-	-	(5,834)	(5,834)	(847)	(6,681)
Total changes in equity	-	-	-	-	-	-	(5,834)	(5,834)	(847)	(6,681)
Opening balance as of 31/03/2015	136,411	(1,262)	18,971	(3,712)	(850)	14,409	22,529	172,087	25,293	197,380

The attached notes number 1 to 38 form an integral part of these financial statements.

HORTIFRUT S.A. AND SUBSIDIARIES

CONSOLIDATED INTERIM CASH FLOW STATEMENT
- DIRECT METHOD

For the periods ending March 31, 2016 and 2015 (unaudited).

Direct Cash Flow Statement	01-jan-16 31-mar-16 KUS\$	01-jan-15 31-mar-15 KUS\$
Cash flow statement		
Cash flow from (used in) operating activities		
Types of charges per operating activity		
Charges from the sale of goods and providing of services	167,092	152,555
Types of payments		
Payments to suppliers for the providing of goods and services	(110,815)	(106,309)
Payments from contracts kept for intermediation or for negotiation	-	-
Payments to and on behalf employees	(14,915)	(16,696)
Paid interests	(1,163)	(1,156)
Received interests	216	91
Gains tax refunds (paid)	(1,410)	(3,493)
Other received (paid) cash	(235)	(2,881)
Net cash flows from (used in) operating activities	38,770	22,111
Cash flows from (used in) investment activities		
Income from the sale of properties, plant and equipment	534	158
Purchase of properties, plant and equipment	(9,929)	(5,000)
Net cash flows from (used in) investment activities	(9,395)	(4,842)
Cash flows from (used in) financing activities		
Income from long term loans	10,805	5,000
Income from short term loans	6,626	23,000
Total income from loans	17,431	28,000
Loans from related entities	-	-
Payment of loans	(5,000)	(4,311)
Net cash flows from (used in) financing activities	12,431	23,689
Net increase (decrease) in cash and cash equivalents, before exchange rate fluctuations	41,806	40,958
Effects of Exchange rate fluctuations on cash and cash equivalents	(41)	(24)
Effects of exchange rate fluctuations on cash and cash equivalents	(41)	(24)
Net increase (decrease) in cash and cash equivalents	41,765	40,934
Cash and cash equivalents, opening balance	24,599	50,648
Cash and cash equivalents, closing balance	66,364	91,582

The attached notes number 1 to 38 form an integral part of these financial statements.

**HORTIFRUT S.A. AND SUBSIDIARIES****CONSOLIDATED INTERIM CLASSIFIED FINANCIAL STATEMENT NOTES****AS OF March 31, 2016 (unaudited) and December 2015.****NOTE 1 – GENERAL INFORMATION**

Hortifrut S.A. RUT 96.896.990 – or (hereinafter “Hortifrut” or the “Company”) is a Publicly Traded Company, inscribed in the Securities Registry of the Superintendencia de Valores y Seguros de Chile (Chilean Securities and Exchange Commission) under number 1.096 dated June 13, 2012, so it is subject to the supervision of the Superintendencia de Valores y Seguros de Chile (hereinafter “SVS”).

The Company is also inscribed in the Santiago Stock Exchange dated July 3, 2012, with the objective that the Company’s shares be traded in the “Emerging Companies Markets” which regulate the Stock Market, in accordance with what is stated in second subsection of article 8° of Law 18.045 of the Stock Market and under General Character Norm N° 118 of the SVS. The Company’s shares are acknowledged under mnemonic code "HF".

The Company was initially constituted as a Closely held Corporation under the name of Inversiones Hortisur S.A., as per public deed dated June 4, 1999, issued at the Santiago Notary of Mr. Patricio Raby Benavente, subsequently by public deed dated May 29, 2007, issued at the Santiago Notary of Mr. Iván Torrealba Acevedo, the company changed its corporate name to Hortifrut S.A.

Hortifrut, has as its objective the purchase, production, elaboration, transformation, industrialization, distribution, commercialization, export, import of all kinds of horticultural, fruit, agricultural and other products or byproducts, as well as the providing of services or consulting in relation to said matters and other activities which the Board or the assemblies agree, and which are related with the aforementioned activities or that complement them; the maintenance of investments in real estate and in instruments, securities, and rights in partnerships, and in the receipt of their earnings and, in general, to enter into and execute all the acts, contracts, businesses, procedures or actions that have as their aim to comply with the corporate purpose.

The Company has its permanent address at Avda. del Cóndor 600, 4th floor, Huechuraba, Santiago, regardless of the agencies, offices or branches which could be established in the country and overseas. The Company’s corporate life is indefinite.

1.1. History

1980 – The Company’s founding member begins the importing of the genetic material of berries into Chile.

1983 – Hortifrut begins its operations in Chile.

1984 – Hortifrut becomes the first Chilean company to export berries to the United States in counter-seasons.

1985 – Hortifrut inaugurates a distribution and commercialization office in the United States.

1986 – First export of berries from Chile to Europe under its brand Southern Sun and the berries crop is expanded to blackberries, blueberries, raspberries and sarsaparillas.

1987 – First export of berries to Asia from Chile.

1988 - Hortifrut concretes the first strategic alliance when it associates with the Californian company Coastal Berries.

1989 - Hortifrut defines its business model: vertical integration and offer during the 52 weeks of the year.

Hortifrut defines its company dream and Vision, to supply the counter-season market with the full berries category (strawberries, raspberries, blackberries and blueberries), in just one organization, under one brand, supplying the market 52 weeks a year, integrated from the paddock to the final customer, defining the great dream with the sentence: **“Berries For The World Every Day”**. Thus Hortifrut created a global and successful business model.



1990 – Hortifrut invites the main berries producers from the United States, they purchase the brand Naturipe® and form Naturipe Farms.

1995 – Export and producer subsidiaries are created in Mexico and Guatemala.

1999 – Hortifrut Argentina is created.

2000 – Hortifrut Spain is created together with the main Spanish blueberries producer.

2001 – Start up of the genetic development program for blueberries, raspberries and blackberries.

2004 – Hortifrut and Atlantic Blue create Euroberry Marketing, in charge of distributing and commercializing in Europe.

2007 – Hortifrut’s President receives the ICARE prize for businessman of the year.

2008 - Hortifrut becomes the largest organic blueberry producer in the world. It receives the Marketer of the Year prize (PMA Produce Marketing Association USA), opens its distribution office in Brazil and begins implementing the SAP system.

2010 – Begins the Ready to Eat (“RTE”) program.

2011 – Hortifrut and its partner Munger Brothers receive the prestigious award for innovation for the RTE product in the PMA USA.

2012 – Start supplying RTE blueberries to food-service leaders: McDonald’s and Starbucks, among others.

Successful entrance into the stock market, raising over 67 million dollars in capital.

Intent Merger Agreement with VitalBerry Marketing, a prestigious berries company at a national and international level.

2012 Agricultural Innovation Prize for Víctor Moller Schiavetti, for having contributed in a relevant manner to transforming the national agro-forestry and food sector and the economic, productive and technological process in the country.

2013 – On August 21, 2013 Hortifrut obtained control of VitalBerry’s operations, which must be understood as performed by the first, all in accordance with the merger agreement adopted at the VitalBerry and Hortifrut shareholder’s meetings, held on April 29 and 30, 2013, respectively.

Hortifrut has been delivering Berries to the world for 30 years, every day of the year.

2014 – The constitution of a closely-held corporation in Peru, denominated Hortifrut – Tal SAC, with the objective of producing and commercializing berries, from this country.

Association with the Argentine company Expofresh, for the production and commercializing of early fruit.

Development of the first Hortifrut technology and innovation fair.

Signing of the Joint Venture with Joyvio for genetic development in China.

2015 – The constitution of a closely-held corporation in Peru, denominated HFE Berries Peru SAC, with the objective of producing and commercializing berries, from this country.

Launching of the Agrinnovation and Blue Challenge platform.

1.2. Parent Company Shareholders

The Company is jointly controlled by the Moller Group and the VitalBerry Group through a Shareholders Agreement, subscribed on August 22, 2013. The Moller Group is formed by Inversiones IMG Ltda., San Juan de Virquenco Tres S.A. and Agrícola San Nicolás Ltda. The VitalBerry Group is formed by San José Farms S.A., Exportadora San José Trading Ltda., Valles del Sur SpA, Inmobiliaria Algeciras Ltda. and Inversiones Antares SpA.

The Agreement covers 217,803,592 of Hortifrut S.A.'s shares, which represent 50.01% of the Company's capital (out of a total of 435,520,079 Hortifrut issued shares), through which they have control of the Company. The Agreement establishes limits to the free disposal of shares. However as of March 31, 2016, the Moller Group and the Vitalberry Group together own 51.21% of the Company's capital, considering the shares that they have in custody.

To date the shareholder's agreement records the following shares:

<u>Shareholder's Agreement</u>	<u>Total Shares</u>	<u>Ownership percentage</u>	<u>Control shares</u>	<u>Control percentage</u>
<u>Moller Family</u>				
Inversiones IMG Limitada	122,382,222	28.10%	122,382,222	28.10%
San Juan de Virquenco Tres S.A.	7,344,255	1.69%	7,344,255	1.69%
Agrícola San Nicolás Limitada	929,550	0.21%	929,550	0.21%
Total Moller Family	130,656,027	30.00%	130,656,027	30.00%
<u>Entities related to Mr. Ignacio Del Rio</u>				
San José Farms S.A.	23,293,100	5.35%	21,418,100	4.92%
Exportadora San José Trading Ltda.	13,359,181	3.07%	13,359,181	3.07%
Valles del Sur S.P.A.	13,480,494	3.09%	12,718,288	2.92%
Total Entities related to Mr. Ignacio Del Rio	50,132,775	11.51%	47,495,569	10.91%
<u>Entities related to Mr. Eduardo Elberg</u>				
Inversiones Antares SpA	34,066,964	7.82%	31,476,786	7.23%
Inmobiliaria Algeciras Ltda.	8,175,210	1.88%	8,175,210	1.87%
Total Entities related to Mr. Eduardo Elberg	42,242,174	9.70%	39,651,996	9.10%
Total shareholder's agreement	223,030,976	51.21%	217,803,592	50.01%

These shareholders include shares that are in custody and which are detailed on page 15.

The distribution of shares as of March 31, 2016, is as follows:

<u>Shareholders</u>	<u>31-mar-16</u>		
	<u>Subscribed shares</u>	<u>Paid shares</u>	<u>Percentage</u>
Inversiones IMG Limitada	122,382,222	122,382,222	28.10%
Inversiones Antares SpA	34,066,964	34,066,964	7.82%
Compass Small Cap Chile Fondo de Inversión	31,463,520	31,463,520	7.22%
Costanera SACI	30,079,545	30,079,545	6.91%
Inmobiliaria Alianza Limitada	29,552,009	29,552,009	6.79%
San José Farms S.A.	23,293,100	23,293,100	5.35%
AFP Habitat S.A. para Fondo de Pensiones (A,B,C,D)	17,427,903	17,427,903	4.00%
Agrícola Costanera S.A.	16,239,705	16,239,705	3.73%
BTG Pactual Chile S.A. Administradora General de Fondos	14,904,855	14,904,855	3.42%
Siglo XXI Fondo de Inversión	14,374,946	14,374,946	3.30%
Comercial Epysa S.A.	14,000,000	14,000,000	3.21%
Valles del Sur S.P.A.	13,480,494	13,480,494	3.10%
Exportadora San José Trading Ltda.	13,359,181	13,359,181	3.07%
Inmobiliaria Algeciras Ltda.	8,175,210	8,175,210	1.88%
San Juan de Virquenco Tres S.A.	7,344,255	7,344,255	1.69%
EMPRESAS PENTA S.A.	7,326,908	7,326,908	1.68%
Asesorías e Inversiones Pacific Trust Limitada	4,732,485	4,732,485	1.09%
Banco Santander Chile – on behalf of Inv. Extranjeros	4,653,029	4,653,029	1.07%
Inversiones Fural Limitada	3,905,756	3,905,756	0.90%
Chile Fondo de Inversión Small Cap	3,201,516	3,201,516	0.74%
Asesorías, Inversiones e Inmobiliaria Maria Elena Ltda.	3,060,057	3,060,057	0.70%
Fondo de Inversión Santander Small Cap.	2,632,201	2,632,201	0.60%
Inversiones Alba S.A.	2,326,132	2,326,132	0.53%
Inversiones ISKRA Limitada	2,090,382	2,090,382	0.48%
BCI Small Cap Chile Fondo de Inversión	1,702,933	1,702,933	0.39%
Inversiones Canihua S.A.	1,577,475	1,577,475	0.36%
Banco de Chile (on behalf of third parties)	1,125,306	1,125,306	0.26%
BTG Pactual Chile S.A. C de B	1,095,194	1,095,194	0.25%
Inmobiliaria e Inversiones Alquileria Ltda.	965,947	965,947	0.22%
Agrícola San Nicolás Limitada	929,550	929,550	0.21%
Asesorías e Inversiones A y D S.A.	832,870	832,870	0.19%
Inversiones FJ	660,037	660,037	0.15%
Valores Security S.A. C de B	575,773	575,773	0.13%
Banchile C de B S.A.	427,702	427,702	0.10%
Río Azul SpA	350,083	350,083	0.08%
Santander C de B	291,662	291,662	0.07%
Banco Itau por Cuenta de Inversionistas Extranjeros	114,321	114,321	0.03%
BICE Inversiones Corredores de Bolsa S.A.	91,642	91,642	0.02%
BCI Corredores de Bolsa S.A.	90,965	90,965	0.02%
Brokering Alacid Karin Lisbeth	86,433	86,433	0.02%
Brokering Alacid Waleter Alexander	76,649	76,649	0.02%
Larrain Vial S.A. Corredores de Bolsa	61,366	61,366	0.01%
Soc. de Inveriones Santa Isabel Limitada	50,000	50,000	0.01%
Mínera Chanar Blanco S.A.	38,569	38,569	0.01%
Others	303,227	303,227	0.07%
Total	435,520,079	435,520,079	100.00%

These shareholders include shares that are in custody at Banks and/or brokers, as detailed below:

<u>Shareholders</u>	<u>Custodian</u>	<u>Paid shares</u>	<u>Ownership percentage</u>
Inversiones IMG Limitada	BCI Corredores de Bolsa S.A.	18,467,220	4.24%
Inversiones Antares SpA	Santander C de B	8,007,820	1.84%
Asesorías e Inversiones Pacific Trust Limitada	BCI Corredores de Bolsa S.A.	4,732,482	1.09%
Inversiones Fural Limitada	BCI Corredores de Bolsa S.A.	3,905,756	0.90%
Asesorías, Inversiones e Inmobiliaria Maria Elena Ltda.	BTG Pactual Chile S.A. C de B	3,060,057	0.70%
Inversiones Canihua S.A.	BCI Corredores de Bolsa S.A.	1,577,475	0.36%
Asesorías e Inversiones A y D S.A.	Larraín Vial S.A. C de B	618,584	0.14%
		<u>40,369,394</u>	<u>9.27%</u>

1.4. Financial Statements

Hortifrut and subsidiaries current financial statements are made up of the consolidated classified statement of financial position, the consolidated income statement, the consolidated integral income statement, the consolidated cash flow statement – direct method, the consolidated statement of changes in net equity and the complementary notes with information regarding said consolidated financial statements.

The financial statements show an accurate view of equity and the financial position for the period ending March 31, 2016 and the period ending December 31, 2015, as well as the results of operations, changes in equity and cash flows which have taken place at Hortifrut in the periods ending March 31, 2016 and 2015.

Hortifrut's consolidated financial statements were prepared on a going concern basis.

The consolidated financial statements for Hortifrut S.A. and its subsidiaries corresponding to the period ending March 31, 2016, were approved by its Board at meeting held on May 27, 2016.

NOTE 2 – SUMMARY OF MAIN ACCOUNTING POLICIES

Below we describe the main accounting policies adopted to prepare the consolidated financial statements, which will be applied in a uniform manner to all the periods that are presented in these financial statements.

2.1 Preparation Bases

The current consolidated financial statements for Hortifrut S.A. and subsidiaries correspond to the period ending March 31, 2016 and have been prepared in accordance with the Norms and Instructions issued by the Superintendencia de Valores y Seguros (“SVS”), which, except for what is stated in its Regulation File (Oficio Circular) N° 856, are consistent with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (“IASB”) and International Accounting Standards N°34 (IAS 34) incorporated to these.

The consolidated financial statements have been prepared under the historical cost criteria, but modified by the valuation to fair value of certain financial instruments.

The preparing of the consolidated financial statements as per the aforementioned, requires the use of certain critical accounting estimations. It also demands that Management exercises its judgment in the process of applying the Company’s accounting policies. In Note 4, we reveal the areas that imply a greater level of judgment or complexity or the areas where the hypothesis and estimations are significant for the consolidated financial statements.

With the adoption of the amendment to IAS 16 “Property, plant and equipment” and to IAS 41 “Agriculture”, the opening balances from 2015 and the corresponding notes to the financial statements have been modified for comparative effects.

In order to ease the comparison of the amounts, some minor reclassifications have been made to the consolidated financial statements corresponding to the previous period.

As of the date of the current financial statements, there are no important uncertainties regarding events or conditions that could provide significant doubts regarding the possibility that the entity will continue operating normally as a going concern.

2.2 New issued norms and interpretations

a) The following norms, interpretations and amendments are mandatory for the first time for the financial periods starting on January 1, 2016:

New issued norms, interpretations and amendments			Mandatory application for periods starting on
IFRS 14	Regulatory deferred accounts	Norms and interpretations	01-jan-16
IFRS 11	Joint arrangements	Amendment	01-jan-16
IAS 16 IAS 38	Property, plant and equipment and intangible assets	Amendment	01-jan-16
IAS 16 IAS 41	Property, plant and equipment and Agriculture	Amendment	01-jan-16
IAS 27	Separate financial statements	Amendment	01-jan-16
IFRS 10 and IAS 28	Consolidated Financial Statements and Investments in related companies or joint ventures	Amendment	01-jan-16
IAS 1	Presentation of Financial Statements	Amendment	01-jan-16
IFRS 5	Non current assets kept for sale and interrupted operations	Amendment	01-jan-16
IFRS 7	Financial instruments: information to be disclosed	Amendment	01-jan-16
IAS 19	Employee benefits	Amendment	01-jan-16
IAS 34	Interim financial information	Amendment	01-jan-16

The following amendment has been applied retrospectively, since it is effective from January 1, 2016, nevertheless, for comparative effects the opening balances and the presentation of the comparative reports for 2015 have been adjusted:

Amendment to IAS 16 “Property, plant and equipment” and IAS 41 “Agriculture”, regarding bearer plants – Published in June 2014. This amendment modifies the financial information in relation to “bearer plants” (for example vines, fruit trees, etc.). The amendment defines the concept of “bearer plant” and establishes that these must be recorded as property, plant and equipment, since it is understood that their function is similar to manufacturing. Therefore, they are included within the scope of IAS 16, instead of IAS 41. The products that grow on the bearer plants will remain within the scope of IAS 41.

The other adoptions of the aforementioned norms, amendments and interpretations, do not have a significant impact on the Company’s consolidated financial statements.

b) Issued norms, interpretations and amendments, whose application is not yet obligatory, for which anticipated adoption has not been made.

New issued norms, interpretations and amendments, not valid for the 2015 period			Mandatory application for periods starting on:
IFRS 9	Financial instruments: Classification and measurement	Norms and interpretations	01-jan-18
IFRS 15	Revenue from contracts with customers	Norms and interpretations	01-jan-18
IFRS 16	Lease	Norms and interpretations	01-jan-19
IAS 7	Cash Flow Statement	Amendment	01-jan-17
IAS 12	Gains Tax	Amendment	01-jan-17

The Company’s management estimates that the adoption of the aforementioned norms, interpretations and amendments, will not have a significant impact on the Company’s consolidated financial statements in the period of their first application.

2.3 Consolidation Bases

a) Subsidiaries

The consolidated statements of financial position incorporate the Company's financial statements and those of the companies controlled by the Company (its subsidiaries). To have control is when the Company has power over the subsidiary, when it has exposure or the right to variable yields from its implication in the subsidiary and when it has the capacity to use its power to influence the amount of the investor's returns. When evaluating if the Group controls another entity, it must consider the existence and the effect of the potential rights to vote that can currently be executed or converted. The subsidiaries are consolidated from the date when control is transferred and are excluded from the consolidation on the date that this ends.

The acquisition method is used to record the acquisition of subsidiaries. The cost of acquisition is the fair value of the delivered assets, of the issued equity instruments and of the incurred or assumed liabilities on the date of the exchange. The acquired identifiable assets and the identifiable liabilities and contingencies assumed in a business combination are initially valued at their fair value on the date of the purchase, regardless of the scope of the interests of non-parent companies. The excess acquisition cost over the fair value of the Company's interests in the acquired net identifiable assets, is acknowledged as lower value or goodwill. If the acquisition cost is lower than the fair value of the net assets of the acquired subsidiary, the difference will be directly acknowledged in the income statement.

Inter-company transactions, balances and earnings not realized for transactions between related entities are eliminated. The non realized losses are also eliminated, unless the transaction provides evidence of a loss due to impairment of the transferred asset. When it is necessary to assure its uniformity with the policies adopted by Hortifrut and subsidiaries, then the accounting policies of the subsidiaries are modified.

Below is a detail of the front line companies included in the current consolidated financial statements:

<u>Companies</u>	<u>RUT</u>	<u>Country</u>	<u>Functional</u>	<u>31-mar-16</u>			<u>31-dec-15</u>
				<u>Of origin</u>	<u>Currency</u>	<u>Direct</u>	<u>Indirect</u>
Agrícola El Avellano S.A. and subsidiaries	96.923.620-6	Chile	US\$	40.0000	-	40.0000	40.0000
Agrícola Mataquito S.A.	76.306.130-2	Chile	US\$	50.0000	-	50.0000	50.0000
Agrícola Sta. Rosa del Parque S.A.	99.584.440-0	Chile	US\$	30.0000	-	30.0000	30.0000
Agrícola Hortifrut S.A.	79.764.840-k	Chile	US\$	99.9900	0.0100	100.0000	100.0000
Agrícola y Gan. Santa Rebeca Ltda.	78.988.990-2	Chile	US\$	25.0000	-	25.0000	25.0000
Agrícola Vida Nueva S.A.	96.996.290-k	Chile	US\$	50.0000	-	50.0000	50.0000
Colmenares Hortisur SPA	99.568.520-5	Chile	CLP	100.0000	-	100.0000	100.0000
Hortifrut Chile S.A. and subsidiaries	99.524.450-0	Chile	US\$	99.9900	0.0100	100.0000	100.0000
Top Berries & Fruit SPA	76.023.726-4	Chile	US\$	100.0000	-	100.0000	100.0000
Berries de Panguipulli SPA	76.243.167-K	Chile	US\$	100.0000	-	100.0000	100.0000
Inversiones Hortifrut S.A. and subsidiaries	99.524.540-k	Chile	US\$	99.9999	0.0001	100.0000	100.0000

case of those subsidiaries which directly or indirectly maintain an interest equal to or lower than 50%, they have been included in the consolidation process because the Company has the power to direct the financial and operating policies.

a.1) Modifications to the consolidation base

1.- During the period ending December 31, 2015, the company HFE Berries Perú SAC. has been incorporated into the consolidation through the consolidated financial statements of Inversiones Hortifrut S. A.

b) Transactions and interests of non parent company

The interests of non parent companies are presented in the item Net Equity of the consolidated classified statement of financial position. The profit or loss attributable to the non controlling interest is presented in the consolidated income statement, constituting the profit (loss) of the period. The results of the transactions between the non parent company shareholders and the parent company shareholders of the companies where the property is shared, are recorded under equity and, therefore, are shown in the consolidated statement of changes under net equity.

c) Associates

Associates are all the entities over which Hortifrut S.A. and its subsidiaries have a significant influence, but do not have control over the financial and operating policies, generally with an ownership between 10% and 50%. The investments in associates are recorded when formed or purchased at cost and are subsequently adjusted via the equity method. Hortifrut and its subsidiaries' investments in associates include Appreciation identified in the acquisition, net of any loss due to accumulated impairment.

The non realized earnings due to transactions between the Group and its associates are eliminated based on the Group's interest percentage. The non realized losses are also eliminated, except if the transaction provides evidence of loss due to impairment of the asset that is transferred.

Hortifrut and its subsidiaries' participation in the profit or loss after the acquisition of its associates is acknowledged in results, and its interests in the equity activities after the acquisition are acknowledged under the corresponding reserve within Net Equity. When Hortifrut and its subsidiaries' interests in the loss of an associate is the same or higher than its investment in it, including any other non insured account receivable, Hortifrut and its subsidiaries will not acknowledge additional loss, unless it has incurred in obligations or performed payments on behalf of the associate.

2.4 Financial information per operating segments

IFRS 8 demands that entities adopt "the Administration focus" when revealing information regarding the result of its operating segments. In general, this is the information that Management and the board use internally to evaluate the performance of the segments and to decide how to assign resources for these.

Hortifrut and its subsidiaries present the information by segments (which correspond to business areas) based on the financial information placed at the disposition of the decision makers, in relation to matters such as measuring profitability and assigning investments and based on the difference in products, as indicated in IFRS 8 – Financial Information by Operating Segments. This information is detailed in Note 5.

The determined Segments which correspond to the business areas are the following:

Blueberry Segment
 Raspberry Segment
 Blackberry Segment
 Strawberry Segment
 Cherry Segment
 Value Added Products Segment (Frozen, dehydrated, retail products and any other fruit product which is not fresh)
 Others Segment

2.5 Transactions in foreign currency

a) Reporting currency and functional currency

The items included in the financial statements of each of Hortifrut S.A. and its subsidiaries entities are valued using the currency of the main economic environment where the entity operates (functional currency). Hortifrut S.A.'s functional currency is the United States dollar, which also constitutes the reporting currency of the consolidated statement of financial position.

b) Transactions and balances

Transactions in foreign currency, with this being any currency different to the functional currency, are converted to the functional currency by using the valid exchange rates on the dates of the transactions. Profit and loss in foreign currency that results from the liquidation of these transactions and conversion to the exchange rate valid at the closing of the monetary assets and liabilities denominated in foreign currency, are acknowledged in the consolidated income statement.

c) Foreign currency exchange rate

The exchange rates of the main currencies used in Hortifrut and its subsidiaries' accounting process, in relation to the dollar, as of March 31, 2016 and December 31, 2015, are the following:

Currency	Nemo	31-mar-16		31-dec-15	
		Closing	Annual average	Closing	Annual average
Chilean Peso	CLP	669.800	702.067	710.160	654.249
Euro	EUR	0.879	0.907	0.917	0.901
Mexican Peso	MXN	17.304	18.044	17.340	15.860
Argentine Peso	ARS	14.672	14.433	12.972	9.226
Brazilian Real	RBL	3.576	3.908	3.983	3.328
Peruvian Nuevo sol	PEN	3.323	3.449	3.410	3.182

The calculating of the exchange rate corresponding to the accumulated monthly average, is determined over the average base of the monthly average exchange rates.

d) Entities corresponding to Hortifrut and subsidiaries

The results and financial position of all of Hortifrut and subsidiaries' entities (none of which have the currency of a hyperinflationary economy) which have a functional currency different to the reporting currency are converted to the reporting currency as follows:

- i) The assets and liabilities of each presented statement of financial position are converted at the closing exchange rate of the period;
- ii) Income and expenses of each income statement amount are converted at the daily exchange rate or when this is not possible, the average monthly exchange rate is used as a reasonable approximation; and
- iii) All of the resulting exchange rate differences are acknowledged in the conversion reserve under net equity.

The variation determined by the difference in exchange rate between the investment recorded in a company whose functional currency is different to the functional currency of the subsidiary where it has invested, is recorded in Other integral results, thus forming part of Equity as Reserves due to exchange rate fluctuations.

The differences in exchange rate generated by balances kept in long term current accounts between subsidiaries whose functional currencies differ, are eliminated from the result and are recorded in the bookkeeping account Reserves due to exchange rate fluctuations under Net Equity, because they are treated as net investment in those subsidiaries.

2.6 Property, plant and equipment

The Company's fixed assets are made up of land, constructions, infrastructure, machines, equipment, bearer plants and other fixed assets. Hortifrut and subsidiaries' main fixed assets correspond to land, refrigerators, machinery and equipment related with the productive process.

Due to the application of Amendment to IAS 41, which became valid on January 01, 2016, fruit "bearer plants" are considered an item of machinery in a manufacturing process, so, the value of the biological asset is classified under Property, plant and equipment and recorded as specified in IAS 16.

Constructions, plants, equipment and machinery are acknowledged, both at the initial moment and afterwards, at their cost minus the corresponding accumulated depreciation and impairment in case it exists.

"Bearer plants" have been acknowledged at revalued cost, which is their fair value, at the moment of the revaluation, minus the accumulated amortization and the accumulated amount of the loss due to impairment in value which has taken place. The revaluations are performed every 3 or 5 years or when there is evidence that the fair value of the revalued asset significantly differs from its book value.

Subsequent costs (replacement of components, improvements, expansions and works in progress) are included in the value of the initial asset or are acknowledged as a separate asset, only when it is probable that the future economic benefits associated with the fixed asset elements will flow to the Group and the cost of the element can be determined in a reliable manner. The value of the

substituted component is cancelled for accounting purposes.

Derivative costs from daily maintenance and common repairs are acknowledged in the period's result.

Depreciation of the assets (except for bearer plants) is calculated using the lineal method, distributing it in a systematic manner during its useful life. This useful life has been determined based on the natural expected impairment, technical or commercial obsolescence derived from the changes and/or improvements in production and changes in the market's demands for the products obtained in the operation with said assets. Land is not depreciated.

The amortization of Bearer plants, is calculated as per the forecasted production of the plant's useful life and is assigned in accordance with the real production curves.

The estimated economic useful lives are as follows:

	Minimum Life or Rate Years	Maximum Life or Rate Years
Constructions and infrastructure works		
Steel, reinforced concrete constructions	50	80
Wooden buildings	10	30
Provisional constructions	5	10
Minor agricultural constructions (macro-tunnel and others)	3	8
Machinery and equipment	8	10
Motor vehicles	8	10
Information technology (IT) equipment	3	6
Bearer Plants		
Blueberries	10	20
Raspberries and others	3	5
Furniture and fixtures	5	10

The installations that the Company keeps inactive, continue with their depreciation as per the lineal method.

The residual value and the useful life of the assets are checked, and adjusted if necessary, at each closing of the financial statements of position in order to obtain a remaining useful life as per the value of the assets.

When the value of an asset is higher than its estimated recoverable value, its value is immediately reduced to its recoverable amount, through the application of impairment tests.

The loss or profit from the sale of property, plant and equipment is calculated by comparing the income obtained from the sale, with the book value of the asset (net of depreciation) and is included in the consolidated income statement.

When the book value of "bearer plants" is modified due to revaluation, said variation will be directly assigned to a Reserves for revaluation account under Net Equity.

2.7 Biological Assets

Under the item current biological Assets, the Company includes Products grown on fruit bearer plants. These assets are valued at the acquisition and/or production cost of the plants plus the

costs to maintain them until the date that they start producing as per the criteria established by ranges and countries.

Fruit “bearer plants” correspond to a machinery item in a manufacturing process, so, the value of the biological asset is classified as Property, plant and equipment and recorded as specified in IAS 16.

Below we present the stages of the biological Assets:

a) Biological assets under development

Biological assets under development, are valued at the acquisition and/or production cost of the plants and the costs to maintain them until the date that they start producing as per the following ranges and countries:

Blueberry:

- Chile and Spain: a plantation under production is when the volume of produced fruit surpasses 30% of the potential volume of the variety, which is estimated by expert agronomists.
- Mexico: a plantation is considered to be under production when the volume of produced fruit surpasses 30% of the potential volume of the variety, which is estimated by expert agronomists.
- Peru: a plantation is considered to be under production when the volume of produced fruit surpasses 50% of the potential volume of the variety, which is estimated by expert agronomists.

Nevertheless, if the period of time that passes between the date of the plantation and the date of the valuation is equal to or higher than 6 years, the plantation must be considered under production, regardless of the reached level of production.

Raspberry:

A plantation is considered to be under production the season after the plantation takes place, this is regardless of the geographical area where it is located.

Blackberry:

A plantation is considered to be under production the season after the plantation takes place, this is regardless of the geographical area where it is located.

Due to the different varieties that the company has, the different geographic areas and the different climates and countries where the planting takes place, the Company estimates that it is necessary to wait for certain production levels to be able to evaluate the potential and the fair value of the biological assets. During this period, given this level of uncertainty, the Company values the biological assets under development at cost.

b) Biological assets already producing

The Company values the biological asset already producing at revalued cost, amortized following the real production curve based on a potential production estimated during its useful life.

c) Products grown on fruit bearer plants

As per what is established in IAS 41, agricultural products that grow on fruit bearer plants will be kept within the scope of this norm, which must be measured at their fair value minus sales costs, recording the changes in valuation under results as the product grows.

2.8 Intangible assets other than appreciation

a) Varietals Licenses

The acquired varietals licenses are shown at purchase cost, and are amortized charged to the cost of sale as income from sales is generated, or by the plant's development cost.

Corresponds to the rights acquired for the production and commercialization of the variety of Berries.

b) IT programs

Correspond to licenses for acquired software, which are capitalized over the base of the costs incurred in to acquire and prepare them to use the specific program. These costs are amortized during their useful lives estimated at 6 years.

Expenses related with the development or maintenance of software are acknowledged as expenses when they arise. Costs directly related with the production of unique and identifiable software controlled by Hortifrut and subsidiaries, and which will probably generate superior economic benefits than their costs for over a year, are acknowledged as intangible assets. Direct costs include expenses corresponding to the personnel that develop the software and any kind of expense incurred in for its development or maintenance.

2.9 Appreciation

Appreciation arises from the acquisition of subsidiaries and represents the excess of the considerations transferred over Hortifrut S.A. and subsidiaries' interests in the net fair value of the identifiable net assets, liabilities and contingent liabilities of the acquired and the fair value of the non dominating interest in the acquired.

In order to perform the tests for loss due to impairment, the appreciation acquired in a business combination is assigned to each one of the cash generating units, or Groups of cash generating units, that are expected to benefit from the synergies of the combination. Each unit or Group of units which are assigned the appreciation represent the lowest level within the entity where appreciation is controlled for internal management purposes. Appreciation is controlled at the operating segment level.

Revisions of the loss due to impairment of the value of the appreciation are performed annually or more often if events or changes in circumstances indicate a potential loss due to impairment. The book value of appreciation is compared with the recoverable amount, which is the used value or the fair value minus sales costs, the highest of these values. Any loss due to impairment is immediately acknowledged as an expense and is not subsequently reverted.

2.10 Interest Costs

Interest costs which can be directly attributed to the construction of any rated asset are capitalized during the time that is needed to complete and prepare the asset for the intended use. Other interest costs are recorded under results.

2.11 Impairment of non financial assets

Assets that have an indefinite useful life are not subject to amortization and are subjected on a yearly basis to loss due to impairment of value tests.

Assets subject to depreciation are subjected to loss due to impairment tests as long as some event or change in the circumstances of the business indicates that the book value of the assets may not be recoverable. A loss due to impairment is acknowledged when the book value is higher than its recoverable value.

The recoverable value of an asset is the highest between the fair value of an asset minus sales cost and its value in use. In order to evaluate the loss due to impairment of value, assets are grouped at the lowest level for which cash flows that can be separately identified (CGU) exist.

Non financial assets other than Appreciation which have suffered a loss due to impairment are subjected to revision on each closing date of the financial statement of position to verify if reversals of the loss have been produced.

Loss due to impairment in value can be reversed in accounting only up to the amount of the loss acknowledged in previous periods, so that the book value of these assets does not surpass the value that they would have had if said adjustments had not taken place. This reversal is recorded in the Other profit (loss) account.

2.12 Financial Assets

Hortifrut and subsidiaries classify their financial assets under the following categories: a) fair value with changes in results and b) loans and accounts receivable. The Group does not maintain financial instruments held until their expiry or available for sale. The classification depends on the purpose with which the financial assets were acquired. Administration determines the classification of its financial assets at the moment of the initial acknowledgment.

Classification of financial assets

a) Financial assets at fair value with changes in results

Financial assets at fair value with changes in results are financial assets held for negotiation. A financial asset is classified in this category if it is mainly acquired with the purpose of selling it in the short term. Assets in this category are classified as current assets.

b) Loans and accounts receivable

Loans and accounts receivable are non derivative financial assets with fixed or determinable payments, which are not quoted on an active market. Those items with expiry less than 12 months are classified as current assets. Items with expiry over 12 months are classified as non current assets.

The category loans and accounts receivable includes trade debtors and other accounts receivable, accounts receivable with related entities, term deposits and cash and bank balances.

Acknowledging and measuring financial assets

The acquisition and disposal of financial assets is acknowledged on the date of the negotiation, in other words, the date on which Hortifrut and subsidiaries commit to acquiring or selling the asset.

i) Initial acknowledgment

Financial assets are initially acknowledged by the fair value plus the costs of the transaction, for all the financial assets not taken to fair value with changes in results. In case there is no significant difference between the fair value and the nominal value of the financial asset, these are recorded at their nominal value.

Financial assets at fair value with changes in results are initially acknowledged by their fair value, and the costs of the transaction are taken to results.

ii) Subsequent valuation

Financial assets at fair value with changes in result are subsequently recorded by their fair value with an offsetting entry in results. Loans and accounts receivable are recorded at their amortized cost in accordance with the effective interest rate method.

Financial assets are written off when the rights to receive cash flows from investments have expired or have been transferred and Hortifrut and subsidiaries have substantially transferred all the risks and advantages derived from their ownership.

The Company evaluates on the date of each consolidated statement of financial position if there exists objective evidence that a financial asset or a group of financial assets could have suffered loss due to impairment. In the case of financial assets held up to their expiry, if there is evidence of impairment, the amount of the provisions is the difference between the book value of the asset and the current value of the future estimated cash flows, discounted at the original effective interest rate.

2.13 Derivative financial instruments and hedging activities

Derivatives are initially acknowledged at fair value on the date that the derivatives contract has taken place and they are subsequently valued again at their fair value. The method to acknowledge the resulting loss or profit depends on if the derivative has been designated as a hedging instrument and, if so, on the nature of the item that is being hedged. The Company designates certain derivatives such as:

- (a) Fair value hedging of acknowledged assets or liabilities (fair value hedging);
- (b) Hedging of a concrete risk associated to an acknowledged liability or a highly probable foreseen transaction (cash flow hedging); or
- (c) Derivatives that do not qualify for hedging accounting

The Company records at the start of the transaction the existing relationship between hedging instruments and the hedged items, as well as their objectives for risk management and the strategy to perform different hedging operations. The Company also records its evaluation, both at the start and over a continuous base, to see if the derivatives that are used in the hedging transactions are highly effective to compensate the changes in fair value or in the cash flows of the hedged items.

The total fair value of the derivatives is classified as Other assets or non current financial liabilities if the remaining expiry of the hedged item is over 12 months and as other current financial assets or liabilities if the remaining expiry of the hedged item is less than 12 months.

(a) Fair value hedging

Changes in the fair value of derivatives that are designated and rated as fair value hedging are recorded in the consolidated income statement, together with any change in the fair value of the hedged asset or liability which can be attributed to the hedged risk.

(b) Cash flow hedging

The effective part of changes in the fair value of the derivatives that are designated and classified as cash flow hedging are acknowledged as cash flow hedging reserves under net equity. Profit or loss related with the non effective part is immediately acknowledged in the consolidated income statement, under "Other profit (loss)".

In the case of variable interest rate hedging, the amounts acknowledged under equity are reclassified to results in the financial expenses line as the interests of the associated debts are accrued.

In the case of exchange rate hedging associated to costs and expenses to be incurred in Chilean pesos, the amounts acknowledged in equity are reclassified to results in the cost of sales item as the corresponding costs and expenses are accrued.

When a hedging instrument expires or is sold or no longer complies with the requirements demanded for hedging accounting, any profit or loss accumulated in net equity up to that moment remains under equity and is acknowledged when the foreseen hedged transaction is finally acknowledged in the consolidated income statement. When it is expected that the foreseen transaction will not take place, the profit or loss accumulated in net equity will immediately be taken to the consolidated income statement under "Other profit (loss)".

2.14 Stock

Stocks are valued at their acquisition cost or at their net realizable value, the lower of the two. Cost is determined by the weighted average price (WAP) method.

The cost of the finished products and the products in process include raw materials, direct labor force, other direct costs and general manufacturing expenses (based on a normal operating capacity), but do not include interest costs.

Net realizable value is the estimated sale price during the regular course of business, minus the variable costs of applicable sales.

Obsolete or slow moving products are acknowledged at their realization value.

2.15 Trade debtors and other accounts receivable

Receivable trade accounts are acknowledged at their nominal value, since average expiry terms do not surpass 90 days.

Additionally, estimations are performed over the doubtful collection accounts based on an objective revision of all the amounts pending at the end of each period. Loss due to impairment related to doubtful credits are recorded in the consolidated income statement in the period that they are produced. Trade credits are included in the current asset under Trade debtors and other accounts receivable, in the measure that their estimation for collection is less than a year from the date of the financial statement.

2.16 Cash and cash equivalents

Hortifrut S.A. and subsidiaries consider as cash and cash equivalents the cash balances held at hand and in current bank accounts, term deposits and other financial investments (negotiable securities of easy liquidation) with an expiry of less than 90 days. Within this item, the administration's own cash investments are also included, with an expiry which is in accordance with the aforementioned and whose funds are of free disposal.

Used bank overdraft lines are included in Other financial liabilities.

2.17 Corporate capital

Corporate capital is represented by ordinary shares of a single kind.

Incremental costs which can be directly attributed to the issuance of new shares or options are presented in net equity as a deduction, of the obtained income.

The minimum legal dividends over ordinary shares are acknowledged as equity goodwill when they are approved by the shareholder's board.

2.18 Payable trade accounts and other accounts payable

Payable trade accounts are initially acknowledged at their fair value and are subsequently valued by their amortized cost using the effective interest rate method when they have a term of over 90

days for their payment. Lower terms are recorded at nominal value because they do not present significant differences with their fair value.

2.19 Other financial liabilities

Financial liabilities are initially acknowledged, by their fair value, net of costs incurred in the transaction. Subsequently, they are valued at their amortized cost and any difference between the obtained funds (net of the necessary costs for its obtention) and the reimbursement value, are acknowledged in the income statement during the life of the debt as per the effective interest rate method. The effective interest rate method consists on applying the market rate as a reference for debts with similar characteristics to the value of the debt (net of the necessary costs for its obtention).

It must be stated that if the difference between the nominal value and the fair value is not significant, the nominal value is used.

Financial liabilities are classified under current liability and non current liability over the base of the contractual expiry of the nominal capital.

2.20 Gains tax and deferred taxes

Hortifrut and its subsidiaries have acknowledged their tax rights and obligations based on the valid legal dispositions.

Expenses due to gains tax are acknowledged in the income statement, and correspond to tax payment determined over the taxable income of the year, applying the valid tax rates as of the closing date of the financial statements, any adjustment to payable tax for previous years and the effect of the variation of assets and liabilities due to deferred taxes.

When dealing with items acknowledged in other integral results or directly in net equity, in this case, tax is also acknowledged in the other integral results or directly in net equity, respectively.

Deferred tax effects are recorded over the temporary differences that arise between the tax base of assets and liabilities and their corresponding values shown in the financial statements. Deferred tax assets and liabilities are determined using the tax rates that have been promulgated as of the date of the financial statements and are expected to be applicable when the income tax asset is realized or the income tax liability is paid.

Regardless of the aforementioned, deferred tax which is the result of temporary differences that arise from investments in subsidiaries and related companies is not acknowledged if the opportunity to reverse the temporary difference is controlled by the group and it is probable that the temporary difference will not be reverted in the foreseeable future.

2.21 Employee benefits

a) Employee vacations

Hortifrut and its subsidiaries acknowledge the expense for employee vacations through the accrued method, which is recorded at its nominal value.

b) Benefits for termination of labor relationship

Hortifrut S.A. and its subsidiaries do not present obligations due to indemnity for termination of employee services, because there is no legal obligation associated or a non formalized practice which results in said obligation.

These are recorded in results (expense) at the moment the employees are paid, as a consequence of the Company's decision to rescind their work contract, before the normal retirement age.

c) Other benefits

Hortifrut and its subsidiaries acknowledge a liability for bonus to its employees, when it is contractually obligated or when the practice in the past has created an implicit obligation, which is historically defined at the end of the season. If it exists, the provision is presented under current liability.

2.22 Provisions

Hortifrut S.A. and subsidiaries acknowledge a provision when they are contractually obligated or when there is a practice in the past which has created an assumed obligation.

Provisions for onerous contracts, lawsuits and other contingencies are acknowledged when:

- (i) Hortifrut S.A. and subsidiaries has a current obligation, whether it is legal or implicit, as a result of past events,
- (ii) It is probable that an exit of resources will be necessary to liquidate the obligation; and
- (iii) The value has been estimated in a reliable form.

Provisions are valued by the current value of the disbursements which are expected to be necessary to liquidate the obligation, using Hortifrut S.A. and subsidiaries' best estimation. The discount rate used to determine the current value reflects the current market evaluations, on the date of the consolidated statement of financial position, the temporary value of money, as well as the specific risk related with the particular liability.

2.23 Acknowledging income

Income is acknowledged in the measure that it is probable that the economic benefits will flow towards the Company and can be reliably measured. Income is measured at the fair value of the economic benefits received or to be received and are presented net of value added tax, specific taxes, returns and discounts.

Income from the sale of goods is acknowledged when the Company has transferred to the buyer the risks and benefits that are inherent to the property of these goods and does not maintain the right to dispose of them, or to maintain an efficient control; in general, this means that sales are recorded at the moment the risks and benefits are transferred to the customers as per the terms agreed in commercial agreements, as is described below:

a) Sale of products in the local market

The Company generates its income mainly from the sale of fruit, product that is distributed through retailers, wholesale distributors and supermarket chains. None of them acts as a trade agent of the Company. Income from sales in local markets, net of value added tax, specific taxes, returns and discounts to customers, are acknowledged at the moment that the products are delivered together with the transferring of all their risks and benefits.

b) Export

In general, the Company's delivery conditions for export sales are based on Incoterms 2000, with these being the official rules for interpreting trade terms issued by the International Chamber of Commerce. The structure for acknowledging income is based on the group of Incoterms, mainly in the following groups:

- "FOB (Free on Board) and similar", where the buyer organizes and pays for the transport, so, the point of sale is the delivery of the goods to the transporter hired by the buyer, moment that income is acknowledged.
- "CIF (Cost, Insurance & Freight) and similar", through which the Company organizes and pays the external transport expense and some other expenses, even though the Company ceases to be responsible for the goods once they have been delivered to the maritime or airline Company within the corresponding term. The point of sale is the delivery of the goods to the transporter hired by the seller for transporting to destination, moment that income is acknowledged.

In case there are discrepancies between the trade agreements and Incoterms defined for the operation, those established in the contracts will rule.

c) Estimating Income

The Company, for those sales that to the closing of the Financial Statements are recorded at the invoicing price at the moment of their dispatch and not their final liquidation, adjust the value of invoicing to the value of the sale price obtained in the markets where its products are commercialized.

d) Income from interests

Income from interests is acknowledged using the effective interest rate method.

e) Sale of services

Operating income from the sale of services, is recorded when said service has been provided. A service is considered to have been provided when it is received in agreement by the customer.

f) Income from dividends

Income from dividends is acknowledged when the right to receive the payment has been established.

2.24 Trade agreements with distributors and supermarket chains

The Company performs trade agreements with its main distributors and supermarkets through which they establish (i) discounts for volume and other customer variables: (ii) promotional discounts, which correspond to an additional reduction of the price of the sold products, due to the development of trade initiatives (temporary promotions) and the granting of considerations (use of preferential spaces and others) and (iii) shared advertising, which corresponds to the Company's participation in advertising campaigns, promotional magazines and the opening up of new sales points.

Discounts due to volume and promotional discounts are acknowledged as a reduction in the sale price of the sold products. The contributions for shared advertising are acknowledged when the advertising campaigns agreed with the distributor have taken place and are recorded as incurred commercializing expenses.

The Company acknowledges the cost of the benefits granted by commercial agreements with distributors only when there is formal evidence of the agreement, the amount of the benefit can be reasonably estimated and its payment is probable.

Commitments with distributors or importers in the exports environment are acknowledged when there is formal evidence of the agreement and its amount can be reliably estimated.

2.25 Cost of Sales

Sales costs include the cost of production of the sold products and other costs incurred in to leave stock at the locations and under the necessary conditions for its sale. These costs include, among others, cost of raw materials, packing costs, labor costs of production personnel, depreciation of assets related with production, payment of leaves of absence and operating costs and maintenance of plants and equipment.

2.26 Administrative expenses

Administrative expenses include remunerations and compensation of personnel at the back up units, the depreciation of offices, equipment, installations and furniture used in these functions, the amortization of non current assets and other general and administrative expenses.

2.27 Lease

a) When a Group entity is the lessee – Financial Lease.

Hortifrut S.A. and its subsidiaries lease determined fixed assets. The fixed asset lease, when the Company substantially has all the risks and benefits inherent to the property, is classified as financial lease. Financial lease is capitalized at the start of the lease at the fair value of the property or leased asset or at the current value of the minimum payments for the lease, the lower of the two.

Each lease payment is distributed between the liability and the financial burdens to obtain a constant interest rate over the pending balance of the debt. The corresponding obligations for lease, net of financial burdens, are included in Other financial liabilities. The interest element of the financial cost is charged in the income statement during the lease period in order to obtain a constant periodic interest rate over the remaining balance of the liability for each period. The asset

acquired under a financial lease regime is depreciated during its useful life or the duration of the contract, the lower of the two.

b) When a Group entity is the lessee – Operating Lease.

The leases where the lessor keeps an important part of the risks and advantages derived from the ownership of the good are classified as operating lease. The payments for the concept of operating lease (net of any incentive received from the lessor) are charged in the income statement over a lineal base during the lease period.

2.28 Non current assets or groups of assets (or disposal groups) classified as held for sale

Non current assets or disposal groups are classified as assets held for sale and are acknowledged at the lower value between the book value and the fair value minus sales cost. When the value will be recovered mainly through its sale, as long as the sale is considered highly probable.

2.29 Dividend policy

As per what is stated in the Closely-held Corporation Law, the Company is obligated to distribute a minimum obligatory dividend equal to 30% of the profits, nevertheless and in accordance with the corporate statutes, the minimum dividend established for the Company is 50%, unless otherwise unanimously agreed by the shareholders.

Under IFRS the acknowledging of the minimum dividend obligation in favor of the shareholders must be before the closing date of the annual statement of financial position with the corresponding decrease in equity.

In accordance with what was informed to the Superintendencia de Valores y Seguros, related with Regulation (Circular) N° 1945, in order to determine the Parent company's distributable net profit to be considered to calculate the dividends, the following will be excluded from the integral result attributable to the equity holders of the parent company:

- i) Non realized results, linked to the recording at fair value of the biological assets regulated under accounting norm "IAS 41", reintegrating them to net profit at the moment of their realization. For said effects, the portion of said increase in fair value corresponding to the assets sold or disposed of by another means will be considered realized.
- ii) The non realized results generated in the acquisition of other entities and, in general, those non realized results which are produced due to the application of paragraphs 24, 39, 42 and 58 of the accounting norm "International Financial Reporting Standards N°3", amended, which refers to business combinations. These results are also reintegrated to net profit at the moment of their realization. For these effects the results are considered realized as the acquired amounts generate profits after their acquisition, or when said entities are disposed of.
- iii) The deferred tax effects associated with the aforementioned concepts will follow the same guidelines as the original item.

2.30 Environment

In the case of environmental liabilities, these are recorded over the base of the current interpretation of environmental laws and rulings, when it is probable that a current obligation will be produced and the amount of said responsibility can be calculated in a reliable manner.

Investments in infrastructure works destined to complying with environmental requirements are activated by following general accounting criteria for Property, plant and equipment.

2.31 Investigation and development

Investigation and development expenses are presented under the Other expenses by function item in the consolidated income statement, because the realized investigations form a normal part of Hortifrut S.A. and its subsidiaries' operations.

2.32 Advertising expenses

Advertising expenses are acknowledged under results when they take place.

2.33 Profits per share

Net profits per share are calculated by dividing the net profit attributable to the shareholders by the weighted average of the number of ordinary shares in circulation during the period, excluding shares acquired by the company.

2.34 Expenses due to goods and services insurances

The payment of different insurance policies which the Company hires is acknowledged under expenses in proportion to the period of time that they cover, regardless of the payment terms. The paid and non consumed values are acknowledged as advanced payments under current assets.

The costs of the claims are acknowledged under results immediately after known, net of the amount recoverable from the insurance companies. The amounts to be recovered are recorded as an asset to be reimbursed by the insurance Company under the item Trade Debtors and other accounts receivable, calculated according to what was established in the insurance policies.

NOTE 3 – FINANCIAL RISK MANAGEMENT

The berries business intrinsically involves a series of risk factors which, in one way or another, affect the development of the industry. Within these factors, we can mention the following:

I Financial Risk

1.- Credit risk

a) Cash surplus investment risk:

The financial institutions with whom Hortifrut S.A. and subsidiaries operate and the type of financial products where they materialize said investments define a low risk policy for the Company (see note 6 b).

The Company's policy regulates investment and debt, trying to limit the impact of the exchange rate fluctuations in the valuation of currencies and interest rates over the Company's net results, through cash surplus investments and the hiring of forwards and other instruments in order to maintain a balanced rate and exchange rate position.

Within the authorized instruments, are those whose expiry terms do not exceed 90 days and have high liquidity.

- Cash at hand
- Term deposits
- Investments in mutual funds
- Other short term and high liquidity investments.

The financial entities where the investments are placed have a high creditworthiness.

b) Risk from sales operations:

Hortifrut has diversified sales in several countries.

The main customers are supermarkets in the United States, where the fresh fruit business is subject to the PACA law. This law protects fresh fruit and vegetable suppliers in the USA.

For sales outside the United States, the Company's policy is to obtain insurance policies. For those customers whose policies have a maximum limit, the Company evaluates the risk of exposure every week and decreases/increases deliveries in accordance with the performed analysis or demands advanced payment from the customers.

Regardless of the fact that to date Hortifrut has not had any problems in relation to credit risk, it is important to bear in mind that this fact does not guarantee that in the future, Hortifrut may be exposed to a problem of this type.

2.- Liquidity risk

This risk is associated to the probability that Hortifrut S.A. and its subsidiaries cannot comply with their obligations, as a result of insufficient liquidity or the impossibility to obtain credits.

The Hortifrut Group centrally administers these risks from the parent company through an appropriate distribution, extension of terms and by limiting the amount of its debt, as well as the maintenance of an adequate liquidity reserve. Hortifrut has as its policy to concentrate its financial debts at Hortifrut Chile S.A. Debts are acquired through bank credits in the local and foreign market.

Regardless of the fact that to date Hortifrut has not had any problems in relation to liquidity risk, it is important to bear in mind that this fact does not guarantee that in the future, Hortifrut may be exposed to a problem of this type.

Hortifrut has available and approved credit lines, for work capital, short term, which as of March 31, 2016 reach US\$185.73 million (includes credit lines committed with BCI bank for US\$42 million, commitment fixed for 2018 and of which US\$ 35.8 million have been used), distributed among 11 banks. The used amount reaches US\$87.2 million with an unused balance of US\$98.53 million. The credit lines are distributed among the following companies: Hortifrut Chile S.A. with US\$175.4 million, Hortifrut S.A. with US\$5 million, Agrícola El Pampino S.A. with US\$250 thousand, Agrícola Santa Rosa del Parque S.A. with US\$500 thousand, Agrícola Vida Nueva S.A. with US\$400 thousand, Agrícola Mataquito S.A. with US\$800 thousand and Hortifrut Import Inc., with US\$3 million.

The Hortifrut Group administers the liquidity risk at a consolidated level, with the main source of liquidity being the cash flows from its operating activities.

To administer short term liquidity, the Company uses as a base its cash flows forecasted for a mobile period of twelve months and maintains cash and cash equivalents which are available to comply with its obligations.

Based on the current operational performance and its liquidity position, the Company estimates that cash flows from operating activities and available cash will be enough to finance work capital and interest payments, for the next 12 months and the foreseeable future.

Below we summarize the expiry of the Company's bank loans as of March 31, 2016, based on the undiscounted contractual cash flows:

Creditor Bank	Capital	Interests	From 0 to	From 3 to	From 1	Over 5	Total
			3 months	12 months	to 5 years	years	
	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Banco de Crédito e Inversiones	64,371	783	35,939	4,783	17,566	13,648	71,936
Banco Santander Chile	33,462	249	23,939	586	9,658	-	34,183
Banco Bilbao Vizcaya Argentaria	20,628	294	11,466	1,540	8,591	-	21,597
Banco Estado	20,000	118	11,335	1,299	7,859	-	20,493
Banco Rabobank Chile	9,431	173	209	1,064	7,220	2,717	11,210
Banco Santander Central Hispano S.A.	7,357	74	705	2,011	4,930	-	7,646
Banco Scotiabank	7,000	4	7,016	-	-	-	7,016
Banco de Chile	6,492	53	3,547	1,189	2,153	-	6,889
BBC Tecnología Agrícola Ltda.	1,003	-	-	514	507	-	1,021
HSBC México S.A.	467	-	50	150	267	-	467
Caja Madrid	77	-	6	19	53	-	78
Banesto	69	-	9	18	46	-	73
Banco Itaú	42	-	44	-	-	-	44
Caja Badajoz	21	-	8	13	-	-	21
Financial Services	19	-	1	24	-	-	25
Banco de Crédito Perú	3	-	3	-	-	-	3
Total	170,442	1,748	94,277				

Below is a summary of the expiries of the total financial liabilities:

Detail	Flows						Total
	Accounting	From 0-	From 3-	From 1-	Over 5	Total	
	Capital Value	3 months	12 months	5 years	years		
	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	
Bank loans	170,442	172,190	94,277	13,210	58,850	16,365	182,702
Trade accounts and other accounts payable	49,071	49,071	38,711	10,360	-	-	49,071
Accounts payable to related companies	24,712	24,712	-	2,269	22,443	-	24,712

3.- Exchange rate risk

The international character of its business and operations in different countries expose Hortifrut to risks due to exchange rate fluctuations. The main exposures refer to exchange rate fluctuations in US Dollar versus Chilean Peso, Mexican Peso, Euro.

- Exposure to Chilean Pesos

The source of exposure to Chilean Pesos mainly comes from the costs of the Chilean agricultural companies which are mainly denominated in said currency, trade accounts receivable with national customers and liquid funds held in financial instruments and bank obligations.

Hortifrut performs actions to mitigate the exposure to costs of the agricultural companies by contracting forward derivative contracts whose realization is distributed to those companies. Likewise, Cross Currency Swap instruments are used to mitigate the exchange rate risk in bank obligations in Chilean Pesos.

- Exposure to Mexican Pesos

The source of exposure to Mexican Pesos mainly comes from agricultural operating costs in Mexico which are mostly denominated in said currency and, at a lower scale, trade accounts receivable with Mexican customers.

- Exposure to Euros

The source of exposure to Euros comes from sales performed in said currency, bank obligations and at a lower scale liquid funds held in financial instruments. Hortifrut performs actions to mitigate the exposure to sales in Euros through the use of forward derivative contracts.

Regardless of the fact that to date Hortifrut has not had any problems in relation to credit risk, it is important to bear in mind that this fact does not guarantee that in the future, Hortifrut may be exposed to a problem of this type.

Exposure in currencies different to the dollar

The following table shows an exposure in currencies different to the dollar, over the Company's assets and liabilities as of March 31, 2016:

	<u>Peso/UF</u>	<u>Euro</u>	<u>Mexican \$</u>	<u>Argentine \$</u>	<u>Real/others</u>
	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
As of March 31, 2016					
<u>Financial Assets</u>					
Cash and Cash Equivalents	3,943	5,794	903	26	29
Other current non financial assets	2,184	1,447	826	-	149
Current trade debtors and other accounts receivable	8,791	11,716	4,841	604	1,050
Current accounts receivable from Related Entities	975	10,009	-	-	-
Non current accounts receivable from Related Entities	-	3,485	-	-	-
<u>Total Financial Assets</u>	15,893	32,451	6,570	630	1,228
<u>Current Liabilities</u>					
Other current financial liabilities	-	2,706	-	-	-
Current trade accounts and other accounts payable	5,812	2,113	2,807	187	404
Current accounts payable to Related Entities	971	1,048	-	-	-
Other current provisions	-	-	-	-	-
Current provisions for employee benefits	441	-	507	-	-
Other non current financial liabilities	-	4,911	-	-	-
Non current accounts payable to related entities	433	10,000	-	-	-
<u>Total Financial Liabilities</u>	7,657	20,778	3,314	187	404
Net exposure as of March 31, 2016	8,236	11,673	3,256	443	824

Effects of a potential exchange rate fluctuation

The potential effect of a 10% devaluation of the United States dollar in front of all the other relevant currencies to which the Company is exposed, would have an approximate effect of KUS\$2.4 million as a higher charge to the company's results as of March 31, 2016, the aforementioned maintaining all the other variables constant. The calculation considers the Company's exposure in financial assets and liabilities denominated in currency different to the dollar.

<u>Currencies</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Net</u>	<u>Net (10% Devaluation)</u>	<u>Variation</u>
	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
Peso/UF	15,893	7,657	8,236	7,412	(824)
Euro	32,451	20,778	11,673	10,506	(1,167)
Mexican \$	6,570	3,314	3,256	2,930	(326)
Argentine \$	630	187	443	399	(44)
Real	1,228	404	824	742	(82)
Total	56,772	32,340	24,432	21,989	(2,443)

4.- Interest Rate risk

The Hortifrut Group has its long term financial liabilities linked to long term investments. All of these long term liabilities are at fixed rates and mostly in dollars to avoid cost variations and to be aligned with the Company's functional currency. Even though short term financial liabilities, linked to temporary work capital are at a fixed rate, an exposure to fluctuations in the market rates at the moment of its contracting and/or renewal is experienced. If Hortifrut held the debt that it has at a variable rate, which is KUS\$87,242, for the whole year and the rate increased by 10%, the impact on the annual financial cost would be US\$76 thousand.

Below is a detail of the short term financial liabilities, linked to temporary work capital:

<u>Creditor Bank</u>	<u>Capital</u>	<u>10% interest Due to Annual variation variation</u>		
		<u>interest</u>	<u>in rate</u>	<u>in rate</u>
	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
Banco Bilbao Vizcaya Argentaria	10,000	85	94	9
Banco de Chile	3,000	21	23	2
Banco de Crédito e Inversiones	35,800	277	304	28
Banco Estado	10,000	96	106	10
Banco Itaú	42	1	1	0
Banco Santander Chile	21,400	212	234	21
Banco Scotiabank	7,000	64	70	6
Total	87,242	756	832	76

NOTE 4 – SIGNIFICANT ACCOUNTING ESTIMATIONS AND CRITERIA

The used estimations and criteria are regularly evaluated and are based on historic experience and other factors, including the expectations of the occurrence of future events that are considered reasonable according to the circumstances.

Hortifrut S.A. and subsidiaries perform estimations and assumptions regarding the future.

The main estimations and applying of professional criteria is related with the following concepts:

1 Determining provisions for seasons

1.1 Cost of fruit provision

In the case of fruit produced by third parties, sales at the closing of the period have not been liquidated (approximately between 20 and 45 days depending on destination), the premium is estimated over the contractual price previously agreed with the producer. The estimation of the premium plus the agreed price constitutes the cost of fruit.

The premium is estimated taking as a reference the real placement prices experienced in the destination market as of the closing date of the Financial Statements.

1.2 Provision for the cost of materials

Each fruit packing per species has a standard materials cost assigned to it. Based on the arrived shipments, the standard cost is calculated for each of the packings and for the difference with the materials that appear as used in the accounting records, an adjustment is performed in relation to the materials in transit on the closing date of the periods. At the same time, 2% of this cost is provisioned as decrease in materials.

These estimations are performed based on the best information available considering the analyzed events, on the date of issuance of these financial statements.

In any case, it is possible that events that could take place in the future could force these to be modified in the following periods, which if it happens, would be done in a prospective manner.

2 Consolidation of entities where the group owns 50% or less

The Hortifrut Group considers that it has control of Hortifrut España Southern Sun S.L. (50%), Agrícola el Avellano and Subsidiaries (40%), Agrícola Santa Rosa el Parque S.A (30%), Agrícola y Ganadera Santa Rebeca Limitada (25%), even though it has less than 50 % of the voting rights. There is no information regarding other shareholders who form a group and execute their vote in a collective manner.

3 Impairment of Appreciation and Intangibles with an indefinite useful life

The Company determines on an annual basis if Appreciation and intangible assets with an indefinite useful life are impaired. This test requires an estimation of the 'value in use' of the cash generating units to which Appreciation and Intangibles with an indefinite useful life are associated. The estimating of the value in use requires that the Administration perform an estimation of the future cash flows of the cash generating unit (or group of CGU's), and also defines an appropriate discount rate to calculate the current value of these cash flows.

NOTE 5 – FINANCIAL INFORMATION PER SEGMENT

The Company reports financial information per segments as per what is established in IFRS 8 “Operating Segments”. Said norm establishes standards for the reporting of information per segments in the financial statements as well as revelations regarding products and services, geographical areas and main customers. An operating segment is defined as a component of an entity over which separate financial information is obtained, which is regularly evaluated by upper management to make decisions regarding the assigning of resources and the evaluating of results.

The performance of the segments is evaluated via the Operating Margin (see how to calculate), by sales volumes and income. When evaluating the performance of the segments, assets and liabilities that are attributed to it are not considered.

Calculating Operating Margin:

+ Operating revenue
 + Other revenue, per function, the increase of the value to fair value of the biological assets is excluded from the latter
 = Total revenue

Minus:

- Sales cost
 - Administrative expenses
 - Other expenses, per function, the decrease in value to fair value of the biological assets is excluded from the latter
 = Total costs

Geographic Location

The information of net sales per geographic location is based on the destination continent where our products are consumed (North America – South America -Europe - Asia).

For the periods ending March 31, 2016 and 2015, Operating revenue per geographic location is as follows:

<u>Sales per geographic destination</u>	<u>31-mar-16</u>		<u>31-mar-15</u>	
	<u>KUS\$</u>	<u>%</u>	<u>KUS\$</u>	<u>%</u>
North America	113,564	66.4%	93,418	57.8.
Europe	36,064	21.1%	41,061	25.4%
South America	7,293	4.3%	11,658	7.2%
Asia and others	14,067	8.2%	15,518	9.6%
Total / Total revenue	<u>170,988</u>	<u>100.0%</u>	<u>161,655</u>	<u>100.0%</u>

North America

In North America, through its subsidiary Hortifrut Imports Inc., the Company is associated with three of the largest berries producers: Michigan Blueberry Growers Association, Naturipe Berry Growers and Munger Brothers, to together commercialize under the brand Naturipe, during the 52 weeks of the year.

Through this company, it supplies a wide mix of conventional and organic berries to all of the United States and Canada during the whole year.

The commercializing is mainly performed through the Retail and Foodservice channels, reaching the main supermarkets in the country. Naturipe Farms is recognized as one of the main berries brands in the United States and is present in one of the main fruit categories and with the highest growth.

Europe

Hortifrut S.A. is present in the European continent through Euroberry Marketing S.A. (Spain), Euroberry Ltd. (England) and Euroberry B.V. (Holland), directly participating in the commercializing, production, third party sourcing and distribution centers. Together with its partner Atlantic Blue, the largest producer of blueberries in Spain, it now maintains a year round offer with the brands “Southern Sun” and “Berry Collection” in continental Europe and the United Kingdom.

Our customers are the main wholesalers and supermarkets of the largest countries in Europe, with a wide atomization of customers.

South America

Hortifrut Comercial S.A., subsidiary of Hortifrut S.A, maintains the leadership in Chile in the Berries category in the Retail and Food service segments.

The main species commercialized in Chile continues to be strawberries out of the total national commercialized volume. It is of vital relevance to mention that since 2011 the blueberry has been consolidated as the second highest selling berry, over raspberries and blackberries.

Hortifrut Comercial S.A. continues to work on its marketing plan focused on introducing the brand and its products, as well as obtaining the loyalty of its final consumers and the Food Service segment.

In order to maximize the consumption alternatives that the brand offers, the different product lines are highlighted in its advertising: Fresh, Frozen, Dehydrated and concentrated Juices.

The Company commercializes its products in Brazil through its subsidiary Berrygood, with commercial offices in Sao Paulo and operations in the northern and southern states of the country, mainly focusing on the cities of Rio de Janeiro, Brasilia, Campinas, Curitiba and Sao Paulo.

It was created in March 2008 and has focused on the development and growth of the industry of these special fruits in Brazil, strengthening the logistics, sourcing and market establishing areas.

Asia

The Asian market continues to grow at two digit rates for the Company, delivering to the main markets of the region under the brands Southern Sun and Naturipe, with exports from Chile, Argentina, Mexico, United States and Canada and a 52 week a year program with the different berries.

The main Asian countries where the Company commercializes its berries are Japan, Taiwan, Hong Kong, Singapore and Malaysia. It is interesting to state that, together with Naturipe Farms, we are advancing in direct trading with the supermarket chains that both Hortifrut and Naturipe work with in other continents, which places us at the forefront in the development of consumption in these markets.

Likewise, the Hortifrut-San Clemente office located in Shanghai, is advocated to the development of direct business with the international and local chains, and those located in regions far from the large cities, as well as continuing developing business with operators at the terminal markets of Guangzhou, Beijing, Shanghai and Dalian, among others.

The Group segments the financial information per business unit, identifying the following segments:

- a) Blueberries segment
- b) Raspberries segment
- c) Blackberries segment
- d) Strawberries segment
- e) Cherries segment
- f) Value added products segment
- g) Others segment

Results per segment as of March 31, 2016 and 2015, are the following:

Operating Margin

Segment	31-mar-16			31-mar-15		
	Total revenue KUS\$	Total costs and expenses KUS\$	Operating result KUS\$	Total revenue KUS\$	Total costs and expenses KUS\$	Operating result KUS\$
Blueberries	134,557	(114,424)	20,133	126,846	(112,524)	14,322
Raspberries	6,328	(5,584)	744	6,992	(6,224)	768
Blackberries	11,632	(10,245)	1,387	10,679	(9,705)	974
Strawberries	7,735	(7,536)	199	6,701	(6,957)	(256)
Cherries	1,761	(1,509)	252	3,169	(2,772)	397
Value Added Products	8,975	(7,322)	1,653	7,268	(4,981)	2,287
Total	170,988	(146,620)	24,368	161,655	(143,163)	18,492

Calculating total revenue

<u>DETERMINING TOTAL INCOME</u>	<u>31-mar-16</u> <u>KUS\$</u>	<u>31-mar-15</u> <u>KUS\$</u>
Operating revenue	170,945	161,612
Other income, per function, excluding increases in value to fair value of the biological assets	43	43
Total Revenue	<u>170,988</u>	<u>161,655</u>

Calculating total costs and expenses

<u>DETERMINING TOTAL COSTS AND EXPENSES</u>	<u>31-mar-16</u> <u>KUS\$</u>	<u>31-mar-15</u> <u>KUS\$</u>
Cost of sales	140,293	137,635
Administrative expenses	6,049	4,999
Other expenses, per function, excluding decrease in value to fair value of the biological assets	278	529
Total Costs and Expenses	<u>146,620</u>	<u>143,163</u>

Other Results Not attributable to Segments

	31-mar-16	31-mar-15
	<u>KUS\$</u>	<u>KUS\$</u>
Financial Revenue	216	91
Financial Expenses	(1,163)	(1,156)
Other profit (loss)	(14)	(27)
Participation in the profit (loss) of related and joint ventures which are recorded using the equity method	108	(190)
Exchange rate differences	<u>1,521</u>	<u>(2,419)</u>
Total	<u>668</u>	<u>(3,701)</u>
Before tax profit	<u>25,036</u>	<u>14,791</u>
Gains tax expenses	(5,575)	(3,682)
Profit from continued operations	<u>19,461</u>	<u>11,109</u>
Profit (loss), attributable to the parent company's equity holders	17,771	10,179
Profit (loss), attributable to non parent company equity holders	<u>1,690</u>	<u>930</u>
Profit of the period	<u>19,461</u>	<u>11,109</u>

Determining EBITDA

	31-mar-16	31-mar-15
	<u>KUS\$</u>	<u>KUS\$</u>
<u>DETERMINING EBITDA</u>		
Operating revenue	170,945	161,612
Other revenue, per function, excluding the increase in value to fair value of the biological assets	<u>43</u>	<u>43</u>
Total Revenue	<u>170,988</u>	<u>161,655</u>
Cost of sales	(140,293)	(137,635)
Administrative expense	(6,049)	(4,999)
Other expenses, per function, excluding decrease in value to fair value of the biological assets	<u>(278)</u>	<u>(529)</u>
Total Costs and Expenses	<u>(146,620)</u>	<u>(143,163)</u>
Operating Result	<u>24,368</u>	<u>18,492</u>
Depreciation and amortization	<u>6,244</u>	<u>5,777</u>
EBITDA	<u>30,612</u>	<u>24,269</u>

NOTE 6 – FINANCIAL INSTRUMENTS

6.a) FINANCIAL INSTRUMENTS PER CATEGORY

Assets	Financial assets and accounts receivable KUS\$	Assets at fair value through results KUS\$	Hedging instruments KUS\$	Total KUS\$
<u>March 31, 2016</u>				
Cash and cash equivalents	27,040	39,324	-	66,364
Other current financial assets	-	-	6,819	6,819
Current trade debtors and other accounts receivable	35,738	-	-	35,738
Current accounts receivable from related entities	53,250	-	-	53,250
Other non current financial assets	-	-	2,115	2,115
Non current accounts receivable from related entities	5,438	-	-	5,438
Non current fees receivable	1,415	-	-	1,415
Total	122,881	39,324	8,934	171,139

Liabilities	Other financial liabilities KUS\$	Liabilities at fair value with changes in result KUS\$	Hedging instruments KUS\$	Total KUS\$
<u>March 31, 2016</u>				
Current trade accounts and other accounts payable	49,071	-	-	49,071
Current accounts payable to related entities	2,269	-	-	2,269
Non current accounts payable to related entities	22,443	-	-	22,443
Other current financial liabilities	105,560	-	281	105,841
Other non current financial liabilities	66,630	-	2,024	68,654
Total	245,973	-	2,305	248,278

Assets	Financial assets and accounts receivable KUS\$	Assets at fair value through results KUS\$	Hedging instruments KUS\$	Total KUS\$
<u>December 31, 2015</u>				
Cash and cash equivalents	21,989	2,610	-	24,599
Other current financial assets	-	-	3	3
Current trade debtors and other accounts receivable	44,512	-	-	44,512
Current accounts receivable from related entities	38,555	-	-	38,555
Non current accounts receivable from related entities	9,669	-	-	9,669
Non current fees receivable	1,286	-	-	1,286
Total	116,011	2,610	3	118,624

Liabilities	Other financial liabilities KUS\$	Liabilities at fair value with changes in result KUS\$	Hedging instruments KUS\$	Total KUS\$
<u>December 31, 2015</u>				
Current trade accounts and other accounts payable	46,686	-	-	46,686
Current accounts payable to related entities	2,253	-	-	2,253
Non current accounts payable to related entities	22,734	-	-	22,734
Other current financial liabilities	98,251	-	1,888	100,139
Other non current financial liabilities	60,224	-	1,701	61,925
Total	230,148	-	3,589	233,737

6.b) CREDITWORTHINESS OF FINANCIAL ASSETS

The Company's financial assets can be mainly classified into two large groups i) Commercial Credits with Customers which to measure their risk level are classified according to the age of the debt and provisions are made for bad debt, and ii) Financial investments performed by the Company in accordance with the criteria indicated in NOTE 3:

Current Assets	31-mar-16	31-dec-15
	<u>KUS\$</u>	<u>KUS\$</u>
Mutual Funds and term deposits, classification AA+fm/M1	39,324	2,610
Bank Current Accounts AAA	27,040	21,989
Sub-total Cash and cash equivalents	<u>66,364</u>	<u>24,599</u>
Currency forwards operations	6,716	3
Hedging-option operations	103	-
Total other current financial assets	<u>6,819</u>	<u>3</u>
Trade debtors and other accounts receivable, without credit rating	35,738	44,512
Sub-total Current trade debtors and other accounts receivable	<u>35,738</u>	<u>44,512</u>
Total	<u>108,921</u>	<u>69,114</u>

None of the financial assets pending expiry have been the object of renegotiation during the period.

There are no significant expired financial assets as of the closing of the period.

6.c) ESTIMATING FAIR VALUE

Financial assets recorded at fair value in the consolidated statement of financial position, have been measured based on the methods stated in IAS 39. In order to apply the criteria when determining the fair value of the financial assets, the following parameters have been considered:

Level I: Values or quotation prices in active markets for identical assets and liabilities.

Level II: Information from sources that differ from the Level I quotation values, but that can be observed in markets for the assets and liabilities, whether it is in a direct manner (prices) or indirect (derived from prices).

Level III: Information for assets or liabilities that is not based on observable market data.

The following table presents the financial assets that are measured at fair value as of March 31, 2016 and December 31, 2015:

<u>Assets/(Liabilities)</u>	Fair value as of March 31, 2016 <u>KUS\$</u>	Fair value measurements using values considered as		
		Level I	Level II	Level III
		<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
Short term mutual funds	39,324	39,324	-	-
Currency forwards operations	6,716	-	6,716	-
Hedging-option operations	103	-	103	-
Non current currency forwards operations	1,605	-	1,605	-
Non current hedging-option operations	510	-	510	-
Currency forwards operations	(281)	-	(281)	-
Non current Cross Currency Swap Operations	(2,024)	-	(2,024)	-

<u>Assets/(Liabilities)</u>	Fair value as of December 31, 2015 <u>KUS\$</u>	Fair value measurements using values considered as		
		Level I	Level II	Level III
		<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
Short term mutual fund	2,610	2,610	-	-
Currency forwards operations	3	-	3	-
Current Cross Currency Swap Operations	(15)	-	(15)	-
Currency forwards operations	(1,839)	-	(1,839)	-
Hedging-option operations	(34)	-	(34)	-
Non current currency forwards operations	(300)	-	(300)	-
Non Current Cross Currency Swap Operations	(1,401)	-	(1,401)	-

6.d) INFORMATIVE FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table shows fair values, based on financial instrument categories, compared with the current and non current book value included in the consolidated statements of financial position:

	31-mar-16		31-dec-15	
	Book value KUS\$	Fair Value KUS\$	Book value KUS\$	Fair value KUS\$
Assets				
Cash and cash equivalents				
Bank balances	27,040	27,040	21,989	21,989
Term deposits	-	-	-	-
Mutual funds	39,324	39,324	2,610	2,610
Other current financial assets	6,819	6,819	3	3
Current trade debtors and other accounts receivable and non current fees receivable	37,153	37,153	45,798	45,798
Current accounts receivable from related entities	53,250	53,250	38,555	38,555
Other non current financial assets	2,115	2,115	-	-
Non current accounts receivable from related entities	5,438	5,438	9,669	9,669
Liabilities				
Other current financial liabilities	105,841	105,841	100,139	100,139
Other non current financial liabilities	68,654	68,654	61,925	61,925
Current trade accounts and other accounts payable	49,071	49,071	46,686	46,686
Other non current accounts payable	756	756	756	756
Current accounts payable to related entities	2,269	2,269	2,253	2,253
Non current accounts payable to related entities	22,443	22,443	22,734	22,734

The book value of current accounts receivable, cash and cash equivalents, and other financial assets and liabilities is close to the fair value because of the short term nature of these instruments and for accounts receivable, because any loss due to recoverability is already reflected in the loss due to impairment provisions. The fair value of non derivative financial assets and liabilities, without quotations on active markets, is estimated via the use of discounted cash flows calculated over market variables that can be observed on the date of the financial statements. The fair value of the derivative instruments is estimated via the future discount cash flows, determined based on information that can be observed in the market or over variables and prices obtained from third parties.

NOTE 7 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents correspond to money balances held in current bank accounts, term deposits and other financial investments with an expiry of less than 90 days.

The detail of cash and cash equivalents as of March 31, 2016 and December 31, 2015, is as follows:

Types of Cash and Cash Equivalents	31-mar-16	31-dec-15
	<u>KUS\$</u>	<u>KUS\$</u>
Bank balances	27,040	21,989
Mutual funds	39,324	2,610
Total cash and cash equivalents	<u>66,364</u>	<u>24,599</u>

1.- Detail per currency of cash and cash equivalents held as of March 31, 2016 and December 31, 2015, is as follows:

Type of currency	31-mar-16	31-dec-15
	<u>KUS\$</u>	<u>KUS\$</u>
United States Dollar	55,525	11,888
Chilean Peso	3,943	1,263
Mexican Peso	903	248
Euro	5,794	10,739
Pound	2	2
Brazilian Real	27	267
Nuevo Sol	144	-
Argentine Peso	26	192
Total	<u>66,364</u>	<u>24,599</u>

2.- The detail of mutual funds per bank as of March 31, 2016 and December 31, 2015, is as follows:

Investments in mutual funds	31-mar-16	31-dec-15
	<u>KUS\$</u>	<u>KUS\$</u>
Banco Crédito e Inversiones	35,685	1,229
Estado	24	-
Banco Santander Chile	3,615	1,188
Itaú - Brazil	-	193
Total investments in mutual funds	<u>39,324</u>	<u>2,610</u>

Mutual fund units are fixed income and are recorded at the market value through the unit value at the closing of each period.

Mutual funds are held by the Group until the moment that they comply with their operating obligations.

NOTE 8 – OTHER CURRENT AND NON CURRENT FINANCIAL ASSETS

These assets represent the effects of currency forwards instruments used to cover the potential financial risk associated to the volatility of costs and expenses to be incurred in Chilean pesos in the agricultural and export business (see Note 3.3).

The detail of Other financial assets as of March 31, 2016 and December 31, 2015, is as follows:

Current	31-mar-16	31-dec-15
	<u>KUS\$</u>	<u>KUS\$</u>
Currency forward operations	6,716	3
Hedging-option operations	103	-
Total other current financial assets	<u>6,819</u>	<u>3</u>
Non Current	31-mar-16	31-dec-15
	<u>KUS\$</u>	<u>KUS\$</u>
Currency forward operations	1,605	-
Hedging-option operations	510	-
Total other non current financial assets	<u>2,115</u>	<u>-</u>

No inefficiency is recorded during the period in the Company's results, which arise from the aforementioned hedging of derivatives operations.

a) The detail of the current forward operations, held by Hortifrut S.A. and subsidiaries is as follows:

As of March 31, 2016:

Company	Bank	Contract Modality	Fees Type	Currency	Liabilities		Closing Value Amount	Net Effect Offsetting	Expiry up to				MTM			Total non current 3/31/2016
					Amount	Currency			1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	Total current 3/31/2016	Expiry up to		
														1 to 2 years	2 to 3 years	
Agr. Vida Nueva S.A.	Santander	Offsetting	Sale	USD	525	CLP	592	67	-	98	92	352	542	33	-	33
Hortifrut Chile S.A.	BBVA	Offsetting	Sale	USD	6,408	CLP	7,039	631	-	37	60	70	167	170	24	194
Hortifrut Chile S.A.	BCI	Offsetting	Sale	USD	13,002	CLP	14,303	1,301	12	80	126	147	365	347	46	393
Hortifrut Chile S.A.	Santander	Offsetting	Sale	USD	3,204	CLP	3,513	309	-	632	1,024	1,244	2,900	516	-	516
Hortifrut Chile S.A.	Scotiabank	Offsetting	Sale	USD	3,390	CLP	3,704	314	12	43	68	80	203	33	-	33
Hortifrut Chile S.A.	Security	Offsetting	Sale	EUR	2,685	USD	2,828	143	144	-	-	-	144	-	-	-
Hortifrut Chile S.A.	Security	Offsetting	Sale	USD	963	CLP	1,083	120	-	18	29	36	83	14	-	14
Hortifrut S.A.	BBVA	Offsetting	Sale	USD	3,592	CLP	3,945	353	-	17	23	63	103	97	5	102
Hortifrut S.A.	BCI	Offsetting	Sale	USD	7,207	CLP	7,931	724	2	35	50	135	222	191	8	199
Hortifrut S.A.	Estado	Offsetting	Sale	USD	30	CLP	30	-	-	-	-	-	-	-	-	-
Hortifrut S.A.	Santander	Offsetting	Sale	USD	1,796	CLP	1,969	173	-	280	401	1,128	1,809	111	-	111
Hortifrut S.A.	Scotiabank	Offsetting	Sale	USD	1,849	CLP	2,021	172	4	19	27	74	124	7	-	7
Hortifrut S.A.	Security	Offsetting	Sale	USD	538	CLP	606	-	-	9	12	33	54	3	-	3
Total				3/31/2016	45,189		49,564	4,307	174	1,268	1,912	3,362	6,716	1,522	83	1,605

As of December 31, 2015:

Company	Bank	Contract Modality	Fees Type	Currency	Liabilities		Closing Value Amount	Net Effect Offsetting	Expiry up to				MTM			Total non current 12/31/2015
					Amount	Currency			1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	Total current 12/31/2015	Expiry up to		
														1 to 2 years	2 to 3 years	
Hortifrut Chile S.A.	BCI	Offsetting	Sale	CLP	590	USD	603	13	-	-	3	-	3	-	-	-
Hortifrut Chile S.A.	BCI	Offsetting	Sale	CLP	203	USD	208	5	-	-	-	-	-	-	-	-
Hortifrut Chile S.A.	BCI	Offsetting	Sale	CLP	590	USD	605	15	-	-	-	-	-	-	-	-
Hortifrut S.A.	Scotiabank	Offsetting	Sale	CLP	204	USD	204	-	-	-	-	-	-	-	-	-
Hortifrut Chile S.A.	BCI	Offsetting	Sale	CLP	261	USD	267	6	-	-	-	-	-	-	-	-
Hortifrut S.A.	BCI	Offsetting	Sale	CLP	84	USD	86	2	-	-	-	-	-	-	-	-
Hortifrut Chile S.A.	BCI	Offsetting	Sale	CLP	261	USD	267	6	-	-	-	-	-	-	-	-
Total				12/31/2015	2,193		2,240	47	-	-	3	-	3	-	-	-

Type of fees from the company's perspective

b) The detail of current option operations, held by Hortifrut S.A. and subsidiaries is as follows:

As of March 31, 2016:

<u>Company</u>	<u>Bank</u>	<u>Contract Modality</u>	<u>Type</u>	<u>Fees</u>		<u>Liabilities</u>		<u>Closing Value</u>	<u>Net Effect</u>	<u>MTM</u>	<u>Expiry Date</u>
				<u>Currency</u>	<u>Amount</u>	<u>Currency</u>	<u>Amount</u>	<u>Amount</u>	<u>Offsetting</u>	<u>Closing Exch. Rate</u>	
					<u>KUS\$</u>			<u>KUS\$</u>	<u>KUS\$</u>		
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	53	USD	48	5	5	5	20-Jul-16
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	56	USD	51	5	5	5	19-Aug-16
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	68	USD	62	6	6	6	20-Sep-16
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	61	USD	56	5	5	5	20-Oct-16
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	86	USD	78	8	7	7	21-Nov-16
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	141	USD	128	13	11	11	20-Dec-16
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	160	USD	146	14	12	12	20-Jan-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	116	USD	106	10	8	8	20-Feb-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	75	USD	68	7	5	5	20-Mar-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	27	USD	25	2	2	2	20-Jul-16
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	25	USD	23	2	2	2	19-Aug-16
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	26	USD	24	2	2	2	20-Sep-16
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	25	USD	23	2	2	2	20-Oct-16
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	33	USD	30	3	3	3	21-Nov-16
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	54	USD	49	5	4	4	20-Dec-16
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	184	USD	167	17	14	14	20-Jan-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	104	USD	95	9	8	8	20-Feb-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	30	USD	27	3	2	2	20-Mar-17
Total					1,324		1,206	118	103		

c) The detail of non current option operations, held by Hortifrut S.A. and subsidiaries is as follows:

As of March 31, 2016:

<u>Company</u>	<u>Bank</u>	<u>Contract Modality</u>	<u>Type</u>	<u>Fees</u>		<u>Liabilities</u>		<u>Closing Value</u>	<u>Net Effect</u>	<u>MTM</u>	<u>Expiry Date</u>
				<u>Currency</u>	<u>Amount</u>	<u>Currency</u>	<u>Amount</u>	<u>Amount</u>	<u>Offsetting</u>	<u>Closing Exch. Rate</u>	
					<u>KUS\$</u>			<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	54	USD		49	5	4	20-Jul-16
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	49	USD		45	4	3	19-Aug-16
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	44	USD		40	4	3	20-Sep-16
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	280	USD		255	25	20	20-Oct-16
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	301	USD		274	27	21	21-Nov-16
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	363	USD		330	33	25	20-Dec-16
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	325	USD		296	29	21	20-Jan-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	459	USD		418	41	30	20-Feb-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	752	USD		684	68	48	20-Mar-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	851	USD		774	77	53	20-Jul-16
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	616	USD		561	55	37	19-Aug-16
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	402	USD		366	36	24	20-Sep-16
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	286	USD		260	26	16	20-Oct-16
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	259	USD		236	23	14	21-Nov-16
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	232	USD		211	21	12	20-Dec-16
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	13	USD		12	1	1	20-Jan-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	8	USD		7	1	1	20-Feb-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	9	USD		8	1	1	20-Mar-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	146	USD		133	13	10	20-Mar-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	133	USD		121	12	9	20-Mar-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	139	USD		126	13	9	20-Mar-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	134	USD		122	12	9	20-Mar-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	178	USD		162	16	11	20-Mar-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	290	USD		264	26	18	20-Mar-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	982	USD		894	88	60	20-Mar-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	552	USD		502	50	33	20-Mar-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	162	USD		147	15	9	20-Mar-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	69	USD		63	6	4	20-Mar-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	42	USD		38	4	2	20-Mar-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	48	USD		44	4	2	20-Mar-17
					8,178			7,442	736	510	

NOTE 9 – TRADE DEBTORS AND OTHER CURRENT ACCOUNTS RECEIVABLE/NON CURRENT FEES RECEIVABLE

The detail of trade debtors and other accounts receivable as of March 31, 2016 and December 31, 2015 is as follows:

31-mar-16						
Current per country of origin	Sales	Notes	Others	Recoverable	Provision	Total
	KUS\$	KUS\$	KUS\$	taxes	KUS\$	KUS\$
Chile	7,139	1,694	1,428	5,662	(477)	15,446
Spain	11,003	-	70	1,517	(12)	12,578
Mexico	443	-	6,025	795	(1,207)	6,056
Brazil	645	-	355	52	-	1,052
Argentina	-	-	208	455	(57)	606
Total	19,30	1,694	8,086	8,481	(1,753)	35,738

31-dec-15						
Current per country of origin	Sales	Notes	Others	Recoverable	Provision	Total
	KUS\$	KUS\$	KUS\$	taxes	KUS\$	KUS\$
Chile	5,428	2,765	1,526	9,089	(1,029)	17,779
Spain	10,253	-	170	1,705	(10)	12,118
Mexico	4,728	-	8,419	795	(1,213)	12,729
Brazil	647	-	545	-	-	1,192
Argentina	-	-	320	437	(63)	694
Total	21,056	2,765	10,980	12,026	(2,315)	44,512

The concept others, mainly corresponds to advanced payments to producers and suppliers.

The detail of non current accounts receivable as of March 31, 2016 and December 31, 2015 is as follows:

Non current	31-mar-16	31-dec-15
	KUS\$	KUS\$
Non current debtors and accounts receivable	15	475
Other non current fees receivable	835	811
Other accounts receivable – advanced payment	565	-
Total non current fees receivable	1,415	1,286

Recoverable taxes, the detail of recoverable taxes, presented in other accounts receivable are:

	31-mar-16	31-dec-15
Tax receivable accounts	<u>KUS\$</u>	<u>KUS\$</u>
Iva (vat) tax credit	7,260	9,956
Customs refund	164	184
Other recoverable taxes	<u>1,057</u>	<u>1,886</u>
Total	<u>8,481</u>	<u>12,026</u>

The fair value of trade debts and other accounts receivable does not differ from its book value.

Stratification of the portfolio

The Company does not keep a securitized portfolio as of March 31, 2016 and December 31, 2015. Below is an analysis by age of the trade debts and accounts receivable:

Terms	31-mar-16		31-dec-15	
	NON SECURITIZED PORTFOLIO		NON SECURITIZED PORTFOLIO	
	Cutomers non re-negotiated portfolio	Amount non Re-negotiated portfolio	Cutomers non re-negotiated portfolio	Amount non Re-negotiated portfolio
	<u>N°</u>	<u>KUSD</u>	<u>N°</u>	<u>KUSD</u>
Up to date	676	18,186	662	21,330
From 1 to 30 days	78	811	651	449
From 31-60 days	51	497	84	105
From 61-90 days	33	30	26	284
From 91-120 days	29	16	7	14
From 121-150 days	34	12	11	42
From 151 to 180 days	36	5	19	149
From 181 to 210 days	28	3	71	214
From 211 to 250 days	36	197	32	139
Over 250 days	<u>176</u>	<u>1,182</u>	<u>378</u>	<u>1,570</u>
Total	<u>1,177</u>	<u>20,939</u>	<u>1,941</u>	<u>24,296</u>
Provision		<u>(544)</u>		<u>(879)</u>
Total (net)		<u>20,395</u>		<u>23,417</u>

The stratification of the portfolio includes: Sales debtors, Notes receivable, non current debtors.

Analysis of future expiries (future flows) of these accounts is as follows:

Terms	31-mar-16	31-dec-15
	<u>KUS\$</u>	<u>KUS\$</u>
Up to date	3,649	8,890
From 1 to 30 days	17,197	10,949
From 31-60 days	6,428	9,262
From 61-90 days	2,204	3,130
From 91-120 days	151	3,041
From 121-150 days	2,222	3,170
From 151 to 180 days	-	770
From 181 to 210 days	-	237
From 211 to 250 days	607	2,106
Over 250 days	3,280	2,957
Total	<u>35.738</u>	<u>44.512</u>

The amounts correspond to trade debtors and other accounts receivable individually impaired, which are provisioned as bad debt in their total, these are as follows:

	31-mar-16	31-dec-15
	<u>KUS\$</u>	<u>KUS\$</u>
National trade debtors	315	371
Notes receivable	229	508
Other accounts receivable	1,209	1,436
Total	<u>1,753</u>	<u>2,315</u>

Balances due to currency that make up trade debtors and other accounts receivable as of March 31, 2016 and December 31, 2015, are as follows:

Type of currency	31-mar-16	31-dec-15
	<u>KUS\$</u>	<u>KUS\$</u>
United States Dollar	7,873	14,894
Chilean Peso	8,791	11,122
Euro	11,716	11,603
Mexican Peso	4,841	4,492
Argentine Peso	604	693
Brazilian Real	1,050	1,192
Nuevo Sol	863	516
Total	<u>35.738</u>	<u>44.512</u>

The Company constitutes provisions due to the evidence of impairment of trade debts. The criteria used to determine if there is objective evidence of loss due to impairment are the maturity of the portfolio, concrete acts of impairment (default) and concrete market signs.

The movement of provision due to loss caused by the impairment of the value of the national and foreign trade debtors as of March 31, 2016 and December 31, 2015, is as follows:

Movement	31-mar-16	31-dec-15
	<u>KUS\$</u>	<u>KUS\$</u>
As of January 01	2,315	2,215
Reversal of provision	-	(79)
Write-offs	(518)	-
Increase of provision	-	271
Exchange rate difference	(44)	(92)
Total	<u>1,753</u>	<u>2,315</u>

Once all the preliminary and judicial collection efforts have been made, we proceed to write off the assets against the constituted provision.

The historical renegotiations and those which are currently valid are not very relevant and the policy is to analyze case by case in order to classify them depending on the existence of risk, determining if its reclassification to prejudicial collection accounts corresponds. If reclassification corresponds, it is constituted a provision of the overdue and nearly overdue.

The maximum exposure to credit risk as of the presentation date of the information is the book value of each of the accounts receivable categories indicated beforehand.

	<u>As of March 31, 2016</u>			<u>As of December 31, 2015</u>		
	Gross exposure as per balance	Gross impaired exposure	Net exposure concentration of risk	Gross exposure as per balance	Gross impaired exposure	Net exposure concentration of risk
	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
Trade Debtors	19,230	(315)	18,915	21,056	(371)	20,685
Notes receivable	1,694	(229)	1,465	2,765	(508)	2,257
Other accounts receivable	8,086	(1,209)	6,877	10,980	(1,436)	9,544
Recoverable taxes	8,481	-	8,481	12,026	-	12,026
Total	<u>37,491</u>	<u>(1,753)</u>	<u>35,738</u>	<u>46,827</u>	<u>(2,315)</u>	<u>44,512</u>

NOTE 10 – BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Related parties include the following entities and individuals:

- a) Shareholders with the possibility to exercise control
- b) Subsidiaries and members of subsidiaries
- c) Parties with an interest in the entity which grants them significant influence over it
- d) Parties with joint control over the entity
- e) Associates
- f) Interests in joint business
- g) Key management personnel, from the entity or its parent company
- h) Relatives close to the individuals described in the previous points
- i) An entity that is controlled, or is controlled in a joint manner by any of the individuals described in the two previous points.

10.1. Accounts receivable from related entities

In general, transactions with related Companies are of immediate payment or charge and are not subject to special conditions. These operations adjust to what is established under title XVI of Law N° 18.046, regarding Closely-held Corporations.

The transfer of short term funds from and to the parent company or between related Companies, which do not correspond to the charging or payment of services, are structured under the trade current account modality, establishing an interest rate for the monthly balance, as per market conditions.

Accounts receivable and accounts payable to related entities as of March 31, 2016 and December 31, 2015, are detailed as follows:

<u>Current Accounts Receivable</u>	<u>RUT</u>	<u>Country of Origin</u>	<u>Nature of the relationship</u>	<u>Type of Currency</u>	<u>31-mar-16</u>	<u>31-dec-15</u>
					<u>KUS\$</u>	<u>KUS\$</u>
Naturipe Farms LLC	0-E	USA	Associated	US\$	33,287	20,237
S.A.T. Hortifrut H-0030	0-E	Spain	Associated	EUR	9,179	6,440
Naturipe Foods, LLC	0-E	USA	Associated	US\$	7,462	6,781
Sociedad Agrícola Catapilco Limitada	78241100-4	Chile	Shareholder in subsidiary	CLP	971	915
Hortifrut Expofresh S.A.	0-E	Argentina	Associated	US\$	497	514
Hortifrut Berries Maroc SRL	0-E	Morocco	Associated	EUR	398	382
Agrícola Santa Carmen Ltda	86.776.400-3	Chile	Common shareholders	US\$	390	-
Tal S.A.C.	0-E	Peru	Associated	US\$	316	-
Cooperativa de Agricultores Gijon.	0-E	Spain	Affiliated of a common shareholder in subsidiary	EUR	230	221
Atlantic Blue, S.L.	0-E	Spain	Common shareholder	EUR	149	-
Valles del Sur SpA	76.243.329-k	Chile	Shareholder	US\$	110	2,275
Naturipe Berry Growers	0-E	USA	Associated	US\$	90	404
Margesi S.A.	0-E	Argentina	Associated	US\$	59	59
Agrícola Nueva Cabildo S.A.	76.107.465-2	Chile	Common shareholder	US\$	50	39
Juan Carlos Garcia	0-E	Spain	Common shareholder	EUR	36	40
Atlantic Green S.L.	0-E	Spain	Common shareholder	EUR	17	33
Berry Blue, LLC	0-E	USA	Associated	US\$	4	3
Agrícola e Inmobiliaria Lumaco S.A.	96.761.430-0	Chile	Common shareholder	CLP	2	2
Agrícola e Inmobiliaria Don Vitoco Ltda.	76.849.930-6	Chile	Common shareholder	CLP	2	-
Vilcun Organics SpA	0-E	Chile	Common shareholder	US\$	1	210
Total					53,250	38,555

Current accounts receivable correspond to trade operations whose collection period is between 1 and 3 months.

<u>Non current accounts receivable</u>	<u>RUT</u>	<u>Country of Origin</u>	<u>Nature of the relationship</u>	<u>Type of Currency</u>	<u>31-mar-16</u>	<u>31-dec-15</u>
					<u>KUS\$</u>	<u>KUS\$</u>
S.A.T. Hortifrut H-0030	o-E	Spain	Associated	EUR	3,485	3,485
Tierras de Berries S.A.	o-E	Argentina	Common shareholder in associated	US\$	1,953	3,252
Hortifrut Tal S.A.C	o-E	Peru	Associated	US\$	-	2,788
Atlantic Blue,S.L.	o-E	Spain	Common shareholder	EUR	-	144
Total					5,438	9,669

Non current accounts receivable correspond to the financing of investments whose collection period is over 3 years.

10.2. Accounts payable to related entities

Accounts payable to related entities as of March 31, 2016 and December 31, 2015, are detailed as follows:

<u>Current accounts payable</u>	<u>RUT</u>	<u>Country of origin</u>	<u>Nature of the relationship</u>	<u>Type of Currency</u>	<u>31-mar-16</u>	<u>31-dec-15</u>
					<u>KUS\$</u>	<u>KUS\$</u>
Inversiones Canihua S.A.	95.526.000-7	Chile	Common shareholder	CLP	971	915
Atlantic Blue Berries Maroc, SARL	o-E	Spain	Common shareholder	EUR	663	66
Royal Berries S.L	o-E	Spain	Affiliated of a shareholder in subsidiary	EUR	385	-
Hortifrut Tal S.A.C	o-E	Peru	Associated	US\$	153	-
Pacific Berry Breeding, LLC	o-E	USA	Associated	US\$	57	57
Expofresh S.A.	o-E	Argentina	Common shareholder	US\$	25	83
Agrícola San José de Tilama S.A.	76.043.289-K	Chile	Common shareholder	US\$	15	7
Tal S.A.	o-E	Peru	Affiliated of a shareholder in associated	US\$	-	563
Agrícola Santa Carmen Ltda	86.776.400-3	Chile	Common shareholder	US\$	-	456
Santa Maria de Gorbea S.A.	99.567.570-6	Chile	Common shareholder	CLP	-	79
Agrícola e Inmobiliaria Don Vitoco Ltda.	6.849.930-6	Chile	Common shareholder	CLP	-	27
Total					2,269	2,253

Current accounts payable correspond to trade operations, the payment period is between 1 and 45 days.

<u>Non current accounts payable</u>	<u>RUT</u>	<u>Country of origin</u>	<u>Nature of the relationship</u>	<u>Type of Currency</u>	<u>31-mar-16</u>	<u>31-dec-15</u>
					<u>KUS\$</u>	<u>KUS\$</u>
Munger Bros, LLC	o-E	USA	Common shareholder	US\$	12,010	12,010
Royal Berries S.L.	o-E	Spain	Affiliated of a shareholder in subsidiary	EUR	10,000	10,316
Inversiones Purranque S.A.	96.539.710-8	Chile	Shareholder in subsidiary	CLP	433	408
Total					22,443	22,734

Non current accounts payable correspond to the financing of investments with a liquidation period higher than 3 years.

10.3. Transactions with related parties and their effects on results

The operations and their effects on results for the periods ending March 31, 2016 and 2015:

COMPANY	RUT	NATURE OF THE RELATIONSHIP	Description of the transaction	31-Mar-16	Effect on result (charge)/ deposit	31-Mar-15	Effect on result (charge)/ deposit
				<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
Naturipe Farms LLC	0-E	Associated	Fruit sales	101,942	14,672	79,270	10,350
S.A.T. Hortifrut H-0030	0-E	Associated	Fruit sales	2,442	351	1,284	168
Agrícola Santa Carmen Ltda.	86.776.400-3	Common shareholder	Fruit purchase	2,772	-	3,443	-
Agrícola Santa Carmen Ltda.	86.776.400-3	Common shareholder	Income from Packing services, materials and others	94	-	119	-
Agrícola Santa Carmen Ltda.	86.776.400-3	Common shareholder	Income from the sale of plants	15	2	-	-
Naturipe Foods LLC	0-E	Associated	Fruit sales	5,636	811	5,915	772
Naturipe Berry Growers	0-E	Associated	Fruit sales	3,530	508	2,336	305
Sociedad Agrícola Catapilco Ltda.	78.241.100-4	Common shareholder	Advanced purchase of plants (Nursery)	-	-	365	-
Agrícola e Inmobiliaria Don Vitoco Ltda.	76.849.930-6	Common shareholder	Fruit purchase	20	-	100	-
Agrícola e Inmobiliaria Don Vitoco Ltda.	76.849.930-6	Common shareholder	Income from Packing services, materials and others	4	-	21	-
Valles del Sur SpA	76.243.329-k	Shareholder	Fruit purchase	4,500	-	3,915	-
Valles del Sur SpA	76.243.329-k	Shareholder	Income from Packing services, materials and others	253	-	509	-
Valles del Sur SpA	76.243.329-k	Shareholder	Income from the sale of plants	394	57	-	-
Agrícola San José de Tilama S.A.	76.043.289-K	Common shareholder	Fruit purchase	118	-	56	-
Agrícola San José de Tilama S.A.	76.043.289-K	Common shareholder	Income from Packing services, materials and others	1	-	-	-
Agrícola San José de Tilama S.A.	76.043.289-K	Common shareholder	Income from the sale of plants	27	4	-	-
Vilcun Organics SPA	76.158.225-9	Common shareholder	Income from Packing services, materials and others	-	-	163	-
Vilcun Organics SPA	76.158.225-9	Common shareholder	Fruit purchase	1,229	-	1,473	-
Santa Maria de Gorbea S.A.	99.567.570-6	Common shareholder	Income from Packing services, materials and others	-	-	32	-
Santa Maria de Gorbea S.A.	99.567.570-6	Common shareholder	Fruit purchase	156	-	138	-
Agrícola Nueva Cabildo S.A.	76.107.465-2	Common shareholder	Fruit purchase	19	-	31	-
Agrícola Nueva Cabildo S.A.	76.107.465-2	Common shareholder	Income from Packing services, materials and others	8	-	1	-
Hortifrut Berries Maroc SRL	0-E	Associated	Loan	597	-	-	-
Hortifrut Tal S.A.C	0-E	Associated	Fruit purchase	5,077	-	-	-
Hortifrut Tal S.A.C	0-E	Associated	Income from the sale of plants	-	-	700	91
Tal S.A.C	0-E	Common shareholder in associated	Fruit purchase	1,648	-	-	-
Tal S.A.C	0-E	Common shareholder in associated	Income from the sale of plants	31	4	-	-
Royal Berries S.L.	0-E	Common shareholder	Fruit sales	3	0	-	-
Royal Berries S.L.	0-E	Common shareholder	Berries Genetics (*)	-	-	20,000	-

Hortifrut and subsidiaries, have as their policy to inform the main transactions that it performs with related parties during the period, except for paid dividends, received capital contributions, which are not considered transactions.

(*) The operating license for varieties of berries to operate in America, contracted from Royal Berries S.L., for US\$20 million. On February 12, a StandBy Letter was issued with Banco Estado in order to guarantee the faithful compliance of payment of the commitment contracted with Royal Berries S.L., as of March 31, 2016, once 50% of the debt was paid, the balance of the Stand By Letter is at US\$10 million.

10.4. Board Remunerations and fees and Remunerations of key executives

The allowances, remunerations and ownership interests of the Board as of March 31, 2016 reach KUS\$114. For the same period in 2015 the total of allowances, consulting and ownership interests reached KUS\$126.

The total gross remuneration received by the main executives at Hortifrut and subsidiaries reached KUS\$667 as of March 31, 2016 and KUS\$717 as of March 31, 2015.

Main executive managers are those that have the authority and the responsibility to plan, direct and control the company's activities, whether it be directly or indirectly, including any member (executive or not) of the administrative council or of a government body, its equivalent in the company.

NOTE 11 - STOCK

The stock detail at the closing of the period ending March 31, 2016 and the period ending December 31, 2015 is as follows:

<u>Types of stock</u>	31-mar-16	31-dec-15
	<u>KUS\$</u>	<u>KUS\$</u>
Finished products	2,663	22,101
Raw material	2,323	2,238
Frozen finished products	17,599	6,348
Materials and supplies	8,652	11,688
Provision for obsolescence	(804)	(696)
Total	<u>30,433</u>	<u>41,679</u>

Stock Policies

The group's stock is measured at cost or net realization value, whichever is lower.

Stock measuring policy

The Group values its stock according to the following:

- a) The production cost of the manufactured stock includes those costs directly related with the produced units, such as labor, variable and fixed costs which have been included to transform the raw material into finished products.
- b) In the case of the cost of acquired stock, the cost of acquisition covers the purchase price, import fees, transport, storage and others that can be attributed to the acquisition of goods and materials.

Formula to calculate the cost of Stock

The stock of finished products is valued using the average weighted cost method, in other words, the cost of each unit of the product is determined from the weighted average of the cost recorded at the start of the period and the cost of the items purchased or produced during the period.

Stock of raw materials, packing and materials are valued at the average weighted cost.

Information regarding finished products

Until the closing of the corresponding periods, the Company has not performed write-offs of finished products.

During the periods ending March 31, 2016 and the period ending December 31, 2015, no stock has been pledged as security.

The cost of stock acknowledged as cost of sales in the periods ending March 31, 2016 and 2015 reach KUS\$77,967 and KUS\$77,143 respectively (see note 30-1).

NOTE 12 – BIOLOGICAL ASSETS

Hortifrut's biological assets are made up of berries plantations. The Company has biological assets in production, which have been cultivated in leased and own land.

The Company's berries plantations are found in Chile from regions IV to X, in Mexico in the states of Jalisco and Michoacán, Brazil in Barrio Lagoa Grande, Sn - Senador Amaral and in Spain in the localities of Huelva y Asturias.

Said geographic dispersion allows the Company to count with a diversified offer during the whole year with production during many weeks of the year, which is complemented by the producing partners that the Company has in the USA and in Europe. In this manner, Hortifrut's commercial and distribution platforms can have berries during the 52 weeks of the year. The productive zones also allow greater closeness with the consumption centers. This is the case of the plantations located in Mexico, which supply the main berries consumer in the world, as well as our plantations in Spain, which supply part of the European market.

Chile provides counter-season production for said markets, which is complemented with third party producers in Chile, Argentina, Uruguay, Guatemala, Peru and Europe.

a) Total Hectares planted per type of fruit.

Below is a detail of the planted hectares.

Surface in Hectares	<u>31-mar-16</u>	<u>31-dec-15</u>
Blueberries	641	681
Organic Blueberries	344	345
Raspberries	191	185
Blackberries	10	11
Strawberries	49	59
Cherries	7	7
Total Planted Hectares	<u>1,242</u>	<u>1,288</u>
Own Hectares	470	471
Leased Hectares	772	817
Productive Hectares	1,107	1,122
Non Productive Planted Hectares	135	166

- b) The presentation of biological assets in the consolidated statement of financial position is separated as current under IAS 41, in the item “Current Biological Assets” and biological assets denominated Bearer plants, under IAS 16, as “**Property, plant and equipment**” as is shown in the following detail:

	31-mar-16	31-dec-15
	KUS\$	KUS\$
Current – Products grown in bearer plants		
Agricultural plantations	<u>3,578</u>	<u>7,182</u>
Total	<u>3,578</u>	<u>7,182</u>
Non Current – Bearer Plants	KUS\$	KUS\$
Agricultural plantations	<u>115,452</u>	<u>118,273</u>
Total	<u>115,452</u>	<u>118,273</u>
Total Biological Assets	<u>119,030</u>	<u>125,455</u>

Amendment to IAS 16 and 41

The Amendment to IAS 16 “Property, plant and equipment” and IAS 41 “Agriculture” have been applied from January 01, 2016, nevertheless, for comparative effects the opening balances and the presentation of the comparative reports for 2015 have been adjusted.

Amendment to IAS 16 “Property, plant and equipment” and IAS 41 “Agriculture”, regarding bearer plants – published in June 2014. This amendment modifies the financial information in relation to “bearer plants” (for example vines, fruit trees, etc.). The amendment follows the concept of “bearer plants” and establishes that these must be recorded as Property, plant and equipment, since it is understood that their function is similar to manufacturing. As a result, they are included within the scope of IAS 16, instead of IAS 41.

The products that grow on the bearer plants will remain within the scope of IAS 41.

The detail and the movements of biological assets is as follows:

Current Biological Assets

	31-mar-16	31-dec-15
	KUS\$	KUS\$
<u>Movement</u>		
Opening biological assets	7,182	6,989
Increase due to activating of costs	5,354	17,805
Additions / transfers	-	264
Amortization	-	(257)
Consumption	<u>(8,958)</u>	<u>(17,619)</u>
Total	<u>3,578</u>	<u>7,182</u>

In accordance with what is established in IAS 41, the agricultural products that grow on fruit bearer plants will remain within the scope of this norm, which must be measured at their fair value minus sales costs, recording the changes in valuation in result as the product grows.

The Company has performed the valuation of said agricultural products as of the date of the current financial statements, which do not significantly differ from the acknowledged costs, taking into consideration the natural cycle of the business.

Non current Biological Assets

The amendment defines the concept “bearer plant” and establishes that these must be recorded as “Property, plant and equipment”. Since the applying of the norm is retrospective, below we present a conciliation of the detail of the effects to present the balances as of March 31, 2016 and December 31, 2015 in a comparative manner.

<u>Movement</u>	<u>KUS\$</u>
Bearer plant value to FV, as of 01-01-2015	100,468
Increase due to activating of costs	6,234
Additions / transfers	4,628
Amortization	(93)
Adjustment due to Conversion	(1,487)
Increase due to adjustment to fair value	24,836
Decrease due to adjustment to fair value	(16,313)
Bearer plant value to FV, as of 31-12-2015	118,273
Fair value adjustment due to change in policy	(8,523)
Biological Amortization	(5,494)
Adjustment revaluation bearer plants	14,017
Bearer plant value, as of 31-12-2015 adjusted. (*)	118,273
Increase due to activating of costs	532
Biological Amortization	(3,884)
Adjustment due to Conversion	531
Bearer plant value, as of 31-03-2016 (*)	115,452

Adjustments due to application of amendments to IAS 16 and 41

- Adjustment to Fair value due to change in accounting policy: Corresponds to the reversal of net adjustment of increase recorded in the valuation to Fair Value as of December 31, 2015 (KUS\$ 8,523 decrease).
- Amortization of the value of the asset revalued as of January 01, 2015: Corresponds to the amortization of the balances as of December 31, 2014, which according to the adoption of the accounting policy is considered as the cost to be transferred to Property, plant and equipment, cost that is amortized as per the criteria explained in Note 19 (KUS\$ 5,494).
- Adjustment revaluation of bearer plants: A revaluation of the bearer plants was acknowledged, as per the valuation methods allowed in IAS 16 (KUS\$14,017).

The revaluations are performed every 3 or 5 years or when there is evidence that the fair value of the revalued asset significantly differs from its book value.

Biological Assets given in guarantee

At the subsidiaries Agrícola Santa Rosa del Parque S.A, Agrícola Mataquito S.A., Agrícola El Pampino S.A., Agrícola Vida Nueva S.A. and Agrícola Hortifrut S.A. there are restrictions (guarantees and/or mortgages) over their biological assets.

Below is a detail of the book value of the biological assets given in guarantee (see more detail in note 34.b):

<u>Company</u>	<u>Biological</u>	<u>Associated</u>	<u>Bank</u>
	<u>Assets</u>	<u>Debt</u>	
	<u>KUS\$</u>	<u>KUS\$</u>	
Agrícola Santa Rosa del Parque S.A	3,355	1,384	Banco Rabobank Chile
Agrícola Mataquito S.A.	9,034	2,183	Banco Santander Chile
Agrícola El Pampino S.A.	3,029	659	Banco Rabobank Chile
Agrícola Hortifrut S.A.	16,546	3,544	Banco de Chile
Total	<u>31,964</u>	<u>7,770</u>	

Operating Risks

Operating risks of fixed assets and plantations

Hortifrut's operating risks are administered by Operations Management and the Chiefs of the different Processing Plants, in accordance with the norms and standards defined at a corporate level.

The Company's main infrastructure assets (constructions, installations, machinery, etc.) are covered from operating risks by insurance policies. There are also biological risks that could adversely affect the plantations. Even though in the past these factors have not caused significant damage to Hortifrut's plantations, it is not possible to assure that this will not occur in the future.

Risk management policies

a) The competition's genetic development

The lack of modern varieties of plants can affect the business' competitiveness, both agricultural and export and commercialization. Currently, the Hortifrut group counts with varietal development programs, maintaining strategic alliances in Chile and overseas with universities and companies, as well as establishing agreements with the main nurseries in the world, thus guaranteeing Hortifrut access to a large scope of a variety of modern and attractive plants.

b) Significant increase in offer

In the case of very significant increases in the planted hectares, an oversupply of berries scenario would lead to a fall in prices. Nevertheless, this phenomenon would only affect Hortifrut if it took place during the seasons of the year when the Company operates. Furthermore, in the main markets where Hortifrut operates, a great growth potential can still be observed in the demand for berries. There is a large growth potential in the berries market due to a combination of (i) a

product with very positive health effects; (ii) the growing importance given to healthy food on behalf of consumers and (iii) a still relatively low consumption of berries per capita.

c) Intensification of competition

The Company also faces the risk of an eventual intensification of competition or the appearance of new actors in the Berries market. To face these risks, the Company concentrates its efforts on actions aimed at maintaining its leadership in costs, maintaining a strong distribution chain, constantly improving its products offer and obtaining brand recognition, among others. Likewise, Hortifrut has privileged an international expansion through strategic alliances both in the productive and commercial areas, which has allowed it to better face its competition and to be able to supply its customers with fresh berries year round.

d) Climate risks

Climate is an external factor that is difficult to control, which can affect quality and quantity, as well as cause variations in the availability of the fruit during the year. Even though it is not controllable, this risk is geographically diversified and can be mitigated with proper management.

The Company administers this risk by creating export companies and obtaining the fruit from different producers in Chile and the rest of the world, investing in farms in different countries and in each country in different areas, assuring the availability of water by investing in deep wells at the farms that require it, and for rain control in tunnels and macro tunnels, and creating systems to control frost and hail.

e) Plagues and sickness

It is unavoidable for a large surface of any harvest to be affected by plagues and/or sickness. The efficient control of these is as necessary as fertilizing or watering. The risk associated with plagues or sickness is the impact on quality and/or performance, which can affect the appearance and post-harvest life of the fruit. Nevertheless, through a good control (search and monitoring) a pest or sickness outbreak can be detected on time, allowing the problem to be eliminated before greater damage is caused. Nowadays there are many good alternatives for controlling plagues and sickness, both in organic and conventional production. It must be highlighted that the Agriculture and Livestock Service (SAG) of Chile is well known for its high efficiency in the exclusion of new pathogens and arthropods in the country, which is a great benefit for the agricultural sector in general and specifically for Berries. The aforementioned, combined with the physical borders (Los Andes Mountains, the desert and the Pacific Ocean) provide a privileged environment for cultivating Berries, superior to that of our neighbors in South America, which mitigates in an important manner the outbreak of plagues and sickness in the plantations in Chile.

The risk associated with plagues and sickness is the impact on the quality, performance or in some cases the application of quarantine to specific productive areas on behalf of phytosanitary authorities in the countries where the fruit is sent to.

From 2013 to date, the United States applied quarantine to some regions in Chile, due to the detection of the Lobesia Botrana moth. These quarantines can generally be freed immediately by fumigating the fruit at destination or in the medium term by working with the authorities on preventive plague control measures, which show its contention or eradication, finally resulting in the lifting of the quarantine. Other solution measures are to destine the fruit from quarantined areas to markets that have different phytosanitary restrictions.

f) Food-Safety

As in all foods, there is always the risk of a “recall” (term used in case a product is removed from the market if there is a suspicion or certainty that it violates the valid food laws or if the quality standards established by the company for said market have been infringed) in the industry, which could considerably affect the Company’s results. Until now Hortifrut has never had a problem, nevertheless, this does not guarantee that this will not happen in the future. The Company guarantees the quality and sanity of the exported berries, investing in technology, especially traceability systems, working with a rigorous program to assure food quality and safety which applies during all the stages of the productive process (pre-harvest, harvest and post-harvest), which allows to circumscribe the eventual problem to a minor volume, not affecting the complete production.

g) Continuity and costs of supplies and services

The development of Hortifrut’s business involves a complex logistic where the opportune provision in relation to quality and costs of supplies and services is fundamental to maintain its competitiveness.

Regarding electrical energy, Hortifrut’s processing plants count with generators that allow them to assure the continuity of the operation in case of blackouts. Furthermore, all the plants have contingency plans to face restrictive supply scenarios. Nevertheless, it is not possible to discard that in the future, a limited supply could generate discontinuities in the supply and/or higher costs at Hortifrut’s plants. It is also important to consider eventual paralizaciones at ports and transport companies in general.

The aforementioned risks not only affect the biological asset, since the effects are transmitted to the company’s whole value chain.

NOTE 13 – CURRENT TAX ASSETS

Tax assets are detailed as follows:

	31-mar-16	31-dec-15
Detail of Recoverable Taxes	KUS\$	KUS\$
Monthly provisional payments	9,297	5,069
Personnel training	179	168
Other credits	307	738
Donations Law	82	77
Minus: Income tax provision	<u>(9,865)</u>	<u>(6,052)</u>
Total	<u><u>-</u></u>	<u><u>-</u></u>

Recoverable taxes for provisional payments or credits applicable to income tax are presented with a deduction of the income tax provision.

NOTE 14 – OTHER NON FINANCIAL ASSETS

The detail of the other non financial assets is as follows:

	31-mar-16	31-dec-15
Current	KUS\$	KUS\$
Advanced payment of blueberry plants	1,502	1,813
Advanced expenses (lease)	475	58
Advanced expenses	2,486	2,307
Payments in guarantee	157	-
Advanced payment of freight	<u>-</u>	<u>2,465</u>
Total	<u><u>4,620</u></u>	<u><u>6,643</u></u>

	31-mar-16	31-dec-15
Non Current	KUS\$	KUS\$
Advanced expenses	<u>36</u>	<u>11</u>
Total	<u><u>36</u></u>	<u><u>11</u></u>

NOTE 15 – INVESTMENTS IN SUBSIDIARIES

The Company has investments in companies that have been acknowledged as investment in subsidiaries. All of the companies defined as subsidiaries have been consolidated in Hortifrut and subsidiaries' financial statements.

The detail of consolidated subsidiaries as of March 31, 2016 and December 31, 2015, is as follows:

<u>Companies</u>	<u>RUT</u>	<u>Country of Origin</u>	<u>Functional Currency</u>	<u>31-Mar-16</u>			<u>31-Dec-15</u>
				<u>Direct</u>	<u>Indirect</u>	<u>Total</u>	<u>Total</u>
Agrícola El Avellano S.A. and subsidiaries	96.923.620-6	Chile	US\$	40.0000	-	40.0000	40.0000
Agrícola El Pampino S.A.	76.884.880-7	Chile	US\$	-	20.0000	20.0000	20.0000
Agrícola Mataquito S.A.	76.306.130-2	Chile	US\$	50.0000	-	50.0000	50.0000
Agrícola Sta. Rosa del Parque S.A.	99.584.440-0	Chile	US\$	30.0000	-	30.0000	30.0000
Agrícola Hortifrut S.A.	79.764.840-k	Chile	US\$	99.9900	0.0100	100.0000	100.0000
Agrícola y Gan. Santa Rebeca Ltda.	78.988.990-2	Chile	US\$	25.0000	-	25.0000	25.0000
Agrícola Vida Nueva S.A.	96.996.290-k	Chile	US\$	50.0000	-	50.0000	50.0000
Colmenares Hortisur SPA	99.568.520-5	Chile	CLP	100.0000	-	100.0000	100.0000
Hortifrut Chile S.A. and subsidiaries	99.524.450-0	Chile	US\$	99.9900	0.0100	100.0000	100.0000
Hortifrut Comercial S.A.	99.535.510-8	Chile	CLP	0.0100	99.9900	100.0000	100.0000
Viveros Hortifrut Chile S.A.	99.524.470-5	Chile	CLP	-	51.0000	51.0000	51.0000
Top Berries & Fruit SPA	76.023.726-4	Chile	CLP	100.0000	-	100.0000	100.0000
Berries de Panguipulli SPA	76.243.167-K	Chile	US\$	100.0000	-	100.0000	100.0000
Inversiones Hortifrut S.A. and subsidiaries	99.524.540-k	Chile	US\$	99.9999	0.0001	100.0000	100.0000
Bery good Comercial Importadora	Foreigner	Brazil	RBR	0.0100	99.9900	100.0000	100.0000
Hortifrut Inversiones Int. S.A.	76.043.425-6	Chile	US\$	49.4874	50.5126	100.0000	100.0000
Hortifrut Argentina S.A.	Foreigner	Argentina	\$AR	-	99.0000	99.0000	99.0000
Tecnovital S.A.	Foreigner	Argentina	\$AR	5.0000	95.0000	100.0000	100.0000
Hortifrut North America Inc.	Foreigner	USA	US\$	-	100.0000	100.0000	100.0000
Hortifrut S.A. de C.V. and subsidiaries	Foreigner	Mexico	US\$	-	99.0000	99.0000	99.0000
Hortifrut Europa SL	Foreigner	Spain	EUR	0.0300	99.9700	100.0000	100.0000
Euroberry Ltd.	Foreigner	England	EUR	-	100.0000	100.0000	100.0000
Euroberry B.V.	Foreigner	Holland	EUR	-	100.0000	100.0000	100.0000
Hortifrut España Southern Sun SL	Foreigner	Spain	EUR	-	50.0000	50.0000	50.0000
Asturian Berries SL	Foreigner	Spain	EUR	-	25.5000	25.5000	25.5000
HFE Berries Perú S.A.C.	Foreigner	Peru	US\$	-	50.0000	50.0000	50.0000
Euroberry Marketing S.A.	Foreigner	Spain	EUR	-	50.0000	50.0000	50.0000

The Companies detailed in the first margin, correspond to front line companies and those in the second margin are the companies where control is maintained, but that form part of the consolidated financial statements of front line companies (nota 2.3).

In the case of those subsidiaries that directly or indirectly maintain an ownership equal to or lower than 50%, these have been included in the consolidation process because the Company has the power to direct the financial and operating policies.

During 2015, the following companies were incorporated to the consolidation of Hortifrut España Southern Sun SL:

HFE Berries Perú S.A.C., on April 08, 2015, Hortifrut España Southern Sun SL (99% interest), together with Hortifrut Inversiones Internacionales S.A. (0.5% interest) and Atlantic Blue S.L. (0.5% interest), constituted a new company denominated HFE Berries Perú S.A.C., destined to the production and commercialization of blueberries.

Summarized financial information corresponding to significant subsidiaries, financial statements as of March 31, 2016 and December 31, 2015 and the results as of March 31, 2016 and 2015:

	Hortifrut Chile and subsidiaries		Inversiones Hortifrut S.A. and subsidiaries		Agrícola Vida Nueva S.A.		Colmenares Hortisur S.P.A.	
	31-Mar-16	31-Dec-15	31-Mar-16	31-Dec-15	31-Mar-16	31-Dec-15	31-Mar-16	31-Dec-15
	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Assets								
Current	160,152	120,997	92,469	78,246	3,381	956	163	181
Non current	67,625	75,615	100,906	96,938	13,922	8,393	181	167
Total	227,777	196,612	193,375	175,184	17,303	9,349	344	348
Liabilities								
Current	141,765	129,481	66,998	53,172	3,878	2,996	13	14
Non current	46,847	44,868	64,071	64,033	3,427	2,010	-	-
Total	188,612	174,349	131,069	117,205	7,305	5,006	13	14
Equity	39,165	22,263	62,306	57,979	9,998	4,343	331	334

	Hortifrut Chile and subsidiaries		Inversiones Hortifrut S.A. and subsidiaries		Agrícola Vida Nueva S.A.		Colmenares Hortisur S.P.A.	
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Results								
Operating Revenue	124,273	119,150	143,019	130,084	3,642	2,535	5	-
Costs and Expenses	(109,557)	(105,798)	(140,534)	(128,370)	(2,850)	(1,516)	(34)	(23)
Other results	1,359	(1,846)	(38)	(1,680)	(156)	90	1	-
Taxes	(3,862)	(2,598)	(580)	(296)	(106)	(235)	6	2
Net profit (loss)	12,213	8,908	1,867	(262)	530	874	(22)	(21)

	Agrícola El Avellano S.A. and subsidiaries		Agrícola Hortifrut S.A.		Agrícola Mataquito S.A.		Agrícola Santa Rosa S.A.	
	31-Mar-16	31-Dec-15	31-Mar-16	31-Dec-15	31-Mar-16	31-Dec-15	31-Mar-16	31-Dec-15
	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Assets								
Current	141	775	3,091	1,516	31	631	3,770	2,175
Non current	8,733	9,099	25,246	24,237	12,277	10,515	5,354	5,320
Total	8,874	9,874	28,337	25,753	12,308	11,146	9,124	7,495
Liabilities								
Current	597	1,708	1,042	1,331	1,298	924	1,893	1,668
Non Current	2,314	2,415	4,642	4,302	3,946	4,872	1,872	1,892
Total	2,911	4,123	5,684	5,633	5,244	5,796	3,765	3,560
Equity	5,963	5,751	22,653	20,120	7,064	5,350	5,359	3,935

	Agrícola El Avellano S.A. and subsidiaries		Agrícola Hortifrut S.A.		Agrícola Mataquito S.A.		Agrícola Santa Rosa del Parque S.A.	
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Results								
Operating Revenue	2,769	1,544	6,936	3,901	1,871	1,831	2,942	1,924
Costs and Expenses	(2,462)	(2,132)	(5,714)	(4,107)	(1,594)	(1,861)	(1,138)	(954)
Other results	(136)	39	(137)	46	(124)	64	(66)	2
Taxes	41	26	(100)	(29)	22	(86)	(368)	(245)
Net profit (loss)	212	(523)	985	(189)	175	(52)	1,370	727

	Top Berries & Fruit S.P.A		Berries de Panguipulli S.P.A		Agrícola y Ganandera Sta. Rebeca Ltda.	
	31-Mar-16	31-Dec-15	31-Mar-16	31-Dec-15	31-Mar-16	31-Dec-15
	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
Assets						
Current	1,240	142	4,158	1,361	48	75
Non current	12,827	5,375	23,470	16,688	621	379
Total	14,067	5,517	27,628	18,049	669	454
Liabilities						
Current	1,941	1,484	1,098	305	23	45
Non current	7,587	629	5,580	3,671	113	53
Total	9,528	2,113	6,678	3,976	136	98
Equity	4,539	3,404	20,950	14,073	533	356
	Top Berries & Fruit S.P.A		Berries de Panguipulli S.P.A		Agrícola y Ganandera Sta. Rebeca Ltda.	
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
Results						
Operating Revenue	1,976	1,997	5,478	4,189	21	35
Costs and Expenses	(598)	(575)	(3,565)	(2,908)	(31)	(31)
Other results	49	(68)	(72)	48	3	-
Taxes	(292)	(330)	(365)	(401)	6	(3)
Net profit (loss)	1,135	1,024	1,476	928	(1)	1

NOTE 16 – INVESTMENTS RECORDED USING THE EQUITY METHOD

The Company has acknowledged as investment in companies the ownership that it has in the following companies and in accordance with the detailed movement:

Company	Rut	Country	Functional		Interest %		Interest in		Exchange	Other	Balance
			Currency	Direct	Indirect	1-Jan-16	Investments	result	Rate	increase	
Berry Blue LLC	o-E	USA	Dollar	-	50.00%	15	63	(70)	-	-	8
Pacific Berry Breeding LLC	o-E	USA	Dollar	-	50.00%	415	-	(69)	-	-	346
Hortifrut Munger LLC	o-E	USA	Dollar	-	50.00%	3	850	-	-	(3)	850
Naturipe Brands LLC	o-E	USA	Dollar	-	30.00%	149	-	-	-	225	374
Naturipe Farms LLC	o-E	USA	Dollar	-	30.00%	1,388	-	-	-	(124)	1,264
Naturipe Foods LLC	o-E	USA	Dollar	-	27.00%	193	-	-	-	-	193
Naturipe RTE LLC	o-E	USA	Dollar	-	33.33%	3,930	-	-	-	-	3,930
S.A.T. Hortifrut H-0030	o-E	Spain	Euro	-	33.00%	1	-	-	-	-	1
Hortifrut Berries Maroc S.R.L.	o-E	Spain	DH	-	51.00%	3	104	-	-	-	107
Margesi S.A.	o-E	Argentina	Argentine\$	-	50.00%	2,796	-	(38)	(482)	-	2,276
San Clemente Vitalberry (Shanghai) SpA	o-E	Chile	Chilean\$	-	50.00%	726	-	89	-	-	815
Hortifrut Tal S.A.C	o-E	Peru	Nuevo Sol	-	50.00%	14,761	-	331	(483)	-	14,609
Hortifrut Expofresh S.A.	o-E	Argentina	Argentine\$	-	50.00%	215	-	(135)	(40)	-	40
Total						24,595	1,017	108	(1,005)	98	24,813

Company	Rut	Country	Functional		Interest %		Interest in		Exchange	Other	Balance
			Currency	Direct	Indirect	1-Jan-15	Investments	result	Rate	increase	
Berry Blue LLC	o-E	USA	Dollar	-	50.00%	6	262	(247)	-	(6)	15
Pacific Berry Breeding LLC	o-E	USA	Dollar	-	50.00%	531	-	(115)	-	(1)	415
Hortifrut Munger LLC	o-E	USA	Dollar	-	50.00%	2	-	-	-	1	3
Naturipe Brands LLC	o-E	USA	Dollar	-	30.00%	3	263	(117)	-	-	149
Naturipe Farms LLC	o-E	USA	Dollar	-	30.00%	1,247	124	140	-	(123)	1,388
Naturipe Foods LLC	o-E	USA	Dollar	-	27.00%	193	-	-	-	-	193
Naturipe RTE LLC	o-E	USA	Dollar	-	33.33%	3,707	-	100	-	123	3,930
S.A.T. Hortifrut H-0030	o-E	Spain	Euro	-	33.00%	4	-	-	(3)	-	1
Hortifrut Berries Maroc S.R.L.	o-E	Spain	DH	-	51.00%	-	5	(3)	1	-	3
Margesi S.A.	o-E	Argentina	Argentine\$	-	40.00%	3,712	270	170	(1,356)	-	2,796
San Clemente Vitalberry (Shanghai) SpA	o-E	Chile	Chilean\$	-	30.00%	249	413	311	-	(247)	726
Hortifrut Tal S.A.C	o-E	Peru	Nuevo Sol	-	50.00%	10,795	-	5,568	(1,602)	-	14,761
Hortifrut Expofresh S.A.	o-E	Argentina	Argentine\$	-	50.00%	(34)	-	281	(32)	-	215
Total						20,415	1,337	6,088	(2,992)	(253)	24,595

The detail of movements as of March 31, 2016 and December 31, 2015:

Movement	31-mar-16	31-dec-15
	KUS\$	KUS\$
Opening balance as of January 1	24,595	20,415
Interest in results	108	6,088
Capital contributions	(a) 1,017	1,337
Other adjustments	98	(253)
Adjustments due to conversion	(1,005)	(2,992)
Saldo final	24,813	24,595

a) Capital contributions

Capital contributions during the periods ending March 31, 2016 and December 31, 2015 are shown in the following detail:

Capital Contributions Company	31-mar-16 KUS\$	31-dec-15 KUS\$
Berry Blue LLC	63	262
Hortifrut Munger LLC	850	-
Naturipe Brands LLC	-	263
Naturipe Farms LLC	-	124
Hortifrut Berries Maroc S.R.L.	104	5
Margesi S.A.	-	270
San Clemente Vitalberry (Shanghai) SpA	-	413
Total contributions	<u>1,017</u>	<u>1,337</u>

Contributions to Limited Liability Companies (LLC) in the United States, aim to maintain the interest in said companies.

a) New Investments

During the period ending December 31, 2015, the following new investments were incorporated:

Dated June 30, 2015, a 20% ownership was purchased in the San Clemente Vitalberry SpA. company, with which the company came to own 50% of the property.

Dated May 26, 2015, Hortifrut España Southern Sun S.L. (51%) together with M. Ahmed Al Amouri, formed the Hortifrut Berries Maroc S.R.L. company, the new Company will have as its corporate purpose the production and commercializing of berries.

Dated April 29, 2015, a 10% ownership was purchased in Margesi S.A. company, with which the company now owns 50% of the property.

b) Reclassification of investment for sale

During the periods ending March 31, 2016 and December 31, 2015 no reclassifications of investments for sale took place.

c) Summarized financial information

The summarized financial information, which is presented below, corresponds to the total assets, liabilities and equity and a summary of the results of the associated companies, for the periods under analysis.

31-Mar-16

<u>Associated</u>	<u>Non</u>			<u>Non</u>			<u>Equity</u>	<u>Operating</u>	<u>Costs and</u>	<u>Other</u>	<u>Net Profit</u>
	<u>Current</u>	<u>Current</u>	<u>Total</u>	<u>Current</u>	<u>Current</u>	<u>Total</u>					
	<u>Assets</u>	<u>Assets</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Liabilities</u>	<u>Liabilities</u>					
	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
Berry Blue LLC	109	-	109	93	-	93	16	8	(148)	-	(140)
Pacific Berry Breeding LLC	622	163	785	93	-	93	692	163	(353)	52	(138)
Hortifrut Munger LLC	-	1,700	1,700	-	-	-	1,700	-	-	-	-
Naturipe Brands LLC	2,039	-	2,039	792	-	792	1,247	104	(104)	-	-
Naturipe Farms LLC	70,879	896	71,775	67,562	-	67,562	4,213	158,104	(157,899)	(205)	-
Naturipe Foods LLC	12,333	6	12,339	11,264	360	11,624	715	767	(501)	(266)	-
Naturipe RTE LLC	4,493	11,740	16,233	3,773	669	4,442	11,791	5,299	(4,745)	(554)	-
S.A.T. Hortifrut H-0030	9	-	9	6	-	6	3	-	-	-	-
Hortifrut Berries Maroc S.R.L	112	476	588	378	-	378	210	-	-	-	-
Margesi S.A.	1,194	3,917	5,111	189	370	559	4,552	10	(38)	(48)	(76)
San Clemente Vitalberry (Shanghai) SpA	8,349	59	8,408	6,779	-	6,778	1,630	914	(735)	(1)	178
Hortifrut Tal S.A.C	17,383	31,630	49,013	3,390	16,405	19,795	29,218	4,847	(3,759)	(426)	662
Hortifrut Expofresh S.A.	823	35	858	752	26	778	80	640	(990)	80	(270)
Total	118,345	50,622	168,967	95,071	17,830	112,900	56,067	170,856	(169,272)	(1,368)	216

31-Dec-15

31-Mar-15

<u>Associated</u>	<u>Non</u>			<u>Non</u>			<u>Equity</u>	<u>Operating</u>	<u>Costs and</u>	<u>Other</u>	<u>Net Profit</u>
	<u>Current</u>	<u>Current</u>	<u>Total</u>	<u>Current</u>	<u>Current</u>	<u>Total</u>					
	<u>Assets</u>	<u>Assets</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Liabilities</u>	<u>Liabilities</u>					
	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
Berry Blue LLC	157	-	157	127	-	127	30	4	(142)	-	(138)
Pacific Berry Breeding LLC	890	129	1,019	189	-	189	830	52	(126)	-	(74)
Hortifrut Munger LLC	6	-	6	-	-	-	6	-	-	-	-
Naturipe Brands LLC	2,043	-	2,043	742	804	1,546	497	-	(117)	-	(117)
Naturipe Farms LLC	47,021	1,237	48,258	43,631	-	43,631	4,627	150,088	(150,498)	-	(410)
Naturipe Foods LLC	12,676	9	12,685	11,875	95	11,970	715	749	(547)	(44)	158
Naturipe RTE LLC	4,830	11,786	16,616	4,825	-	4,825	11,791	4,773	(4,679)	-	94
S.A.T. Hortifrut H-0030	9	-	9	6	-	6	3	-	-	-	-
Hortifrut Berries Maroc S.R.L	112	272	384	378	-	378	6	-	-	-	-
Margesi S.A.	1,457	5,061	6,518	520	406	926	5,592	-	(54)	54	-
San Clemente Vitalberry (Shanghai) SpA	7,702	66	7,768	6,316	-	6,316	1,452	1,163	(1,013)	(150)	-
Hortifrut Tal S.A.C	19,591	35,042	54,633	8,788	16,323	25,111	29,522	503	(667)	164	-
Hortifrut Expofresh S.A.	928	38	966	536	-	536	430	88	(93)	5	-
Total	97,422	53,640	151,062	77,933	17,628	95,561	55,501	157,420	(157,936)	29	(487)

NOTE 17 – INTANGIBLE ASSETS OTHER THAN APPRECIATION

The detail of the main types of intangible assets is shown as follows:

	<u>Useful Life</u>	<u>31-mar-16</u> <u>KUS\$</u>	<u>31-dec-15</u> <u>KUS\$</u>
Varietal licenses	Finite	23,878	23,913
VBM Brand	Indefinite	977	977
Water Rights	Indefinite	469	469
Relationship with Customers	Finite	3,307	3,374
Software	Finite	392	448
Total		<u>29,023</u>	<u>29,181</u>

a) Varietal licenses

The acquired varietal licenses are shown at cost of acquisition, and are amortized charged to the cost of sale in the measure in which the sales income is generated or by the plant's development cost.

The movement of varietal licenses for the period ending March 31, 2016 and the period ending December 31, 2015, is as follows:

<u>Movement</u>	<u>31-mar-16</u> <u>KUS\$</u>	<u>31-dec-15</u> <u>KUS\$</u>
Opening balance as of January 01	23,913	9,392
Investments	-	20,000
Cost biologicals	-	(3,739)
Amortization	(35)	(1,740)
Closing balance	<u>23,878</u>	<u>23,913</u>

b) Software

The acquired software is recorded over the acquisition cost base minus accumulated amortization. These assets are amortized during their useful life, estimated at 6 years by the lineal method.

The movement of software for the periods ending March 31, 2016 and the period ending December 31, 2015, is as follows:

<u>Movement</u>	<u>31-mar-16</u> <u>KUS\$</u>	<u>31-dec-15</u> <u>KUS\$</u>
Opening balance as of January 01	448	537
Investments	-	156
Amortization	(56)	(245)
Closing balance	<u>392</u>	<u>448</u>

The amortization of intangible assets is recorded in the consolidated income statement under the item cost of sales and administration expenses.

Management has not observed signs of impairment in relation to intangible assets.

c) Other intangibles

The identified intangible assets are detailed as follows:

	Useful Life	31-mar-16	31-dec-15
		KUS\$	KUS\$
VBM Brand	Indefinite	977	977
Water Rights	Indefinite	469	469
Relationship with Customers	Finite	<u>3,307</u>	<u>3,374</u>
Total		<u>4,753</u>	<u>4,820</u>

<u>Movement</u>	31-mar-16	31-dec-15
	KUS\$	KUS\$
Opening balance as of January 01	4,820	5,086
Amortization impairment VBM brand	-	-
Amortization	(67)	(266)
Final Balance	<u>4,753</u>	<u>4,820</u>

The amortization of the intangible asset Relationship with Customers, is recorded in the consolidated income statement under the Administrative expenses item, which has assigned it a useful life of 15 years.

In accordance with IFRS 3 norm, it is established that, from the date of acquisition, the purchaser must acknowledge, separate from appreciation, the identifiable assets acquired, the assumed liabilities and any non parent company interest of the acquired.

In relation to the identifiable intangible assets, the norm suggests that the purchasing entity acknowledges these, separate to Goodwill.

For the period ending March 31, 2016 and the period ending December 31, 2015, Management has not observed signs of impairment in relation to the intangible assets denominated water rights, relationship with customers and VBM brand.

d) Intangibles subject to guarantees or restrictions

There are no guarantees associated to or restrictions associated to intangibles as of March 31, 2016.

NOTE 18 - APPRECIATION

Appreciation represents the surplus of the acquisition cost over the fair value of the Company's interests in the net identifiable assets of the subsidiary or related company on the date of acquisition.

The balance of appreciation compared as of the closing of each period is as follows:

Investor	Issuer	31-mar-16	31-dec-15
		<u>KUS\$</u>	<u>KUS\$</u>
Hortifrut S.A.	Agrícola El Avellano S.A.	344	344
Hortifrut S.A. de C.V.	Hortifrut ABA S.A. de C.V.	342	342
Hortifrut S.A.	Vital Berry Marketing SPA	<u>26,083</u>	<u>26,083</u>
	Total	<u>26,769</u>	<u>26,769</u>

No movement has taken place under Appreciation between January 1, 2016 and March 31, 2016.

Management has not observed signs of impairment in relation to appreciation.

NOTE 19 – PROPERTY, PLANT AND EQUIPMENT

Due to the application of the Amendment to IAS 41, which came into force on January 01, 2016, fruit “bearer plants” represent an item of machinery in a manufacturing process, so, the value of the biological asset is classified as Property, plant and equipment and recorded as specified in IAS 16.

The detail of the different categories of Property, Plant and Equipment and their movements as of March 31, 2016 is as follows:

	Construction and infrastructure works	Land	Machinery and equipment	Leased Equipment	IT Equipment	Furniture and supplies	Motor Vehicles	Bearer Plants	Works in Progress	Total other properties, plants and equipment
	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
As of January 01, 2016										
Cost or valuation	67,450	16,735	22,705	5,506	2,497	1,663	6,375	123,860	7,323	254,114
Accumulated depreciation	(26,763)	-	(12,120)	(1,459)	(1,688)	(899)	(3,696)	(5,587)	-	(52,212)
Net amount as of 01/01/2016	40,687	16,735	10,585	4,047	809	764	2,679	118,273	7,323	201,902
Investments	192	860	342	6,003	31	18	55	533	1,895	9,929
Disposals	(479)	-	(13)	-	-	(3)	-	-	(39)	(534)
Amortization Adj. Opening FV	-	-	-	-	-	-	-	-	-	-
Reclassifications	2,600	-	127	1,601	-	8	3	-	(4,339)	-
Depreciation	(1,193)	-	(665)	(146)	(58)	(48)	(189)	(3,884)	-	(6,183)
Exchange rate conversion	361	68	27	2	2	21	19	531	76	1,107
Net amount as of 31/03/2016	42,168	17,663	10,403	11,507	784	760	2,567	115,453	4,916	206,221

The detail of the different categories of Property, Plant and Equipment and their movements as of December 31, 2015 is as follows:

	Construction and infrastructure works	Land	Machinery and equipment	Leased Equipment	IT Equipment	Furniture and supplies	Motor Vehicles	Bearer Plants	Works in Progress	Total other properties, plants and equipment
	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
As of January 01, 2015										
Cost or valuation	64,357	13,436	20,976	3,782	2,182	1,527	6,244	100,468	3,940	216,912
Accumulated depreciation	(22,826)	-	(9,576)	(1,225)	(1,511)	(761)	(3,222)	-	-	(39,121)
Net amount as of 01/01/2015	41,531	13,436	11,400	2,557	671	766	3,022	100,468	3,940	177,791
Investments	2,501	3,501	1,980	1,774	310	235	677	10,862	6,669	28,509
Disposals	(1)	(107)	(303)	-	(4)	-	(245)	-	-	(660)
Revaluation bearer plants	-	-	-	-	-	-	-	14,017	-	14,017
Reclassifications	2,954	-	159	(20)	63	(3)	73	-	(3,230)	(4)
Depreciation	(5,312)	-	(2,581)	(262)	(207)	(181)	(789)	(5,587)	-	(14,919)
Exchange rate conversion	(986)	(95)	(70)	(2)	(24)	(53)	(59)	(1,487)	(56)	(2,832)
Net amount as of 31/12/2015	40,687	16,735	10,585	4,047	809	764	2,679	118,273	7,323	201,902

As of March 31, 2016, the detail of Property, plant and equipment is as follows:

<u>March 31, 2016</u>			
	Gross Value	Accumulated depreciation	Net value
	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
Construction and infrastructure works	70,240	(28,072)	42,168
Land	17,663	-	17,663
Machinery and equipment	23,210	(12,807)	10,403
Leased equipment	12,971	(1,464)	11,507
Information Technology (IT) equipment	2,534	(1,750)	784
Furniture and supplies	1,710	(950)	760
Motor vehicles	6,445	(3,878)	2,567
Bearer plants	124,924	(9,471)	115,453
Works in progress	4,916	-	4,916
Total Property, Plant and Equipment	264,613	(58,392)	206,221

As of December 31, 2015, the detail of Property, plant and equipment is as follows:

<u>December 31, 2015</u>			
	Gross Value	Accumulated depreciation	Net value
	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
Construction and infrastructure works	67,450	(26,763)	40,687
Land	16,735	-	16,735
Machinery and equipment	22,705	(12,120)	10,585
Leased equipment	5,506	(1,459)	4,047
Information Technology (IT) equipment	2,497	(1,688)	809
Furniture and supplies	1,663	(899)	764
Motor vehicles	6,375	(3,696)	2,679
Bearer plants	123,860	(5,587)	118,273
Works in progress	7,323	-	7,323
Total Property, Plant and Equipment	254,114	(52,212)	201,902

a) Valuation method:

Construction, plants, equipment and machinery are acknowledged, both at the opening moment and subsequently, at cost minus the corresponding depreciation and accumulated impairment in case it exists.

“Bearer plants” have been acknowledged at revalued cost, which is the fair value, at the moment of revaluation, minus accumulated amortization and the accumulated amount of the loss due to impairment in value that may have taken place. The revaluations will take place every 3 or 5 years or when there is evidence that the fair value of the revalued asset will significantly differ from its book value.

Since there is not an active market for “bearer plants”, or a price reference or market values for the different varieties planted by the Company, among other things due to the difference of some of its products, the Company will use as a method to determine the revaluation, the discount cash flow

model, through which the revalued cost of the bearer plants will be calculated using the effective cash flows from continued operations.

Some of the most significant variables used in the valuation model, are the following:

- Production volume
- Producer return
- Fixed cost per hectare
- Variable costs per kilo; and
- Discount rate
- Exchange rate

b) Depreciation method

The depreciation of assets, except for bearer plants, is calculated in a lineal manner during the corresponding useful life. This useful life is determined based on the natural expected impairment, technical or commercial obsolescence derived from the changes and/or improvements in production and changes in market demands, of the products obtained in the operation with said assets.

The amortization of bearer plants, is calculated depending on its forecasted production in the useful life of the plant and is assigned in accordance with the real production curves.

The effects of the amortization are presented under Cost of sale and other expenses due to merger, as it corresponds to the historical cost or at fair value adjustment calculated as of December 31, 2014 (amortization adjustment of opening FV), respectively.

In the case of plantations on leased land, the calculation is adjusted to the estimated productions in the period of the lease.

c) Estimated economic useful life or depreciation rates

The estimated economic useful lives per type of asset are the following:

	Minimum Life or Rate Years	Maximum Life or Rate Years
Construction and infrastructure works		
Steel, reinforced concrete constructions	50	80
Wooden buildings	10	30
Provisional constructions	5	10
Minor agricultural constructions (macro tunnel and others)	3	8
Machinery and equipment	8	10
Motor vehicles	8	10
Information technology (IT) equipment	3	6
Bearer plants		
Blueberries	10	20
Raspberries and others	3	5
Furniture and supplies	5	10

The residual value and the useful life of the assets will be checked, and adjusted if necessary, at each closing of the consolidated statements of financial position.

Amortization in the result of the period

	31-mar-16	31-mar-15
	<u>KUS\$</u>	<u>KUS\$</u>
Depreciation and Amortization		
Property, plant and equipment	2,299	2,129
Intangibles - Software	56	72
Intangibles - Licenses	35	664
Relationship with customers	67	67
Biological amortization	3,884	2,850
Activated amortization / others	(97)	(5)
Amortization expenses	<u>6,244</u>	<u>5,777</u>

d) Properties, Plant and Equipment subject to guarantees or restrictions

d.1) Agrícola Santa Rosa del Parque S.A.

d.1.1) Mortgage in favor of Rabobank over: (i) Hijuera A, resulting from the division of the "El Parque" estate, Angol, (ii) water use rights corresponding to 10 water irrigators from the Parque Ñipado channel which waters the aforementioned branch drain and (iii) permanent and continuous consumptive water use rights for 75 liters/sec. at Huequén River (EP 24.08.12, Not. Gloria Acharán). The amount of the used credit is KU\$1,384.

d.1.2) Nontransferable pledge in favor of Rabobank over the movable goods located on the properties stated in letter c.1.1) (EP 24.08.12, Not. Gloria Acharán).

d.2) Agrícola El Pampino S.A.

d.2.1) Mortgages in favor of Banco Santander-Chile over: (i) Lot N° 2 of the subdivision of a piece of land denominated Fundo Carihue, which forms part of the resulting of the property called "La Piedra", located in the locality of Oromo, Purranque and (ii) Lot N° 2 of the subdivision of Farm N° 12 of the "Los Maitenes" Subdivision Project, Purranque (EP 10.07.08, Not. C.Gomila). The amount of the used credit is KUS\$659.

d.3) Agrícola Vida Nueva S.A.

d.3.1) Pledge in favor of Banco Crédito e Inversiones without displacement over movable goods located in the property denominated "Fundo Las Encinas", locality of Santa Fe, Los Angeles (EP 24.11.05, Not. P.Zaldívar). To date the amount of the credit is at KUS\$0.

d.3.2) Pledge in favor of Banco Crédito e Inversiones without displacement over movable goods located on the property denominated Resto de la Parcela N° 33, which forms part of the Vida Nueva Subdivision Project, camino Loncovaca, Villarica (EP 09.11.05, Not. P.Zaldívar).

d.4) Agrícola Mataquito S.A.

d.4.1) Mortgages in favor of Rabobank over: (i) Hijuera Tercera of the Fundo Ponunquén Estate, commune of Curepto; (ii) Lot B of the Informe de Hijuera map, out of a surface of 20.18 hectares, Commune of Curepto and (iii) Water rights which water the aforementioned properties (EP.27.08.12, Not. Gloria Acharán). The amount of the used credit is KUS\$2,183.

Pledge without displacement in favor of Rabobank over the movable goods located on the properties described in letter c.4.1) (EP.27.08.12, Not. Gloria Acharán).

d.5) Agrícola Hortifrut S.A.

d.5.1) Mortgage in favor of Banco de Chile over: (i) Subdivision N° 10 of a surface of 53.1 hectares, of the “Santa Isabel” and “Los Cipreses” Subdivision Project, commune of Cunco; (ii) Lot N° 12-A out of a surface of 42.50 hectares of the subdivision plan of Subdivision 12 of the “Santa Isabel” Subdivision Project, Commune of Cunco; (iii) Agricultural property, located in the commune of Río Negro, with a surface of 207 hectares; (iv) Water rights to irrigate the aforementioned properties. (EP 24.04.12, Not. A.Bianchi).

d.5.2) Pledge without displacement in favor of Banco de Chile over the movable goods located on the properties detailed in letter c.5.1) (EP 21.06.12, Not. A.Bianchi). The amount of the used credit is KUS\$3,544.

As of March 31, 2016, the Company does not have a legal or contractual obligation to disassemble, remove or rehabilitate sites where its operations are developed, reason why its assets do not incorporate costs associated to said requirements.

d.6) Hortifrut Chile S.A.

d.6.1) Mortgages in favor of BCI over: (i) Lot One - B, part of El Congreso Farm, Commune of Gorbea (EP 28.07.14., Not. José Musalem S.).

d.6.2) Pledge without displacement in favor of BCI over the movable goods located on the properties detailed in letter c.6.1) (EP.02.09.14, Not. José Musalem S.).

d.6.3) Mortgages in favor of BCI over: Lot Two of Higuera Segunda of Lot B of the Property denominated Resto Hacienda Virquenco (EP 09.12.2014, Not. José Musalem S.).

d.6.4) Pledge without displacement in favor of BCI over the movable goods located on the properties detailed in letter c.6.3) (EP 13.11.2014, Not. José Musalem S.).

d.7) Berries de Panguipulli SpA.

d.7.1) Mortgage in favor of BCI over: Lot A, Vista Hermosa property; Higuera N°1, La Pantalla and El Zarzal; Lot 4-1 Arturo Araya; Farm N° 5 Arturo Araya; Lot 6-1 Arturo Araya; Lot 8-1 Arturo Araya; and their corresponding water rights; all corresponding to the Commune of Panguipulli (EP 28.07.14., Not. José Musalem S.).

d.8) Hortifrut S.A.

d.8.1) Mortgages in favor of BCI over: property located on Antillanca street N° 370 (Lot 4-B) and N° 540 (Lot 5-B), both located in the Commune of Pudahuel (EP 28.07.14., Not. José Musalem S.).

d.9 Top Berries & Fruit SpA.

d.9.1) Mortgages in favor of BCI over: (i) property located on Lot One of Resto del Fundo Coihuecura, Commune of Yervas Buenas and its water rights (EP 05.08.14., and EP 17.10.14. Not. José Musalem S.).

d.9.2) Pledge without displacement in favor of BCI over the movable goods located on property detailed in letter c.9.1) (EP.02 09.14, Not. José Musalem S.).

d.10 Hortifrut Comercial S.A.

d.10.1) Mortgages in favor of BCI over: (i) Lots 1, 2, 4 to 16 and 55 to 84 and water rights, of the sub-division of Farm 151, of Colonia Gabriel Gonzalez Videla, Vegas Norte Sector, La Serena, (EP 18.08.14., Not. José Musalem S.).

The credit received by BCI, for the mortgages individualized in letters c.6 to c.10, correspond to the amount of US\$30 million. The amount of the used credit is KUS\$27,756. -

e) Insurances

The Hortifrut Group has contracted insurance policies to cover the risks that the movable goods, vehicles, equipment, plant and machinery are subject to. Hortifrut and its subsidiaries consider that the coverage of these policies is adequate for the inherent risks of its activity.

The main insurances contracted by the Company, as of March 31, 2016 are the following:

- Fire insurance, for refrigerators, packing, warehouses, offices and electrical installations for the parent company and national subsidiaries, for approximately UF 1,248,825. -
- Insurance for mobile agricultural equipment for the parent company and national subsidiaries for approximately UF 54,845.-
- Insurance for motor vehicles for the parent company and national subsidiaries for approximately UF 151,203.-
- General Civil Responsibility Insurance for the parent company and national subsidiaries for approximately UF 138,546.-
- Maritime transport insurance for the parent company and national subsidiaries for approximately UF 332,510.-
- Credit insurance for the parent company and national subsidiaries for approximately UF 277,091.-

f) Loss due to impairment in value

The calculations of the current value of future cash flows of the cash generating units contemplate an improvement in the market and the maintenance of a low cost structure in the medium and long term in comparison with previous periods. According to these estimations, assets don't

present impairment in the value which should be acknowledged at the closing of the period.

g) Financial Leasing

Net book value as of March 31, 2016 and December 31, 2015 of the assets under financial leasing, classified as Leased Assets in the item Property, plant and equipment, is the following:

<u>Denomination</u>	<u>31-mar-16</u> <u>KUS\$</u>	<u>31-dec-15</u> <u>KUS\$</u>
<u>Construction</u>		
Administrative offices	1,086	1,097
Parking administrative offices	39	40
Metallic Structure 5.3 hectares	270	274
Molina Plant	4,263	-
Total Constructions	5,658	1,411
<u>Land</u>		
Land Molina Plant	236	-
Total Land	236	-
<u>Machinery and equipment</u>		
Blueberry processing line	90	93
Blueberry processing line	72	74
Blueberry processing line	431	439
IQF processing line	383	403
Processing line and Machinery Molina Plant	1,464	-
BBC Filling Machine	718	730
BBC Soft Sorter Machine	748	761
Calibrating and Classifying Machine	1,585	-
Fertigation machinery	23	25
Several equipment	76	87
Total Machinery and equipment	5,590	2,612
<u>Motor vehicles</u>		
Vans	17	17
Tractors	6	7
Total Motor Vehicles	23	24
General total	11,507	4,047

The debt associated to these leasings as of March 31, 2016 and December 31, 2015, are presented in the item Other current financial liabilities and Other non current financial liabilities. The debt associated to each item under Properties, plant and equipment is detailed as follows:

<u>Leasing Liability</u>	31-mar-16 KUS\$	31-dec-15 KUS\$
<u>Constructions</u>		
Administrative offices	757	811
Parking administrative offices	29	29
Metallic structure 5.3 hectares	275	274
Molina Plant	4,316	
Total Constructions	<u>5,377</u>	<u>1,114</u>
<u>Land</u>		
Land Molina Plant	<u>239</u>	-
Total Land	<u>239</u>	-
<u>Machinery and equipment</u>		
IQF processing line	-	113
IQF processing line	27	27
Blueberry processing line	130	173
BBC Filling Machine	493	491
BBC Soft Sorter Machine	510	510
Moline Plant Processing line and Machinery	1,482	-
Calibrating and Classifying Machine	1,581	-
Total Machinery and equipment	<u>4,223</u>	<u>1,314</u>
General Total	<u>9,839</u>	<u>2,428</u>

h) Property, plant and equipment temporarily out of service

As of March 31, 2016 and December 31, 2015, there are no property, plant and equipment temporarily out of service.

i) Property, plant and equipment totally depreciated

As of March 31, 2016, the detail of Property, plant and equipment which are totally depreciated is as follows:

	Gross Value KUS\$
Constructions and infrastructure works	1,736
Machinery and equipment	1,715
Leased equipment	33
Information Technology (IT) equipment	588
Furniture and supplies	185
Motor vehicles	559
Total Property, Plant and Equipment	<u>4,816</u>

j) Property, plant and equipment removed from its active use

The book value of the properties, plant and equipment elements which have been removed from their active use and have not been classified by the Company as held for sale reach KUS\$ 15, which will be transferred for its use in other fields.

k) Fair value of property, plant and equipment

The fair value of Property, plant and equipment do not significantly differ from the book value.

NOTA 21 -CURRENT INCOME TAX AND DEFERRED TAXES

In the period ending on March 31, 2016, we proceeded to calculate and record taxable net income with a 24% rate for the 2016 commercial period, based on what was established in Law N° 20.780, Tax Reform, published in the Diario Oficial (Official Newspaper) on September 29, 2014.

Among the main modifications, is the progressive increase of First Category Tax, reaching 27% from 2018, in case the “Partially Integrated Tax System” is applied.

The aforementioned Law establishes that since Hortifrut S.A. is a publicly traded company, as a general rule the “Partially Integrated Tax System” is applied to it.

Deferred tax assets and liabilities are compensated if the right to compensate the current tax assets and liabilities has been legally acknowledged and the deferred taxes refer to the same entity and tax authority.

a) Current income tax

The Company and subsidiaries maintain as of March 31, 2016, an accumulated current income tax provision of KUS\$15,683 (KUS\$6,412 as of December 31, 2015), which is presented net of provisional payments and other credits for KUS\$9,865 (KUS\$ 6,052 as of December 31, 2015). In this manner, the balance under current tax liability is of KUS\$5,818 (As of December 31, 2015, the balance is KUS\$360).

b) Deferred taxes

Deferred taxes correspond to the amount of tax over profits that Hortifrut and subsidiaries will have to pay (liabilities) or recover (assets) in future periods, related with temporary differences between the fiscal or tax base and the accounting book value of certain assets and liabilities.

The main deferred tax asset corresponds to the tax loss of subsidiaries, which will be recovered in future periods. The main deferred tax liability payable in future periods, corresponds to the temporary differences originated by manufacturing expenses, revaluation of biological assets and the revaluation of Property, plant and equipment on the transition date to IFRS.

Deferred tax assets as of March 31, 2016 and December 31, 2015, refer to the following concepts:

Detail	31-mar-16		31-dec-15	
	Deferred tax assets KUS\$	Deferred tax liabilities KUS\$	Deferred tax assets KUS\$	Deferred tax liabilities KUS\$
Manufacturing expenses	-	234	-	1,507
Valuation of biological assets	679	16,221	-	17,456
Land appraisal	-	34	-	34
Anticipated income	-	-	-	-
Tax loss	10,326	-	10,911	-
Provisions	1,807	-	1,848	-
Intangibles	-	1,157	-	1,175
Fixed asset	-	8,613	-	6,369
Forward hedging	472	-	340	-
Price adjustment	-	1,469	-	85
Others	3,128	-	929	-
Non realized earnings in investments	300	-	289	-
Total	16,712	27,728	14,317	26,626

Deferred tax for forward hedging forms part of the Other integral result.

Deferred taxes have not been acknowledged for the temporary differences between the tax and accounting value generated by investments in Subsidiaries, so, deferred tax due to adjustments in conversion directly recorded in net equity, exposed in the other integral income statement is also not acknowledged.

As of March 31, 2016, the deferred tax asset originated by tax loss reached KUS\$10,326 (KUS\$10,911 as of December 31, 2015) which is chargeable to the profits which can be generated in the future in the companies that present said condition, as per the following detail:

		31-mar-16 KUS\$	31-dec-15 KUS\$	Variation KUS\$
Ag. Mataquito S.A.	Chile	1,016	1,144	(128)
Ag. El Avellano S.A.	Chile	1,479	1,424	55
Ag. El Pampino S.A.	Chile	20	135	(115)
Ag. Hortifrut S.A.	Chile	609	1,000	(391)
Colmenares Hortisur S.A.	Chile	15	9	6
Hortifrut S.A. de C.V.	Mexico	6,449	6,573	(124)
Berrygood Comercial Importadora	Brazil	523	480	43
Hortifrut Europa	Spain	65	62	3
HFE Berries Perú S.A.C.	Peru	62	11	51
Hortifrut Argentina S.A.	Argentina	74	63	11
Viveros Hortifrut Chile S.A.	Chile	14	10	4
Total		10,326	10,911	(585)

Regarding the statute of limitations of the tax loss susceptible to be charged to future profits, we can state that in the case of those generated in companies constituted in Chile, these do not prescribe. In Mexico, these have an expiry of 10 years.

Below is the activity of deferred tax assets:

	31-mar-16	31-dec-15
	<u>KUS\$</u>	<u>KUS\$</u>
Opening balance	14,317	14,018
Provisions	(41)	632
Tax loss	(585)	(1,304)
Forward hedging	132	(14)
Valuation biological assets	679	-
Others	2,199	898
Unrealized gain on investments	<u>11</u>	<u>87</u>
Final balance	<u>16,712</u>	<u>14,317</u>

Below is the activity of deferred tax liabilities:

	31-mar-16	31-dec-15
	<u>KUS\$</u>	<u>KUS\$</u>
Opening balance	26,626	21,211
Manufacturing expenses	(1,273)	339
Fixed asset	2,244	1,282
Intangibles	(18)	(72)
Anticipated income	-	(112)
Valuation of biological assets	(1,235)	3,966
Price adjustment	1,384	50
Assets for sale	<u>-</u>	<u>(38)</u>
Final balance	<u>27,728</u>	<u>26,626</u>

Gains tax expense has the following detail:

	31-mar-16	31-mar-15
<u>Detail</u>	<u>KUS\$</u>	<u>KUS\$</u>
Current tax expenses	7,065	5,566
Tax benefit for tax loss	-	(57)
Deferred tax effect	(1,161)	(2,209)
Adjustment of conversion	<u>(329)</u>	<u>382</u>
Total	<u>5,575</u>	<u>3,682</u>

The following is the detail of the income tax expense conciliation, using the legal rate with the tax expense, using the effective rate:

	31-mar-16		31-mar-15	
	<u>KUS\$</u>	<u>%</u>	<u>KUS\$</u>	<u>%</u>
Tax expense (income) using the legal rate	6,009	24.00%	3,328	22.50%
Tax effect of rates in other jurisdictions	156	0.62%	163	1.10%
Tax effect of non taxable operating income	(3)	-0.01%	(199)	-1.35%
Tax effect of non deductible tax expense	261	1.04%	(117)	-0.79%
Tax effect for fiscal currency different to functional currency	(754)	-3.01%	428	2.89%
Tax effect of tax surplus foreseen in previous periods	-	0.00%	-	0.00%
Other increase (decrease) in charge for legal taxes	(94)	-0.38%	79	0.53%
Total tax expense adjustment using the legal rate	(434)	-1.73%	354	2.39%
Tax expense using the effective rate	<u>5,575</u>	<u>22.27%</u>	<u>3,682</u>	<u>24.89%</u>

NOTE 21 – OTHER FINANCIAL LIABILITIES

As of March 31, 2016 and December 31, 2015, Hortifrut and subsidiaries maintain financial loans which are detailed below:

Other current financial liabilities

	31-mar-16	31-dec-15
	<u>KUS\$</u>	<u>KUS\$</u>
Obligations with Banks and financial institutions	103,708	97,236
Financial Leasing	1,852	1,015
Cross Currency Swap Operations	-	15
Forward currency operations	281	1,839
Currency option operations	-	34
Total bank obligations with expiry before 12 months	<u>105,841</u>	<u>100,139</u>

Other non current financial liabilities

	31-mar-16	31-dec-15
	<u>KUS\$</u>	<u>KUS\$</u>
Obligations with banks and financial institutions	58,643	58,811
Financial Leasing	7,987	1,413
Forward currency operations	-	300
Cross Currency Swap Operations	2,024	1,401
Total bank obligations with expiry over 12 months	<u>68,654</u>	<u>61,925</u>

Detail of balance and expiries

a) Obligations with Banks and financial institutions

Obligations with banks and financial institutions grouped by expiry, are detailed below, as of March 31, 2016 and December 31, 2015:

Debtor Company	RUT	Country	Creditor Bank	Currency	Type of Amortization	Effective Annual Rate	Nominal Annual Rate	Current			Total current as of 31-03-2016	Non current					Total Non current as of 31-03-2016	
								KUS\$	KUS\$	KUS\$		KUS\$	KUS\$	KUS\$	KUS\$	KUS\$		KUS\$
Agrícola El Pampino S.A.	76.884.880-7	Chile	Banco Santander Chile	US\$	Annual	6.06%	6.06%	-	239	-	239	210	210	-	-	-	420	
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco Rabobank Chile	US\$	Annual	5.52%	5.20%	-	-	174	174	150	150	150	-	-	450	
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco Rabobank Chile	US\$	Annual	6.26%	6.03%	-	-	59	59	-	-	-	1,500	-	1,500	
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco Santander Chile	US\$	Annual	1.65%	1.65%	500	-	-	500	-	-	-	-	-	-	
Agrícola Santa Rosa del Parque S.A.	99.584.440-0	Chile	Banco Rabobank Chile	US\$	Annual	5.58%	5.31%	-	102	-	102	85	85	85	88	-	343	
Agrícola Santa Rosa del Parque S.A.	99.584.440-0	Chile	Banco Rabobank Chile	US\$	Annual	6.23%	6.01%	-	-	39	39	-	-	-	900	-	900	
Agrícola Santa Rosa del Parque S.A.	99.584.440-0	Chile	Banco Santander Chile	US\$	Annual	1.65%	1.65%	500	-	-	500	-	-	-	-	-	-	
Agrícola Vida Nueva S.A.	96.996.290-K	Chile	Banco Santander Chile	US\$	Annual	1.60%	1.60%	400	-	-	400	-	-	-	-	-	-	
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	2.50%	2.50%	42	-	-	42	-	-	-	-	-	-	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcaya Argentaria	US\$	Annual	0.85%	0.85%	10,018	-	-	10,018	-	-	-	-	-	-	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcaya Argentaria	US\$	Annual	2.88%	2.06%	1,368	-	1,250	2,618	2,500	2,500	2,500	-	-	7,500	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	0.79%	0.79%	-	10,004	-	10,004	-	-	-	-	-	-	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	5.42%	3.02%	-	3,756	-	3,756	3,000	3,000	3,000	3,000	12,000	24,000	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	0.74%	0.74%	15,001	-	-	15,001	-	-	-	-	-	-	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	0.79%	0.79%	-	5,002	-	5,002	-	-	-	-	-	-	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	0.82%	0.82%	5,810	-	-	5,810	-	-	-	-	-	-	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	0.71%	0.71%	-	3,001	-	3,001	-	-	-	-	-	-	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Estado	US\$	Annual	0.96%	0.96%	-	10,010	-	10,010	-	-	-	-	-	-	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Estado	US\$	Annual	2.20%	5.03%	1,308	-	1,200	2,508	2,400	5,200	-	-	-	7,600	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Santander Chile	US\$	Annual	0.82%	0.82%	5,009	-	-	5,009	-	-	-	-	-	-	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Santander Chile	US\$	Annual	0.99%	0.99%	15,035	-	-	15,035	-	-	-	-	-	-	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Scotiabank	US\$	Annual	0.91%	0.91%	-	7,004	-	7,004	-	-	-	-	-	-	
Hortifrut España Southern Sun SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	1.40%	1.40%	74	223	603	900	-	-	-	-	-	-	
Hortifrut España Southern Sun SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	2.96%	2.96%	115	231	1,047	1,393	1,294	1,431	1,451	121	-	4,297	
Berries Peru	0-E	Peru	Banco de Crédito Perú	Sol	Monthly	-	-	3	-	-	3	-	-	-	-	-	-	
Asturian Berries SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	1.38%	1.38%	9	26	68	103	102	102	26	-	-	230	
Asturian Berries SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	5.42%	5.42%	9	28	29	66	-	-	-	-	-	-	
Asturian Berries SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	1.52%	1.52%	12	37	100	149	152	141	-	-	-	293	
Asturian Berries SL	0-E	Spain	Caja Badajoz	EUR	Monthly	5.90%	5.90%	3	8	10	21	-	-	-	-	-	-	
Asturian Berries SL	0-E	Spain	La Caixa	EUR	Quarterly	1.23%	1.23%	-	-	-	-	-	-	-	-	-	-	
Asturian Berries SL	0-E	Spain	Caja Madrid	EUR	Monthly	0.87%	0.87%	2	6	16	24	24	24	5	-	-	53	
Asturian Berries SL	0-E	Spain	Banesto	EUR	Monthly	5.00%	5.00%	2	6	23	31	24	14	-	-	-	38	
Asturian Berries SL	0-E	Spain	Financial Services	EUR	Monthly	9.20%	9.20%	-	1	18	19	-	-	-	-	-	-	
Hortifrut México S.A. de C.V.	0-E	Mexico	HSBC México S.A.	US\$	Annual	2.20%	2.20%	-	50	150	200	200	67	-	-	-	267	
Hortifrut S.A.	96.896.990-0	Chile	Banco Santander Chile	US\$	Annual	3.91%	2.88%	2,367	-	-	2,367	8,809	-	-	-	-	8,809	
Hortifrut S.A.	96.896.990-0	Chile	Banco de Chile	US\$	Annual	5.35%	7.38%	-	-	684	684	648	648	647	-	-	1,943	
Hortifrut S.A.	96.896.990-0	Chile	Banco de Chile	US\$	Annual	6.20%	8.12%	-	459	458	917	-	-	-	-	-	-	
Total								57,587	40,193	5,928	103,708	19,598	13,572	7,864	5,609	12,000	58,643	

Debtor Company	RUT	Country	Creditor Bank	Currency	Type of Amortization	Effective Annual Rate	Nominal Annual Rate	Current			Total current		Non current					Total Non current
								Expiry up to 1 month	1 to 3 months	3 to 12 months	as of 31-12-2015		Expiry 1 to 2 years	Expiry 2 to 3 years	3 to 4 years	4 to 5 years	5 or more years	as of 31-12-2015
								KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Agricola Mataquito S.A.	76.306.130-2	Chile	Banco Rabobank Chile	US\$	Annual	5.52%	5.20%	-	-	165	165	150	150	150	-	-	450	
Agricola Mataquito S.A.	76.306.130-2	Chile	Banco Rabobank Chile	US\$	Annual	6.26%	6.03%	-	-	36	36	-	-	-	-	1,500	1,500	
Agricola Mataquito S.A.	76.306.130-2	Chile	Banco Santander Chile	US\$	Annual	1.65%	1.65%	-	500	-	500	-	-	-	-	-	-	
Agricola Santa Rosa del Parque S.A.	99.584.440-0	Chile	Banco Rabobank Chile	US\$	Annual	5.58%	5.31%	-	-	96	96	85	85	85	87	-	342	
Agricola Santa Rosa del Parque S.A.	99.584.440-0	Chile	Banco Rabobank Chile	US\$	Annual	6.23%	6.01%	-	-	25	25	-	-	-	-	900	900	
Agricola Santa Rosa del Parque S.A.	99.584.440-0	Chile	Banco Santander Chile	US\$	Annual	1.65%	1.65%	-	500	-	500	-	-	-	-	-	-	
Agricola El Pampino S.A.	76.884.880-7	Chile	Banco Santander Chile	US\$	Annual	6.06%	6.06%	-	-	230	230	210	210	-	-	-	420	
Agricola Vida Nueva S.A.	96.996.290-K	Chile	Banco Santander Chile	US\$	Annual	1.60%	1.60%	-	400	-	400	-	-	-	-	-	-	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcaya Argentaria	US\$	Annual	0.98%	0.98%	10,020	-	-	10,020	-	-	-	-	-	-	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcaya Argentaria	US\$	Annual	2.88%	2.06%	-	-	2,545	2,545	2,500	2,500	2,500	-	-	7,500	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	0.88%	0.88%	-	10,012	-	10,012	-	-	-	-	-	-	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	5.42%	3.02%	-	-	3,360	3,360	3,000	3,000	3,000	3,000	12,000	24,000	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	0.93%	0.93%	-	10,023	-	10,023	-	-	-	-	-	-	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	0.88%	0.88%	-	10,009	-	10,009	-	-	-	-	-	-	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	0.79%	0.79%	-	5,012	-	5,012	-	-	-	-	-	-	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	EUR	Annual	0.39%	0.39%	645	-	-	645	-	-	-	-	-	-	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Chile	US\$	Annual	0.95%	0.95%	-	3,007	-	3,007	-	-	-	-	-	-	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Estado	US\$	Annual	0.96%	0.96%	-	10,017	-	10,017	-	-	-	-	-	-	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Estado	US\$	Annual	2.20%	5.03%	-	-	2,453	2,453	2,400	5,200	-	-	-	7,600	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Santander Chile	US\$	Annual	0.87%	0.87%	5,010	-	-	5,010	-	-	-	-	-	-	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Santander Chile	US\$	Annual	0.87%	0.87%	10,020	-	-	10,020	-	-	-	-	-	-	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Scotiabank	US\$	Annual	0.99%	0.99%	-	7,003	-	7,003	-	-	-	-	-	-	
Hortifrut España Southern Sun SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	3.33%	3.33%	70	211	574	855	219	-	-	-	-	219	
Hortifrut España Southern Sun SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	1.40%	1.40%	-	-	1,001	1,001	1,346	1,368	1,387	353	-	4,454	
Asturian Berries SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	1.38%	1.38%	8	25	65	98	98	98	49	-	-	245	
Asturian Berries SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	5.42%	5.42%	9	18	64	91	-	-	-	-	-	-	
Asturian Berries SL	0-E	Spain	Caja Badajoz	EUR	Monthly	5.90%	5.90%	2	7	18	27	-	-	-	-	-	-	
Asturian Berries SL	0-E	Spain	La Caixa	EUR	Quarterly	1.23%	1.23%	11	-	-	11	-	-	-	-	-	-	
Asturian Berries SL	0-E	Spain	Caja Madrid	EUR	Monthly	0.87%	0.87%	2	6	16	24	23	23	10	-	-	56	
Asturian Berries SL	0-E	Spain	Banesto	EUR	Monthly	5.00%	5.00%	2	5	15	22	24	25	-	-	-	49	
Asturian Berries SL	0-E	Spain	Financical Services	EUR	Monthly	9.20%	9.20%	-	1	2	3	16	-	-	-	-	16	
Hortifrut México S.A. de C.V.	0-E	Mexico	HSBC México S.A.	US\$	Annual	2.20%	2.20%	-	50	150	200	200	117	-	-	-	317	
Hortifrut S.A.	96.896.990-0	Chile	Banco Santander Chile	US\$	Annual	3.91%	2.88%	-	-	2,265	2,265	8,800	-	-	-	-	8,800	
Hortifrut S.A.	96.896.990-0	Chile	Banco de Chile	US\$	Annual	5.35%	4.80%	-	-	648	648	648	648	647	-	-	1,943	
Hortifrut S.A.	96.896.990-0	Chile	Banco de Chile	US\$	Annual	6.20%	8.12%	-	-	903	903	-	-	-	-	-	-	
Total								25,799	56,806	14,631	97,236	19,719	13,424	7,828	3,440	14,400	58,811	

b) Financial Leasing Obligations

Obligations with Banks and financial institutions for financial leasing grouped by expiry are detailed below, as of March 31, 2016 and December 31, 2015:

Debtor Company	RUT	Country	Creditor Bank	Currency	Type of Amortization	Effective Annual Rate	Nominal Annual Rate	Current			Total Current	Non Current					Total Non Current
								Expiry up to 1 month	1 to 3 months	3 to 12 months	as of 31-03-2016	Expiry 1 to 2 years	Expiry 2 to 3 years	3 to 4 years	4 to 5 years	5 or more years	as of 31-03-2016
								KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Agrícola El Pampino S.A.	76.884.880-7	Chile	Banco Santander Chile	US\$	Annual	3.93%	3.93%	-	-	29	29	103	70	73	-	-	246
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Santander Chile	US\$	Monthly	4.28%	4.28%	14	29	87	130	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	BBC Tecnología Agrícola Ltda.	US\$	Annual	0.00%	0.00%	-	-	255	255	255	-	-	-	-	255
Hortifrut Chile S.A.	99.524.450-0	Chile	BBC Tecnología Agrícola Ltda.	US\$	Annual	0.00%	0.00%	-	-	256	256	237	-	-	-	-	237
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	2.79%	2.79%	98	-	265	363	363	373	384	98	-	1,218
Hortifrut S.A.	96.896.990-0	Chile	Banco Bilbao Vizcaya Argentar	US\$	Monthly	9.79%	9.79%	13	27	123	163	175	189	204	55	-	623
Top Berries & Fruit SpA	76.023.726-4	Chile	Banco Rabobank Chile	US\$	Quarterly	3.29%	3.29%	-	147	482	629	709	688	711	735	2,565	5,408
Top Berries & Fruit SpA	76.023.726-4	Chile	Banco Santander Chile	US\$	Biannual	5.06%	5.06%	-	27	-	27	-	-	-	-	-	-
Total								125	230	1,497	1,852	1,842	1,320	1,372	888	2,565	7,987

Debtor Company	RUT	Country	Creditor Bank	Currency	Type of Amortization	Effective Annual Rate	Nominal Annual Rate	Current			Total Current	Non Current					Total Non Current
								Expiry up to 1 month	1 to 3 months	3 to 12 months	as of 31-12-2015	Expiry 1 to 2 years	Expiry 2 to 3 years	3 to 4 years	4 to 5 years	5 or more years	as of 31-12-2015
								KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Agrícola El Pampino S.A.	76.884.880-7	Chile	Banco Santander Chile	US\$	Annual	3.93%	3.93%	-	-	28	28	67	70	72	37	-	246
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Santander Chile	US\$	Monthly	4.28%	4.28%	14	28	131	173	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	BBC Tecnología Agrícola Ltda.	US\$	Annual	0.00%	0.00%	-	-	255	255	255	-	-	-	-	255
Hortifrut Chile S.A.	99.524.450-0	Chile	BBC Tecnología Agrícola Ltda.	US\$	Annual	0.00%	0.00%	-	-	254	254	237	-	-	-	-	237
Top Berries & Fruit SpA	76.023.726-4	Chile	Banco Rabobank Chile	US\$	Biannual	5.35%	5.35%	-	25	26	51	-	-	-	-	-	-
Top Berries & Fruit SpA	76.023.726-4	Chile	Banco Rabobank Chile	US\$	Biannual	5.57%	5.57%	-	-	-	-	-	-	-	-	-	-
Top Berries & Fruit SpA	76.023.726-4	Chile	Banco Rabobank Chile	US\$	Biannual	5.45%	5.45%	-	31	31	62	-	-	-	-	-	-
Top Berries & Fruit SpA	76.023.726-4	Chile	Banco Santander Chile	US\$	Biannual	5.06%	5.06%	-	-	27	27	-	-	-	-	-	-
Hortifrut S.A.	96.896.990-0	Chile	Banco Bilbao Vizcaya Argentar	US\$	Monthly	9.79%	9.79%	13	27	125	165	176	189	203	107	-	675
Total								27	111	877	1,015	735	259	275	144	-	1,413

Additional information regarding financial liabilities

a.1) Hortifrut Chile S.A.

a.1.1) Dated November 05, 2015, BBVA Bank granted Hortifrut Chile S.A. a credit for US\$10 million.

The Company assumes the following obligations over the base of its consolidated financial statements:

- To maintain a Net Financial Debt level divided by annual EBITDA
 - lower or equal to 6 times as of December 31 of each year;
 - lower or equal to 4.5 times as of June 30 of each year.
- To maintain financial cost hedging (EBITDA divided net financial expenses of the last 12 months)
 - higher or equal to 4 times as of June 30 of each year.
- To maintain a Net Financial Debt divided by Total Equity level
 - lower or equal to 1 time as of June 30 of each year.

a.1.2) Dated October 06, 2015, Banco del Estado de Chile bank granted Hortifrut Chile S.A. a credit for MCLP 6,855,000. For this credit, dollarization hedging was used.

The Company assumes the following obligations, over the base of its consolidated financial statements:

- To maintain a Net Financial Debt level divided by annual EBITDA
 - lower or equal to 4.5 times as of June 30, 2016;
 - lower or equal to 4 times as of June 30, 2017;
 - lower or equal to 3.5 times as of June 30, 2018.
- To maintain financial cost hedging (EBITDA divided net financial expenses of the last 12 months)
 - higher or equal to 4 times as of June 30 of each year.
- To maintain a Net Financial Debt divided by total equity level
 - not higher than 1 time as of June 30 of each year.

a.1.3) By public deed dated April 30, 2014, granted at the Notary of Santiago of Mr. José Musalem Faffie, Hortifrut Chile S.A. and Banco de Crédito e Inversiones bank subscribed a Financing Contract. In said instrument, Hortifrut S.A. was constituted as a jointly and severally liable co-debtor of the subsidiary Hortifrut Chile S.A., for a US\$ 30 million loan and a credit line approved with Banco de Crédito e Inversiones bank for the amount of US\$ 42 million.

Hortifrut S.A. maintains the security and co-debt for the loan with Banco de Crédito e Inversiones bank for US\$ 30 million, of which to date Hortifrut Chile S.A. owes US\$ 27 million.

The financing contract establishes certain obligations for Hortifrut S.A.'s consolidated financial statements that are normal in this type of operations, among which we count the following, under the specific terms and conditions stated in the corresponding credit contract:

- To maintain the Company's current corporate purpose and its legal existence; the maintenance of the assets necessary for the Company's normal business; to comply with the applicable laws and norms; to opportunistically send the Company's financial information; to hire and maintain insurances that conveniently cover the risks as per what is the custom in the industry.
- To maintain a Net Financial debt level divided by EBITDA
 - lower or equal to 6 times as of December 31 of each year
 - and lower or equal to 5 times as of June 30, 2014 and 2015, considering the EBITDA of the last 12 months
 - and lower or equal to 4.5 times as of June 30, 2016 and onwards, considering the EBITDA of the last 12 months
 - Maintain financial cost hedging (EBITDA divided net financial expense of the last 12 months) equal to or higher than 4 times as of June 30 of each year.
- To maintain a Net Financial Debt level divided by Total Equity
 - lower or equal to 1 time as of June 30 of each year
- Prohibition to tax assets, except under the terms agreed in the contract and to perform operations with related people mainly at market prices

a.2) Hortifrut S.A.

Dated December 26, 2011, Banco de Chile bank granted Hortifrut S.A. the following credits:

- Credit documented in promissory note number 1232 for the original amount of KCLP\$ 1,131,000.
- Credit documented in promissory note number 1230 for the original amount of KCLP\$ 1,152,180.
- Credit documented in promissory note number 1248 for the original amount of KCLP\$ 1,557,420.

As of March 31, 2016, the total owed amount of these credits is KCLP\$1,344,210.

For these credits, dollarization hedging was used.

The Company assumes the following obligations, over the base of its consolidated financial statements accumulated at 12 months:

- Provide Consolidated Financial Statements to Banco de Chile bank, with their corresponding notes, at least twice a year, for the balances closed on December 31 and June 30 of each period, in a term lower than 120 days from said dates. The individual and consolidated Financial Statements, must be audited by Independent Auditors, and given with the opinion of these auditors.
- Maintain a net financial debt divided by annual EBITDA lower or equal to 3 times as of

June 30 of each year considering the annual EBITDA

- Maintain financial cost hedging (EBITDA divided by net financial costs of the last 12 months) equal to or higher than 4 times as of June 30 of each year.
- Maintain a total Equity of at least US\$ 25 million as of June 30 and December 31 of each year.

a.3) Compliance of Covenants

a.3.1) Net financial debt divided by annual EBITDA.

The net financial debt divided by annual EBITDA was 1.38 for the 12 month periods ending June 30, 2015, (lower than the 5 times requested by BCI, 4.5 times requested by BBVA and 3 times requested by Banco de Chile).

The net financial debt divided by annual EBITDA was 3.00 for the 12-month period ending December 31, 2015, (lower than the 6 times requested by BCI and BBVA).

The EBITDA, corresponding to the periods ending June 30, 2014, 2015 and for the 12-month period from July 01, 2014 to June 30, 2015 was:

				<u>12 months</u>	<u>12 months</u>
				<u>01-jul-14</u>	<u>01-jul-13</u>
<u>31-dec-15</u>	<u>30-jun-15</u>	<u>31-dec-14</u>	<u>30-jun-14</u>	<u>30-jun-15</u>	<u>30-jun-14</u>
<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
348,880	213,770	333,566	202,814	344,522	300,257
174	81	1,944	244	1,781	4,532
349,054	213,851	335,510	203,058	346,303	304,789
(293,518)	(177,974)	(279,090)	(168,370)	(288,694)	(248,969)
(23,544)	(10,436)	(21,971)	(10,209)	(22,198)	(20,518)
(1,615)	(1,055)	(1,289)	(327)	(2,017)	(872)
(318,677)	(189,465)	(302,350)	(178,906)	(312,909)	(270,359)
30,377	24,386	33,160	24,152	33,394	34,430
15,387	9,946	10,665	4,198	16,413	7,765
45,764	34,332	43,825	28,350	49,807	42,195

DETERMINING NET FINANCIAL DEBT

Determining net financial debt	31-mar-16	31-dec-15
<u>Items</u>	<u>KUS\$</u>	<u>KUS\$</u>
Other current financial liabilities	105,841	100,139
Other non current financial liabilities	68,654	61,925
Total financial liability	174,495	162,064
Minus:		
Cash and cash equivalents	66,364	24,599
Total net financial debt	108,131	137,465

a.3.2) Financial cost hedging (EBITDA divided net financial expenses of the last 12 months).

Financial cost hedging was 12.8 times, higher than the 4 required as of June 30, 2015 by BCI, BBVA, Banco del Estado and Banco de Chile.

Financial cost hedging as of June 30, 2015, as detailed below is:

	31-dec-15	30-jun-15	31-dec-14	30-jun-14	<u>12 months</u> 01-jul-14	<u>12 months</u> 01-jul-13
	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
EBITDA	45,764	34,332	43,825	28,350	49,807	42,195
Net Financial Costs	3,285	1,998	3,851	1,959	3,890	3,311
ANNUAL EBITDA / Net Financial Cost	13.9	17.2	11.4	14.5	12.8	12.7

a.3.3) Net Financial Debt divided by Total Equity

- As of June 30, 2015 it was 0.34 times, (lower than 1 time required by BCI, BBVA and Banco del Estado)

a.3.4) Total equity higher than US\$ 25 million as of June 30 and December 31 of each year.

Total equity was US\$203.76 million as of March 31, 2016 (higher than the requested US\$25 million), and US\$ 201.53 million as of June 30, 2015.

a.4) Financial risk management policies

The Company, following the financial risk management policy described in note 3, contracts financial derivatives to cover its exposure to the exchange rate and interest rate fluctuations.

The derivatives to cover the exposure of the exchange rate fluctuations which Hortifrut S.A. and subsidiaries currently maintain correspond to derivative instruments classified as Cross Currency Swaps (CCS), Currency Forwards and Options. The first are used to hedge the variable interest rate of the financial debt, the others are used to assure exchange rate levels for future transactions.

c) Cross Currency Swap Operations:

The detail of the derivative instruments portfolio is as follows:

LIABILITIES			Value MtoM		
Hedging instruments			Capital	31-mar-16	31-dec-15
			KUS\$	KUS\$	KUS\$
<u>Entities</u>	<u>Instruments</u>	<u>Type</u>			
Banco Penta/ Banco de Chile debt	Cross Currency Swaps CLP/USD	Rate	902	-	15
Total current			902	-	15
Banco de Crédito e Inversiones	Cross Currency Swaps - USD	Rate	27,000	1,496	1,050
Banco de Crédito e Inversiones	Cross Currency Swaps - USD	Rate	1,570	18	
Banco Bilbao Viscaya	Cross Currency Swaps - USD	Rate	10,000	57	14
Banco Estado	Cross Currency Swaps CLP/USD	Rate	10,000	156	115
Banco Santander Central Hispano S.A.	Cross Currency Swaps - USD/EUR	Currency	5,000	120	-
Banco Santander Santiago	Cross Currency Swaps - USD	Rate	11,000	22	54
Banco de Chile	Cross Currency Swaps CLP/USD	Rate	2,590	103	113
Banco Bilbao Viscaya	Cross Currency Swaps CLP/USD	Currency	1,093	52	55
Total non current			68,253	2,024	1,401

The total of the market valuation of these derivative instruments is acknowledged in the other integral results.

Swaps cover the significant variations in cash flows associated to the market risk implicit in the increase in the 6 month LIBOR interest rate for long term credits originated by investments. These contracts are recorded as cash flow hedging contracts.

d) Currency Forwards Operations

The detail of the currency option operations kept by Hortifrut and subsidiaries as of March 31, 2016 and December 31, 2015, is as follows:

Company	Bank	Contract Modality	Fees Type	Currency	Liabilities		Closing Value		Net Effect Offsetting	Expiry up to				MTM		Expiry up to		Total non current 3/31/2016
					Amount	Currency	Amount			1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	Total current	3/31/2016	1 to 2 years	2 to 3 years	
					KUS\$		KUS\$	KUS\$		KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	
Hortifrut Chi BBVA		Offsetting	Sale	USD	515	CLP	497		18	19	-	-	-	19				-
Hortifrut Chi BCI		Offsetting	Sale	USD	306	CLP	299		7	8	-	-	-	8				-
Hortifrut Chi CORP		Offsetting	Sale	USD	82	CLP	80		2	8	-	-	-	8				-
Hortifrut Chi Estado		Offsetting	Sale	USD	1,414	CLP	1,329		85	86	-	-	-	86				-
Hortifrut Chi Estado		Offsetting	Sale	USD	193	CLP	191		2	2	-	-	-	2				-
Hortifrut Chi Scotiabank		Offsetting	Sale	EUR	1,414	USD	1,329		85	86	-	-	-	86				-
Hortifrut Chi Scotiabank		Offsetting	Sale	USD	91	CLP	87		4	4	-	-	-	4				-
Hortifrut S.A BBVA		Offsetting	Sale	USD	638	CLP	617		21	21	-	-	-	21				-
Hortifrut S.A BCI		Offsetting	Sale	USD	603	CLP	586		17	18	-	-	-	18				-
Hortifrut S.A CORP		Offsetting	Sale	USD	50	CLP	48		2	2	-	-	-	2				-
Hortifrut S.A Estado		Offsetting	Sale	USD	469	CLP	465		4	6	-	-	-	6				-
Hortifrut S.A Scotiabank		Offsetting	Sale	USD	445	CLP	425		20	21	-	-	-	21				-
Total			3/31/2016		6,220		5,953		267	281	-	-	-	281	-	-		-

Company	Bank	Contract Modality	Type	Fees		Liabilities		Closing Value	Net Effect	MTM							
				Currency	Amount	Currency	Amount	KUS\$	KUS\$	Expiry up to				Total current	Expiry up to		Total non current
										1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	12/31/2015	1 to 2 years	2 to 3 years	12/31/2015
Hortifrut Chile S.A.	BBVA	Offsetting Sale	USD	9,140	CLP	9,104	36	223	53	6	11	293	46	28	74		
Hortifrut Chile S.A.	BCI	Offsetting Sale	USD	14,669	CLP	14,987	(318)	124	29	4	9	166	55	50	105		
Hortifrut Chile S.A.	Santander	Offsetting Sale	USD	2,614	CLP	2,708	(94)	-	-	-	1	1	4	-	4		
Hortifrut Chile S.A.	Scotiabank	Offsetting Sale	USD	7,687	CLP	7,728	(41)	58	12	1	4	75	7	-	7		
Hortifrut Chile S.A.	Scotiabank	Offsetting Sale	EUR	3,273	USD	3,208	65	43	31	-	-	74	-	-	-		
Hortifrut Chile S.A.	Corpanca	Offsetting Sale	USD	82	CLP	75	7	-	8	-	-	8	-	-	-		
Hortifrut Chile S.A.	Estado	Offsetting Sale	USD	566	CLP	526	40	28	15	-	-	43	-	-	-		
Hortifrut Chile S.A.	Estado	Offsetting Sale	EUR	3,273	USD	3,208	65	39	26	-	-	65	-	-	-		
Hortifrut Chile S.A.	Security	Offsetting Sale	EUR	6,549	USD	6,478	71	55	36	-	-	91	-	-	-		
Hortifrut S.A.	BBVA	Offsetting Sale	USD	6,610	CLP	6,448	162	245	65	3	4	317	23	20	43		
Hortifrut S.A.	BCI	Offsetting Sale	USD	9,518	CLP	9,549	(31)	180	58	3	4	245	22	31	53		
Hortifrut S.A.	Santander	Offsetting Sale	USD	1,535	CLP	1,589	(54)	-	-	-	-	-	5	-	5		
Hortifrut S.A.	Scotiabank	Offsetting Sale	USD	4,776	CLP	4,581	195	211	52	1	3	267	9	-	9		
Hortifrut S.A.	Corpanca	Offsetting Sale	USD	714	CLP	651	63	62	5	-	-	67	-	-	-		
Hortifrut S.A.	Estado	Offsetting Sale	USD	1,790	CLP	1,677	113	88	39	-	-	127	0	0	-		
Total				12/31/2015		72,796		72,517	279	1,356	429	18	36	1,839	171	129	300

Forwards, cover the significant variations in cash flows associated to the implicit market risk in the changes in the price of futures purchase costs.

The type of fees indicated in the forwards, are presented from the perspective of the Company, for banks it is the opposite.

e) Currency option operations

The detail of the currency option operations kept by Hortifrut S.A. and subsidiaries as of December 31, 2015, is as follows:

<u>Company</u>	<u>Bank</u>	<u>Contract</u> <u>Modality</u>	<u>Fees</u> <u>Type</u>	<u>Currency</u>	<u>Liabilities</u>		<u>Closing Value</u>	<u>Net Effect</u>	<u>MTM</u>	<u>Expiry</u> <u>Date</u>
					<u>Amount</u> <u>KUS\$</u>	<u>Currency</u>	<u>Amount</u> <u>KUS\$</u>	<u>Offsetting</u> <u>KUS\$</u>	<u>Closing Exch. Rate</u> <u>KUS\$</u>	
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	379	USD	360	19	19	20-Jan-16
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	197	USD	188	9	9	19-Feb-16
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	57	USD	55	2	3	21-Mar-16
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	25	USD	24	1	1	20-Apr-16
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	18	USD	18	-	1	20-May-16
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	20	USD	20	-	1	20-Jun-16
Total			31-Dec-15		696		665	31	34	

NOTE 22 – CURRENT AND NON CURRENT TRADE ACCOUNTS AND OTHER ACCOUNTS PAYABLE.

The concepts that make up this item are the following:

	31-mar-16	31-dec-15
<u>Current</u>	<u>KUS\$</u>	<u>KUS\$</u>
Suppliers	34,246	36,379
Payable documents	631	990
Retentions and tax payable	2,435	6,444
Payable dividend	11,759	2,873
Total	<u><u>49,071</u></u>	<u><u>46,686</u></u>

	31-mar-16	31-dec-15
<u>Non Current</u>	<u>KUS\$</u>	<u>KUS\$</u>
Payable documents	756	756
Total	<u><u>756</u></u>	<u><u>756</u></u>

Accounts payable per currency are as follows:

	31-mar-16	31-dec-15
<u>Current</u>	<u>KUS\$</u>	<u>KUS\$</u>
United States Dollar	37,748	22,395
Chilean Peso	5,812	18,919
Euro	2,113	2,043
Mexican Peso	2,807	2,148
Argentine Peso	187	560
Brazilian Real	404	621
Total	<u><u>49,071</u></u>	<u><u>46,686</u></u>

	31-mar-16	31-dec-15
<u>Non Current</u>	<u>KUS\$</u>	<u>KUS\$</u>
United States Dollar	756	756
Total	<u><u>756</u></u>	<u><u>756</u></u>

Suppliers with payments up to date, as of March 31, 2016

Type of Supplier Goods/Services/ Others	Amounts in thousands of dollars, as per payment terms						Total KUS\$	Average payment Period
	Up to 30 days	31 - 60	61 - 90	91 - 120	121 - 365	366 plus		
Goods	6,425	21,268	958	763	441	756	30,611	68
Services	3,565	10	124	272	-	-	3,971	38
Others	2,260	3,920	181	8,884	-	-	15,245	90
Total as of 31-03-2016	12,250	25,198	1,263	9,919	441	756	49,827	

Suppliers with payments up to date, as of December 31, 2015

Type of Supplier Goods/Services/ Others	Amounts in thousands of dollars, as per payment terms						Total KUS\$	Average payment Period (days)
	Up to 30 days	31 - 60	61 - 90	91 - 120	121 - 365	366 plus		
Goods	16,550	7,270	6,602	1,211	441	756	32,830	64
Services	10,750	89	82	16	-	-	10,937	31
Others	802	-	-	2,873	-	-	3,675	100
Total as of 31-12-2015	28,102	7,359	6,684	4,100	441	756	47,442	

The main suppliers are the following:

- Envases Impresos S.A.	- Autoadhesivos PyR Ltda.
- Coemba Chile S. A.	- Impresos Autoadhesivos Ltda.
- Ultrapac Sudamérica S.A.	- Ind. y Cia. Solucorp Ltda.
- Typack S.A.	- Cartocor Chile S. A.
- Bo Packaging S.A.	- Sof South Organic Fruits
- Madeex Pallets Chile S.A.	- Wenco S.A.

The average payment term of the main suppliers is 61 days. Prices are mostly agreed in dollars and there are no interests associated to the credit.

Producing Suppliers

The Company currently maintains over 700 producers in the countries where it has its operations. Due to the level of atomization of said producers, none of them surpasses 2% of the volume purchased from third parties.

NOTE 23 – PROVISIONS FOR EMPLOYEE BENEFITS AND OTHER PROVISIONS

The concepts that make up this item are the following:

	31-mar-16	31-dec-15
	<u>KUS\$</u>	<u>KUS\$</u>
<u>Current provisions</u>		
Other provisions		
Cost provisions	<u>1,641</u>	<u>113</u>
Other provisions	<u>1,641</u>	<u>113</u>
Provision for employee benefits		
Vacations	776	562
Other Benefits for personnel (bonus)	<u>686</u>	<u>686</u>
Provision for employee benefits	<u>1,462</u>	<u>1,248</u>
Total	<u><u>3,103</u></u>	<u><u>1,361</u></u>

The movement of provisions during the period ending March 31, 2016 and the period ending December 31, 2015, is as follows:

	31-mar-16	31-dec-15
	<u>KUS\$</u>	<u>KUS\$</u>
Movement		
Opening balance	1,361	1,318
Increase in provisions	2,417	854
Used provisions	<u>(675)</u>	<u>(811)</u>
Total	<u><u>3,103</u></u>	<u><u>1,361</u></u>

NOTE 24 – ISSUED CAPITAL

The objectives of Hortifrut and subsidiaries when administering capital are to safeguard the capacity to continue as a going concern, in order to generate returns for its shareholders, benefits to other interest groups and to maintain an optimum structure to reduce the cost of capital.

Consistent with the industry, Hortifrut and subsidiaries monitor their capital with the leverage ratio base. This ratio is calculated by dividing the net debt between the total capital. The net debt corresponds to the total debt (including current and non current debt) minus cash and cash equivalents. The total capital corresponds to equity just as is shown in the consolidated statement of position plus net debt.

In this aspect Hortifrut and subsidiaries have combined different sources of financing such as: operation flows, bank credits, among others.

a) Subscribed, paid, to be subscribed capital and number of shares

Subscribed and paid capital as of March 31, 2016, reaches KUS\$136,411 equal to 435,520,079 shares of a single series and without nominal value.

b) Movements of 2015

No movements in capital have taken place in the period ending March 31, 2016 and in the period ending December 31, 2015.

Number of Subscribed Shares

<u>Weighted average of ordinary Shares in circulation</u>	<u>N° of days in circulation</u>	<u>N° Shares</u>	<u>% Weighting</u>	<u>Weighted average of Ordinary shares in circulation</u>	
				<u>31-mar-16</u>	<u>31-mar-15</u>
Opening Balance	90	435,520,079	100%	435,520,079	435,520,079
	90	435,520,079		435,520,079	435,520,079

- Capitalization share issuance premiums (issuance expenses)

The movements of the share issuance Premium during the period ending March 31, 2016 and the period ending December 31, 2015, are detailed below:

	<u>31-mar-16</u>	<u>31-dec-15</u>
	<u>KUS\$</u>	<u>KUS\$</u>
<u>Movement of Capital</u>		
Capital	136,411	136,411
Capital	136,411	136,411
<u>Capital issuance premium</u>		
Capital issuance expenses	(1,262)	(1,262)
Shares issuance premium (issuance expenses)	(1,262)	(1,262)

There have not been any movements in the stated period.

NOTE 25 – ACCUMULATED PROFIT (LOSS)

The detail of the Accumulated Results account is as follows:

<u>Movement</u>	31-mar-16 <u>KUS\$</u>	31-dec-15 <u>KUS\$</u>
Opening balance	25,302	37,155
Profit (loss) attributable to the parent company	17,771	19,876
Minimum dividend provision	(8,886)	(2,873)
Reversal of dividend provision minimum previous year	-	2,939
Definite dividends	-	(2,939)
Provisional dividends	-	(3,920)
Adjustment at Opening (IAS 41)	-	(6,378)
Reclassification revaluations plants to reserves	-	(19,247)
Reclassification amortization Revaluations Plants	1,026	689
Total	<u>35,213</u>	<u>25,302</u>

Changes to the Accumulated Results due to application of amendment to IAS 41

Note 25	31-dec-15 Note 25 Parent company KUS\$
Accumulated profit (loss)	
Balance presented in report as of 31-12-2015	50,238
Adjustment fair value due to change in policy	(3,267)
Biological Amortization	(3,111)
Biological Valuation Amortization	689
Biological Valuation as of 01-01-2015	(19,247)
Biological Valuation as of 31-12-2015	-
Total as of 31-12-2015 corrected	<u>25,302</u>

a) Dividend policy

To determine the Company's distributable net profit to be considered to calculate dividends, the following will be excluded from the gains that can be attributed to the equity holders of the parent company:

- 1) Non realized results linked with the fair value record of the biological assets regulated by "IAS 41" accounting norm, reintegrating them to the net profit at the moment of its realization. For these effects, the portion of said increases in fair value corresponding to the assets sold or allocated by another means will be understood to be realized.

- 2) Non realized results generated in the acquisition of other entities and, in general, those non realized results that are produced due to the application of paragraphs 34, 42, 39 and 58 of the "International Financial Reporting Standards N° 3", amended accounting norm, that refers to business combination operations. These results are also reintegrated to the net profit at the moment of their realization. For these effects, results are understood to be realized when the acquired entities generate profit after their acquisition, or when said entities are disposed of.
- 3) Deferred tax effects associated to the concepts indicated in 1) and 2) will be treated the same as the item that originated them.

b) Dividend Provision

In the January 01 to March 31, 2016 period, the Company recorded a minimum dividend provision of US\$9,579 (KUS\$5,834 as of March 31, 2015).

Below is the calculation of the accrued dividend for the period ending March 31, 2016 and the period ending March 31, 2015.-

Concept	31-mar-16 KUS\$	31-mar-15 KUS\$
Gains attributable to the equity owners of the parent co.	17,771	10,179
Minus:		
Result to be distributed	17,771	10,179
Minimum dividend %	50.00%	50.00%
Minimum accrued dividend	8,886	5,090

(*) The calculation of the increase of biological asset to fair value was performed over the property percentage which corresponds to the Company over the Profit attributable to the equity owners of the parent company.

Paid dividends

Below is a detail of the dividends paid in previous years.

Month and year of payment	Type	Last 3 years KUS\$
may-14	Definite	3,789
oct-14	Provisional	3,920
	Total year 2014	7,709
may-15	Definite	2,939
oct-15	Provisional	3,920
	Total year 2015	6,859

NOTE 26 – OTHER RESERVES

The detail of Other Reserves account and its movement is as follows:

<u>Movement</u>	31-mar-16 <u>KUS\$</u>	31-dec-15 <u>KUS\$</u>
Opening balance	14,403	(3,393)
Reserves Revaluation Bearer Plants	(1,026)	24,936
Reserves for cash flow hedging	7,780	(1,054)
Reserves for Exchange rate fluctuations	174	(6,086)
Total	<u>21,331</u>	<u>14,403</u>

Changes to Other Reserves due to application of amendment to IAS 41.

Other reserves	31-dec-15 <u>KUS\$</u>
Balance presented in report as of 31-12-2015	(10,533)
Fair value adjustment due to change in policy	3,267
Biological Valuation as of 31-12-2015	3,111
Biological Valuation Amortization	(689)
Biological Valuation as of 31-01-2015	19,247
Total corrected as of 31-12-2015	<u>14,403</u>

The movement of cash flow hedging reserves for the period ending March 31, 2016 and the period ending December 31, 2015 is as follows:

Movement	31-mar-16 <u>KUS\$</u>	31-dec-15 <u>KUS\$</u>
Cash flow hedging reserves		
Opening balance	(2,851)	(1,797)
Other integral result	7,780	(1,054)
Total	<u>4,929</u>	<u>(2,851)</u>

The cash flow hedging reserve is net of deferred tax.

(*) Income tax included in cash flow hedging reserves are detailed in the following table:

	31-mar-16 <u>KUS\$</u>	31-dec-15 <u>KUS\$</u>
Cash flow hedging reserves	6,629	(3,587)
Income tax	(1,700)	736
Total	<u>4,929</u>	<u>(2,851)</u>

The movement of Reserves for Exchange rate fluctuations in the period ending March 31, 2016 and the period ending December 31, 2015 is as follows:

	31-mar-16	31-dec-15
Movement reserves for differences	<u>KUS\$</u>	<u>KUS\$</u>
in exchange rate conversion		
Opening balance	(7,682)	(1,596)
Other integral result	174	(6,086)
Total	<u>(7,508)</u>	<u>(7,682)</u>

The movement of Bearer Plant Revaluation Reserves in the period ending March 31, 2016 and the period ending December 31, 2015 is as follows:

	31-mar-16	31-dec-15
Bearer Plant Revaluation	<u>KUS\$</u>	<u>KUS\$</u>
Reserves		
Opening balance	24,936	-
Transfer biological fair value January 01, 2015	-	19,247
Revaluation bearer plants year 2015	-	6,378
Amortization revaluation bearer plants	(1,026)	(689)
Total	<u>23,910</u>	<u>24,936</u>

NOTE 27 – NON PARENT COMPANY INTERESTS

Corresponds to the acknowledging of equity value and the result of the subsidiaries that correspond to minority investors.

a) The detail of the interests of non parent companies is as follows:

<u>Subsidiaries</u>	<u>Interest percentage of non parent companies</u>		<u>Interest in equity of non parent companies</u>		<u>Interest of non parent companies in income result (loss)</u>	
	<u>31-dec-15</u>	<u>31-dec-15</u>	<u>31-mar-16</u>	<u>31-dec-15</u>	<u>31-mar-16</u>	<u>31-mar-15</u>
	<u>%</u>	<u>%</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
Agrícola EL Avellano S.A.	60.0%	60.0%	3,055	3,053	24	(258)
Agrícola El Carmen S.A.	75.0%	75.0%	-	-	-	-
Agrícola El Pampino S.A.	80.0%	80.0%	856	662	172	(80)
Agrícola Santa Rebeca Ltda.	75.0%	75.0%	400	401	(1)	1
Agrícola Vida Nueva S.A.	50.0%	50.0%	4,999	4,515	265	437
Viveros Hortifrut Chile S.A.	49.0%	49.0%	152	156	(13)	-
Hortifrut Argentina S.A.	1.0%	1.0%	6	9	(3)	-
Agrofrutas, SRL. de C.V.	1.0%	1.0%	(5)	(4)	-	1
Hortifrut España Southern	50.0%	50.0%	14,490	13,883	95	115
Agrícola Santa Rosa del Parque S.A.	70.0%	70.0%	3,752	2,792	959	509
Agrícola Mataquito S.A.	50.0%	50.0%	3,532	3,445	87	(26)
Euroberry Marketing S.A.	50.0%	50.0%	1,035	832	154	231
Asturian Berries S.A.	49.0%	49.0%	434	469	(49)	-
Total			32,706	30,213	1,690	930

b) The movement for the period ending March 31, 2016 and the period ending December 31, 2015, of non parent Company interests is as follows:

<u>Movement</u>	<u>31-mar-16</u>	<u>31-dec-15</u>
	<u>KUS\$</u>	<u>KUS\$</u>
Opening balance	30,213	26,934
Profits	1,690	7,347
Reserves for Exchange rate fluctuations	803	(281)
Capital increase (dividends) at subsidiaries	-	(2,386)
Adjustment at opening (IAS 41)	-	(1,401)
Total	32,706	30,213

Changes to interests of non parent companies, due to application of amendment to IAS 41.

<u>Note 27</u>	<u>Note 27</u>
<u>Non parent Company interests</u>	<u>Minoritary</u>
	<u>KUS\$</u>
Balance presented in the report as of 31-12-2015	30,213
Adjustment to fair value due to change in policy	(3,277)
Biological Amortization	(834)
Biological Valuation as of 31-12-2015	4,111
Total as of 31-12-2015 corrected	30,213

NOTE 28 – PROFITS PER SHARE AND DISTRIBUTABLE NET PROFIT

28.1. Profits per share

The calculation of profits per basic share has been performed by dividing the amount of profits attributable to the shareholders by the weighted average of the number of shares of the single series. Hortifrut has not issued a convertible debt or other equity values. As a result, there are no potentially diluting effects in the Company's income per share.

The detail of profits per share is as follows:

<u>Basic profit (loss) per share</u>	<u>Measuring unit</u>	<u>31-mar-16</u>	<u>31-mar-15</u>
Profit (loss) from activities continued after tax	KUS\$	17,771	10,179
Basic weighted average of number of shares	Unit	435,520,079	435,520,079
Basic profit per share for continued operations	(US\$ per share)	0.040804	0.023372

Below is the calculation of the weighted average of the number of shares in circulation:

				<u>Weighted average of ordinary shares in circulation</u>	
<u>Weighted average of ordinary shares in circulation</u>	<u>N° of days in circulation</u>	<u>N° of shares</u>	<u>Weighting %</u>	<u>31-mar-16</u>	<u>31-mar-15</u>
Opening balance	90	435,520,079	100%	435,520,079	435,520,079
	90	435,520,079		435,520,079	435,520,079

28.2. Distributable net profit

The dividend policy consists on distributing as dividend 50% of the period's net profit, and through the distributing of a final dividend, which must be agreed by the Ordinary Shareholders Meeting, payable on the date that said meeting designates.

In virtue of what is stated in SVS regulation (circular) N° 1945, dated September 29, 2009, the Board agreed to establish as a general policy that the net profit, for the payment of the minimum 30% obligatory dividend, established in article 79 of Law 18.046, will be determined over the base of the refined profit of the relevant variations in the fair value of the assets and liabilities that are not realized, which must be re-entered into the calculation of the net profit of the period when said variations are performed.

Additional dividends will be determined based on the mentioned criteria, as per the agreement that the Shareholder's Meeting adopts.

Below is the calculation of the Result to be Distributed for the period ending March 31, 2016 and the period ending December 31, 2015, as per the dividend policy described in note 26 a):

	31-mar-16	31-mar-15
<u>Concept</u>	<u>KUS\$</u>	<u>KUS\$</u>
Profit attributable to the parent Company's equity holders	17,771	10,179
<u>Minus:</u>		
Increase biological assets to fair value	-	-
Deferred taxes	-	-
Result to be Distributed	<u>17,771</u>	<u>10,179</u>

In the periods where the biological asset is increased to fair value, the adjustment performed over the Increase attributable to the equity owners of the parent company is applied.

NOTE 29 – OPERATING REVENUE AND OTHER REVENUE PER FUNCTION

The detail is as follows:

Concept	31-mar-16	31-mar-15
	<u>KUS\$</u>	<u>KUS\$</u>
Revenue from operating activities	170,945	161,612
Other revenue per function, excluding income from value to fair value of the biological assets	43	43
Total	<u>170,988</u>	<u>161,655</u>

The detail of the Group's income considers the Income from operating activities plus Other income per function.

Other revenue per function	31-mar-16	31-mar-15
	<u>KUS\$</u>	<u>KUS\$</u>
Profit from the sale fixed assets and materials	43	43
Total	<u>43</u>	<u>43</u>

Therefore, the detail per segment for the periods ending March 31, 2016 and 2015 is as follows:

Product	31-mar-16	31-mar-15
	<u>KUS\$</u>	<u>KUS\$</u>
Blueberries	134,557	126,846
Raspberries	6,328	6,992
Blackberries	11,632	10,679
Strawberries	7,735	6,701
Cherries	1,761	3,169
Value added products	8,975	7,268
Total	<u>170,988</u>	<u>161,655</u>

The Group's operating income is mainly constituted by the sale of products derived from the harvesting of biological assets.

NOTE 30 – DETAIL OF RELEVANT RESULTS

The items in the income statement per function for the periods ending March 31, 2016 and 2015, are detailed as indicated below:

1) Cost of sales

Below are the main sales costs that the Company maintains to the closing of the periods:

	31-mar-16	31-mar-15
	<u>KUS\$</u>	<u>KUS\$</u>
Cost of sales		
Cost of sales	77,967	77,143
Materials	16,453	14,783
Remunerations	12,153	14,673
Depreciations and amortization	5,838	5,322
Other general expenses	8,162	5,281
Freight	12,920	15,341
Lease of properties, machinery, etc.	1,019	965
Third party services	5,781	4,127
Total Cost of Sales	<u>140,293</u>	<u>137,635</u>

2) Administrative expenses

Below are the main administrative expenses that the Company has to the closing of the periods:

	31-mar-16	31-mar-15
	<u>KUS\$</u>	<u>KUS\$</u>
Administrative expenses		
Remunerations	2,658	2,019
Depreciations and amortizations	402	451
Other general expenses	1,905	1,432
Leasing of properties, machinery, etc.	179	106
Third party services	848	991
Others	57	-
Total Administrative Expenses	<u>6,049</u>	<u>4,999</u>

3) Other expenses, per function

	31-mar-16	31-mar-15
	<u>KUS\$</u>	<u>KUS\$</u>
Other expenses per function		
Investigation expenses		
Materials	4	2
Remunerations	104	26
Depreciations and amortizations	4	4
Other general expenses	56	93
Freight	1	1
Leasing of real estate, machineries, etc.	2	2
Third party services	50	72
Sub-total Investigation Expenses	<u>221</u>	<u>200</u>
Other expenses		
Loss from sale of assets and materials	57	55
Asset write off	-	274
Sub-total Other expenses	<u>57</u>	<u>329</u>
Total Other expenses per function	<u>278</u>	<u>529</u>

NOTE 31 – FINANCIAL EXPENSES

Financial expenses for the periods ending March 31, 2016 and 2015, are detailed below:

	31-mar-16	31-mar-15
	<u>KUS\$</u>	<u>KUS\$</u>
Financial Expenses		
Bank loans	972	909
Expenses /commissions	128	217
Interests with related parties	9	-
Leasing interests	54	30
Total financial expenses	<u>1,163</u>	<u>1,156</u>

NOTE 32 – EXCHANGE RATE DIFFERENCES

The detail of the exchange rate difference for the period ending March 31, 2016 and 2015, are detailed as follows:

	Currency	31-mar-16 KUS\$	31-mar-15 KUS\$
Assets			
Cash and cash equivalents	CLP	123	162
Cash and cash equivalents	USD	(59)	13
Cash and cash equivalents	EUR	(21)	(200)
Cash and cash equivalents	GBP	-	(2)
Cash and cash equivalents	MXN	(84)	16
Trade debtors and other accounts receivable	CLP	120	(99)
Trade debtors and other accounts receivable	USD	239	5
Trade debtors and other accounts receivable	EUR	53	(57)
Trade debtors and other accounts receivable	MXN	(148)	(93)
Accounts receivable from related entities	EUR	426	(935)
Accounts receivable from related entities	USD	-	197
Current tax assets	CLP	1,040	(502)
Current tax assets	MXN	58	121
Current tax assets	USD	14	-
	Sub-total	<u>1,761</u>	<u>(1,374)</u>
Liabilities			
Other financial liabilities	CLP	(772)	(22)
Other financial liabilities	EUR	28	-
Other financial liabilities	MXN	(4)	(5)
Trade accounts and other accounts payable	CLP	653	78
Trade accounts and other accounts payable	USD	(9)	(5)
Trade accounts and other accounts payable	EUR	(68)	15
Trade accounts and other accounts payable	MXN	(140)	(13)
Accounts payable to related entities	CLP	70	91
Accounts payable to related entities	USD	58	(1,134)
Accounts payable to related entities	MXN	(56)	(50)
	Sub-total	<u>(240)</u>	<u>(1,045)</u>
	Total exchange rate difference	<u>1,521</u>	<u>(2,419)</u>

NOTE 33 – FOREIGN CURRENCY

NOTA 33-1 – FOREIGN CURRENCY TOTAL CURRENT ASSETS

Current Assets	31-Mar-16	31-Dec-15
	<u>KUS\$</u>	<u>KUS\$</u>
Cash and Cash Equivalents		
Dollar	55,669	11,888
Euros	5,794	10,739
Chilean Pesos	3,943	1,263
Mexican Pesos	903	248
Other currencies	55	461
Other current financial assets		
Dollar	6,819	3
Other current non financial assets		
Dollar	14	17
Euros	1,447	1,511
Chilean Pesos	2,184	4,475
Mexican Pesos	826	632
Other currencies	149	8
Current trade debtors and other accounts receivable		
Dollar	8,736	15,410
Euros	11,716	11,603
Chilean Pesos	8,791	11,122
Mexican Pesos	4,841	4,492
Other currencies	1,654	1,885
Current accounts Receivable from Related Entities		
Dollar	42,266	30,522
Euros	10,009	7,116
Chilean Pesos	975	917
Stock		
Dollar	28,107	39,186
Euros	659	781
Chilean Pesos	679	668
Other currencies	988	1,044
Current biological assets		
Dollar	829	4,864
Euros	1,759	1,346
Chilean Pesos	674	682
Other currencies	316	290
Total Current Assets	200,802	163,173

NOTE 33-2 – FOREIGN CURRENCY NON CURRENT ASSETS

Non current assets	31-mar-16 KUS\$	31-dec-15 KUS\$
Other non current financial assets		
Dollar	2,115	-
Other non current non financial assets		
Euros	17	3
Chilean Pesos	7	7
Other currencies	12	1
Non current fees receivable		
Dollar	1,415	1,286
Non current accounts receivable from Related Entities		
Dollar	1,953	6,040
Euros	3,485	3,629
Investments recorded using the equity method		
Dollar	24,813	24,595
Intangible assets different to appreciation		
Dollar	29,023	29,181
Appreciation		
Dollar	26,769	26,769
Properties, Plant and Equipment		
Dollar	184,769	180,351
Euros	15,462	16,146
Chilean Pesos	3,367	3,062
Other currencies	2,623	2,343
Deferred tax assets		
Dollar	16,712	14,317
Total non current assets	312,542	307,730
Total assets	513,344	470,903
Dollar	430,009	384,429
Euros	50,348	52,874
Chilean Pesos	20,620	22,196
Mexican Pesos	6,570	5,372
Other currencies	5,797	6,032
Total currency assets	513,344	470,903

NOTE 33-3 – FOREIGN CURRENCY CURRENT LIABILITIES

Current Liabilities	31-mar-16 KUS\$	31-dec-15 KUS\$
Other current financial liabilities		
Dollar	103,135	97,449
Euros	2,706	2,690
Current trade accounts and other accounts payable		
Dollar	37,748	29,485
Euros	2,113	2,043
Chilean Pesos	5,812	11,829
Mexican Pesos	2,807	2,148
Other currencies	591	1,181
Current Accounts Payable to Related Entities		
Dollar	250	1,166
Euros	1,048	66
Chilean Pesos	971	1,021
Other current provisions		
Dollar	1,641	113
Current tax liabilities		
Dollar	5,818	360
Current provisions for employee benefits		
Dollar	514	300
Chilean Pesos	441	441
Mexican Pesos	507	507
Other current non financial liabilities		
Dollar	2,755	2,489
Euros	431	431
Total Current Liabilities	169,288	153,719

NOTE 33-4 – FOREIGN CURRENCY NON CURRENT LIABILITIES

	31-mar-16	31-dec-15
	<u>KUS\$</u>	<u>KUS\$</u>
Non current liabilities		
Other non current financial liabilities		
Dollar	63,743	57,007
Euros	4,911	4,918
Other non current accounts payable		
Dollar	756	756
Non current accounts payable to related entities		
Dollar	12,010	12,010
Euros	10,000	10,316
Chilean Pesos	433	408
Other non current provisions		
Dollar	76	76
Deferred tax liability		
Dollar	27,728	26,626
Total non current liabilities	119,657	112,117
Total liabilities	288,945	265,836
Dollar	256,174	227,837
Euros	21,209	20,464
Chilean Pesos	7,657	13,699
Mexican Pesos	3,314	2,655
Other currencies	591	1,181
Total currency liabilities	288,945	265,836
Summary of thousands of net dollars per currency		
Dollar	173,835	156,592
Euros	29,139	32,410
Chilean Pesos	12,963	8,497
Mexican Pesos	3,256	2,717
Other currencies	5,206	4,851
Total net currencies	224,399	205,067

NOTE 34- CONTINGENCIES

a) Pledged shares

To the closing of the current financial statement, the Company does not present pledged shares.

b) Direct guarantees

At the subsidiaries Agrícola Santa Rosa del Parque S.A, Agrícola Mataquito S.A., Agrícola El Pampino S.A. and Agrícola Hortifrut S.A. there are restrictions (guarantees and/or mortgages) over its biological assets.

Below is a detail of the book value of the assets given in guarantee, as well as the debt associated to these assets:

<u>Company</u>	<u>Biological</u>	<u>Properties</u>	<u>Associated</u>	
	<u>Assets</u>		<u>Debt</u>	<u>Bank</u>
	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	
Agrícola Santa Rosa del Parque S.A	3,355	5,109	1,384	Banco Rabobank Chile
Agrícola Mataquito S.A.	9,034	8,873	2,183	Banco Santander Chile
Agrícola El Pampino S.A.	3,029	3,996	659	Banco Rabobank Chile
Agrícola Hortifrut S.A.	16,546	21,913	3,544	Banco de Chile
Berries de Panguipulli SpA	-	2,304		
Top Berries & Fruit SpA	-	4,428		
Hortifrut S.A.	-	865	27,756	Banco de Crédito e Inversiones
Hortifrut Comercial S.A.	-	2,168		
Hortifrut Chile S.A.	-	12,346		
Total	31,964	62,002	35,526	

c) Indirect Guarantees

Below we detail the Guarantees directly managed by the subsidiaries

<u>Creditor of the Guarantee</u>	<u>Debtor Name</u>	<u>Relationship</u>	<u>Type of Guarantee</u>	<u>KUS\$</u>
Banco Rabobank (Curacao) (1)	Hortifrut Chile S.A.	Subsidiary	Surety	10,000
Banco Santander (2)	Hortifrut España Southern Sun S.L	Subsidiary	Surety	326
Banco Santander (3)	Hortifrut España Southern Sun S.L	Subsidiary	Surety	500

(1) Surety granted by Hortifrut Chile S.A., to guarantee 50% of the loan granted to HF TAL S.A.C., for the total amount of US\$20 million, of which to date US\$10 million have been used.

(2) Surety granted for the loan denominated “Bank Line European Investment Fund for I+D financing”, granted for Euro 900,000

(3) Surety issued for loans granted for the amount of Euro 1,400,000.

Points (2) and (3), correspond to guarantees granted in favor of the company S.A.T. Hortifrut H-0030, in proportion to its 33% interest.

d) Guarantees obtained from third parties

To the closing of the current financial statement, the Company has not received relevant guarantees from third parties.

e) Restrictions

Management restrictions or limit of financial indicators are presented detailed in Note 22- a.1)

f) Other contingencies

The Company, to the closing of these Financial Statements, does not maintain other contingencies that could significantly affect the current financial statements.

NOTE 35 - ENVIRONMENT

Hortifrut is a Company that is concerned for the environment. Most of its production has been converted into organic production, thus becoming the largest organic blueberry producer in the world.

For the period ending March 31, 2016, the Company has not performed disbursements related with protecting the environment, and there are no future commitments regarding this matter.

In the future, the Company and its subsidiaries will reiterate their commitment for taking care of the environment by performing new investments, constantly training its workers and subscribing new agreements that allow it to advance towards sustainable development in order to obtain a harmonic progress between its operations and its surroundings.

NOTE 36 – OPERATING AND FINANCIAL LEASES

The main operating lease contracts are:

Lessee Company	Lessor	Description	Surface (has.)	Contract Date	Term	Value of annual instalment KUS\$	Up to 1 year	1 to 5 years	5 or more years
							KUS\$	KUS\$	KUS\$
Hortifrut S.A.	Inversiones IMG Ltda.	Part of a piece of three, Predio Virquenco, Santa Fe, Fundo Los Robles, Los Angeles	22.50	10/14/1999	25 years	14	14	56	38
Hortifrut S.A.	Inversiones IMG Ltda.	Lot N°1 and N°2, Farm N°67, Proyecto Parcelación Virquenco, Los Angeles	8.25	12/30/2009	10 years	5	5	9	-
Agrícola El Avellano S.A.	Sociedad Agrícola y Ganadera El Otonal Ltda.	El Avellano Estate, Osorno	130.00	6/30/2000	32 years	40	40	160	390
Hortifrut S.A.	Agrícola e Inmobiliaria Lumaco S.A.	Farm N°68, Parcelación Virquenco Project, Los Angeles	10.00	7/1/2012	10 years	6	6	24	11
Hortifrut S.A.	García Salas, Silvia and Others	Farm N°20, Parcelación Por la Razón o la Fuerza Project, Mulchén, Los Angeles	11.00	5/1/2002	18 years	5	5	9	-
Hortifrut S.A.	Alfredo Demian Asfura	Farm N°4 and N°6, Parcelación Por la Razón o la Fuerza Project, Mulchén	33.40	5/3/2006	17 years	51	51	204	35
Hortifrut S.A.	Miguel Angel Muñoz Hidalgo and Others	Piece of property called Las Mercedes, Chanco (La Laguna)	21.67	5/23/2007	13 years	13	13	21	-
Hortifrut S.A.	Sergio Meza Pérez and Other	Piece of San Baldomero Estate, Chanco	50.00	3/1/2010	10 years	22	22	37	-
Hortifrut S.A.	Pedro Peñailillo Peralta	Piece of Puchema property, Chanco	5.49	3/10/2015	5 years	4	4	14	-
Hortifrut S.A.	Francisco Cancino Tapia	Rural property, Sector Puchema, Chanco	8.05	6/24/2005	15 years	5	5	9	-
Hortifrut S.A.	Manuel Retamal Chamorro	Part of property called El Recreo, Reloca, Chanco	1.00	7/4/2008	9 years	1	1	-	-
Hortifrut S.A.	María Angélica Osorio Cortés	Part of Farm N°136, Colonia Gabriel González Videla, La Serena (Includes water rights)	22.50	3/27/2010	7 years	13	13	10	-
Hortifrut S.A.	Sara Letelier Letelier	Resto Hijueta 2da, Ponunquén Estate and Lot A of Plano de Hijuelación, Fundo Ponunquén, Curepto	76.37	5/1/2007	20 years	49	49	196	218
Agrícola Vida Nueva	Inversiones Canihua S.A.	Part of Farm N°33, Parcelación Vida Nueva Project, Villarrica	29.70	5/1/2002	21 years	10	10	40	8
Agrícola Vida Nueva	Inversiones IMG Ltda.	Las Encinas Estate, Sector Santa Fe, Los Angeles.	41.40	5/1/2005	25 years	13	13	52	101
Agrícola Vida Nueva	Rosa Villablanca Franco	Farm N°33 Vida Nueva, Villarrica.	10.00	1/2/2007	25 years	2	2	8	19
Hortifrut S.A.	Inversiones IMG Ltda.	Farm N°50 Parcelación Virquenco, Los Angeles.	12.60	7/1/2008	15 years	6	6	24	5
Hortifrut S.A.	Agrícola e Inmobiliaria Lumaco S.A.	Farm N°51 and 64 Parcelación Virquenco, Los Angeles.	13.50	7/1/2008	15 years	6	6	24	5
Hortifrut S.A.	Inversiones IMG Ltda.	Farm N°74 Parcelación Virquenco, Los Angeles.	17.50	6/1/2003	25 years	6	6	24	35
Hortifrut S.A.	Agrícola e Inmobiliaria Lumaco S.A.	Farm N°75 Parcelación Virquenco, Los Angeles.	17.50	6/1/2003	25 years	6	6	24	35
Hortifrut S.A.	Olga Alvarez S. and Claudio Alvarez S.	Petrenco Farm Lot C, Gorbea Temuco	19.30	7/1/2014	10 years	12	12	48	33
Hortifrut S.A.	Inés Aravena Guzmán	Farm N° 51, 52 and 53 Parcelación Colín	31.78	6/30/2015	1 year	34	14	-	-
Hortifrut Chile S.A.	Satel Inversiones Inmobiliarias S.A.	Office at Avenida del condor 600, Huechuraba, Santiago n°31 and 33 Parking N° 71 to 76, Warehouse n°28	291 mts2	4/1/2014	5 years	55	55	90	-
Hortifrut Chile S.A.	Agrícola Santa Carmen Ltda.	Part of Farms N°42 and N°43, of sub-division of Lot 65 A, 66 and 67 of sub-division of Ex Hacienda Curacaví, Curacaví	4000 mts2	5/26/2011	20 years	1	1	4	9
Hortifrut Chile S.A.	SOF South Organic Fruits S.A. (property leased to Frigorífico Santa Rosa)	1,200 m2 warehouse and 140 m2 office, 340 m2 space and refrigeration chamber 1 of 826 m2; refrigeration chamber 2 of 268 m2 and refrigeration chamber 3 of 356 m2, Chillán	3130 mt2	10/1/2009	8 years	56	56	-	-
Hortifrut ABA S.A. de C.V.	Guillermo Cortés Santiago	Guayabos Farm, Zapotiltic, Jalisco, Mexico	9.48	5/10/2008	12 years	7	7	12	-

Lessee Company	Lessor	Description	Surface (has.)	Contract Date	Term	Value of annual instalment KUS\$	Up to 1 year	1 to 5 years	5 or more years	
							KUS\$	KUS\$	KUS\$	
Hortifrut ABA S.A. de C.V.	Abraham Mendoza Gudiño and M ^o Refugio Preciado Barragan	Guayabos Field, Zapotiltic, Jalisco, Mexico	12.39	1/1/2009	12 years	10	10	28	-	
Hortifrut ABA S.A. de C.V.	Juan José Vargas Mendoza and others	Guayabos Field, Zapotiltic, Jalisco, Mexico	70.09	6/10/2005	12 years	43	43	21	-	
Hortifrut ABA S.A. de C.V.	Pedro Mendoza Ocegüera	Guayabos Field, Zapotiltic, Jalisco, Mexico	5.02	1/1/2013	18 years	9	9	36	90	
Hortifrut ABA S.A. de C.V.	Alfonso Esparza Sánchez and others	Ocote Cuate Field, Zapotiltic, Jalisco, Mexico	60.80	1/1/2013	20 years	91	91	364	978	
Hortifrut S.A. de C.V.	Productores Ziracuaretiro	Ziracuaretiro Stocking, Michoacán, Mexico		8/21/2013	3 years	47	43	-	-	
Hortifrut S.A. de C.V.	Consultores y Servicios S.A. De C.V.	Commercial Warehouse, Lot land n ^o 1, Municipio Jocotepec, Jalisco Mexico		4/3/2014	4 years	6	6	7	-	
Hortifrut ABA S.A. de C.V.	Valentín García Elizondo	Ocote Cuate Field, Zapotiltic, Jalisco, Mexico	9.02	1/30/2009	12 years	5	5	14	-	
HF SARBANAND, S. de R.L. De C.V.	Juan Carlos Caballos Espinoza and Adriana Gutiérrez Gutiérrez	Fresnos I Field, Zapotiltic, Jalisco, Mexico	45.00	5/11/2009	12 years	81	81	223	-	
HF SARBANAND, S. de R.L. De C.V.	Raúl Silva Mendoza, Angélica Gutiérrez and others	Fresnos II Field, Zapotiltic, Jalisco, Mexico	77.51	7/15/2009	12 years	171	171	470	-	
HF SARBANAND, S. de R.L. De C.V.	PROMOCIONES BIOGENÉTICAS, S.A. De C.V./Arturo Silva Mendoza	El Gato y La Tuza Field, Zapotiltic, Jalisco, Mexico	30.00	2/4/2011	12 years	66	66	264	50	
HF SARBANAND, S. de R.L. De C.V.	Arturo Silva Mendoza	El Gato y La Tuza Field, Zapotiltic, Jalisco, Mexico	7.00	7/15/2009	12 years	15	15	41	-	
HF SARBANAND, S. de R.L. De C.V.	M ^o Trinidad García Aguayo and/or Héctor Quintanar García	El Gato y La Tuza Field, Zapotiltic, Jalisco, Mexico	9.79	1/1/2011	12 years	18	18	72	14	
Hortifrut ABA S.A. de C.V.	Eduardo Morales Valencia	La Cañada Field, Comala, Colima, Mexico	5.01	8/24/2012	5 years	10	10	8	-	
Hortifrut ABA S.A. de C.V.	Georgina del Toro Bayardo, José del Toro Bayardo and José de Jesús del Toro Bayardo	San José Field, Zapotiltic, Jalisco, Mexico	77.57	2/28/2013	20 years	167	167	668	1,795	
Agrícola Los Reyes S. de R.L. de C.V.	J. Jesus Barragán Plascencia	Farm number 99-Z P1/2, Municipio de Los Reyes, Michoacán, Mexico	2.50	4/24/2014	10 years	6	6	24	11	
Agrícola Los Reyes S. de R.L. de C.V.	Pablo Martínez González	Farm number 101 Z-1 P1/2, Municipio de Los Reyes, Michoacán, Mexico	14.65	12/18/2014	5 years	25	25	75	-	
Agrícola Los Reyes S. de R.L. de C.V.	Agripina Guerrero Castillo	Farm 71 Z1-P1/2, Municipio de Los Reyes, Michoacán, Mexico	8.12	7/1/2012	4 years	16	9	-	-	
Agrícola Los Reyes S. de R.L. de C.V.	Adelina Ceja Zaragoza	Fraction of Farm number 191-Z1 P1/2, Municipio de Los Reyes, Michoacán, Mexico	1.00	2/10/2007	10 years	1	1	0	-	
Agrícola Los Reyes S. de R.L. de C.V.	Manuel Barragán Macías	Farm number 107 Z-1 P1/2, Municipio de Los Reyes, Michoacán, Mexico	7.39	5/1/2015	3 years	11	11	9	-	
Agrícola Los Reyes S. de R.L. de C.V.	Salvador Nuñez Figueroa	Farm number 102 Z-1 P1/2, Núcleo agrario "Los Limones", Municipio de Los Reyes, Michoacán, Mexico	6.33	3/15/2006	12 years	7	7	5	-	
Agrícola Los Reyes S. de R.L. de C.V.	J. Jesus Barragán Osegüera	Farm ejidal number 104 Z-1 P1/2, Municipios de Los Reyes, Michoacán, Mexico	4.40	3/2/2014	6 years	6	6	11	-	
Agrícola Los Reyes S. de R.L. de C.V.	J. Jesus Barragán Osegüera	Farm number 220 Z-1 P1/2, Núcleo agrario "Los Limones", Municipio de Los Reyes, Michoacán, Mexico	4.47	3/2/2014	6 years	15	15	26	-	
Hortifrut España Southern Sun S.L.	Destro S.A. (CIF A46105532)	El Alamillo Farm, Sevilla, Spain	200.00	12/15/2005	18 years	448	448	1,792	784	
Asturian Berries S.L.	Ayuntamiento de Villaviciosa de Asturias	Communal property monte la Rasa de Selorio, Spain	13.00	10/26/2006	25 years	2	2	8	19	
Berry Good Comercial Importadora y Distribuidora de Frutas Ltda.	Hudson Nogueira Luz	Refrigeration installations Rua Joao n ^o 332, Senador Amaral, Minas Gerais, Brazil	1.00	4/1/2012	10 years	8	8	32	-	
Berry Good Comercial Importadora y Distribuidora de Frutas Ltda.	Espólio de Gilberto Silvério de Rezende	Area B2, Sitio Lagoa Grande, Senador Amaral, Minas Gerais, Brazil	6.79	1/7/2013	8 years	7	7	28	-	
Berry Good Comercial Importadora y Distribuidora de Frutas Ltda.	Maria Silvério de Mendonza	Correntinho Property, Senador Amaral, Minas Gerais, Brazil	42.35	2/6/2013	8 years	61	61	122	-	
Berry Good Comercial Importadora y Distribuidora de Frutas Ltda.	Espólio de João Alves de Rezende	Lagoa Grande Property and Senador Amaral Property	18.00	7/25/2011	9 years	20	20	55	-	
Total							1,784	5,500	4,680	

The flows were determined based on the contractually agreed lease terms, without considering the negotiations that are maintained to date to extend the validity term of said contracts.

The minimum payable amounts as per the contracts are:

Short Term Portion KUS\$	1 to 5 Years KUS\$	Over 5 years KUS\$	Total KUS\$
1,784	5,500	4,680	11,964

The detail of leased land as of March 31, 2016 is KUS\$524

The main leasing contracts are:

Bank or financial institution	Description of goods on Leasing	Minimum payment				
		Up to	Between	Over	Total	
		one year	one to	five years		
		KUS\$	five years	KUS\$	KUS\$	KUS\$
Bilbao Vizcaya Argentaria	Administrative offices and parkings	217	707	-	924	
Santander Chile	Blueberries processing line	132	-	-	132	
Rabobank Chile	Molina Plant	836	3,344	2,717	6,897	
Santander Chile	Peripherals Packing Machine	27	-	-	27	
BBC Tecnología Agrícola Ltda.	Soft Sorter Machines	255	255	-	510	
BBC Tecnología Agrícola Ltda.	Filling Machine	259	252	-	511	
Banco de Crédito e Inversiones	UNITEC	393	1,279	-	1,672	
Santander Chile	Macro-tunnels	75	225	-	300	
	General Total	2,194	6,062	2,717	10,973	

Bank or financial institution	Description of goods on Leasing	Future financial burden				
		Up to	Between	Over	Total	
		one year	one and	five years		
		KUS\$	five years	KUS\$	KUS\$	KUS\$
Bilbao Vizcaya Argentaria	Administrative offices and parkings	54	83	-	137	
Santander Chile	Blueberries processing line	2	-	-	2	
Rabobank Chile	Molina Plant	197	545	152	894	
Santander Chile	Peripherals Packing Machine	-	-	-	-	
BBC Tecnología Agrícola Ltda.	Soft Sorter Machines	-	-	-	-	
BBC Tecnología Agrícola Ltda.	Filling Machines	18	-	-	18	
Banco de Crédito e Inversiones	UNITEC	40	61	-	101	
Santander Chile	Macro-tunnels	10	14	-	24	
	General Total	321	703	152	1,176	

**NOTE 37 – EVENTS SUBSEQUENT TO THE DATE OF THE FINANCIAL STATEMENTS**

1.- Dated April 08, 2016, the following essential fact is informed:

After the unanimous agreement of the Directors present at the Board meeting held on previous March 29, on April 07, 2016, the Company has subscribed with messes David Munger and Kable Munger (the “Munger Family”) a memorandum of understanding (the “MoU”) in relation to a transaction (the “Transaction”) whose objective is the combination of business through which the Company will acquire the berries line of business which is, directly or indirectly, controlled by the Munger Family (the “Berries Business”), whose operations are mainly located in the states of California, Oregon and Washington in the United States of America (“United States”) and which cover 1,200 productive hectares.

The fundamental terms of the transaction contemplated in the MoU include:

- Purchase of real estate. The purchase on behalf of a subsidiary 100% owned by the Company, constituted in the United States, of the real estate related with the Berries Business located in the states of California, Oregon and Washington in the United States (the “Real Estate”), for a total price of US\$ 160 million (the “Price of the Real Estate”).
- Merger – 20%. The merger (the “Merger”) of the Company with the Chilean Company (“Chilean MergerCo”) to which 100% of the shares of a Company to be constituted in the United States by the Munger Family (“US OpCo”) will have been contributed, where the Berries Business different to Real Estate will be contributed.
- As a result of the Merger, the Company will absorb Chilean MergerCo, thus becoming its legal successor, with which US OpCo will become a subsidiary 100% owned by the Company.

As payment and as a result of the agreed swap, for 100% of Chilean MergerCo’s shares, the Munger Family will receive Company shares which, after the Merger, will represent 20% of its share capital (“20% of the Company’s Shares”).

Earn-Out. Finally, it was agreed, due to the contribution of the Berries Business different to Real Estate, the Munger Family, apart from receiving 100% of US OpCo’s shares – which will later be contributed to Chilean MergerCo – will have the right to a contingent payment for US OpCo (the “Contingent Payment”) determined by the EBITDA excess which US OpCo obtains over the following thresholds:

<u>Year 2016</u>	<u>Year 2017</u>	<u>Year 2018</u>	<u>Year 2019</u>	<u>Year 2020</u>
US\$34BN	US\$41BN	US\$49BN	US\$59BN	US\$71BN

Therefore, if the transaction is implemented, (a) the Company will become the owner of the Real Estate and of 100% of US OpCo, this is, the Berries Business; and (b) the Munger Family will receive (x) the Price of Real Estate; (y) 20% of the Company’s Shares; and (z) the Contingent Payment.

The Transaction is subject to the usual conditions for operations of this nature, including (a) the legal, operational and financial revision of the Company on behalf of the Munger Family and of the Berries Business on behalf of the Company (“Due Diligence”); (b) the negotiating and signing of definite agreements (the “Definite Contracts”); and (c) the corporate authorizations that are applicable, especially the approval of the Definite Contracts by the Company’s Board and the approval of the Merger by the Company’s shareholders gathered at the Extraordinary Meeting.

The Definite Contracts include the final terms and conditions of the Transaction, which must be agreed by the parties, including, also (a) a contract providing administrative services in relation to US OpCo on behalf of the Munger Family for five years; and (b) a shareholder’s agreement (the “Shareholder’s Agreement”) regarding its shares in the Company to be subscribed between the Munger Family and the Moller Family.

As indicated, the definite terms and conditions of the Shareholder’s Agreement must be agreed by the Munger Family and the Moller Family, but it is not contemplated that the Shareholder’s Agreement will alter the control of the Company by the current parent Company (as is informed in the Company’s Annual Report).

In order to implement the transaction and considering the signing of a Letter of Intent on October 14, 2015 – which was totally replaced by the MoU -, the Board authorized the presentations on behalf of management, hiring of advisors, visits to the installations and the providing of Company information which is necessary to perform the Due Diligence. Likewise, the Company will continue performing the Due Diligence of the Berries Business with the assistance of external advisors.

Also, parallel to the Due Diligence, the parties will negotiate in good faith the Definite Contracts, having fixed in the MoU a period of exclusivity and signing date which extends until June 30, 2016. Likewise, the Company expects to concrete the implementation of the Transaction during the fourth quarter of 2016.

2.- At the Ordinary Shareholder’s Meeting held on April 27, 2016, the following agreements were reached:

i.- Payment of Dividends.

The Board agreed the payment of a dividend of USD 0.006597 per share charged to the net distributable profits for the period ending December 31, 2015.

The dividend will be paid at its equivalent in peso current national currency as per the exchange rate “Observed Dollar” (Chapter I N° 6 of the International Exchange Rate Norms Compendium), published in the Diario Oficial (Official Newspaper) on May 16, 2016. The payment was performed from May 20, 2016, at the Shares Department of the Company, DCV Registros S.A., located on Huérfanos Street N°770, Floor 22, Santiago Centro, during the hours 9:00am to 5:00pm, from Monday to Thursday and from 9:00am to 4:00pm on Friday, as per the modalities instructed in writing by each shareholder before this date.

The Shareholders that were inscribed as such in the Company’s Shareholders Registry as of midnight of the fifth business day before the payment date, which is, as of midnight on May 14, 2016, are subject to this dividend.

ii.- Policy used to determine dividend.

The Board agreed to maintain the policy used in 2015 to determine the net distributable profit for the period corresponding to current year 2016, in order to distribute on an annual basis to its shareholders, as definite dividend in cash, at least 50% of the distributable net profits of the period.

iii.- Board Remuneration.

At the Meeting it was agreed that for the 2016 period the Board will receive the following remunerations:

- (i) An allowance of 10 Unidades de Fomento for each Director, for each Session that they attend.
- (ii) A one percent participation of the Company's distributable net profits for 2016, which will be distributed in equal parts among all the directors, in proportion to the number of months that the position has been held, except for the Board Chairman, who will have the right to receive double what corresponds to each Director as remuneration for attendance and participation in the aforementioned profits.

iv.- Remuneration Director's Committee and budget for the Committee's Expenses

The Board agreed that each one of the three members of this Committee will receive a remuneration of UF 50 for each meeting that they attend, plus an additional prorate participation of 1% of profit, fixed for the Board. Also, a total expense budget for the Director's Committee of UF 2,000 was agreed for 2016.

v.- Designation of External Auditors.

The Board agreed to name PricewaterhouseCoopers Consultores, Auditores y Compañía Limitada as the Company's External Auditors for 2016. It is herewith certified that this agreement is adopted considering the vote against AFP Habitat.

vi.- Designation of Risk Rating Company.

The Board agreed to maintain the current companies Clasificadora de Riesgo Humphreys Limitada and International Credit Rating Compañía Clasificadora de Riesgo Limitada as the Company's private risk rating companies.

Between March 31, 2016 and the date of issuance of these consolidated financial statements, no events of a financial characteristic or others have occurred, which significantly affect the interpretations of these.

NOTE 38 – OTHER INFORMATION

The number of Hortifrut and subsidiaries employees per category is as follows:

	<u>31-mar-16</u>	<u>31-dec-15</u>
Indefinite contracts	687	690
Temporary contracts	<u>6,221</u>	<u>6,201</u>
Total contracts	<u>6,908</u>	<u>6,891</u>

Breakdown by country

<u>Indefinite Contracts</u>	<u>31-mar-16</u>	<u>31-dec-15</u>
Chile	458	470
United States	8	8
Mexico	137	136
Spain	26	26
Brazil	40	36
Argentina	12	12
Peru	<u>6</u>	<u>2</u>
Total	<u>687</u>	<u>690</u>

<u>Temporary Contracts</u>	<u>31-mar-16</u>	<u>31-dec-15</u>
Chile	3,808	4,958
Mexico	1,505	1,128
Spain	828	81
Brazil	31	31
Peru	<u>49</u>	<u>3</u>
Total	<u>6,221</u>	<u>6,201</u>