



**CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**For the periods ending June 30, 2017 and 2016**

**HORTIFRUT S.A. AND SUBSIDIARIES**  
**Thousands of United States Dollars**

# **HORTIFRUT S.A. AND SUBSIDIARIES**

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**HORTIFRUT S.A. AND SUBSIDIARIES**

**CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION**

**As of June 30, 2017 (unaudited) and as of December 31, 2016.**

<b>Statement of Financial Position</b>	<b>Note</b>	<b>30-Jun-17</b>	<b>31-Dec-16</b>
		<b>KUS\$</b>	<b>KUS\$</b>
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	8	29,516	35,245
Other current financial assets	9	2,641	3,155
Other current non-financial assets	14	5,798	5,520
Current trade debtors and other accounts receivable	10	27,230	42,578
Current accounts receivable from related entities	11	31,349	45,759
Stock	12	14,864	56,811
Current biological assets	13	3,462	6,856
<b>Total current assets</b>		<b>114,860</b>	<b>195,924</b>
<b>Non current assets</b>			
Other non-current financial assets	9	39	1,101
Other non-current non-financial assets	14	1,569	1,516
Non-current fees receivable	10	1,994	1,794
Non-current accounts receivable with related entities	11	8,849	7,660
Investments recorded using the equity method	16	70,515	66,654
Intangible assets other than appreciaiton	17	16,659	21,794
Appreciation	18	26,769	26,769
Property, plant and equipment	19	222,469	207,870
Deferred tax assets	20	15,681	14,950
<b>Total Non Current Assets</b>		<b>364,544</b>	<b>350,108</b>
<b>Total Assets</b>		<b>479,404</b>	<b>546,032</b>

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

**HORTIFRUT S.A. AND SUBSIDIARIES**

**CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION**

**As of June 30, 2017 (unaudited) and as of December 31, 2016.**

		<b>30-Jun-17</b>	<b>31-Dec-16</b>
<b>Equity and Liabilities</b>	<b>Note</b>	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Other current financial liabilities	21	99,660	150,787
Current trade accounts and other accounts payable	22	13,525	60,009
Current accounts payable to related entities	11	3,287	6,711
Other current provisions	23	74	160
Current Tax Liabilities	20	542	1,698
Current provisions for employee benefits	23	4,468	1,592
Other current non financial liabilities		1,971	2,658
<b>Total Current Liabilities</b>		<b><u>123,527</u></b>	<b><u>223,615</u></b>
<b>Non-Current Liabilities</b>			
Other Non-current financial liabilities	21	72,824	57,630
Non-current accounts payable to related entities	11	13,109	11,690
Other non-current provisions		145	134
Deferred tax liabilities	20	20,119	23,492
<b>Total Non-Current Liabilities</b>		<b><u>106,197</u></b>	<b><u>92,946</u></b>
<b>Total Liabilities</b>		<b><u>229,724</u></b>	<b><u>316,561</u></b>
<b>Equity</b>			
Issued capital	24	136,411	136,411
Accumulated profit (loss)	25	57,467	40,094
Issuance premium	24	(1,262)	(1,262)
Other reserves	26	25,082	24,108
<b>Equity attributable to the parent company's equity holders</b>		<b><u>217,698</u></b>	<b><u>199,351</u></b>
Non parent company ownership	27	31,982	30,120
<b>Total Equity</b>		<b><u>249,680</u></b>	<b><u>229,471</u></b>
<b>Total equity and liabilities</b>		<b><u>479,404</u></b>	<b><u>546,032</u></b>

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

**HORTIFRUT S.A. AND SUBSIDIARIES**

**CONSOLIDATED INTERIM INCOME STATEMENT**

**For the biannual and quarterly periods ending June  
30, 2017 and 2016 (unaudited).**

	Note	1-Jan-17 30-Jun-17 KUS\$	1-Jan-16 30-Jun-16 KUS\$	1-Apr-17 30-Jun-17 KUS\$	1-Apr-16 30-Jun-16 KUS\$
<b>Income Statement</b>					
<b>Profit (loss)</b>					
Operating revenue	29	203,588	236,746	40,128	65,801
Cost of sales	30	(167,211)	(190,602)	(29,995)	(50,309)
<b>Gross profit</b>		<b>36,377</b>	<b>46,144</b>	<b>10,133</b>	<b>15,492</b>
Other income, per function	29	234	391	190	348
Administrative expenses	30	(14,109)	(13,619)	(7,942)	(7,570)
Other expenses, per function	30	(718)	(550)	(353)	(272)
Other profit (loss)		(165)	(63)	(49)	(49)
Financial income		700	372	568	156
Financial expenses	31	(2,579)	(2,184)	(1,310)	(1,021)
Interest in profit (loss) of related companies and joint ventures which are recorded using the equity method	16	153	2,922	(1,308)	2,814
Exchange rate difference	32	(2,329)	2,161	(2,789)	640
<b>Before tax profit</b>		<b>17,564</b>	<b>35,574</b>	<b>(2,860)</b>	<b>10,538</b>
Gains tax profit	20	(2,393)	(8,124)	727	(2,549)
<b>Profit (loss) from continued operations</b>		<b>15,171</b>	<b>27,450</b>	<b>(2,133)</b>	<b>7,989</b>
<b>Profit (loss)</b>		<b>15,171</b>	<b>27,450</b>	<b>(2,133)</b>	<b>7,989</b>
<b>Profit (loss) attributable to</b>					
Profit (loss) attributable to parent company equity holders		14,699	23,039	(1,738)	5,268
Profit (loss), attributable to non parent company equity holders	27	472	4,411	(395)	2,721
<b>Profit (loss)</b>		<b>15,171</b>	<b>27,450</b>	<b>-2,133</b>	<b>7,989</b>
<b>Profit per share</b>					
<b>Profit per basic share</b>					
Profit (loss) per basic share from continued operations (US\$ per share)	28	0.033750	0.052900	(0.003991)	0.012096
Profit (loss) per basic share from discontinued operations (US\$ per share)		-	-	-	-
<b>Profit (loss) per basic share</b>		<b>0.033750</b>	<b>0.052900</b>	<b>(0.003991)</b>	<b>0.012096</b>
<b>Profit per diluted share</b>					
Diluted profit (loss) per share from continued operations (US\$ per share)		0.033750	0.052900	(0.003991)	0.012096
Diluted profit (loss) per share from discontinued operations (US\$ per share)		-	-	-	-
<b>Diluted profit (loss) per share</b>		<b>0.033750</b>	<b>0.052900</b>	<b>(0.003991)</b>	<b>0.012096</b>

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

**HORTIFRUT S.A. AND SUBSIDIARIES**

**CONSOLIDATED INTEGRAL INTERIM INCOME STATEMENT**

**For the biannual and quarterly periods ending June  
30, 2017 and 2016 (unaudited).**

<b>Statement of Other Integral Results</b>	<b>1-Jan-17 30-Jun-17 KUS\$</b>	<b>1-Jan-16 30-Jun-16 KUS\$</b>	<b>1-Apr-17 30-Jun-17 KUS\$</b>	<b>1-Apr-16 30-Jun-16 KUS\$</b>
Profit (loss)	15,171	27,450	(2,133)	7,989
<b>Other integral result</b>				
<b>Components of other integral result, which is not re-classified to the results of the period, before tax</b>				
Interest of other integral result of associated and joint ventures recorded using the equity method which is not re-classified to the results of the period, before tax	-	9,802	-	9,802
<b>Other integral results which is not re-classified to the results of the period, before tax</b>	<b>-</b>	<b>9,802</b>	<b>-</b>	<b>9,802</b>
<b>Components of other integral result, before tax</b>				
<b>Exchange rate fluctuations</b>				
Profit (loss) due to exchange rate differences, before tax	6,232	991	4,410	14
<b>Other integral result, before tax, exchange rate fluctuations</b>	<b>6,232</b>	<b>991</b>	<b>4,410</b>	<b>14</b>
<b>Cash flow hedging</b>				
Profit (loss) due to cash flow hedging, before tax (1)	(1,356)	5,567	(509)	(4,649)
<b>Other integral result, before tax, cash flow hedging</b>	<b>(1,356)</b>	<b>5,567</b>	<b>(509)</b>	<b>(4,649)</b>
<b>Other components of other integral result, before tax</b>	<b>4,876</b>	<b>16,360</b>	<b>3,901</b>	<b>5,167</b>
<b>Gains tax related with components of other integral result</b>				
Gains tax related with cash flow hedging of other integral result (1)	162	(1,181)	-	1,255
<b>Total gains tax related with components of other integral result</b>	<b>162</b>	<b>(1,181)</b>	<b>0</b>	<b>1,255</b>
<b>Other integral results</b>	<b>5,038</b>	<b>15,179</b>	<b>3,901</b>	<b>6,422</b>
<b>Total integral result</b>	<b>20,209</b>	<b>42,629</b>	<b>1,768</b>	<b>14,411</b>
<b>Integral result attributable to</b>				
Integral result attributable to parent company equity holders	18,347	37,905	1,009	12,180
Integral result attributable to non-parent company equity holders	1,862	4,724	759	2,231
<b>Total integral result</b>	<b>20,209</b>	<b>42,629</b>	<b>1,768</b>	<b>14,411</b>

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

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

## HORTIFRUT S.A. AND SUBSIDIARIES

### CONSOLIDATED INTERIM STATEMENT OF CHANGES IN NET EQUITY

**As of June 30, 2017 and 2016 (unaudited) and December 31, 2016**

	Issued Capital Note 24 KUS\$	Issuance 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 equity holders KUS\$	Non parent company interests Note 27 KUS\$	Total equity KUS\$
Opening balance as of 01/01/2017	136,411	(1,262)	29,027	(7,617)	2,698	24,108	40,094	199,351	30,120	229,471
<b>Changes in equity</b>										
<b>Integral Result</b>										
Profit (loss)	-	-	-	-	-	-	14,699	14,699	472	15,171
Other integral result	-	-	-	4,842	(1,194)	3,648	-	3,648	1,390	5,038
<b>Integral Result</b>	-	-	-	4,842	(1,194)	3,648	14,699	18,347	1,862	20,209
Dividends	-	-	-	-	-	-	-	-	-	-
Increase (decrease) due to transfers and other changes	-	-	(2,674)	-	-	(2,674)	2,674	-	-	-
<b>Total changes in equity</b>	-	-	(2,674)	-	-	(2,674)	2,674	-	-	-
Closing balance as of 30/06/2017	136,411	(1,262)	26,353	(2,775)	1,504	25,082	57,467	217,698	31,982	249,680

	Issued Capital Note 24 KUS\$	Issuance 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 equity holders KUS\$	Non parent company interests Note 27 KUS\$	Total equity KUS\$
Opening balance as of 01/01/2016										
<b>Changes in equity</b>										
<b>Integral Result</b>										
Profit (loss)	-	-	-	-	-	-	26,055	26,055	4,926	30,981
Other integral result	-	-	5,773	65	5,549	11,387	-	11,387	(3,103)	8,284
<b>Integral Result</b>	-	-	5,773	65	5,549	11,387	26,055	37,442	1,823	39,265
Dividends	-	-	-	-	-	-	(12,945)	(12,945)	(1,916)	(14,861)
Increase (decrease) due to transfers and other changes	-	-	(1,682)	-	-	(1,682)	1,682	-	-	-
<b>Total changes in equity</b>	-	-	(1,682)	-	-	(1,682)	(11,263)	(12,945)	(1,916)	(14,861)
Closing balance as of 31/12/2016	136,411	(1,262)	29,027	(7,617)	2,698	24,108	40,094	199,351	30,120	229,471

	Issued Capital Note 25 KUS\$	Issuance 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 equity holders KUS\$	Non parent company interests Note 28 KUS\$	Total equity KUS\$
Opening balance as of 01/01/2016	136,411	(1,262)	24,936	(7,682)	(2,851)	14,403	25,302	174,854	30,213	205,067
<b>Changes in equity</b>										
<b>Integral Result</b>										
Profit (loss)	-	-	-	-	-	-	23,039	23,039	4,411	27,450
Other integral result	-	-	9,802	678	4,386	14,866	-	14,866	313	15,179
<b>Integral Result</b>	-	-	9,802	678	4,386	14,866	23,039	37,905	4,724	42,629
Dividends	-	-	-	-	-	-	(10,344)	(10,344)	(752)	(11,096)
Increase (decrease) due to transfers and other changes	-	-	(1,329)	-	-	(1,329)	1,329	-	-	-
<b>Total changes in equity</b>	-	-	(1,329)	-	-	(1,329)	(9,015)	(10,344)	(752)	(11,096)
Closing balance as of 30/06/2016	136,411	(1,262)	33,409	(7,004)	1,535	27,940	39,326	202,415	34,185	236,600

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



## **HORTIFRUT S.A. AND SUBSIDIARIES**

### **CONSOLIDATED INTERIM CASH FLOW STATEMENT**

**For the periods ending June 30, 2017 and 2016 (unaudited).**

<b>Direct Cash Flow Statement</b>	<b>1-Jan-17 30-Jun-17 KUS\$</b>	<b>1-Jan-16 30-Jun-16 KUS\$</b>
<b>Cash Flow Statement</b>		
<b>Cashflow from (used in) operating activities</b>		
<b>Types of charges per operating activities</b>		
Charges from the sale of goods and the providing of services	233,670	274,966
<b>Types of payments</b>		
Payments to suppliers for the providing of goods and services	(131,178)	(161,471)
Payments to and on behalf of employees	(32,801)	(31,815)
Paid interests	(2,579)	(2,184)
Received interests	700	372
Gains tax refund (paid)	(7,653)	(4,346)
Other received (paid) cash	(484)	(159)
<b>Net cash flow from (used in) operating activities</b>	<b>59,675</b>	<b>75,363</b>
<b>Cash flow from (used in) investment activities</b>		
Other payments to purchase equity or debt instruments from other entities	(290)	(1,416)
Loans to related entities	(742)	(1,937)
Income from the sale of property, plant and equipment	885	602
Purchase of property, plant and equipment	(23,760)	(28,882)
Purchase of intangible assets	(138)	-
Charges to related entities	512	1,299
<b>Net cash flow from (used in) investment activities</b>	<b>(23,533)</b>	<b>(30,334)</b>
<b>Cash flow from (used in) financing activities</b>		
Income from long term loans	23,697	8,483
Income from short term loans	34	15,935
<b>Total income from loans</b>	<b>23,731</b>	<b>24,418</b>
Loans from related entities	507	-
Payment of loans	(58,047)	(54,299)
Payment of liabilities for financial lease	(529)	(371)
Paid dividends	(7,283)	(3,625)
<b>Net cash flow from (used in) financing activities</b>	<b>(41,621)</b>	<b>(33,877)</b>
<b>Net increase (decrease) in cash and cash equivalents, before exchange rate fluctuations</b>	<b>(5,479)</b>	<b>11,152</b>
<b>Effects of exchange rate fluctuations on cash and cash equivalents</b>	<b>(250)</b>	<b>(10)</b>
Effects of exchange rate fluctuations on cash and cash equivalents .	(250)	(10)
<b>Net increase (decrease) of cash and cash equivalents</b>	<b>(5,729)</b>	<b>11,142</b>
Cash and cash equivalents, opening balance	35,245	24,599
<b>Cash and cash equivalents, closing balance</b>	<b>29,516</b>	<b>35,741</b>

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



**HORTIFRUT S.A. AND SUBSIDIARIES**  
**CONSOLIDATED CLASSIFIED INTERIM FINANCIAL STATEMENT NOTES**

**As of June 30, 2017 (unaudited) and December 2016.**

**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 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**

**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.

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

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.

**2016** – The Joint Venture between Hortifrut and the Munger Brother Group was constituted, with the objective of producing and commercializing berries in the United States.

Development of Hortifrut’s second Technology and Innovation Fair.

## 1.2. Shareholders

### 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, and Inmobiliaria Algeciras Ltda.

The Agreement covers 204,737,990 of Hortifrut S.A.'s shares, which represent 47.01% 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 June 30, 2017, the Moller Group and the Vitalberry Group together own 48.21% 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>
<b><u>Moller Family</u></b>				
Inversiones IMG Limitada	109,316,620	25.10%	109,316,620	25.10%
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%
<b>Total Moller Family</b>	<b>117,590,425</b>	<b>27.00%</b>	<b>117,590,425</b>	<b>27.00%</b>
<b><u>Entities related to Mr. Ignacio Del Río</u></b>				
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%
<b>Total Entities related to Mr. Ignacio Del Río</b>	<b>50,132,775</b>	<b>11.51%</b>	<b>47,495,569</b>	<b>10.91%</b>
<b><u>Entities related to Mr. Eduardo Elberg</u></b>				
Inmobiliaria Algeciras Ltda.	42,243,674	9.70%	39,651,996	9.10%
<b>Total Entities related to Mr. Eduardo Elberg</b>	<b>42,243,674</b>	<b>9.70%</b>	<b>39,651,996</b>	<b>9.10%</b>
<b>Total Shareholder's Agreement</b>	<b>209,966,874</b>	<b>48.21%</b>	<b>204,737,990</b>	<b>47.01%</b>

### 1.2.2. Distribution of shares as of June 30, 2017, is as follows:

<u>Shareholders</u>	<u>30-Jun-17</u>		
	<u>Subscribed shares</u>	<u>Paid shares</u>	<u>Percentage</u>
Inversiones IMG Limitada	109,316,620	109,316,620	25.10%
Inmobiliaria Algeciras Ltda.	42,243,674	42,243,674	9.70%
Compass Small Cap Chile Fondo de Inversión	30,553,681	30,553,681	7.02%
Costanera SACI	30,079,545	30,079,545	6.91%
Inmobiliaria Alianza S.A.	29,552,009	29,552,009	6.79%
AFP Habitat S.A. para Fondo de Pensiones (A,B,C,D)	24,080,364	24,080,364	5.53%
San José Farms S.A.	23,293,100	23,293,100	5.35%
Agrícola Costanera S.A.	16,239,705	16,239,705	3.73%
BTG Pactual Chile S.A. Administradora General de Fondos	15,090,547	15,090,547	3.46%
Siglo XXI Fondo de Inversión	14,474,006	14,474,006	3.32%
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%
Chile Fondo de Inversión Small Cap	8,514,676	8,514,676	1.96%
AFP Cuprum S.A. para Fondo de Pensiones (A,B,C,D)	7,665,156	7,665,156	1.76%
San Juan de Virquenco Tres S.A.	7,344,255	7,344,255	1.69%
Empresas Penta S.A.	5,306,908	5,306,908	1.22%
Asesorías e Inversiones Pacific Trust Limitada	4,732,485	4,732,485	1.09%
Banco Santander Chile - on behalf of Foreign Investors	4,653,029	4,653,029	1.07%
Fondo de Inversión Santander Small Cap.	4,075,584	4,075,584	0.94%
Inversiones Fural Limitada	3,905,756	3,905,756	0.90%
Inversiones Canihua S.A.	1,557,475	1,557,475	0.36%
BCI Small Cap Chile Fondo de Inversión	1,552,722	1,552,722	0.36%
Banco Itau por Cuenta de Inversionistas Extranjeros	1,234,892	1,234,892	0.28%
Asesorías, Inversiones e Inmobiliaria María Elena Ltda.	2,122,644	2,122,644	0.49%
Inversiones Alba S.A.	1,163,066	1,163,066	0.27%
Inmobiliaria e Inversiones Alqueria Ltda.	965,947	965,947	0.22%
BTG Pactual Chile S.A. C de B	20,700	20,700	0.00%
Agrícola San Nicolás Limitada	929,550	929,550	0.21%
Banco de Chile (on behalf of third parties)	676,716	676,716	0.16%
Banchile C de B S.A.	427,422	427,422	0.10%
Asesorías e Inversiones A y D S.A.	397,483	397,483	0.09%
Valores Security S.A. C de B	385,605	385,605	0.09%
Inversiones FJ	330,019	330,019	0.08%
Soc. de Inversiones Santa Isabel Limitada	300,000	300,000	0.07%
Santander C de B	203,451	203,451	0.05%
Administradora General de Fondos Sura S.A.	109,998	109,998	0.03%
Fondos Mutuos BICE Chile MIDCAP	93,000	93,000	0.02%
BCI Corredores de Bolsa S.A.	111,865	111,865	0.03%
Brokering Alacid Karin Lisbeth	86,433	86,433	0.02%
BICE Inversiones Corredores de Bolsa S.A.	81,440	81,440	0.02%
Brokering Alacid Waleter Alexander	76,649	76,649	0.02%
Larrain Vial S.A. Corredores de Bolsa	65,806	65,806	0.02%
BBVA Asset Management Administradora General de Fc	59,000	59,000	0.01%
Mínera Chanar Blanco S.A.	38,569	38,569	0.01%
Francisco Condon Schiavetti	30,831	30,831	0.01%
Others	538,021	538,021	0.12%
<b>Total shares</b>	<b>435,520,079</b>	<b>435,520,079</b>	<b>100.00%</b>

### 1.2.2. Distribution of shares as of June 30, 2017 (continued)

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>
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%
Comercial Epysa S.A.	MBI Corredores de Bolsa S.A.	2,000,000	0.46%
Inversiones Canihua S.A.	BCI Corredores de Bolsa S.A.	1,557,475	0.36%
Asesorías, Inversiones e Inmobiliaria María Elena Ltd	BTG Pactual Chile S.A. C de B	2,122,644	0.49%
Asesorías e Inversiones A y D.S.A.	Larrain Vial S.A. Corredores de Bolsa	67,464	0.02%
	<b>Total shares</b>	<b>14,385,821</b>	<b>3.32%</b>

#### **1.4. Financial Statements**

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

The interim financial statements show an accurate view of equity and the financial position for the period ending June 30, 2017 and the period ending December 31, 2016, as well as the results of the operations, changes in equity and cash flows which have taken place at Hortifrut in the periods ending June 30, 2017 and 2016.

The consolidated interim financial statements for Hortifrut S.A. and subsidiaries, were prepared on a going concern basis.

The interim consolidated financial statements for Hortifrut S.A. and subsidiaries corresponding to the period ending June 30, 2017, were approved by its Board at meeting held on September 05, 2017 and those for the period ending June 30, 2016, were approved by its Board at meeting held on September 06, 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 interim financial statements for Hortifrut S.A and Subsidiaries as of June 30, 2017 and December 31, 2016 have been prepared in accordance with the International Financial Reporting Standards, issued by the International Accounting Standards Board (from hereon IASB).

Since it is interim financial information, the norms of IAS 34 have been applied.

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

The preparing of the consolidated interim 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 interim financial statements.

Minor re-classifications have been performed to the interim consolidated financial statements from the previous period in order to be able to better compare the exposed information, these arise from the recurring analysis performed by Management, always with the perspective of uniform financial information and changes in criteria or accounting estimations as per what is stated in IAS 8 are not applied.

The current interim consolidated financial statements have been prepared from the accounting records kept by the parent company and by the other entities that form part of the consolidated holding. Each entity prepares its financial statements following the accounting principles and criteria valid for each country, so it requires a consolidation process. We have incorporated the adjustments and re-classification necessary to unify said principles and criteria to adapt them to IFRS.

As of the date of the current interim 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

### New norms, amendments to norms and interpretations that are mandatory for the first time from the periods starting on January 01, 2017

Amendments to IFRS	Mandatory application date
IAS 7: Initiative to reveal, amendments to IAS 7.	Annual periods starting on or after January 1, 2017. Allows anticipated adoption.
IAS 12, Acknowledgment of Assets by Deferred Taxes by Non Realized Losses (modifications to IAS 12).	Annual periods starting on or after January 1, 2017. Allows anticipated adoption.
Cycle of annual improvements to IFRS Norms 2014-2016. Modifications to IFRS 12.	Annual periods starting on or after January 1, 2017. Allows anticipated adoption.

The aforementioned norms, amendments and interpretations, do not have a significant impact on the consolidated interim financial statements.

### New accounting pronouncements

The improvements and modifications to IFRS, as well as the interpretations that have been published in the period are detailed below. As of the date of these consolidated financial statements, these norms have not yet become valid and the Company has not applied them in an anticipated manner:

New IFRS	Mandatory application date
IFRS 9, Financial Instruments	Annual periods starting on or after January 1, 2018. Allows anticipated adoption.
IFRS 15 Operating Activity Revenue from contracts with customers	Annual periods starting on or after January 1, 2018. Allows anticipated adoption.
IFRS 16: Lease	Annual periods starting on or after January 1, 2019. Allows anticipated adoption for entities that apply IFRS 15 on or before that date.
IFRS 17: Insurance Contracts	Annual periods starting on or after January 1, 2021. Allows anticipated adoption for entities that apply IFRS 9 and IFRS 15 on or before that date.
<b>New Interpretations</b>	
IFRIC 22: Foreign Currency Transactions and Advance Considerations	Annual periods starting on or after January 1, 2018. Allows anticipated adoption.
IFRIC 23: Uncertainty over Income Tax Treatments	Annual periods starting on or after January 1, 2019. Allows anticipated adoption.
<b>Amendments to IFRS</b>	
IAS 40: Investment Property Transfers (Modifications to IAS 40, Investment Properties).	Annual periods starting on or after January 1, 2018.
IFRS 2, <i>Payments Based on Shares</i> : Clarifying of the recording of certain types of transactions of share based payments.	Annual periods starting on or after January 1, 2018. Allows anticipated adoption.
IFRS 9 and IFRS 4: Application of IFRS 9, Financial Instruments with IFRS 4, Insurance Contracts, (Modification to IFRS 4).	Annual periods starting on or after January 1, 2018, and only available for three years after that date.
IFRS 10, Consolidated Financial Statements, and IAS 28, <i>Investments in Associated and Joint Ventures</i> : Transfer or contribution of assets between an investor and its associated or joint venture.	Effective date indefinitely deferred.
IFRS 15, Revenue From Contracts with Customers: Amendment clarifying requirements and granting additional transition release for companies that implement the new norm.	Annual periods starting on or after January 1, 2018. Allows anticipated adoption.
Cycle of annual improvements to IFRS Norms 2014-2016. Amendments to IFRS 12.	Annual periods starting on or after January 1, 2018. Allows anticipated adoption.

Management is evaluating the impact of the application of IFRS 9, IFRS 15 and IFRS 16; nevertheless, it is not possible to provide a fair estimation of the effects that these norms will have until Management performs a detailed revision. In Management's opinion, it is estimated that the future application of other norms and amendments will not have a significant impact on the consolidated interim financial statements.

## 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 of Origin</u>	<u>Functional Currency</u>	<u>30-Jun-17</u>			<u>31-Dec-16</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 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

The detailed Companies correspond to front line companies where control is kept. In the 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 (see Note 15).

a.1) Modifications to the consolidation base

1.- During the period ending June 30, 2017, no modifications have been incorporated in the consolidation bases.

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 interest in the equity activities after the acquisition is 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 Segments. This information is detailed in Note 6.

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. All of the information is presented in thousands of United States dollars and has been rounded to the closest unit (KUS\$).

### 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 June 30, 2017 and December 31, 2016, are the following:

Currency	Nemo	30-Jun-17		31-Dec-16	
		Closing	Annual average	Closing	Annual average
Chilean Peso	CLP	664.29	660.02	669.470	676.83
Euro	EUR	0.876	0.924	0.949	0.904
Mexican Peso	MXN	17.897	19.463	20.664	18.663
Argentine Peso	ARS	16.800	15.698	15.900	14.748
Brazilian Real	RBL	3.302	3.177	3.259	3.491
Peruvian Nuevo sol	PEN	3.255	3.273	3.360	3.374

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 under other integral results and the conversion reserve under net equity.

The assets and liabilities of the consolidated Subsidiaries expressed in a currency different to the United States dollar are converted using the valid Exchange rate on the date of the statement of financial position; income and expenses are converted at the average monthly exchange rate of the period covered by the financial statements. The differences resulting from the application of this method are classified in other integral results forming part of the exchange rate fluctuation reserve.

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 Other integral results, forming part of Equity as Reserves due to exchange rate fluctuations, because they are treated as net investment in those subsidiaries.

## **2.6 Property, plant and equipment**

The Company's property, plant and equipment are made up of land, constructions, infrastructure, machines, equipment, bearer plants and other fixed assets.

### **2.6.1 Land, constructions, plants, equipment and machinery**

Land is acknowledged at its purchase cost. Constructions, plants, equipment and machinery are acknowledged, both at the initial moment and subsequently, at cost minus the corresponding accumulated depreciation and impairment, in case it exists.

Subsequent costs (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. In the case of the replacement of components, 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.

Profit or loss from the sale or property, plants and equipment are calculated comparing income obtained from the sale with the book value of the asset (net of depreciation) and are recorded in the consolidated income statement.

### **2.6.2 "Bearer Plants"**

Due to the application of Amendment to IAS 16 and IAS 41, which became valid on January 1, 2016, fruit "bearer plants", are considered a machinery item in a manufacturing process, so, their value is classified under Property, plant and equipment and recorded as specified in IAS 16.

Fruit "bearer plants" can be differentiated depending on their productive state between the development stage and production stage, and are valued as per the following criteria:

- a) "Bearer plants" in development

"Bearer plants" in development are valued at the acquisition and/or production cost of the plants plus the costs to maintain them until the date when they start producing.

- b) "Bearer plants" in production

"Bearer plants" in production have been acknowledged at revalued cost, which is their fair value, minus the accumulated depreciation 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.

“Bearer plants” are considered to be in production as per the following:

**Blueberry:**

- Chile, Mexico and Spain: a plantation in production is 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 in 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 in production, regardless of the reached level of production.

**Raspberry:**

A plantation is considered to be in 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 in 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 “bearer plants”. During this period, given the level of uncertainty, the Company values “bearer plants” under development at cost.

When the book value of the “bearer plants” is modified, as a result of a revaluation, said variation is taken directly to a revaluation reserves account in net equity.

If the book value is modified due to the presence of impairment in “bearer plants”, said decrease in the value will be attributed first to the revaluation reserves account under net equity, to its complete extinction, and if there is a remaining balance, it will be directly attributed to the results of the period under the account Other expenses, per function.

Method for Calculating Fair Value of Bearer Plants

Since there is not an active market for the products elaborated by the Company, or a price reference or observable market values for the different varieties planted by it, among other things due to the differentiation of its products, the Company uses as a method to determine the fair value of “bearer plants” the discount cash flow model, through which the fair value of the “bearer plants” is calculated by using the cash flows of continuous operations, based on harvesting plans. This means that the fair value of the “bearer plants” is measured as the current value of the harvest of a growth cycle based on productive fruit plantations. This valuation is performed on a 20 year production horizon for blueberries and 5 years for raspberries and blackberries. In case the plantations are on leased land and/or taken in usufruct, with expiry lower than the previously stated terms, the valuation will be adjusted to those expiries.



Management checks the fair value of its bearer plants on a yearly basis.

This method corresponds to an estimation of the fair value of Level III, as is established in IAS 13.

The most significant variables used in the fair value model described beforehand are the following:

- a) **Production Volume:** this estimation is performed by expert agronomists, who based on the age of the plantations, the varieties and the planted surface, perform projections of the volume of fruit that each field will generate, which, for valuation purposes, incorporate volatility through a distribution of Normal probability, with an average equal to the estimated production volume for each field and a standard deviation of 10% of the average. This production volume is differentiated depending on if it is sold as fresh fruit or if it is destined to the frozen fruit market.
- b) **Producer return:** from the weekly historical sale price in the 8 season final market, we determine the weekly historical producer return for the fresh fruit from each of the fields, this considers the production curve, data with which we determine the distribution of probability with which said returns are distributed, distributions that are used to incorporate risk to the calculation of the fair value of “bearer plants”. In the case of producer return of the fruit destined to the frozen fruit market, the spot price present in the market at the moment of the valuation is used.
- c) **Fixed cost per hectare:** corresponds to the cost for maintaining plantations, which incorporates tasks such as pruning, phytosanitary controls, pollination, fertilization, irrigation, weed control, general expenses and the cost of the use of the land, among other items, incorporating the supplies used in these tasks, and the workforce necessary to execute them. The best estimation of these costs corresponds to the budget of the current season, every time that a corresponding valuation is realized.
- d) **Variable cost per kilo:** corresponds to harvesting costs incurred to extract fruit from “bearer plants”, mainly considering the harvesting workforce and harvesting and supplies support personnel used for this task. The best estimation of this cost corresponds to the budget of the current season, each time the corresponding valuation is performed.
- e) **Discount rate:** the discount rates employed in the valuation model have been determined using the CAPM model, commonly used in similar market practices, to determine reference discount rates.

The formula specifically considers the following variables:

Expected return rate ( $R_i$ )

$$= \text{Risk free rate } (R_f) + \text{Beta of the asset } (\beta_i) * \text{Risk premium}$$

Where:

$R_f$  - risk free rate  $R_f$

$\beta_i$  - Beta of assets representing the relationship between the return of an asset and the market

**Risk premium** – estimated based on the average difference between the market return and the risk free rate  $R_f$



Based on the preceding formula, the Company uses the following discount rates as of December 31, 2016:

<b>Hortifrut S.A.</b>	<b>Chile (USD)</b>	<b>Mexico (USD)</b>	<b>Spain (EUR)</b>
Risk free rate	3.19%	4.13%	0.41%
Beta HF (Agricultural Business)	0.92	1.20	1.20
Risk premium	6.00%	6.00%	6.00%
<b>Discount rate (CAPM)</b>	<b>8.71%</b>	<b>11.33%</b>	<b>7.61%</b>

The corresponding sovereign bond rates in the indicated currencies (source: Bloomberg) were used for risk free rates, which are detailed as follows:

- Chile: bond EK6406467, with expiry on March 27, 2025, in United States currency
- Mexico: bond EK6138946, with expiry on January 30, 2025, in United States currency
- Spain: bond EK1464453, with expiry January 31, 2022, in Euro currency

The calculation of Beta is based on a sample of 37 companies from the Farming/Agriculture sector of the United States, which gave a result of 0.92 (source: Damodaran on January 5, 2017). In the case of Chile it is reasonable to use this indicator because of the geographic diversification of its fields. This is not the case of Mexico and Spain, where plantations are not so diversified, so Betas of 1.20 were used.

The used risk premium is 6%, which has been historically observed in the main stock markets in the world, including the Chilean, Mexican and Spanish markets.

- f) **Exchange Rate:** the exchange rate is a relevant variable within the valuation model of “bearer plants” in Chile and Mexico, because most fixed costs per hectare and variable costs per kilo are denominated in local currency, while the valuation model uses cash flow in American dollars. For this calculation we incorporate risk into this variable through a distribution of Normal probability, with an average equal to the exchange rate observed as of December 31 of each year and with a standard deviation equal to 10% of the average. In the case of Spain, the valuation is directly realized in Euros and the final result is translated at the closing Exchange rate of the financial statements. The used exchange rates are detailed in Note 2.5.c).

### 2.6.3 Depreciation

Depreciation of the fixed 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.

Depreciation of “bearer plants” is calculated according to its production forecasted in the useful life of the plant and is assigned as per the real production curves. In the case of plantations that are located on leased land, the useful life is adjusted as per the expiry of the corresponding lease contract.

The estimated useful lives are as follows:

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

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.

The effects of depreciation are presented under Cost of Sales.

## 2.7 Current Biological Assets

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

The minimum amount of said fair value is the cost incurred in during the season in course. Additionally, said fair value would include the margin expected for the fruit that is closest to the harvest, based on the maturity curve of the fruit. Regardless, when the estimation of said margin per subsidiary does not significantly differ from the cost incurred as of the date of the Financial Statements, this value will not be recorded.

The variables used to calculate fair value are the following:

- **Volume:** Corresponds to the fruit which at the closing of the financial statements is estimated to be harvested in no more than 80 days in the case of blueberries and no more than 30 days in the case of raspberries. This estimation of harvest volumes is performed by expert agronomists, who based on the phenological state of the fruit hanging on the “bearer plants”, of the variety and geographic location of the plantations, perform a projection of the volume of fruit that will be harvested during the next weeks.
- **Producer return:** From the weekly historical sale price in the final market (taking as a reference the prices published by USDA - United States Department of Agriculture- for the last 8 seasons), we determine the return that the field will receive, based on the date when the fruit is expected to be sold which, to the closing of each financial statement, is hanging from the “bearer plants”, deducting all the costs that must be incurred from the harvest to the arrival to the final customer.

- **Production Cost:** is determined through the accumulation of real costs for each productive hectare, considering all the maintenance tasks and depreciation of fixed assets used in each of the plantations until the moment of the evaluation.

## 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 varieties 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 purchased 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 provision 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 and associated to income to be received in Euros, 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 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 specific 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 in 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) 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) 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 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.

### **2.30 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.

### **2.31 Advertising expenses**

Advertising expenses are acknowledged under results when they take place.

### **2.32 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.

### **2.33 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 – 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:

#### **3.1. Financial Risk**

##### **3.1.1 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 cash surplus investments, are considered low risk for the Company (see note 7 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 credit 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 this risk.

As a mitigation measure for this risk, the Company has obtained credit insurance for the parent company and subsidiaries as of December 31, 2016 (See Note 3.3).

##### **3.1.2.- 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, constantly monitoring the debt of the Subsidiaries and Associated Companies. In

the case of subsidiaries such as Hortifrut España Southern Sun SL, and related companies such as Hortifrut Tal S.A.C. and Munger Hortifrut N.A. LLC in the United States, credit decisions are made at these business units in coordination with Hortifrut S.A. Debts are incurred through bank credits in Chile and overseas, aiming to optimize the credit conditions based on the financing needs to face investment plans and requirements for work capital.

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 this risk.

Hortifrut has available short term credit lines, approved and valid for work capital, which as of June 30, 2017 reach US\$203.9 million (includes credit lines committed with BCI bank for US\$42 million, commitment fixed for 2018 and of which US\$ 32 million have been used), distributed among 10 banks. The used amount reaches US\$58.4 million, with an unused balance of US\$145.6 million. The credit lines are distributed among the following companies: Hortifrut Chile S.A. with US\$193.0 million, Hortifrut S.A. with US\$5 million, Agrícola El Pampino S.A. with US\$750 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\$1.3 million and Hortifrut Import Inc., with US\$3 million.

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.

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 future obligations.

Below we summarize the expiry of the Company's bank loans as of June 30, 2017, based on the undiscounted contractual cash flows:

	<b>Flows</b>						
	<b>Capital</b>	<b>Interests</b>	<b>From 0 to 3 months</b>	<b>From 3 to 12 months</b>	<b>From 1 to 5 years</b>	<b>Over 5 years</b>	<b>Total</b>
<b>Creditor Bank</b>	<b>KUS\$</b>	<b>KUS\$</b>	<b>KUS\$</b>	<b>KUS\$</b>	<b>KUS\$</b>	<b>KUS\$</b>	<b>KUS\$</b>
Banco de Crédito e Inversiones	62,465	20	32,631	5,569	22,129	8,166	68,495
Banco Santander Chile	9,878	12	9,466	277	191	-	9,934
Banco de Chile	30,843	9	29,008	735	1,365	-	31,108
Banco Bilbao Vizcaya Argentaria	21,794	34	3,097	2,936	16,539	-	22,572
Banco Santander Central Hispano S.A.	15,835	-	466	2,794	13,012	-	16,272
Banco Scotiabank	11,000	11	11,045	-	-	-	11,045
Banco Estado	6,400	33	-	2,529	4,045	-	6,574
La Caixa	5,708	-	16	47	5,842	-	5,905
Banco Intercontinental Español	3,425	-	10	238	3,285	-	3,533
Banco RaboFinance Chile	3,195	181	424	-	3,452	-	3,876
BBC Tecnología Agrícola Ltda.	505	-	507	-	-	-	507
Banco Itaú	355	-	43	261	133	-	437
Caja Madrid	46	-	6	18	23	-	47
Caja Rural Asturias	38	-	6	19	15	-	40
Financial Services	19	-	1	2	21	-	24
Banco de Crédito Perú	5	-	5	-	-	-	5
<b>Total</b>	<b>171,511</b>	<b>300</b>	<b>86,731</b>	<b>15,425</b>	<b>70,052</b>	<b>8,166</b>	<b>180,374</b>

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

<u>Detail</u>	<u>Flows</u>						
	<u>Capital</u>	<u>Accounting Value</u>	<u>From 0 to 3 months</u>	<u>From 3 to 12 months</u>	<u>From 1 to 5 years</u>	<u>Over 5 years</u>	<u>Total</u>
	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
Bank loans	171,511	171,811	86,731	15,425	70,052	8,166	180,374
Trade accounts and other accounts payable	13,525	13,525	12,535	991	-	-	13,526
Accounts payable to related entities	16,396	16,396	-	3,287	13,109	-	16,396

### 3.1.3 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.

#### a) Exposure to Chilean Pesos

The source of exposure to Chilean Pesos mainly comes from the costs of the Chilean companies 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 Chilean companies by contracting derivative instruments. Likewise, in the Chilean companies, Cross Currency Swap instruments are used to mitigate the exchange rate risk in bank obligations in Chilean Pesos.

#### b) 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.

Hortifrut performs mitigation measures over the exposure to costs of Mexican companies, through the contracting of derivative instruments.

#### c) 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 exchange rate risk, it is important to bear in mind that this fact does not guarantee that in the future, Hortifrut may be exposed to this risk.

### **Exposure in currencies different to the dollar**

The following table shows the exposure in currencies different to the dollar, over the Company's assets and liabilities as of June 30, 2017:

	<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>
<b>As of June 30, 2017</b>					
<b><u>Financial Assets</u></b>					
Cash and Cash Equivalents	1,469	15,772	466	217	710
Other current non financial assets	1,247	792	2,587	-	335
Current trade debtors and other accounts receivable	6,739	2,677	4,172	222	6,437
Current accounts receivable with Related Entities	11	8,421	-	-	-
Non current accounts receivable with Related Entities	-	6,832	-	-	-
<b><u>Total Financial Assets</u></b>	<b>9,466</b>	<b>34,494</b>	<b>7,225</b>	<b>439</b>	<b>7,482</b>
<b><u>Current Liabilities</u></b>					
Other current financial liabilities	-	3,333	-	-	264
Current trade accounts and other accounts payable	4,933	3,048	857	46	462
Current accounts payable to Related Entities	1,671	911	-	-	-
Current provisions for employee benefits	441	-	507	-	-
Other non current financial liabilities	-	33,702	-	-	96
Non current accounts payable to Related Entities	1,415	11,694	-	-	-
<b><u>Total Financial Liabilities</u></b>	<b>8,460</b>	<b>52,688</b>	<b>1,364</b>	<b>46</b>	<b>822</b>
<b>Net exposure as of June 30, 2017</b>	<b>1,006</b>	<b>(18,194)</b>	<b>5,861</b>	<b>393</b>	<b>6,660</b>

### **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 US\$427 thousand as a higher charge to the company's results as of June 30, 2017, the aforementioned maintaining all the other variables constant. The calculation considers the Company's exposure in 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>Variation</u>
	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
Peso/UF	9,466	8,460	1,006	905	(101)
Euro	34,494	52,688	(18,194)	(16,375)	1,819
Mexican \$	7,225	1,364	5,861	5,275	(586)
Argentine \$	439	46	393	354	(39)
Real	7,482	822	6,660	5,994	(666)
<b>Total</b>	<b>59,106</b>	<b>63,380</b>	<b>(4,274)</b>	<b>(3,847)</b>	<b>427</b>

### 3.1.4 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 a whole year the debt that it has at a variable rate, which is KUS\$84,438 and the rate increased 10%, the impact of the annual financial cost would be US\$132 thousand.

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

<b>Creditor Bank</b>	<b>Capital</b>	<b>Annual</b>	<b>10%</b>	<b>Due to</b>
			<b>interest</b>	<b>Variation</b>
	<b>KUS\$</b>	<b>Interest</b>	<b>in rate</b>	<b>in Rate</b>
		<b>KUS\$</b>	<b>KUS\$</b>	<b>KUS\$</b>
Banco Santander Chile	9,400	166	182	16
Banco Itaú	133	-	-	-
Banco Bilbao Vizcaya Argentaria	3,000	47	51	4
Banco de Crédito e Inversiones	32,000	528	578	50
Banco de Chile	28,900	427	471	44
Banco Scotiabank	11,000	176	194	18
Banco de Crédito Perú	5	-	-	-
<b>Total</b>	<b>84,438</b>	<b>1,344</b>	<b>1,476</b>	<b>132</b>

### 3.2 Operating Risks

Hortifrut's operating risks are administered by the corresponding management, in accordance with the norms and standards defined at a corporate level. Below is a detail of those that management considers to be of greater relevance:

#### 3.2.1 Competition's genetic development

The lack of modern varieties of plants could affect the competitiveness of the business, both agricultural and export and trade. The Hortifrut Group currently counts with varietal development programs, maintaining in Chile and overseas strategic alliances with universities and companies dedicated to this sector, as well as establishing agreements with the main nurseries in the world, guaranteeing Hortifrut access to a large spectrum of modern and attractive plant varieties.

#### 3.2.2 Significant increase in offer

In the case of very significant increases in the planted hectares at a global level, a scenario of over-supply of berries could be generated, which would lead to a fall in prices at the destination markets. Nevertheless, this phenomenon would affect Hortifrut only if it takes place in the windows of the year when the Company operates.

Also, at the main markets where Hortifrut operates we can still observe a great growth potential in the demand for berries, due to the combination of (i) a product with very positive health effects; (ii) the growing importance for healthy food that consumers seek and (iii) a still relatively low consumption of berries per capita.



### **3.2.3 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 the offer of products and obtaining brand acknowledgment, among others. Likewise, Hortifrut has privileged an international expansion through strategic alliances both in the productive and commercial area, which allows it to better face competition and be able to supply its customers with fresh berries every day of the year.

### **3.2.4 Climatic risks**

Climate is an external factor which is difficult to control, which can affect quality and cause variations in the volume of fruit available to commercialize during the year. Even though it is difficult to control, this risk can be geographically diversified and can be mitigated with correct management. The Company administers this risk by creating export companies and obtaining fruit from different producers in Chile and the rest of the world; investing in agriculture in different countries and in each country in different zones; building deep wells to assure the availability of water in the fields that require it; and investing in infrastructure to control rain, frost and hail, among other initiatives.

Due to the recent floods which took place in Peru, we inform that the plantations owned by Hortifrut have not suffered damages until the closing date of the current Financial Statements. Nevertheless, the investment projects in infrastructure which are being developed in this country (Packing) could suffer delays in their execution.

### **3.2.5 Plagues and disease**

It is unavoidable for a large surface of any crop to be affected by some incidence of plagues and/or disease. Therefore efficient control of these is as necessary as fertilizing or watering. Risk associated with plagues or disease impact on the quality and/or performance, being able to affect appearance and post-harvest life of the fruit; in some cases this risk involves the application of quarantines in specific productive zones on behalf of the phytosanitary authorities of the countries where the fruit is destined. Nevertheless, through a good control (search and monitoring) an outbreak of plagues or disease can be detected on time, allowing to eliminate the problem before it causes greater damage.

From 2013, the United States applied quarantine to some regions in Chile due to the detection of the Lobesia Botrana moth. These quarantines can generally be lifted immediately through fumigation of the fruit at destination or, in the medium term, working with the authorities on preventive measures to control the plague which prove contention or eradication, ending up in the lifting of the quarantine. Other solution measures are to destine the fruit in quarantine zones to markets that have different phytosanitary restrictions.

### **3.2.6 Food-Safety**

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

### 3.2.7 Continuity and costs of supplies and services

The development of Hortifrut's business involves a complex logistic regarding the opportune supply of provisions and services which are fundamental to maintain competitiveness. Regarding electrical energy, Hortifrut's process plants count with generators that allow to assure the continuity of the operation in front of supply cuts. Also, all the plants have contingency plans to face restrictive supply scenarios. Nevertheless, it is not possible to discard that in the future, supply shortages could generate a discontinuity in the supply and/or higher costs at Hortifrut's plants. It is also important to consider eventual paralyzations at ports and transport companies in general, which could affect Hortifrut's performance if the events extend in time.

### 3.3 Insurance

The Hortifrut group has contracted insurance policies to cover exposure to the main financial and operational risks, considering that the hedging of these policies is adequate.

The main insurances contracted as of June 30, 2017 are the following:

<u>COUNTRY</u>	<u>TYPE OF INSURANCE</u>	<u>CURRENCY</u>	<u>COVERED AMOUNT</u>
Chile	Infrastructure Fire	UF	1,469,132
Chile	Mobile Agricultural Equipment	UF	70,244
Chile	Motor Vehicles	UF	131,400
Chile	General and Product Civil Responsibility	UF	127,144
Chile	Maritime Transport	UF	305,147
Chile	Credit Insurance	UF	254,289
Chile	Fruit and Materials Insurance	UF	249,481
Chile	Terrorism	UF	500,000
Chile	Business Interruption	UF	250,000
USA	Product Civil Liability	USD	20,000,000
Mexico	Transporting of Load	USD	200,000/shipment
Mexico	Infrastructure Fire, Theft and Civil Liability	USD	48,000,000
Mexico	Motor Vehicles	USD	Commercial Value
Spain	Motor Vehicles	EUR	Commercial Value / without limit
Spain	Installations	EUR	350,000 per event
Spain	Goods	EUR	50,000 per event
Spain	Civil Liability	EUR	6,500,000
Spain	Credit Insurance	EUR	90% unpaid
Peru	Fire	PEN	618,320
Peru	Motor Vehicles	USD	261,820

### 3.4 Risk in the Estimations

#### 3.4.1 Effects in the valuation of "bearer plants" in case of changes in the discount rate

Based on the valuation methodology of "bearer plants" described in Note 2.6.2, we proceeded to realize a sensitization to determine the effect that it would have on the value of these assets, a variation of the discount rates used in the model.

Below we present the effect than an increase and a decrease in the discount rate of 50bps would have on said valuation, compared to what was acknowledged as of December 31, 2016 (See Note 19 d)):

	<b>Impairment Book Value Acknowledged as of 31-Dec-16</b>	<b>Impairment Book Value Increased 50bps</b>	<b>Effect of Exch. Rate on Discount Rate</b>
	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
Chile	(11,590)	(12,838)	(1,248)
Mexico	(3,612)	(3,835)	(223)
Spain	(495)	(683)	(188)
<b>Total</b>	<b><u>(15,697)</u></b>	<b><u>(17,356)</u></b>	<b><u>(1,659)</u></b>

	<b>Impairment Book Value Acknowledged as of 31-Dec-16</b>	<b>Impairment Book Value Decreased 50bps</b>	<b>Effect of Exch. Rate on Discount Rate</b>
	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
Chile	(11,590)	(10,502)	1,088
Mexico	(3,612)	(3,434)	178
Spain	(495)	(483)	12
<b>Total</b>	<b><u>(15,697)</u></b>	<b><u>(14,419)</u></b>	<b><u>1,278</u></b>

### 3.4.2 Effects on the valuation of fruits that grow on “bearer plants” considering changes in volume and price

As per what is established in IAS 41, 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 the valuation under result as the product grows.

Since this valuation corresponds to an estimation, it could vary when fruit sales are perfected, moment when said result is realized.

As of June 30, 2017, no adjustments have taken place since there is no fruit on plants.

### 3.4.3 Risk associated to new technologies

Hortifrut, in its various undertakings, throughout the world, is increasing the incorporation of new technologies in the whole production process. The aforementioned involves risks associated to the lack of knowledge of all aspects of their behavior. Even though these are mostly technologies widespread around the world, they still do not have an extensive history which allows us to know beforehand all the adverse effects that could occur.

#### **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 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.

##### **3 Estimation of Fair Value of the Biological Asset, Current**

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

To comply with this norm, the Company uses the valuation methodology described in Note 2.7.

#### **4 Estimating Fair Value of the “Bearer Plants” in Production**

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

The Company has defined that “fruit bearer plants” in production be acknowledged at a revalued cost, which is their fair value, minus accumulated depreciation and the accumulated amount of the loss due to impairment of the value that has affected it.

To calculate fair value, the Company uses the valuation method described in Note 2.6.2.

#### **NOTE 5 – CHANGES IN ACCOUNTING POLICIES**

During the period ending June 30, 2017, no changes in the Company’s accounting policies have taken place.

## NOTE 6 - 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  
= Total revenue

#### **Minus:**

- Sales cost  
- Administrative expenses  
- Other expenses, per function, the impairment in the value of 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 period ending June 30, 2017 and 2016, Operating revenue per geographic location is as follows:

<u>Sales per geographic destination</u>	<u>30-Jun-17</u>		<u>30-Jun-16</u>	
	<u>KUS\$</u>	<u>%</u>	<u>KUS\$</u>	<u>%</u>
North America	113,779	55.8%	143,859	60.7%
Europe	56,096	27.5%	64,102	27.0%
South America	16,858	8.3%	12,616	5.3%
Asia and others	17,089	8.4%	16,560	7.0%
<b>Total / Total revenue</b>	<b>203,822</b>	<b>100.0%</b>	<b>237,137</b>	<b>100.0%</b>

For the second quarter of 2017 and 2016, operating income per geographic location is as follows:

<u>Sales per geographic destination</u>	<u>Second quarter of 2017</u>		<u>Second quarter of 2016</u>	
	<u>KUS\$</u>	<u>%</u>	<u>KUS\$</u>	<u>%</u>
North America	14,072	34.9%	30,295	45.8%
Europe	21,175	52.5%	28,038	42.4%
South America	3,998	9.9%	5,323	8.0%
Asia and others	1,073	2.7%	2,493	3.8%
<b>Total / Total revenue</b>	<b>40,318</b>	<b>100.0%</b>	<b>66,149</b>	<b>100.0%</b>

## **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 Hortifrut Imports Inc., 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 GmbH. (Germany), 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, above 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 and chopped fruit.

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, Peru, Spain 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 June 30, 2017 and 2016, are the following:

### **Operating Margin**

<b>Segment</b>	<b>30-Jun-17</b>			<b>30-Jun-16</b>		
	<b>Total Revenue</b>	<b>Total Costs and Expenses</b>	<b>Operating Result</b>	<b>Total Revenue</b>	<b>Total costs and expenses</b>	<b>Operating result</b>
	<b>KUS\$</b>	<b>KUS\$</b>	<b>KUS\$</b>	<b>KUS\$</b>	<b>KUS\$</b>	<b>KUS\$</b>
Blueberries	159,661	(138,293)	21,368	169,799	(144,516)	25,283
Raspberries	11,685	(11,325)	360	13,915	(12,165)	1,750
Blackberries	11,149	(11,271)	(122)	20,522	(18,382)	2,140
Strawberries	7,965	(8,440)	(475)	9,071	(8,832)	239
Cherries	2,873	(2,269)	604	1,765	(1,386)	379
Value Added Products	10,489	(10,440)	49	22,065	(19,490)	2,575
Other Various	-	-	-	0	-	-
<b>Total</b>	<b>203,822</b>	<b>(182,038)</b>	<b>21,784</b>	<b>237,137</b>	<b>(204,771)</b>	<b>32,366</b>

<b>Segment</b>	<b>Second quarter of 2017</b>			<b>Second quarter of 2016</b>		
	<b>Total Revenue</b>	<b>Total Costs and Expenses</b>	<b>Operating Result</b>	<b>Total Revenue</b>	<b>Total costs and expenses</b>	<b>Operating result</b>
	<b>KUS\$</b>	<b>KUS\$</b>	<b>KUS\$</b>	<b>KUS\$</b>	<b>KUS\$</b>	<b>KUS\$</b>
Blueberries	22,980	(21,509)	1,471	35,241	(30,092)	5,149
Raspberries	5,440	(4,978)	462	7,587	(6,581)	1,006
Blackberries	4,232	(4,560)	(328)	8,890	(8,137)	753
Strawberries	1,820	(1,957)	(137)	1,336	(1,296)	40
Cherries	213	(15)	198	4	123	127
Value Added Products	5,633	(5,271)	362	13,091	(12,168)	923
Other Various	-	-	-	-	-	-
<b>Total</b>	<b>40,318</b>	<b>(38,290)</b>	<b>2,028</b>	<b>66,149</b>	<b>(58,151)</b>	<b>7,998</b>



**Calculating Total Revenue**

<u>DETERMINING TOTAL REVENUE</u>	<u>30-Jun-17</u>	<u>30-Jun-16</u>	<u>1-Apr-17</u>	<u>1-Apr-16</u>
	<u>KUS\$</u>	<u>KUS\$</u>	<u>30-Jun-17</u>	<u>30-Jun-16</u>
Operating Revenue	203,588	236,746	40,128	65,801
Other revenue, per function	234	391	190	348
<b>Total Revenue</b>	<b>203,822</b>	<b>237,137</b>	<b>40,318</b>	<b>66,149</b>

**Calculating Total Costs and Expenses**

<u>DETERMINING TOTAL COSTS AND EXPENSES</u>	<u>30-Jun-17</u>	<u>30-Jun-16</u>	<u>1-Apr-17</u>	<u>1-Apr-16</u>
	<u>KUS\$</u>	<u>KUS\$</u>	<u>30-Jun-17</u>	<u>30-Jun-16</u>
Cost of sales	167,211	190,602	29,995	50,309
Administrative expenses	14,109	13,619	7,942	7,570
Other expenses, per function, excluding impairment in the value of assets	718	550	353	272
<b>Total Costs and Expenses</b>	<b>182,038</b>	<b>204,771</b>	<b>38,290</b>	<b>58,151</b>

**Other Results Not Attributable to Segments**

	<u>30-Jun-17</u>	<u>30-Jun-16</u>	<u>QUARTER</u>	
			<u>1-Apr-17</u>	<u>1-Apr-16</u>
	<u>KUS\$</u>	<u>KUS\$</u>	<u>30-Jun-17</u>	<u>30-Jun-16</u>
Financial Revenue	700	372	568	156
Financial Expenses	(2,579)	(2,184)	(1,310)	(1,021)
Other profit (loss)	(165)	(63)	(49)	(49)
Interest in profit (loss) of associated companies and joint ventures that are recorded using the equity method	153	2,922	(1,308)	2,814
Exchange rate fluctuations	(2,329)	2,161	(2,789)	640
<b>Total</b>	<b>(4,220)</b>	<b>3,208</b>	<b>(4,888)</b>	<b>2,540</b>
<b>Before tax profit</b>	<b>17,564</b>	<b>35,574</b>	<b>(2,860)</b>	<b>10,538</b>
Gains tax expense	(2,393)	(8,124)	727	(2,549)
<b>Profit from continued operations</b>	<b>15,171</b>	<b>27,450</b>	<b>(2,133)</b>	<b>7,989</b>
Profit (loss), attributable to the equity holders of the parent company	14,699	23,039	(1,738)	5,268
Profit (loss), attributable to non parent company equity holders	472	4,411	(395)	2,721
<b>Profit of the period</b>	<b>15,171</b>	<b>27,450</b>	<b>(2,133)</b>	<b>7,989</b>

**NOTE 7 – FINANCIAL INSTRUMENTS**

**7.a) FINANCIAL INSTRUMENTS PER CATEGORY**

<b>Assets</b>	<b>Financial assets and accounts receivable KUS\$</b>	<b>Assets at fair value through results KUS\$</b>	<b>Hedging instruments KUS\$</b>	<b>Total KUS\$</b>
<b><u>30-Jun-17</u></b>				
Cash and cash equivalents	21,239	8,277	-	29,516
Other current financial assets	-	-	2,641	2,641
Current trade debtors and other accounts receivable	27,230	-	-	27,230
Current accounts receivable from related entities	31,349	-	-	31,349
Other non current financial assets	-	-	39	39
Non current accounts receivable from related entities	8,849	-	-	8,849
Non current fees receivable	1,994	-	-	1,994
<b>Total</b>	<b>90,661</b>	<b>8,277</b>	<b>2,680</b>	<b>101,618</b>
<hr/>				
<b>Liabilities</b>	<b>Other financial liabilities KUS\$</b>	<b>Liabilities at fair value with changes in result KUS\$</b>	<b>Hedging instruments KUS\$</b>	<b>Total KUS\$</b>
<b><u>30-Jun-17</u></b>				
Current trade accounts and other accounts payable	13,525	-	-	13,525
Current accounts payable to related entities	3,287	-	-	3,287
Non current accounts payable to related entities	13,109	-	-	13,109
Other current financial liabilities	99,660	-	-	99,660
Other non current financial liabilities	72,151	-	673	72,824
<b>Total</b>	<b>201,732</b>	<b>-</b>	<b>673</b>	<b>202,405</b>
<hr/>				
<b>Assets</b>	<b>Financial assets and accounts receivable KUS\$</b>	<b>Assets at fair value through results KUS\$</b>	<b>Hedging instruments KUS\$</b>	<b>Total KUS\$</b>
<b><u>31-Dec-16</u></b>				
Cash and cash equivalents	21,841	13,404	-	35,245
Other current financial assets	-	-	3,155	3,155
Current trade debtors and other accounts receivable	42,578	-	-	42,578
Current accounts receivable from related entities	45,759	-	-	45,759
Other non current financial assets	-	-	1,101	1,101
Non current accounts receivable from related entities	7,660	-	-	7,660
Non current fees receivable	1,794	-	-	1,794
<b>Total</b>	<b>119,632</b>	<b>13,404</b>	<b>4,256</b>	<b>137,292</b>
<hr/>				
<b>Liabilities</b>	<b>Other financial liabilities KUS\$</b>	<b>Liabilities at fair value with changes in results KUS\$</b>	<b>Hedging instruments KUS\$</b>	<b>Total KUS\$</b>
<b><u>31-Dec-16</u></b>				
Current trade accounts and other accounts payable	60,009	-	-	60,009
Current accounts payable to related entities	6,711	-	-	6,711
Non current accounts payable to related entities	11,690	-	-	11,690
Other current financial liabilities	150,787	-	-	150,787
Other non current financial liabilities	56,952	-	678	57,630
<b>Total</b>	<b>286,149</b>	<b>-</b>	<b>678</b>	<b>286,827</b>

## 7.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:

<b>Current Assets</b>	<b>30-Jun-17</b>	<b>31-Dec-16</b>
	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
Mutual Funds and term deposits classification AA+fm/M1	8,277	13,404
Bank Current Accounts AAA	21,239	21,841
<b>Sub-total Cash and Cash Equivalents</b>	<b><u>29,516</u></b>	<b><u>35,245</u></b>
Swap rate operations	76	8
Forwards currency operations	1,786	2,792
Hedging-option operations	779	355
<b>Total other current financial assets</b>	<b><u>2,641</u></b>	<b><u>3,155</u></b>
Trade debtors and other accounts receivable without credit rating	27,230	42,578
<b>Sub-total Current trade debtors and other accounts receivable</b>	<b><u>27,230</u></b>	<b><u>42,578</u></b>
<b>Total</b>	<b><u>59,387</u></b>	<b><u>80,978</u></b>

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.

## 7.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 13. For the application of 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 June 30, 2017 and December 31, 2016:

<u>Assets/(Liabilities)</u>	Fair Value June 30, 2017 <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	8,277	8,277	-	-
Cross Currency Swap Operations	76	-	76	-
Forwards currency operations	1,786	-	1,786	-
Hedging-option operations	779	-	779	-
Non current forwards currency operations	5	-	5	-
Non current Cross Currency Swap Operations	34	-	34	-
Non Current Cross Currency Swap Operations	(673)	-	(673)	-

<u>Assets/(Liabilities)</u>	Fair value December 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	13,404	13,404	-	-
Cross Currency Swap Operations	8	-	8	-
Forwards currency operations	2,792	-	2,792	-
Hedging-option operations	355	-	355	-
Non current forwards currency operations	709	-	709	-
Non current hedging-option operations	347	-	347	-
Non current Cross Currency Swap Operations	45	-	45	-
Non Current Cross Currency Swap Operations	(678)	-	(678)	-

## 7.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:

	Notes	30-jun-17		31-dic-16	
		Book value KUS\$	Fair value KUS\$	Book value KUS\$	Fair value KUS\$
<b>Assets</b>					
Cash and cash equivalents	<b>8</b>				
Bank balances		21.239	21.239	21.841	21.841
Mutual funds		8.277	8.277	13.404	13.404
Otros current financial assets	<b>9</b>	2.641	2.641	3.155	3.155
Current trade debtors and other accounts receivable and non current fees receivable	<b>10</b>	29.224	29.224	44.372	44.372
Current accounts receivable from related entities	<b>11</b>	31.349	31.349	45.759	45.759
Other non current financial assets	<b>9</b>	39	39	1.101	1.101
Non current accounts receivable from related entities	<b>11</b>	8.849	8.849	7.660	7.660
<b>Liabilities</b>					
Other current financial liabilities	<b>21</b>	99.660	99.660	150.787	150.787
Other non current financial liabilities	<b>21</b>	72.824	72.824	57.630	57.630
Current trade accounts and other accounts payable	<b>22</b>	13.525	13.525	60.009	60.009
Current accounts payable to related entities	<b>11</b>	3.287	3.287	6.711	6.711
Non current accounts payable to related entities	<b>11</b>	13.109	13.109	11.690	11.690

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 8 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 June 30, 2017 and December 31, 2016, is as follows:

<b>Types of Cash and Cash Equivalents</b>	<b>30-Jun-17</b>	<b>31-Dec-16</b>
	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
Bank balances	21,239	21,841
Mutual funds	8,277	13,404
<b>Total cash and cash equivalents</b>	<b><u>29,516</u></b>	<b><u>35,245</u></b>

1.- Detail per currency of cash and cash equivalents as of June 30, 2017 and December 31, 2016, is as follows:

<b>Type of currency</b>	<b>30-Jun-17</b>	<b>31-Dec-16</b>
	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
United States Dollar	10,882	19,921
Chilean Peso	1,469	2,342
Mexican Peso	466	838
Euro	15,772	11,775
Brazilian Real	67	72
Nuevo Sol	643	291
Argentine Peso	217	6
<b>Total</b>	<b><u>29,516</u></b>	<b><u>35,245</u></b>

2.- The detail of mutual funds per bank as of June 30, 2017 and December 31, 2016, is as follows:

<b>Investments in mutual funds</b>	<b>30-Jun-17</b>	<b>31-Dec-16</b>
	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
Banco Crédito e Inversiones	4,398	11,831
Banco Santander Chile	3,791	1,484
Banco Estado	26	-
Itaú - Brazil	62	89
<b>Total investments in mutual funds</b>	<b><u>8,277</u></b>	<b><u>13,404</u></b>

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 9 - 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 and Mexican pesos in the agricultural and export business (see Note 3.1.3).

The detail of Other financial assets as of June 30, 2017 and December 31, 2016, is as follows:

<b>Current</b>	<b>30-Jun-17</b>	<b>31-Dec-16</b>
	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
Swap rate operations	76	8
Forward currency operations	1,786	2,792
Hedging-option operations	779	355
<b>Total other current financial assets</b>	<b><u>2,641</u></b>	<b><u>3,155</u></b>

  

<b>Non Current</b>	<b>30-Jun-17</b>	<b>31-Dec-16</b>
	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
Swap rate operations	34	45
Forward currency operations	5	709
Hedging-option operations	-	347
<b>Total other non-current financial assets</b>	<b><u>39</u></b>	<b><u>1,101</u></b>

As of June 30, 2017 and December 31, 2016, no inefficiency is recorded in the Company's results, which arise from the aforementioned hedging of derivative operations.

a) Detail of the current and non-current swap operations, held by Hortifrut S.A. and subsidiaries are:

<b><u>ASSETS</u></b>				<b>MtoM Value</b>		
<b>Hedging instruments</b>				<b>Capital</b>	<b>30-Jun-17</b>	<b>31-Dec-16</b>
<b>Company/Subsidiary</b>	<b>Entities</b>	<b>Instruments</b>	<b>Type</b>	<b>KUS\$</b>	<b>KUS\$</b>	<b>KUS\$</b>
Hortifrut S.A.	Santander Santiago	Cross Currency Swaps - USD	Rate	8,800	-	8
Top Berries & Fruit SAP	BCI	Cross Currency Swaps - USD	Rate	5,198	76	-
<b>Total Current</b>				<b><u>13,998</u></b>	<b><u>76</u></b>	<b><u>8</u></b>
Hortifrut Chile S.A.	Banco de Crédito e Inversio	Cross Currency Swaps - USD	Rate	1,217	3	1
Hortifrut Chile S.A.	BBVA	Cross Currency Swaps - USD	Rate	6,250	31	44
Top Berries & Fruit SAP	BCI	Cross Currency Swaps - USD	Rate	-	-	-
<b>Total Non Current</b>				<b><u>7,467</u></b>	<b><u>34</u></b>	<b><u>45</u></b>

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

**As of June 30, 2017:**

Company	Bank	Contract Modality	Fees Type	Currency	Liabilities		Closing Value	Net Effect Offsetting	MTM Expiry up to				Total current 6/30/2017	Expiry up to 1 to 2 years	Total non current 6/30/2017
					Amount	Currency			1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months			
					KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$			
Agr. Vida Nueva S.A.	Santander	Offsetting	Sale	USD	500	CLP	518	18	-	-	2	-	2	-	-
Hortifrut Chile S.A.	BBVA	Offsetting	Sale	USD	5,192	CLP	5,622	430	65	110	136	57	368	3	3
Hortifrut Chile S.A.	BCI	Offsetting	Sale	USD	6,408	CLP	7,184	776	132	218	268	114	732	-	-
Hortifrut Chile S.A.	Estado	Offsetting	Sale	USD	4,300	CLP	4,376	76	7	13	20	8	48	-	-
Hortifrut Chile S.A.	Scotiabank	Offsetting	Sale	USD	1,077	CLP	1,084	7	-	-	-	-	-	-	-
Hortifrut S.A.	BBVA	Offsetting	Sale	USD	2,814	CLP	3,054	240	29	43	122	12	206	2	2
Hortifrut S.A.	BCI	Offsetting	Sale	USD	3,592	CLP	4,029	437	59	86	244	23	412	-	-
Hortifrut S.A.	Estado	Offsetting	Sale	USD	1,700	CLP	1,729	29	4	3	9	2	18	-	-
Hortifrut S.A.	Scotiabank	Offsetting	Sale	USD	422	CLP	423	1	-	-	-	-	-	-	-
<b>Total</b>		<b>6/30/2017</b>			<b>26,005</b>		<b>28,019</b>	<b>2,014</b>	<b>296</b>	<b>473</b>	<b>801</b>	<b>216</b>	<b>1,786</b>	<b>5</b>	<b>5</b>

**As of December 31, 2016:**

Company	Bank	Contract Modality	Fees Type	Currency	Liabilities		Closing Value	Net Effect Offsetting	MTM Expiry up to				Total current 12/31/2016	Expiry up to 1 to 2 years	Total non current 12/31/2016
					Amount	Currency			1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months			
					KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$			
Agr. Vida Nueva S.A.	Santander	Offsetting	Sale	USD	685	CLP	748	63	58	5	-	-	63	-	-
Hortifrut Chile S.A.	BBVA	Offsetting	Sale	USD	4,858	CLP	5,265	407	97	40	49	80	266	141	141
Hortifrut Chile S.A.	BCI	Offsetting	Sale	EUR	3,638	USD	3,836	198	132	49	-	-	181	-	-
Hortifrut Chile S.A.	BCI	Offsetting	Sale	USD	9,716	CLP	10,543	827	205	84	100	161	550	276	276
Hortifrut Chile S.A.	Chile	Offsetting	Sale	EUR	3,638	USD	3,840	202	134	49	-	-	183	-	-
Hortifrut Chile S.A.	Itau-Corbanca	Offsetting	Sale	EUR	7,792	USD	8,102	310	199	73	-	-	272	-	-
Hortifrut Chile S.A.	Santander	Offsetting	Sale	USD	1,654	CLP	1,813	159	113	47	-	-	160	-	-
Hortifrut Chile S.A.	Scotiabank	Offsetting	Sale	USD	3,854	CLP	4,003	149	104	45	-	-	149	-	-
Hortifrut Chile S.A.	Security	Offsetting	Sale	EUR	3,638	USD	3,836	198	132	49	-	-	181	-	-
Hortifrut Chile S.A.	Security	Offsetting	Sale	USD	496	CLP	560	64	45	19	-	-	64	-	-
Hortifrut S.A.	BBVA	Offsetting	Sale	USD	2,955	CLP	3,202	247	88	8	22	31	149	98	98
Hortifrut S.A.	BCI	Offsetting	Sale	USD	5,910	CLP	6,414	504	186	17	44	63	310	194	194
Hortifrut S.A.	Santander	Offsetting	Sale	USD	1,159	CLP	1,271	112	102	10	-	-	112	-	-
Hortifrut S.A.	Scotiabank	Offsetting	Sale	USD	1,159	CLP	1,266	107	98	9	-	-	107	-	-
Hortifrut S.A.	Security	Offsetting	Sale	USD	348	CLP	393	45	41	4	-	-	45	-	-
<b>Total</b>		<b>12/31/2016</b>			<b>51,500</b>		<b>55,092</b>	<b>3,592</b>	<b>1,734</b>	<b>508</b>	<b>215</b>	<b>335</b>	<b>2,792</b>	<b>709</b>	<b>709</b>

Type of fees from the company's perspective



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

**As of June 30, 2017:**

Company	Bank	Contract Modality	Fees Type	Currency	Liabilities		Closing Value	Net Effect	MTM Closing	
					Amount	Currency	Amount	Offsetting	Exch. Rate	Expiry
					KUS\$		KUS\$	KUS\$	KUS\$	Date
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	280	USD	252	28	28	20-Jul-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	301	USD	271	30	29	21-Aug-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	363	USD	327	36	35	20-Sep-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	325	USD	293	32	32	20-Oct-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	459	USD	414	45	45	20-Nov-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	752	USD	678	74	73	20-Dec-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	851	USD	767	84	83	19-Jan-18
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	616	USD	555	61	60	20-Feb-18
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	402	USD	362	40	39	20-Mar-18
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	286	USD	258	28	28	20-Apr-18
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	259	USD	233	26	25	18-May-18
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	232	USD	209	23	22	20-Jun-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	146	USD	132	14	14	20-Jul-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	133	USD	120	13	13	21-Aug-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	139	USD	125	14	14	20-Sep-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	134	USD	121	13	13	20-Oct-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	178	USD	160	18	17	20-Nov-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	290	USD	261	29	28	20-Dec-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	982	USD	885	97	96	19-Jan-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	552	USD	497	55	54	20-Feb-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	162	USD	146	16	16	20-Mar-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	69	USD	62	7	7	20-Apr-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	42	USD	38	4	4	18-May-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	48	USD	43	5	4	20-Jun-18
<b>Total</b>			<b>6/30/2017</b>		<b>8,001</b>		<b>7,209</b>	<b>792</b>	<b>779</b>	

**As of December 31, 2016:**

Company	Bank	Contract Modality	Fees Type	Currency	Liabilities		Closing Value	Net Effect	MTM Closing	
					Amount	Currency	Amount	Offsetting	Exch. Rate	Expiry
					KUS\$		KUS\$	KUS\$	KUS\$	Date
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	160	USD	146	14	14	20-Jan-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	116	USD	106	10	10	20-Feb-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	75	USD	68	7	6	20-Mar-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	54	USD	49	5	5	20-Apr-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	49	USD	45	4	4	19-May-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	44	USD	40	4	4	20-Jun-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	280	USD	255	25	23	20-Jul-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	301	USD	274	27	25	21-Aug-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	363	USD	330	33	30	20-Sep-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	325	USD	296	29	26	20-Oct-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	459	USD	417	42	37	20-Nov-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	752	USD	684	68	59	20-Dec-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	184	USD	167	17	16	20-Jan-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	104	USD	95	9	9	20-Feb-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	30	USD	27	3	2	20-Mar-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	13	USD	12	1	1	20-Apr-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	8	USD	7	1	1	19-May-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	9	USD	8	1	1	20-Jun-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	146	USD	133	13	12	20-Jul-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	133	USD	121	12	11	21-Aug-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	139	USD	126	13	11	20-Sep-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	134	USD	122	12	11	20-Oct-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	178	USD	162	16	14	20-Nov-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	290	USD	264	26	23	20-Dec-17
<b>Total</b>			<b>12/31/2016</b>		<b>4,346</b>		<b>3,954</b>	<b>392</b>	<b>355</b>	

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

**As of December 31, 2016:**

<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 Closing</u>	
					<u>Amount</u>	<u>Currency</u>	<u>Amount</u>	<u>Offsetting</u>	<u>Exch. Rate</u>	<u>Expiry</u>
					<u>KUS\$</u>		<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>Date</u>
Hortifrut Chile S.A. BCI		Offsetting	ZCC	CLP	851	USD	774	77	66	19-Jan-18
Hortifrut Chile S.A. BCI		Offsetting	ZCC	CLP	616	USD	560	56	48	20-Feb-18
Hortifrut Chile S.A. BCI		Offsetting	ZCC	CLP	402	USD	366	36	31	20-Mar-18
Hortifrut Chile S.A. BCI		Offsetting	ZCC	CLP	286	USD	260	26	22	20-Apr-18
Hortifrut Chile S.A. BCI		Offsetting	ZCC	CLP	259	USD	236	23	20	18-May-18
Hortifrut Chile S.A. BCI		Offsetting	ZCC	CLP	232	USD	211	21	17	20-Jun-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	982	USD	893	89	77	19-Jan-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	552	USD	502	50	43	20-Feb-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	162	USD	147	15	12	20-Mar-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	69	USD	63	6	5	20-Apr-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	42	USD	38	4	3	18-May-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	48	USD	44	4	3	20-Jun-18
		<b>Total</b>	<b>12/31/2016</b>		<b>4,501</b>		<b>4,094</b>	<b>407</b>	<b>347</b>	

**NOTE 10 – TRADE DEBTORS AND OTHER CURRENT ACCOUNTS RECEIVABLE/NON-CURRENT FEES RECEIVABLE**

The detail of trade debtors and other accounts receivable as of June 30, 2017 and December 31, 2016 is as follows:

<b>30-Jun-17</b>						
<b>Current per country of origin</b>	<b>Sales</b>	<b>Documents</b>	<b>Others</b>	<b>Recoverable</b>	<b>Provision</b>	<b>Total</b>
	<b>KUS\$</b>	<b>KUS\$</b>	<b>KUS\$</b>	<b>taxes</b>	<b>KUS\$</b>	<b>KUS\$</b>
Chile	4,379	1,217	1,856	4,915	(723)	11,644
Spain	785	-	772	6,501	(43)	8,015
Mexico	299	-	7,678	498	(1,893)	6,582
United States	-	-	1	-	-	1
Brazil	514	-	138	221	(107)	766
Argentina	-	-	173	49	-	222
<b>Total</b>	<b>5,977</b>	<b>1,217</b>	<b>10,618</b>	<b>12,184</b>	<b>(2,766)</b>	<b>27,230</b>

  

<b>31-Dec-16</b>						
<b>Current per country of origin</b>	<b>Sales</b>	<b>Documents</b>	<b>Others</b>	<b>Recoverable</b>	<b>Provision</b>	<b>Total</b>
	<b>KUS\$</b>	<b>KUS\$</b>	<b>KUS\$</b>	<b>taxes</b>	<b>KUS\$</b>	<b>KUS\$</b>
Chile	8,284	1,391	1,478	8,602	(467)	19,288
Spain	10,190	-	639	3,918	(40)	14,707
Mexico	631	-	6,820	1,146	(1,507)	7,090
United States	-	-	207	-	-	207
Brazil	659	-	100	147	(105)	801
Argentina	-	-	353	132	-	485
<b>Total</b>	<b>19,764</b>	<b>1,391</b>	<b>9,597</b>	<b>13,945</b>	<b>(2,119)</b>	<b>42,578</b>

The concept others, mainly corresponds to advanced payments to producers and suppliers, the provision corresponds to impairment of trade debtors and other accounts receivable.

The detail of non-current fees receivable as of June 30, 2017 and December 31, 2016 is as follows:

<b>Non Current</b>	<b>30-Jun-17</b>	<b>31-Dec-16</b>
	<b>KUS\$</b>	<b>KUS\$</b>
Non current debtors and accounts receivable	805	803
Other non current fees receivable	1,189	991
<b>Total non current fees receivable</b>	<b>1,994</b>	<b>1,794</b>

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

	<b>30-Jun-17</b>	<b>31-Dec-16</b>
<b><u>Tax receivable accounts</u></b>	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
Iva (VAT) tax credit	11,952	12,812
Customs refund	19	71
Other recoverable taxes	213	1,062
<b>Total</b>	<b><u>12,184</u></b>	<b><u>13,945</u></b>

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 June 30, 2017 and December 31, 2016. Below is an analysis by age of trade debts and accounts receivable:

<b>Terms</b>	<b>30-Jun-17</b>		<b>31-Dec-16</b>	
	<b>NON SECURITIZED PORTFOLIO</b>		<b>NON SECURITIZED PORTFOLIO</b>	
	<b>Customers non re- negotiated portfolio</b>	<b>Amount non re- negotiated portfolio</b>	<b>Customers non re- negotiated portfolio</b>	<b>Amount non re- negotiated portfolio</b>
	<b><u>N°</u></b>	<b><u>KUSD</u></b>	<b><u>N°</u></b>	<b><u>KUSD</u></b>
Up to date	450	5,727	588	19,360
From 1 to 30 days	33	38	42	843
From 31-60 days	40	868	30	300
From 61-90 days	31	472	25	271
From 91-120 days	25	21	25	207
From 121-150 days	17	11	12	173
From 151 to 180 days	7	24	9	81
From 181 to 210 days	18	53	12	3
From 211 to 250 days	68	273	17	39
Over 250 days	157	512	217	681
<b>Total</b>	<b><u>846</u></b>	<b><u>7,999</u></b>	<b><u>977</u></b>	<b><u>21,958</u></b>
<b>Provision</b>		<b><u>(955)</u></b>		<b><u>(675)</u></b>
<b>Total (net)</b>		<b><u>7,044</u></b>		<b><u>21,283</u></b>

- 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:

<b>Terms</b>	<b>30-Jun-17</b>	<b>31-Dec-16</b>
	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
Up to date	2,979	7,993
From 1 to 30 days	10,202	11,976
From 31-60 days	5,953	10,961
From 61-90 days	968	1,065
From 91-120 days	4	2,252
From 121-150 days	485	2,180
From 151 to 180 days	-	442
From 181 to 210 days	216	130
Over 250 days	6,423	5,579
<b>Total</b>	<b><u>27,230</u></b>	<b><u>42,578</u></b>

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:

	<b>30-Jun-17</b>	<b>31-Dec-16</b>
	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
National Trade Debtors	512	447
Receivable documents	443	228
Other accounts receivable	1,811	1,444
<b>Total</b>	<b><u>2,766</u></b>	<b><u>2,119</u></b>

Balances due to currency that make up Trade debtors and other accounts receivable as of June 30, 2017 and December 31, 2016, are as follows:

<b>Type of currency</b>	<b>30-Jun-17</b>	<b>31-Dec-16</b>
	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
United States Dollar	6,983	12,903
Chilean Peso	6,739	13,500
Euro	2,677	11,088
Mexican Peso	4,172	792
Argentine Peso	222	489
Brazilian Real	769	801
Nuevo Sol	5,668	3,005
<b>Total</b>	<b><u>27,230</u></b>	<b><u>42,578</u></b>

The Company constitutes provisions based on estimations and 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 June 30, 2017 and December 31, 2016, is as follows:

<b>Movement</b>	<b>30-Jun-17</b>	<b>31-Dec-16</b>
	<u><b>KUS\$</b></u>	<u><b>KUS\$</b></u>
As of January 01	2,119	2,315
Write-offs	(48)	(732)
Increase in provision	622	674
Exchange rate difference	<u>73</u>	<u>(138)</u>
<b>Total</b>	<b><u>2,766</u></b>	<b><u>2,119</u></b>

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 June 30, 2017</u>			<u>As of December 31, 2016</u>		
	<u>Gross exposure as per balance</u> <u>KUS\$</u>	<u>Gross impaired exposure</u> <u>KUS\$</u>	<u>Net exposure concentration of risk</u> <u>KUS\$</u>	<u>Gross exposure as per balance</u> <u>KUS\$</u>	<u>Gross impaired exposure</u> <u>KUS\$</u>	<u>Net exposure concentration of risk</u> <u>KUS\$</u>
Trade debtors	5,977	(512)	5,465	19,764	(447)	19,317
Notes receivable	1,217	(443)	774	1,391	(228)	1,163
Other accounts receivable	10,618	(1,811)	8,807	9,597	(1,444)	8,153
Recoverable taxes	12,184	-	12,184	13,945	-	13,945
<b>Total</b>	<b><u>29,996</u></b>	<b><u>(2,766)</u></b>	<b><u>27,230</u></b>	<b><u>44,697</u></b>	<b><u>(2,119)</u></b>	<b><u>42,578</u></b>

**NOTE 11– 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 June 30, 2017 and December 31, 2016, 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 Ccy</u>	<u>30-Jun-17</u>	<u>31-Dec-16</u>
					<u>KUS\$</u>	<u>KUS\$</u>
Hortifrut Munger North America, LLC	o-E	USA	Associated	US\$	14,339	3,710
S.A.T. Hortifrut H-0030	o-E	Spain	Associated	EUR	8,368	1,503
Expofresh S.A.	o-E	Argentina	Common shareholder	US\$	3,323	-
Naturipe Value Added Foods LLC	o-E	USA	Associated	US\$	2,369	9,892
Naturipe Farms LLC	o-E	USA	Associated	US\$	1,538	27,168
Munger Farms, LLC	o-E	USA	Common shareholder	US\$	633	117
Hortifrut Tal S.A.C	o-E	Peru	Associated	US\$	168	-
Hortifrut Expofresh S.A.	o-E	Argentina	Associated	US\$	153	647
Margesi S.A.	o-E	Argentina	Associated	US\$	142	59
Naturipe Berry Growers, LLC	o-E	USA	Associated	US\$	93	-
Tierra de Arándanos S.R.L.	o-E	Argentina	Common shareholder in associated	US\$	93	-
Cooperativa de Agricultores Gijon.	o-E	Spain	Affiliated of a common shareholder in subsidiary	EUR	47	39
Tierra de Ibatin S.A.	o-E	Argentina	Common shareholder	US\$	40	-
Juan Carlos Garcia	o-E	Spain	Common shareholder	US\$	26	33
Agrícola e Inmobiliaria Don Vitoco Ltda.	76.849.930-6	Chile	Common shareholder	CLP	8	-
Euroberry Ltd.	o-E	Spain	Common shareholder	EUR	6	-
Agrícola e Inmobiliaria Lumaco S.A.	96.761.430-0	Chile	Common shareholder	CLP	2	-
Global Organics S.A.	76.404.690-0	Chile	Common shareholder	CLP	1	-
Euroberry GmbH	o-E	Germany	Shareholder in subsidiary	EUR	-	1,179
Valles del Sur SpA	76.243.329-k	Chile	Shareholder	US\$	-	939
Atlantic Blue,S.L.	o-E	Spain	Common shareholder	EUR	-	205
Naturipe Brand, LLC	o-E	USA	Associated	US\$	-	200
Agrícola San José de Tilama S.A.	76.043.289-K	Chile	Common shareholder	US\$	-	36
Atlantic Green S.L.	o-E	Spain	Common shareholder	EUR	-	31
Agrícola Nueva Cabildo S.A.	76.107.465-2	Chile	Common shareholder	US\$	-	1
<b>Total</b>					<b>31,349</b>	<b>45,759</b>

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

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

<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>30-Jun-17</u>	<u>31-Dec-16</u>
					<u>KUS\$</u>	<u>KUS\$</u>
S.A.T. Hortifrut H-0030	0-E	Spain	Associated	EUR	3,485	3,485
Hortifrut Berries Maroc SRL	0-E	Morocco	Associated	EUR	3,347	1,983
Tierras de Berries S.A.	0-E	Argentina	Common shareholder in associated	US\$	2,017	2,192
<b>Total</b>					<b>8,849</b>	<b>7,660</b>

## 11.2. Accounts payable to related entities

Accounts payable to related entities as of June 30, 2017 and December 31, 2016, 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>30-Jun-17</u>	<u>31-Dec-16</u>
					<u>KUS\$</u>	<u>KUS\$</u>
Andes del Sur Inversiones Ltda.	76.463.392-K	Chile	Common shareholder	CLP	1,401	888
Atlantic Blue Berries Maroc, SARL	0-E	Spain	Common shareholder	EUR	886	14
Sociedad Agrícola Catapilco Limitada	78241100-4	Chile	Shareholder in subsidiary	CLP	270	314
Euroberry GmbH	0-E	Germany	Shareholder in subsidiary	US\$	229	-
Tal S.A.C.	0-E	Peru	Affiliated of a Shareholder in associated co.	US\$	200	1,163
Agrícola San José de Tilama S.A.	76.043.289-K	Chile	Common shareholder	US\$	141	-
Monarch Nut Company, LLC	0-E	USA	Common shareholder	US\$	113	-
Atlantic Blue, S.L.	0-E	Spain	Common shareholder	EUR	23	-
Valles del Sur SpA	76.243.329-k	Chile	Common shareholder	US\$	13	-
Agrícola Santa Carmen Ltda	86.776.400-3	Chile	Common shareholder	US\$	7	324
Pacific Berry Breeding, LLC	0-E	USA	Associated	US\$	2	13
Atlantic Green, S.L.	0-E	Spain	Common shareholder	EUR	2	-
Expofresh S.A.	0-E	Argentina	Common shareholder	US\$	-	2,905
Hortifrut Tal S.A.C	0-E	Peru	Associated	US\$	-	727
Naturipe Berry Growers, LLC	0-E	USA	Associated	US\$	-	177
Munger Bros, LLC	0-E	USA	Common shareholder	US\$	-	125
Arandanos del Rocío, S.L.	0-E	Spain	Common shareholder	EUR	-	32
Santa Maria de Gorbea S.A.	99.567.570-6	Chile	Common shareholder	CLP	-	23
Agrícola e Inmobiliaria Don Vitoco Ltda.	76.849.930-6	Chile	Common shareholder	CLP	-	3
Agrícola e Inmobiliaria Lumaco S.A.	96.761.430-0	Chile	Common shareholder	CLP	-	3
<b>Total</b>					<b>3,287</b>	<b>6,711</b>

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>30-Jun-17</u>	<u>31-Dec-16</u>
					<u>KUS\$</u>	<u>KUS\$</u>
Royal Berries S.L.	0-E	Spain	Affiliated of a shareholder in subsidiary	EUR	11,694	10,286
Inversiones Canihua S.A.	95.526.000-7	Chile	Common shareholder	CLP	978	971
Inversiones Purranque S.A.	96.539.710-8	Chile	Shareholder in subsidiary	CLP	437	433
<b>Total</b>					<b>13,109</b>	<b>11,690</b>

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



### 11.3. Transactions with related parties and their effects on results

The operations and their effects on results for the periods ending June 30, 2017 and 2016:

<u>Company</u>	<u>RUT</u>	<u>Nature of the relationship</u>	<u>Description of the transaction</u>	<u>Effect on result (charge)/ deposit</u>		<u>Effect on result (charge)/ deposit</u>	
				<u>30-Jun-17</u>	<u>30-Jun-16</u>	<u>30-Jun-17</u>	<u>30-Jun-16</u>
				<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
Naturipe Farms LLC	0-E	Associated	Fruit sales	96,907	10,599	123,071	16,908
S.A.T. Hortifrut H-0030	0-E	Associated	Fruit sales	14,184	1,551	22,147	3,043
S.A.T. Hortifrut H-0030	0-E	Associated	Gained interests	41	-	-	-
S.A.T. Hortifrut H-0030	0-E	Associated	Fruit purchase	-	-	149	-
Agrícola Santa Carmen Ltda.	86.776.400-3	Common shareholder	Fruit purchase	3,787	-	5,841	-
Agrícola Santa Carmen Ltda.	86.776.400-3	Common shareholder	Income from packing services, materials and others	303	-	109	-
Agrícola Santa Carmen Ltda.	86.776.400-3	Common shareholder	Income from plant sales	67	7	88	12
Naturipe Value Added Foods LLC	0-E	Associated	Fruit sales	7,724	845	-	-
Naturipe Berry Growers	0-E	Associated	Fruit sales	2,455	269	3,530	485
Sociedad Agrícola Catapilco Ltda.	78.241.100-4	Common shareholder	Advanced purchsae of plants (Nursery)	2,676	-	2,352	-
Agrícola e Inmobiliaria Don Vitoco Ltda.	76.849.930-6	Common shareholder	Fruit purchase	28	-	27	-
Agrícola e Inmobiliaria Don Vitoco Ltda.	76.849.930-6	Common shareholder	Income from packing services, materials and others	23	-	13	-
Atlantic Blue S.L.	0-E	Common shareholder in subsidiary	Interest Expenses	-	-	9	(9)
Valles del Sur SpA	76.243.329-k	Shareholder	Fruit purchase	5,441	-	5,982	-
Valles del Sur SpA	76.243.329-k	Shareholder	Income from packing services, materials and others	476	-	257	-
Valles del Sur SpA	76.243.329-k	Shareholder	Income from plant sales	34	4	394	54
Agrícola San José de Tilama S.A.	76.043.289-K	Common shareholder	Fruit purchase	390	-	214	-
Agrícola San José de Tilama S.A.	76.043.289-K	Common shareholder	Income from packing services, materials and others	-	-	2	-
Agrícola San José de Tilama S.A.	76.043.289-K	Common shareholder	Income from plant sales	-	-	27	4
Vileun Organics SPA	76.158.225-9	Common shareholder	Fruit purchase	-	-	1,722	-
Santa Maria de Gorbea S.A.	99.567.570-6	Common shareholder	Fruit purchase	27	-	165	-
Agrícola Nueva Cabildo S.A.	76.107.465-2	Common shareholder	Fruit purchase	30	-	39	-
Agrícola Nueva Cabildo S.A.	76.107.465-2	Common shareholder	Income from packing services, materials and others	-	-	8	-
Horacio Schmidt Cortes	3.171.221-1	Shareholder in subsidiary	Paid dividend	-	-	105	-

<u>Company</u>	<u>RUT</u>	<u>Nature of the relationship</u>	<u>Description of the transaction</u>	<u>Effect on result (charge)/ deposit</u>		<u>Effect on result (charge)/ deposit</u>	
				<u>30-Jun-17</u>	<u>30-Jun-16</u>	<u>30-Jun-17</u>	<u>30-Jun-16</u>
				<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
Andes del Sur Inversiones Limitada	76.463.392-K	Shareholder in subsidiary	Paid dividend	-	-	261	-
Andes del Sur Inversiones Limitada	76.463.392-K	Shareholder in subsidiary	Received loan	504	-	444	-
Hortifrut Tal S.A.C	0-E	Associated	Fruit purchase	6,027	-	5,165	-
Hortifrut Tal S.A.C	0-E	Associated	Income from plant sales	-	-	10	1
Tal S.A.C	0-E	Common shareholder in associated co.	Fruit purchase	688	-	2,492	-
Expofresh S.A.	0-E	Common shareholder in associated co.	Fruit purchase	105	-	-	-
Expofresh S.A.	0-E	Common shareholder in associated co.	Advanced payment to producer	2,950	-	600	-
Royal Berries S.L.	0-E	Common shareholder	Fruit sales	9	1	182	25
Royal Berries S.L.	0-E	Common shareholder	Income from plant sales	166	18	-	-
Royal Berries S.L.	0-E	Common shareholder	Berries genetics (plants)	1,132	-	1,254	-
Royal Berries S.L.	0-E	Common shareholder	Interest expense	125	(125)	290	(290)
Agricola e Inmobiliaria Lumaco S.A.	96.761.430-0	Common shareholder	Income from packing services, materials and others	11	-	9	-
Inversiones Canihua	95.526.000-7	Shareholder in subsidiary	Paid dividend	-	-	375	-
Hortifrut Berries Maroc SRL	0-E	Associated	Loan	742	-	1,937	-
Hortifrut Berries Maroc SRL	0-E	Associated	Gained intersts	114	114	17	17
Hortifrut Berries Maroc SRL	0-E	Associated	Income from plant sales	227	25	123	17
Hortifrut Berries Maroc SRL	0-E	Associated	Fruit purchase	26	-	-	-
Atlantic Blue Berries Maroc, SRL	0-E	Common shareholder in subsidiary	Fruit purchase	6,651	-	-	-
Tierras de Berries S.A.	0-E	Common shareholder in associated co.	Anticipated collection	-	-	1,299	-
Naturipe Value Added Fresh LLC	0-E	Associated	Fruit sales	-	-	13,245	1,820
Naturipe Value Added Fresh LLC	0-E	Associated	Fruit purchase	-	-	205	-
Euroberry GMBH	0-E	Associated	Fruit sales	3,810	417	-	-
Munger Farm LLC	0-E	Common shareholder	Income from plant sales	1,440	158	-	-
Munger Farm LLC	0-E	Common shareholder	Purchase of machinery	820	-	-	-
Munger Farm LLC	0-E	Common shareholder	Income from packing services, materials and others	122	13	-	-
Hortifrut Munger North America, LLC	0-E	Associated	Income from packing services, materials and others	35	-	-	-
Hortifrut Munger North America, LLC	0-E	Associated	Income from plant sales	2,545	278	-	-
Hortifrut Munger North America, LLC	0-E	Associated	Loans	8,207	-	-	-

Hortifrut and subsidiaries, have as their policy to inform the main transactions that are performed with related parties during the period, except for dividends paid by the parent Company, received capital contributions.

#### **11.4. Board Remunerations and fees and Remunerations of key executives**

The allowances, remunerations and ownership interests of the Board members as of June 30, 2017 reach KUS\$529, of which KUS\$258 correspond to interests. For the same period in 2016 the total of allowances, consulting and ownership interests reached KUS\$368.

The total gross remuneration received by the main executives at Hortifrut and subsidiaries reached KUS\$1,543 as of June 30, 2017 and KUS\$1,367 as of June 30, 2016.

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 12 – STOCK

The stock detail at the closing of the period ending June 30, 2017 and the period ending December 31, 2016 is as follows:

<b>Types of stock</b>	<b>30-Jun-17</b>	<b>31-Dec-16</b>
	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
Finished products	2,521	39,749
Raw material	22	648
Frozen finished products	6,103	3,582
Materials and supplies	7,288	13,749
Provision for obsolescence	(1,070)	(917)
<b>Total</b>	<b><u>14,864</u></b>	<b><u>56,811</u></b>

	<b>30-jun-17</b>	<b>31-dic-16</b>
	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
<b>Provision for obsolescence</b>		
As of January 01	917	696
Reversal of provision	(4)	-
Increase of provision	<u>157</u>	<u>221</u>
<b>Total</b>	<b><u>1.070</u></b>	<b><u>917</u></b>

### 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:

- 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.
- 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 period ending June 30, 2017 and the period ending December 31, 2016, no stock has been pledged as security.

The cost of stock acknowledged as cost of sales in the periods ending June 30, 2017 and 2016 reach KUS\$82,294 and KUS\$92,366 respectively (see note 30-1).

In order to mitigate the risk of loss of stock, the Company maintains contracted insurances as of June 30, 2017 (See Note 3.3).

**NOTE 13 – CURRENT BIOLOGICAL ASSETS**

The movements of current biological assets as of the period ending June 30, 2017 and the period ending December 31, 2016, are the following:

	<b>30-Jun-17</b>	<b>31-Dec-16</b>
<b><u>Movement</u></b>	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
Opening biological assets	6,856	7,182
Increase due to activating of costs	11,304	22,328
Exchange rate adjustment	(14)	95
Amortization	(139)	(144)
Consumption	<u>(14,545)</u>	<u>(22,605)</u>
<b>Total</b>	<b><u>3,462</u></b>	<b><u>6,856</u></b>

As described in Note 2.7, the Company performs the valuation of agricultural products that grow on “bearer plants” as of the date of the current financial statements, determining that if said calculation does not significantly differ from acknowledged costs, it will not be adjusted.

In the current consolidated interim financial statements and as it corresponds to the natural cycle of the business, there is no fruit on the bearer plants, so the valuation indicated in the previous paragraph does not apply.

It must be stated that this valuation corresponds to an estimation, which could vary when the sale of the fruit is perfected, moment when said result is realized.

In this item the costs of plants that produce fruit in just one season, such as strawberries, are also included.

**NOTE 14 – OTHER NON-FINANCIAL ASSETS**

The detail of other current non-financial assets is as follows:

	<b>30-Jun-17</b>	<b>31-Dec-16</b>
<b><u>Current</u></b>	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
Advanced payment of blueberry plants	2,400	3,791
Advanced expenses (lease)	1,005	676
Advanced expenses	2,312	795
Payments in guarantee	81	36
Advanced freight payment of freight	-	222
<b>Total</b>	<b><u>5,798</u></b>	<b><u>5,520</u></b>

The detail of Other non-current non-financial assets is as follows:

	<b>30-Jun-17</b>	<b>31-Dec-16</b>
<b><u>Non Current</u></b>	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
Advanced payment for water fee collection	1,386	1,371
Advanced expenses (lease)	183	145
<b>Total</b>	<b><u>1,569</u></b>	<b><u>1,516</u></b>

## NOTE 15 – INVESTMENTS IN SUBSIDIARIES

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

The detail of consolidated subsidiaries as of June 30, 2017 and December 31, 2016, is as follows:

<u>Companies</u>	<u>RUT</u>	<u>Country of Origin</u>	<u>Functional Currency</u>	<u>30-Jun-17</u>			<u>31-Dec-16</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
Berygood Comercial Importadora	Foreigner	Brazil	RBR	40.0100	59.9900	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	-	95.9000	95.9000	95.9000
Hortifrut North America Inc.	Foreigner	USA	US\$	-	100.0000	100.0000	100.0000
Hortifrut S.A. de C.V. and subsidiaries	Foreigner	Mexico	US\$	-	99.9900	99.9900	99.9900
Hortifrut Import, Inc.	Foreigner	USA	US\$	-	100.0000	100.0000	100.0000
Naturipe Farm Import, Inc.	Foreigner	USA	US\$	-	100.0000	100.0000	100.0000
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
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 (note 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 the period ending June 30, 2017, no new companies were incorporated into Hortifrut group's financial statement consolidation.

During 2016, no new companies were incorporated into Hortifrut group's financial statement consolidation. Nevertheless, a restructuring of the company took place, where 99.9% of the companies Hortifrut Import, Inc. and Naturipe Farm Import, Inc., passed from Hortifrut S.A. de C.V. (Mexico) to Hortifrut Inversiones Internacionales S.A. (Chile).

Euroberry B.V. (Holland), subsidiary of Hortifrut Europa SL, was dissolved in September 2016.

During the last quarter of 2016, the merger of the companies Hortifrut Argentina S.A. (continuation), Tecnovital S.A. and Vitalpack S.A. has been arranged, which to date is in the inscription process.

Summarized financial information corresponding to significant subsidiaries, financial statements as of June 30, 2017 and December 31, 2016 and results as of June 30, 2017 and 2016:

	Hortifrut Chile and subsidiaries		Inversiones Hortifrut S.A. and subsidiaries		Agrícola Vida Nueva S.A.		Colmenares Hortisur S.P.A.	
	30-Jun-17	31-Dec-16	30-Jun-17	31-Dec-16	30-Jun-17	31-Dec-16	30-Jun-17	31-Dec-16
	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
<b>Assets</b>								
Current	84,675	175,468	59,702	83,300	1,722	1,200	210	276
Non Current	110,221	93,161	183,917	154,221	11,421	12,303	145	158
<b>Total</b>	<b>194,896</b>	<b>268,629</b>	<b>243,619</b>	<b>237,521</b>	<b>13,143</b>	<b>13,503</b>	<b>355</b>	<b>434</b>
<b>Liabilities</b>								
Current	110,019	188,015	12,677	97,151	3,413	3,813	3	28
Non Current	28,039	33,598	145,614	62,928	1,783	2,099	-	-
<b>Total</b>	<b>138,058</b>	<b>221,613</b>	<b>158,291</b>	<b>160,079</b>	<b>5,196</b>	<b>5,912</b>	<b>3</b>	<b>28</b>
<b>Equity</b>	<b>56,838</b>	<b>47,016</b>	<b>85,328</b>	<b>77,442</b>	<b>7,947</b>	<b>7,591</b>	<b>352</b>	<b>406</b>
	Hortifrut Chile and subsidiaries		Inversiones Hortifrut S.A. and subsidiaries		Agrícola Vida Nueva S.A.		Colmenares Hortisur S.P.A.	
	30-Jun-17	30-Jun-16	30-Jun-17	30-Jun-16	30-Jun-17	30-Jun-16	30-Jun-17	30-Jun-16
	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
<b>Results</b>								
Operating Revenue	128,004	143,960	162,445	193,164	3,358	4,079	2	16
Costs and Expenses	(112,114)	(127,579)	(160,541)	(183,703)	(2,836)	(2,914)	(85)	(70)
Other results	(1,699)	1,065	(1,808)	3,314	(40)	(187)	1	2
Tax	(3,412)	(3,965)	1,593	(3,595)	(81)	(163)	24	16
<b>Net profit (loss)</b>	<b>10,779</b>	<b>13,481</b>	<b>1,689</b>	<b>9,180</b>	<b>401</b>	<b>815</b>	<b>(58)</b>	<b>(36)</b>



	Agrícola El Avellano S.A. and subsidiaries		Agrícola Hortifrut S.A.		Agrícola Mataquito S.A.		Agrícola Santa Rosa. S.A.	
	30-Jun-17	31-Dec-16	30-Jun-17	31-Dec-16	30-Jun-17	31-Dec-16	30-Jun-17	31-Dec-16
	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
<b>Assets</b>								
Current	901	702	3,568	1,941	963	1,106	591	1,726
Non Current	8,657	8,904	25,829	27,547	15,611	12,319	5,612	5,547
<b>Total</b>	<b>9,558</b>	<b>9,606</b>	<b>29,397</b>	<b>29,488</b>	<b>16,574</b>	<b>13,425</b>	<b>6,203</b>	<b>7,273</b>
<b>Liabilities</b>								
Current	1,783	1,687	278	637	6,104	6,867	528	1,790
Non Current	1,601	2,043	4,545	5,095	7,492	3,595	1,602	1,664
<b>Total</b>	<b>3,384</b>	<b>3,730</b>	<b>4,823</b>	<b>5,732</b>	<b>13,596</b>	<b>10,462</b>	<b>2,130</b>	<b>3,454</b>
<b>Equity</b>	<b>6,174</b>	<b>5,876</b>	<b>24,574</b>	<b>23,756</b>	<b>2,978</b>	<b>2,963</b>	<b>4,073</b>	<b>3,819</b>

	Agrícola El Avellano S.A. and subsidiaries		Agrícola Hortifrut S.A.		Agrícola Mataquito S.A.		Agrícola Santa Rosa del Parque S.A.	
	30-Jun-17	30-Jun-16	30-Jun-17	30-Jun-16	30-Jun-17	30-Jun-16	30-Jun-17	30-Jun-16
	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
<b>Results</b>								
Operating Revenue	2,894	2,958	6,884	7,017	2,000	1,730	1,336	3,091
Costs and Expenses	(2,524)	(2,628)	(5,820)	(6,327)	(1,800)	(1,615)	(992)	(1,161)
Other results	(29)	(171)	(7)	(135)	(205)	(181)	(47)	(117)
Tax	(43)	127	(238)	78	20	86	(43)	(380)
<b>Net profit (loss)</b>	<b>298</b>	<b>286</b>	<b>819</b>	<b>633</b>	<b>15</b>	<b>20</b>	<b>254</b>	<b>1,433</b>

	Top Berries & Fruit S.P.A		Berries de Panguipulli S.P.A		Agrícola y Ganandera Sta. Rebeca Ltda	
	30-Jun-17	31-Dec-16	30-Jun-17	31-Dec-16	30-Jun-17	31-Dec-16
	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
<b>Assets</b>						
Current	1,371	919	4,250	3,395	29	53
Non Current	12,118	12,505	22,675	23,357	150	145
<b>Total</b>	<b>13,489</b>	<b>13,424</b>	<b>26,925</b>	<b>26,752</b>	<b>179</b>	<b>198</b>
<b>Liabilities</b>						
Current	1,221	1,549	918	870	3	20
Non Current	6,494	6,949	4,960	5,349	4	1
<b>Total</b>	<b>7,715</b>	<b>8,498</b>	<b>5,878</b>	<b>6,219</b>	<b>7</b>	<b>21</b>
<b>Equity</b>	<b>5,774</b>	<b>4,926</b>	<b>21,047</b>	<b>20,533</b>	<b>172</b>	<b>177</b>

	Top Berries & Fruit S.P.A		Berries de Panguipulli S.P.A		Agrícola y Ganandera Sta. Rebeca Ltda	
	30-Jun-17	30-Jun-16	30-Jun-17	30-Jun-16	30-Jun-17	30-Jun-16
	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
<b>Results</b>						
Operating Revenue	2,391	2,711	4,474	5,335	18	32
Costs and Expenses	(1,301)	(1,146)	(3,829)	(3,718)	(28)	(31)
Other results	(117)	32	(26)	(81)	-	3
Tax	(206)	(295)	(104)	(261)	4	4
<b>Net profit (loss)</b>	<b>767</b>	<b>1,302</b>	<b>515</b>	<b>1,275</b>	<b>(6)</b>	<b>8</b>

## 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 as of June 30, 2017 and December 31, 2016:

Company	RUT	Country	Functional currency	Interest % Indirect	1-Jan-17	Investments	Interest in result	Exchange	Other increase (decrease)	Balance 30-Jun-17
								rate difference		
Berry Blue LLC	o-E	USA	Dollar	50.00%	(5)	190	(154)	-	-	31
Pacific Berry Breeding LLC	o-E	USA	Dollar	50.00%	243	100	(166)	-	-	177
Munger Hortifrut N.A. LLC	o-E	USA	Dollar	50.00%	25,539	-	(454)	-	-	25,085
Naturipe Brands LLC	o-E	USA	Dollar	30.00%	855	-	72	-	-	927
Naturipe Farms LLC	o-E	USA	Dollar	30.00%	1,432	-	70	-	(124)	1,378
Naturipe Value Added Foods LLC	o-E	USA	Dollar	27.00%	193	-	-	-	-	193
Naturipe Value Added Fresh, LLC	o-E	USA	Dollar	33.33%	4,491	-	280	-	-	4,771
S.A.T. Hortifrut H-0030	o-E	Spain	Euro	33.00%	1	-	-	-	-	1
Hortifrut Berries Maroc S.R.L.	o-E	Morocco	Dirham	51.00%	64	-	-	-	-	64
Euroberry GmbH	o-E	Germany	Euro	50.00%	13	-	-	-	-	13
Margesi S.A.	o-E	Argentina	Argentine \$	50.00%	2,441	-	(267)	(118)	-	2,056
San Clemente Vitalberry (Shanghai) SpA	o-E	Chile	Dollar	50.00%	853	-	159	-	-	1,012
Hortifrut Tal S.A.C	o-E	Peru	Nuevo Sol	50.00%	30,727	-	367	3,664	-	34,758
Hortifrut Expofresh S.A.	o-E	Argentina	Argentine \$	50.00%	(193)	-	246	(4)	-	49
<b>Total</b>					<b>66,654</b>	<b>290</b>	<b>153</b>	<b>3,542</b>	<b>(124)</b>	<b>70,515</b>

  

Company	RUT	Country	Functional currency	Interest % Indirect	1-Jan-16	Investments	Interest in result	Exchange	Other increase (decrease)	Balance 31-Dec-16
								rate difference		
Berry Blue LLC	o-E	USA	Dollar	50.00%	15	250	(270)	-	-	(5)
Pacific Berry Breeding LLC	o-E	USA	Dollar	50.00%	415	-	(172)	-	-	243
Munger Hortifrut N.A. LLC	o-E	USA	Dollar	50.00%	3	25,972	(436)	-	-	25,539
Naturipe Brands LLC	o-E	USA	Dollar	30.00%	149	278	200	-	228	855
Naturipe Farms LLC	o-E	USA	Dollar	30.00%	1,388	-	44	-	-	1,432
Naturipe Value Added Foods LLC	o-E	USA	Dollar	27.00%	193	-	-	-	-	193
Naturipe Value Added Fresh, LLC	o-E	USA	Dollar	33.33%	3,930	-	561	-	-	4,491
S.A.T. Hortifrut H-0030	o-E	Spain	Euro	33.00%	1	-	-	-	-	1
Hortifrut Berries Maroc S.R.L.	o-E	Morocco	Dirham	51.00%	3	104	(36)	(7)	-	64
Euroberry GmbH	o-E	Germany	Euro	50.00%	-	14	-	(1)	-	13
Margesi S.A.	o-E	Argentina	Argentine \$	50.00%	2,796	-	564	(919)	-	2,441
San Clemente Vitalberry (Shanghai) SpA	o-E	Chile	Dollar	50.00%	726	-	127	-	-	853
Hortifrut Tal S.A.C	o-E	Peru	Nuevo Sol	50.00%	14,761	-	4,574	212	11,180	30,727
Hortifrut Expofresh S.A.	o-E	Argentina	Argentine \$	50.00%	215	-	(216)	(192)	-	(193)
<b>Total</b>					<b>24,595</b>	<b>26,618</b>	<b>4,940</b>	<b>(907)</b>	<b>11,408</b>	<b>66,654</b>

The detail of movements as of June 30, 2017 and December 31, 2016:

<b><u>Movement</u></b>	<b>30-Jun-17</b>	<b>31-Dec-16</b>
	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
<b>Opening balance as of January 1</b>	<b>66,654</b>	<b>24,595</b>
Interest in results	153	4,940
Capital contributions (a)	290	26,618
Surplus of revaluation Bearer Plants	-	11,180
Other adjustments	(124)	228
Adjustments due to exchange rate fluctuations	3,542	(907)
<b>Closing balance</b>	<b>70,515</b>	<b>66,654</b>

The associated Hortifrut Tal S.A.C, as per what is established in IAS 41, indicates that the agricultural products that grow on the bearer plants must be measured at their fair value minus cost of sales, recording the changes in valuation under result as the product grows, so the effect of this valuation has been acknowledged. Additionally and applying the valuation criteria for bearer plants, adopted by Hortifrut (see note 2.6), it valued as of December 31, 2016, its 294 hectares which are under production at re-valued cost. The net interest in said adjustment on behalf of Hortifrut is KUS\$11,180, and is recorded in the Revaluation reserve of bearer plants.

a) Capital contributions

Capital contributions during the periods ending June 30, 2017 and the period ending December 31, 2016, show the following detail:

<b>Capital Contributions Company</b>	<b>30-Jun-17</b>	<b>31-Dec-16</b>
	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
Berry Blue LLC	190	250
Pacific Berry Breeding LLC	100	-
Munger Hortifrut N.A. LLC	-	25,972
Naturipe Brands LLC	-	278
Hortifrut Berries Maroc S.R.L.	-	104
Euroberry GmbH	-	14
<b>Total contributions</b>	<b>290</b>	<b>26,618</b>

Contributions to Limited Liability Companies (LLC) in the United States, aim to maintain the interest in said companies, except for Munger Hortifrut N.A. LLC, which corresponds to capitalization with the purpose of developing the 344-hectare organic blueberry investment plan.

b) New Investments

During the period ending June 30, 2017, no new investments were incorporated.

In the period ending December 31, 2016, the following new investments were incorporated:

Dated June 21, 2016, Euroberry Marketing S.A., formed the company Euroberry GmbH in Germany. The new company has as its corporate purpose the commercializing of berries in that country.

## c) Reclassification of investment for sale

During the period ending June 30, 2017 and the period ending December 31, 2016 no reclassifications of investments for sale took place.

## d) Other changes

No other changes in investments have been incorporated.

## e) 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.

<u>Associated</u>	30-Jun-17										
	<u>Non</u>			<u>Current</u>	<u>Non Current</u>	<u>Total</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>Assets</u>	<u>Assets</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Liabilities</u>	<u>Liabilities</u>	<u>Revenue</u>	<u>Expenses</u>	<u>Results</u>	<u>(loss)</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	198	-	198	85	51	136	62	35	(343)	-	(308)
Pacific Berry Breeding LLC	295	114	409	55	-	55	354	277	(609)	-	(332)
Munger Hortifrut N.A. LLC	9,079	68,681	77,760	27,590	-	27,590	50,170	56	(964)	-	(908)
Naturipe Brands LLC	795	3,838	4,633	1,543	-	1,543	3,090	1,000	(760)	-	240
Naturipe Farms LLC	86,246	4,422	90,668	84,307	1,768	86,075	4,593	383,519	(382,334)	(952)	233
Naturipe Value Added Foods LLC	6,766	21	6,787	6,016	56	6,072	715	3,448	(3,486)	38	-
Naturipe Value Added Fresh. LLC	5,022	11,151	16,173	1,859	-	1,859	14,314	11,054	(10,214)	-	840
S.A.T. Hortifrut H-0030	9	-	9	6	-	6	3	-	-	-	-
Hortifrut Berries Maroc S.R.L	1,259	1,590	2,849	2,724	-	2,724	125	89	(166)	77	-
Euroberry GmbH	7,496	-	7,496	7,470	-	7,470	26	14,200	(14,015)	(185)	-
Margesi S.A.	1,898	3,155	5,053	336	605	941	4,112	-	(513)	(21)	(534)
San Clemente Vitalberry (Shanghai) SpA	8,542	33	8,575	6,551	-	6,551	2,024	6,044	(5,604)	(122)	318
Hortifrut Tal S.A.C	19,130	87,560	106,690	14,121	23,053	37,174	69,516	6,927	(4,418)	(1,775)	734
Hortifrut Expofresh S.A.	316	44	360	262	-	262	98	978	(454)	(32)	492
<b>Total</b>	<b>147,051</b>	<b>180,609</b>	<b>327,660</b>	<b>152,925</b>	<b>25,533</b>	<b>178,458</b>	<b>149,202</b>	<b>427,627</b>	<b>(423,880)</b>	<b>(2,972)</b>	<b>775</b>

  

<u>Associated</u>	31-Dec-16						30-Jun-16					
	<u>Non</u>			<u>Current</u>	<u>Non Current</u>	<u>Total</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>Assets</u>	<u>Assets</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Liabilities</u>	<u>Liabilities</u>	<u>Revenue</u>	<u>Expenses</u>	<u>Results</u>	<u>(loss)</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	103	-	103	113	-	113	(10)	8	(228)	-	(220)	
Pacific Berry Breeding LLC	433	129	562	76	-	76	486	333	(657)	-	(324)	
Munger Hortifrut N.A. LLC	51,078	-	51,078	-	-	-	51,078	-	(12)	-	(12)	
Naturipe Brands LLC	3,057	870	3,927	1,077	-	1,077	2,850	(203)	-	-	(203)	
Naturipe Farms LLC	52,736	5,802	58,538	51,997	1,768	53,765	4,773	410,910	(408,682)	(1,901)	327	
Naturipe Value Added Foods LLC	14,979	26	15,005	14,195	95	14,290	715	5,579	(5,579)	-	-	
Naturipe Value Added Fresh. LLC	4,268	11,511	15,779	2,285	20	2,305	13,474	11,225	(9,372)	(683)	1,170	
S.A.T. Hortifrut H-0030	9	-	9	6	-	6	3	-	-	-	-	
Hortifrut Berries Maroc S.R.L	1,159	1,418	2,577	359	2,093	2,452	125	-	-	-	-	
Euroberry GmbH	26	-	26	-	-	-	26	-	-	-	-	
Margesi S.A.	3,359	3,432	6,791	1,277	632	1,909	4,882	10	(128)	-	(118)	
San Clemente Vitalberry (Shanghai) SpA	2,671	113	2,784	1,078	-	1,078	1,706	2,067	(1,562)	5	510	
Hortifrut Tal S.A.C	27,413	71,967	99,380	13,882	24,044	37,926	61,454	10,553	(4,496)	(551)	5,506	
Hortifrut Expofresh S.A.	219	58	277	663	-	663	(386)	645	(1,093)	96	(352)	
<b>Total</b>	<b>161,510</b>	<b>95,326</b>	<b>256,836</b>	<b>87,008</b>	<b>28,652</b>	<b>115,660</b>	<b>141,176</b>	<b>441,127</b>	<b>(431,809)</b>	<b>(3,034)</b>	<b>6,284</b>	

**NOTE 17 – INTANGIBLE ASSETS OTHER THAN APPRECIATION**

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

	<u>Useful Life</u>	<b>30-Jun-17</b> <u>KUS\$</u>	<b>31-Dec-16</b> <u>KUS\$</u>
Varietal licenses	Finite	11,889	16,969
VBM Brand	Indefinite	977	977
Water Rights	Indefinite	469	469
Relationship with Customers	Finite	2,974	3,107
Software	Finite	350	272
<b>Total</b>		<b>16,659</b>	<b>21,794</b>

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 June 30, 2017 and the period ending December 31, 2016, is as follows:

<u>Movement</u>	<b>30-Jun-17</b> <u>KUS\$</u>	<b>31-Dec-16</b> <u>KUS\$</u>
Opening balance as of January 01	16,969	23,913
Sales	-	(2,401)
Amortization /consumption	(5,080)	(4,543)
<b>Closing balance</b>	<b>11,889</b>	<b>16,969</b>

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 June 30, 2017 and the period ending December 31, 2016, is as follows:

<u>Movement</u>	<b>30-Jun-17</b> <u>KUS\$</u>	<b>31-Dec-16</b> <u>KUS\$</u>
Opening balance as of January 01	272	448
Investments	138	1
Amortization	(60)	(177)
<b>Closing balance</b>	<b>350</b>	<b>272</b>

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.

Intangible assets in use which are totally amortized are not kept.

c) Other intangibles

The identified intangible assets are detailed as follows:

	<b>Useful Life</b>	<b>30-Jun-17</b>	<b>31-Dec-16</b>
		<b>KUS\$</b>	<b>KUS\$</b>
VBM Brand	Indefinite	977	977
Water Rights	Indefinite	469	469
Relationship with Customers	Finite	2,974	3,107
<b>Total</b>		<b>4,420</b>	<b>4,553</b>

<b>Movement</b>	<b>30-Jun-17</b>	<b>31-Dec-16</b>
	<b>KUS\$</b>	<b>KUS\$</b>
Opening balance as of January 01	4,553	4,820
Amortization	(133)	(267)
<b>Closing balance</b>	<b>4,420</b>	<b>4,553</b>

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 June 30, 2017 and period ending December 31, 2016, Management has not observed signs of impairment in relation to intangible assets denominated water rights, relationship with customers and VBM brand.

d) Intangibles subject to guarantees or restrictions

There are no intangible assets over which there is a restriction in its titles, nor have partial or total guarantees been constituted over them, as of June 30, 2017.

**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:

<b>Investor</b>	<b>Issuer</b>	<b>30-Jun-17</b>	<b>31-Dec-16</b>
		<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
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>
	<b>Total</b>	<b><u>26,769</u></b>	<b><u>26,769</u></b>

No movement has taken place under Appreciation between January 1 and June 30, 2017.

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

**NOTE 19 – PROPERTY, PLANT AND EQUIPMENT**

The detail of the different categories of Property, Plant and Equipment and their movements as of June 30, 2017 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 property, plant 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 1, 2016										
Cost or valuation	74,483	20,507	24,152	14,334	2,602	1,899	7,045	129,916	13,725	288,663
Accumulated depreciation	(31,085)	-	(14,210)	(2,132)	(1,898)	(1,071)	(4,316)	(26,081)	-	(80,793)
<b>Net amount as of 01/01/2017</b>	<b>43,398</b>	<b>20,507</b>	<b>9,942</b>	<b>12,202</b>	<b>704</b>	<b>828</b>	<b>2,729</b>	<b>103,835</b>	<b>13,725</b>	<b>207,870</b>
Investments	600	115	1,365	2,153	142	125	393	10,155	8,712	23,760
Expropriation and write-off	(185)	(241)	(384)	-	-	(33)	(10)	(1)	(31)	(885)
Reclassification	1,934	-	227	-	(3)	-	-	-	(2,156)	2
Depreciation	(2,660)	-	(981)	(355)	(119)	(111)	(400)	(5,511)	-	(10,137)
Exchange rate adjustment	275	322	40	-	-	17	26	959	220	1,859
<b>Net amount as of 30/06/2017</b>	<b>43,362</b>	<b>20,703</b>	<b>10,209</b>	<b>14,000</b>	<b>724</b>	<b>826</b>	<b>2,738</b>	<b>109,437</b>	<b>20,470</b>	<b>222,469</b>

The detail of the different categories of Property, Plant and Equipment and their movements as of December 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 property, plant 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 1, 2016										
Cost or valuation	67,450	16,735	22,705	5,506	2,497	1,663	6,375	124,347	7,323	254,601
Accumulated depreciation	(26,763)	-	(12,120)	(1,459)	(1,688)	(899)	(3,696)	(6,074)	-	(52,699)
<b>Net amount as of 01/01/2016</b>	<b>40,687</b>	<b>16,735</b>	<b>10,585</b>	<b>4,047</b>	<b>809</b>	<b>764</b>	<b>2,679</b>	<b>118,273</b>	<b>7,323</b>	<b>201,902</b>
Investments	4,125	3,703	1,987	7,226	173	251	858	9,322	12,089	39,734
Revaluation (Impairment)	-	-	-	-	-	-	-	(11,014)	-	(11,014)
Expropriation and Write-off	(498)	-	(118)	(1)	(39)	(5)	(42)	(4,683)	-	(5,386)
Reclassification	3,649	-	165	1,602	1	11	3	449	(5,833)	47
Depreciation	(4,796)	-	(2,694)	(674)	(248)	(206)	(781)	(8,105)	-	(17,504)
Exchange rate adjustment	231	69	17	2	8	13	12	(407)	146	91
<b>Net amount as of 31/12/2016</b>	<b>43,398</b>	<b>20,507</b>	<b>9,942</b>	<b>12,202</b>	<b>704</b>	<b>828</b>	<b>2,729</b>	<b>103,835</b>	<b>13,725</b>	<b>207,870</b>

The valuation method of the items that make up Property, Plant and Equipment, as well as their depreciation criteria, are described in Note 2.6.



The method to calculate the Fair Value of Bearer Plants, establishes that in the cases when the plantations are on land that is leased and/or taken in usufruct, with expiry lower than the terms stated in Note 2.6.2 b), the valuation is adjusted to these expiries.

Except for the contracts entered into with Inversiones IMG Ltda. and Agrícola e Inmobiliaria Lumaco S.A., which represent 9% of the total hectares planted by the Company at a global level, a valuation horizon higher than the current expiry of the leases and/or usufructs is used, since dated March 24, 2014 a “Contract for Irrevocable Option of Extension of Lease Contracts” was subscribed, where it establishes that both companies granted in a unilateral and irrevocable manner an option in favor of Hortifrut S.A. for the latter to execute under its exclusive discretion the renewal of the currently valid contracts. It must be stated that this contract assures the lease, nevertheless, the amount of annual income per hectare is subject to negotiation. The mentioned contracts expire in December 2017.

As of June 30, 2017, the detail of Property, plant and equipment is as follows:

	<u>June 30, 2017</u>		
	Gross Value	Accumulated depreciation	Net value
	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
Construction and infrastructure works	77,408	(34,046)	43,362
Land	20,703	-	20,703
Machinery and equipment	24,718	(14,509)	10,209
Leased equipment	16,489	(2,489)	14,000
Information Technology (IT) equipment	2,740	(2,016)	724
Furniture and supplies	1,995	(1,169)	826
Motor vehicles	7,441	(4,703)	2,738
Bearer plants	136,620	(27,183)	109,437
Works in progress	20,470	-	20,470
<b>Total Property, Plant and Equipment</b>	<b>308,584</b>	<b>(86,115)</b>	<b>222,469</b>

As of December 31, 2016, the detail of property, plant and equipment is as follows:

	<u>December 31, 2016</u>		
	Gross Value	Accumulated depreciation	Net Value
	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
Construction and infrastructure works	74,483	(31,085)	43,398
Land	20,507	-	20,507
Machinery and equipment	24,152	(14,210)	9,942
Leased equipment	14,334	(2,132)	12,202
Information Technology (IT) equipment	2,602	(1,898)	704
Furniture and supplies	1,899	(1,071)	828
Motor Vehicles	7,045	(4,316)	2,729
Bearer plants	129,916	(26,081)	103,835
Works in progress	13,725	-	13,725
<b>Total Property, Plant and Equipment</b>	<b>288,663</b>	<b>(80,793)</b>	<b>207,870</b>

a) Estimated economic useful life or depreciation rate

The estimated economic useful life per type of asset is as follows:

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

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.

b) Insurance

Hortifrut S.A. and subsidiaries have contracted insurance policies to cover the risks that movable goods, vehicles, equipment, plants and machinery are subject to. The Company considers that the hedging of these policies is adequate for risks inherent to the activity (See Note 3.3).

c) Information regarding “Bearer Plants”

Hortifrut’s “Bearer Plants” correspond to berries plantations, that are on leased and own lands.

The Company’s berries plantations are located in Chile between the Coquimbo Region and Los Ríos Region, in Mexico in the states of Jalisco and Michoacán, in Brazil in Barrio Lagoa Grande, Sn - Senador Amaral, in Spain in the localities of Huelva and Asturias, and in Peru in the locality of Chiclayo.

Said geographic dispersion allows the Company to count with a diversified offer during the year, which is complemented by the producer partners that the Company has in USA and in Europe. Thereby, Hortifrut’s trade platforms and distributors can have berries during the 52 weeks of the year. The productive areas also allow greater closeness with the consumption centers. This is the case of plantations located in Mexico which mainly supply the North American market, main berries consumer in the world. Likewise, our plantations in Spain are able to supply part of the European market. Chile and Peru contribute the counter-season production for said markets.

Below is a detail of the hectares planted per type of fruit:

<b>Surface in Hectares</b>	<b><u>30-Jun-17</u></b>	<b><u>31-Dec-16</u></b>
Blueberries	713	635
Organic Blueberries	407	401
Raspberries	157	163
Blackberries	13	14
Strawberries	35	32
Cherries	7	7
<b>Total Planted Hectares</b>	<b><u>1,332</u></b>	<b><u>1,252</u></b>
Own Hectares	625	545
Leased Hectares	707	707
Productive Hectares	1,124	1,063
Non Productive Planted Hectares	208	189

d) Loss due to impairment in value

As of the date of the current financial statements, no events or changes in circumstances have taken place in the business that imply that the book value of property, plant and equipment may not be recoverable.

In the specific case of “bearer plants” there were changes in the circumstances of the business as of December 31, 2016, which generated an impairment in their book value, as per the application of the valuation method described in Note 2.6.2. Particularly in the case of Chilean plantations, a reduction in expected “producer returns” was observed due to the concentration, in certain weeks, of high volumes of berries in the destination markets. At the Mexican plantations, the impairment in value was mainly associated to the reduction in the expected performance of these. In Spain, there was a start-up of productive hectares.

As indicated in Note 2.6.2, if the book value is modified due to the presence of impairment of “bearer plants”, said decrease in value will first be attributed to the Revaluation Reserves account under Net Equity, until its complete extinction, and if there is a remaining balance, it will be directly attributed to the results of the period under the account Other expenses, per function.

As per the aforementioned criteria, the effect of the previously mentioned impairment was recorded in the financial statements as of December 31, 2016, as detailed below:

	<b>Bearer Plant Revaluation Reserves</b>	<b>Other expense, per function</b>	<b>Book Value Bearer Plants</b>
	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
Chile	(10,801)	(789)	(11,590)
Mexico	-	(3,612)	(3,612)
Spain	(213)	(282)	(495)
<b>Total</b>	<b><u>(11,014)</u></b>	<b><u>(4,683)</u></b>	<b><u>(15,697)</u></b>

e) Financial lease

The net book value as of June 30, 2017 and December 31, 2016 of the assets under financial lease, classified as Assets in Leasing under the item Property, plant and equipment, is as follows:

<b><u>Denomination</u></b>	<b><u>30-Jun-17</u></b>	<b><u>31-Dec-16</u></b>
	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
<b><u>Construction</u></b>		
Administrative offices	1,030	1,053
Parking administrative offices	38	38
Metallic structure 5.3 hectares	253	260
Metallic structure 2.0 hectares	61	62
Greenhouse 4.08 hectares	1,093	1,093
Greenhouse 4.00 hectares	862	-
Molina Plant	4,148	4,194
<b>Total Constructions</b>	<b><u>7,485</u></b>	<b><u>6,700</u></b>
<b><u>Land</u></b>		
Land Molina Plant	236	236
<b>Total Land</b>	<b><u>236</u></b>	<b><u>236</u></b>
<b><u>Machinery and equipment</u></b>		
Blueberries processing line	466	555
IQF processing line	285	324
Molina Plant processing line and machinery	1,278	1,352
BBC Filling Machine	657	681
BBC Soft Sorter Machine	684	710
Calibrating and Classifying Machine	1,451	1,503
Plant pots for Greenhouse	1,260	-
Fertigation machinery	13	17
Sulfur Burners	31	-
Several equipment	24	45
<b>Total Machinery and equipment</b>	<b><u>6,149</u></b>	<b><u>5,187</u></b>
<b><u>Motor vehicles</u></b>		
Vans	126	74
Tractors	4	5
<b>Total motor vehicles</b>	<b><u>130</u></b>	<b><u>79</u></b>
<b>General Total</b>	<b><u>14,000</u></b>	<b><u>12,202</u></b>

Debt associated to these leasings as of June 30, 2017 and December 31, 2016, is presented in the item Other current financial liabilities and Other non-current financial liabilities.

The debt associated to each item under Property, plant and equipment is detailed as follows:

<u>Leasing Liability</u>	<u>30-Jun-17</u> <u>KUS\$</u>	<u>31-Dec-16</u> <u>KUS\$</u>
<b><u>Constructions</u></b>		
Administrative offices	555	637
Parking administrative offices	25	27
Metallic structure 5.3 hectares	213	246
Metallic structure 2.0 hectares	55	63
Greenhouse	1,138	1,115
Greenhouse	878	-
Molina Plant	3,828	4,029
<b>Total Constructions</b>	<b><u>6,692</u></b>	<b><u>6,117</u></b>
<b><u>Land</u></b>		
Land Molina Plant	218	227
<b>Total Land</b>	<b><u>218</u></b>	<b><u>227</u></b>
<b><u>Machinery and equipment</u></b>		
Plant pots for Greenhouse	1,280	-
BBC Filling Machine	250	247
BBC Soft Sorter Machine	255	255
Molina Plant processing line and machinery	1,179	1,299
Calibrating and Classifying Machine	1,136	1,315
Sulfur Burners	32	-
<b>Total Machinery and equipment</b>	<b><u>4,132</u></b>	<b><u>3,116</u></b>
<b><u>Motor Vehicles</u></b>		
Vans	19	22
<b>Total motor vehicles</b>	<b><u>19</u></b>	<b><u>22</u></b>
<b>General Total</b>	<b><u>11,061</u></b>	<b><u>9,482</u></b>

f) Property, plant and equipment temporarily out of service

As of June 30, 2017 and December 31, 2016, there are no Property, plant and equipment temporarily out of service.

g) Property, plant and equipment totally depreciated

As of June 30, 2017, the detail of Property, plant and equipment which are totally depreciated is as follows:

	<b>Gross Value</b>
	<u><b>KUS\$</b></u>
Construction and infrastructure works	2,721
Machinery and equipment	2,567
Leased equipment	33
Information Technology (IT) equipment	484
Furniture and supplies	188
Motor vehicles	649
<b>Total Property, Plant and Equipment</b>	<u><b>6,642</b></u>

h) 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.

**NOTE 20 – CURRENT INCOME TAX AND DEFERRED TAXES**

In the period ending on June 30, 2017, we proceeded to calculate and record taxable net income with a 25.5% rate (as of December 31, 2016 with a 24% rate) for the commercial period ending June 30, 2017, 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.

In the other countries where Hortifrut has subsidiaries and associates, the corresponding tax rates are applied in accordance with the valid law.

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 June 30, 2017, an accumulated current income tax provision of KUS\$6,312 (KUS\$13,556 as of December 31, 2016), which is presented net of provisional payments and other credits for KUS\$5,770 (KUS\$ 11,858 as of December 31, 2016). In this manner, the balance under current tax liability is of KUS\$542 (As of December 31, 2016, the balance is KUS\$1,698).

Provisional payments and other credits that are applied to current income tax are detailed below:

	<b>30-Jun-17</b>	<b>31-Dec-16</b>
<b><u>Detail Recoverable Tax</u></b>	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
Monthly provisional payments	5,759	11,318
Personnel training	11	218
Other Credits	-	140
Donation Law	-	182
<b>Total</b>	<b><u>5,770</u></b>	<b><u>11,858</u></b>

Recoverable taxes from provisional payments o credits applicable to income tax are presented reducing the income tax provision.

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 June 30, 2017 and December 31, 2016, refer to the following concepts:

Detail	30-Jun-17		31-Dec-16	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
Manufacturing expenses	-	649	-	1,294
Valuation bearer plants	-	13,500	-	11,924
Land appraisal	-	34	-	34
Anticipated income	-	-	-	151
Tax loss	8,873	-	9,482	-
Provisions	3,370	-	2,241	-
Intangibles	-	1,077	-	1,103
Fixed asset	-	4,842	-	8,986
Forward hedging	173	-	131	-
Price adjustment	-	17	-	-
Others	3,265	-	2,917	-
Non realized earnings in investments	-	-	179	-
<b>Total</b>	<b>15,681</b>	<b>20,119</b>	<b>14,950</b>	<b>23,492</b>

Deferred tax hedging is presented net of other integral results.

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 June 30, 2017 the deferred tax asset originated by tax loss reached US\$8,873 (KUS\$9,482 as of December 31, 2016) 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:

		30-Jun-17	31-Dec-16	Variation
		<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
Hortifrut S.A.	Chile	336	-	336
Ag. Mataquito S.A.	Chile	1,057	1,214	(157)
Ag. El Avellano S.A.	Chile	1,595	1,612	(17)
Ag. y Gand. Santa Rebeca Ltda.	Chile	3	-	3
Ag. Hortifrut S.A.	Chile	12	813	(801)
Colmenares Hortisur S.A.	Chile	26	-	26
Hortifrut S.A. de C.V.	Mexico	4,934	4,963	(29)
Berrygood Comercial Importadora	Brazil	568	575	(7)
Hortifrut Europa	Spain	25	23	2
HFE Berries Perú S.A.C.	Peru	102	123	(21)
Hortifrut Argentina S.A.	Argentina	211	159	52
Viveros Hortifrut Chile S.A.	Chile	4	-	4
<b>Total</b>		<b>8,873</b>	<b>9,482</b>	<b>(609)</b>

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, Brazil and Spain, these do not prescribe. In Mexico, these have an expiry of 10 years and Argentina expires in 5 years.



Below is the activity of deferred tax assets:

	<b>30-Jun-17</b>	<b>31-Dec-16</b>
	<u><b>KUS\$</b></u>	<u><b>KUS\$</b></u>
<b>Opening balance</b>	<b>14,950</b>	<b>14,317</b>
Provisions	1,129	393
Tax loss	(609)	(1,429)
Forward hedging	42	(209)
Others	348	1,988
Unrealized gains on investments	(179)	(110)
<b>Final Balance</b>	<u><b>15,681</b></u>	<u><b>14,950</b></u>

Below is the activity of deferred tax liabilities:

	<b>30-Jun-17</b>	<b>31-Dec-16</b>
	<u><b>KUS\$</b></u>	<u><b>KUS\$</b></u>
<b>Opening balance</b>	<b>23,492</b>	<b>26,626</b>
Manufacturing expenses	(645)	(213)
Fixed asset	(4,144)	2,617
Intangibles	(26)	(72)
Advanced income	(151)	151
Valuation bearer plants	1,576	(5,532)
Price adjustment	17	(85)
<b>Final Balance</b>	<u><b>20,119</b></u>	<u><b>23,492</b></u>

Gains tax expense has the following detail:

	<b>30-Jun-17</b>	<b>30-Jun-16</b>
<u><b>Detail</b></u>	<u><b>KUS\$</b></u>	<u><b>KUS\$</b></u>
Current tax expense	6,406	9,164
Tax benefit for tax loss	-	(45)
Deferred tax effect	(4,255)	(674)
Adjustment previous year	248	(233)
Adjustment of conversion	(6)	(88)
<b>Total</b>	<u><b>2,393</b></u>	<u><b>8,124</b></u>

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

	<u>30-Jun-17</u>		<u>30-Jun-16</u>	
	<u>KUS\$</u>	<u>%</u>	<u>KUS\$</u>	<u>%</u>
<b>Tax expense (income) using the legal rate</b>	<b>4,479</b>	<b>25.50%</b>	<b>8,538</b>	<b>24.00%</b>
Tax effect of rate in other jurisdictions	51	0.29%	519	1.46%
Tax effect of non taxable operating income	(341)	-1.94%	(1,618)	-4.55%
Tax effect of non deductible tax expenses	346	1.97%	486	1.37%
Tax effect for fiscal currency different to functional currency	(2,384)	-13.57%	(46)	-0.13%
Tax effect of tax provided in excess previous periods	242	1.38%	(233)	-0.65%
Other increase (decrease) in charge for legal taxes	-	0.00%	478	1.34%
<b>Total tax expense adjustment using the legal rate</b>	<b>(2,086)</b>	<b>-11.87%</b>	<b>(414)</b>	<b>-1.16%</b>
<b>Tax expense using the effective rate</b>	<b>2,393</b>	<b>13.63%</b>	<b>8,124</b>	<b>22.84%</b>

	<u>QUARTER</u>			
	<u>1-Apr-17</u>		<u>1-Apr-16</u>	
	<u>30-Jun-17</u>	<u>%</u>	<u>30-Jun-16</u>	<u>%</u>
<b>Tax expense (income) using the legal rate</b>	<b>(729)</b>	<b>25.50%</b>	<b>2,529</b>	<b>24.00%</b>
Tax effect of rate in other jurisdictions	5	0.07%	363	0.84%
Tax effect of non taxable operating income	(85)	-0.69%	(1,615)	-4.54%
Tax effect of non deductible tax expenses	545	2.94%	225	0.32%
Tax effect for fiscal currency different to functional currency	(705)	-5.35%	708	2.88%
Tax effect of tax provided in excess previous periods	242	1.38%	(233)	-0.65%
Other increase (decrease) in charge for legal taxes	-	0.00%	572	1.73%
<b>Total tax expense adjustment using the legal rate</b>	<b>2</b>	<b>-1.64%</b>	<b>20</b>	<b>0.58%</b>
<b>Tax expense using the effective rate</b>	<b>(727)</b>	<b>23.86%</b>	<b>2,549</b>	<b>24.58%</b>

**NOTE 21 – OTHER FINANCIAL LIABILITIES**

As of June 30, 2017 and December 31, 2016, Hortifrut and subsidiaries maintain financial loans which are detailed below:

**Other current financial liabilities**

	<b>30-Jun-17</b>	<b>31-Dec-16</b>
	<u><b>KUS\$</b></u>	<u><b>KUS\$</b></u>
Obligations with banks and financial institutions	97,190	148,782
Financial Leasing	2,470	2,005
<b>Total bank obligations with expiry before 12 months</b>	<u><b>99,660</b></u>	<u><b>150,787</b></u>

**Other non-current financial liabilities**

	<b>30-Jun-17</b>	<b>31-Dec-16</b>
	<u><b>KUS\$</b></u>	<u><b>KUS\$</b></u>
Obligations with banks and financial institutions	63,560	49,475
Financial Leasing	8,591	7,477
Cross Currency Swap Operations	673	678
<b>Total bank obligations with expiry over 12 months</b>	<u><b>72,824</b></u>	<u><b>57,630</b></u>

**Detail of balance and expiries**

**a) Obligations with Banks and financial institutions**

Obligations with Banks and financial institutions grouped by expiries are detailed below, as of June 30, 2017 and December 31, 2016:

Debtor Company	RUT	Country	Creditor Bank	Currency	Type of Amortization	Effective Annual Rate	Nominal Annual Rate	Current			Total current 6/30/2017	Non current					Total Non current 6/30/2017		
								Expiry up to 1 month	1 to 3 months	3 to 12 months		Expiry 1 to 2 years	Expiry 2 to 3 years	from 3 to 4 years	from 4 to 5 years	5 or more years			
																		KUS\$	KUS\$
Agrícola El Pampino S.A.	76.884.880-7	Chile	Banco Santander Chile	US\$	Annual	6.06%	6.06%	-	-	210	210	-	-	-	-	-	-	-	-
Agrícola El Pampino S.A.	76.884.880-7	Chile	Banco Santander Chile	US\$	Annual	2.56%	2.56%	-	401	-	401	-	-	-	-	-	-	-	-
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco RaboFinance Chile	US\$	Annual	5.52%	5.20%	173	-	-	173	150	150	-	-	-	-	-	300
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco RaboFinance Chile	US\$	Annual	6.26%	6.03%	88	-	-	88	-	-	-	1,500	-	-	-	1,500
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco Santander Chile	US\$	Annual	2.04%	2.04%	501	-	-	501	-	-	-	-	-	-	-	-
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco Santander Chile	US\$	Annual	2.56%	2.56%	-	501	-	501	-	-	-	-	-	-	-	-
Agrícola Santa Rosa del Parque S.A.	99.584.440-0	Chile	Banco RaboFinance Chile	US\$	Annual	5.58%	5.31%	103	-	-	103	85	85	90	-	-	-	-	260
Agrícola Santa Rosa del Parque S.A.	99.584.440-0	Chile	Banco RaboFinance Chile	US\$	Annual	6.23%	6.01%	52	-	-	52	-	-	-	900	-	-	-	900
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	1.66%	1.66%	-	-	84	84	-	-	-	-	-	-	-	-
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	1.66%	1.66%	1	3	12	16	17	12	-	-	-	-	-	29
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	1.66%	1.66%	1	3	12	16	17	12	-	-	-	-	-	29
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	2.11%	2.11%	2	4	17	23	6	-	-	-	-	-	-	6
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	2.14%	2.14%	3	6	27	36	15	-	-	-	-	-	-	15
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	2.02%	2.02%	3	6	26	35	17	-	-	-	-	-	-	17
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	2.02%	2.02%	-	-	49	49	-	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcaya Argentina	US\$	Annual	2.88%	2.06%	-	-	2,531	2,531	2,500	1,250	-	-	-	-	-	3,750
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcaya Argentina	US\$	Annual	1.55%	1.55%	-	3,003	-	3,003	-	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	1.53%	1.53%	5,005	-	-	5,005	-	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	5.42%	3.02%	-	-	3,000	3,000	2,757	3,000	3,000	3,000	3,000	6,000	17,757	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	1.53%	1.53%	5,005	-	-	5,005	-	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	1.70%	1.70%	-	6,003	-	6,003	-	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	1.70%	1.70%	-	6,003	-	6,003	-	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	1.70%	1.70%	-	5,002	-	5,002	-	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	1.70%	1.70%	-	5,002	-	5,002	-	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Chile	US\$	Annual	1.48%	1.48%	-	3,001	-	3,001	-	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Chile	US\$	Annual	1.48%	1.48%	-	14,004	-	14,004	-	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Chile	US\$	Annual	1.48%	1.48%	-	11,904	-	11,904	-	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Estado	US\$	Annual	2.20%	5.03%	-	-	2,433	2,433	4,000	-	-	-	-	-	-	4,000
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Santander Chile	US\$	Annual	1.66%	1.66%	-	3,004	-	3,004	-	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Santander Chile	US\$	Annual	1.66%	1.66%	-	5,005	-	5,005	-	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Scotiabank	US\$	Annual	1.60%	1.60%	-	3,003	-	3,003	-	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Scotiabank	US\$	Annual	1.60%	1.60%	-	3,003	-	3,003	-	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Scotiabank	US\$	Annual	1.60%	1.60%	-	5,005	-	5,005	-	-	-	-	-	-	-	-
Hortifrut España Southern Sun SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	2.96%	2.96%	118	237	1,068	1,423	1,442	1,093	-	-	-	-	-	2,535
Hortifrut España Southern Sun SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	1.15%	1.15%	-	-	1,398	1,398	2,821	2,853	2,887	1,456	-	-	-	10,017
Hortifrut España Southern Sun SL	0-E	Spain	Banco Bilbao Vizcaya Argentina	EUR	Monthly	1.16%	1.16%	-	-	-	-	2,805	2,837	2,870	2,904	-	-	-	11,416
Hortifrut España Southern Sun SL	0-E	Spain	La Caixa	EUR	Monthly	1.10%	1.10%	-	-	-	-	1,404	1,418	1,435	1,451	-	-	-	5,708
Hortifrut España Southern Sun SL	0-E	Spain	Banco Intercontinental Español	EUR	Monthly	1.10%	1.10%	-	-	209	209	844	854	863	655	-	-	-	3,216
Asturian Berries SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	1.38%	1.38%	9	26	68	103	103	-	-	-	-	-	-	103
Asturian Berries SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	1.50%	1.50%	13	38	101	152	104	-	-	-	-	-	-	104
Asturian Berries SL	0-E	Spain	Caja Madrid	EUR	Monthly	0.87%	0.87%	2	4	18	24	22	-	-	-	-	-	-	22
Asturian Berries SL	0-E	Spain	Caja Rural Asturias	EUR	Monthly	5.00%	5.00%	2	6	15	23	15	-	-	-	-	-	-	15
Asturian Berries SL	0-E	Spain	Financial Services	EUR	Monthly	9.20%	-	-	-	1	1	3	15	-	-	-	-	-	18
Asturian Berries SL	0-E	Spain	Banco Bilbao Vizcaya Argentina	EUR	Monthly	1.40%	1.40%	-	-	-	-	123	274	151	-	-	-	-	548
Berries Peru	0-E	Peru	Banco de Crédito Perú	SOL	Monthly	0.00%	0.00%	5	-	-	5	-	-	-	-	-	-	-	-
Hortifrut S.A.	96.896.990-0	Chile	Banco de Chile	US\$	Annual	5.35%	7.38%	-	-	648	648	648	647	-	-	-	-	-	1,295
<b>Total</b>								<b>11,086</b>	<b>74,177</b>	<b>11,927</b>	<b>97,190</b>	<b>19,898</b>	<b>14,500</b>	<b>13,696</b>	<b>9,466</b>	<b>6,000</b>	<b>63,560</b>		

Debtor Company	RUT	Country	Creditor Bank	Currency	Type of Amortization	Effective Annual Rate	Nominal Annual Rate	Current			Total current as of 31-12-2016	Non current					Total Non current as of 31-12-2016	
								Expiry up to 1 month	1 to 3 months	3 to 12 months		Expiry 1 to 2 years	Expiry 2 to 3 years	from 3 to 4 years	from 4 to 5 years	5 or more years		
																		KUS\$
Agrícola El Pampino S.A.	76.884.880-7	Chile	Banco Santander Chile	US\$	Annual	6.06%	6.06%	-	-	223	223	210	-	-	-	-	-	210
Agrícola El Pampino S.A.	76.884.880-7	Chile	Banco Santander Chile	US\$	Annual	1.73%	1.73%	-	-	400	400	-	-	-	-	-	-	-
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco Rabobank Chile	US\$	Annual	5.22%	5.20%	-	-	161	161	150	150	-	-	-	-	300
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco Rabobank Chile	US\$	Annual	6.26%	6.03%	-	-	42	42	-	-	-	-	-	-	1,500
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco Santander Chile	US\$	Annual	1.68%	1.68%	501	-	-	501	-	-	-	-	-	-	-
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco Santander Chile	US\$	Annual	1.73%	1.73%	-	500	-	500	-	-	-	-	-	-	-
Agrícola Santa Rosa del Parque S.A.	99.584.440-0	Chile	Banco Rabobank Chile	US\$	Annual	5.58%	5.31%	-	-	94	94	85	85	90	-	-	-	260
Agrícola Santa Rosa del Parque S.A.	99.584.440-0	Chile	Banco Rabobank Chile	US\$	Annual	6.23%	6.01%	-	-	25	25	-	-	900	-	-	-	900
Agrícola Santa Rosa del Parque S.A.	99.584.440-0	Chile	Banco Santander Chile	US\$	Annual	1.73%	1.73%	-	500	-	500	-	-	-	-	-	-	-
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	2.16%	2.16%	6	13	20	39	-	-	-	-	-	-	-
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	0.00%	0.00%	-	-	86	86	-	-	-	-	-	-	-
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	2.11%	2.11%	2	4	17	23	17	-	-	-	-	-	-
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	2.14%	2.14%	3	6	26	35	35	-	-	-	-	-	17
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	2.02%	2.02%	3	6	28	37	34	-	-	-	-	-	34
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	0.00%	0.00%	-	-	49	49	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcaya Argentina	US\$	Annual	2.88%	2.06%	-	-	2,538	2,538	2,500	2,500	-	-	-	-	5,000
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcaya Argentina	US\$	Annual	0.95%	0.95%	3,009	-	-	3,009	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcaya Argentina	US\$	Annual	1.03%	1.03%	-	2,005	-	2,005	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcaya Argentina	US\$	Annual	1.10%	1.10%	-	5,012	-	5,012	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcaya Argentina	US\$	Annual	1.01%	1.01%	4,008	-	-	4,008	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco BICE	US\$	Annual	1.05%	1.05%	3,004	-	-	3,004	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	1.22%	1.22%	-	15,043	-	15,043	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	5.42%	3.02%	-	-	3,664	3,664	2,710	3,000	3,000	3,000	9,000	-	20,710
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	1.00%	1.00%	-	10,019	-	10,019	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	1.00%	1.00%	6,016	-	-	6,016	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Chile	US\$	Annual	1.08%	1.08%	-	3,003	-	3,003	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Chile	US\$	Annual	1.35%	1.35%	-	5,003	-	5,003	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Chile	US\$	Annual	1.26%	1.26%	-	-	14,047	14,047	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Chile	US\$	Annual	1.19%	1.19%	-	-	11,935	11,935	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Estado	US\$	Annual	2.20%	5.03%	-	-	2,440	2,440	5,200	-	-	-	-	-	5,200
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Santander Chile	US\$	Annual	1.14%	1.14%	-	-	15,016	15,016	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Santander Chile	US\$	Annual	0.81%	0.81%	3,010	-	-	3,010	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Scotiabank	US\$	Annual	1.14%	1.14%	3,008	-	-	3,008	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Scotiabank	US\$	Annual	1.14%	1.14%	-	3,008	-	3,008	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Scotiabank	US\$	Annual	1.29%	1.29%	-	5,002	-	5,002	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Santander Chile	US\$	Annual	1.11%	1.11%	-	3,007	-	3,007	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Santander Chile	US\$	Annual	1.06%	1.06%	-	5,011	-	5,011	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	1.00%	1.00%	-	6,012	-	6,012	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	0.90%	0.90%	-	-	645	645	-	-	-	-	-	-	-
Hortifrut España Southern Sun SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	1.40%	1.40%	70	141	-	211	-	-	-	-	-	-	-
Hortifrut España Southern Sun SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	2.96%	2.96%	217	216	979	1,412	1,321	1,341	338	-	-	-	3,000
Hortifrut España Southern Sun SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	1.15%	1.15%	-	-	-	1,939	2,612	2,612	2,642	2,673	769	-	10,635
Asturian Berries SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	1.38%	1.38%	8	24	61	93	95	47	-	-	-	-	142
Asturian Berries SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	1.50%	1.50%	12	35	94	141	141	25	-	-	-	-	166
Asturian Berries SL	0-E	Spain	Caja Madrid	EUR	Monthly	0.87%	0.87%	2	4	17	23	32	-	-	-	-	-	25
Asturian Berries SL	0-E	Spain	Caja Rural Asturias	EUR	Monthly	5.00%	5.00%	2	5	15	22	25	-	-	-	-	-	32
Asturian Berries SL	0-E	Spain	Financiar Services	EUR	Monthly	9.20%	9.20%	-	-	3	3	13	-	-	-	-	-	13
Berries Peru	0-E	Peru	Banco de Crédito Perú	SOL	Monthly	2.17%	2.17%	4	-	-	4	-	-	-	-	-	-	-
Hortifrut México S.A. de C.V.	0-E	Mexico	HSBC México S.A.	US\$	Annual	2.20%	2.20%	-	50	133	183	-	-	-	-	-	-	-
Hortifrut S.A.	96.896.990-0	Chile	Banco Santander Chile	US\$	Annual	3.91%	2.88%	-	-	8,861	8,861	-	-	-	-	-	-	-
Hortifrut S.A.	96.896.990-0	Chile	Banco de Chile	US\$	Annual	-	-	-	-	649	649	648	648	-	-	-	-	1,296
<b>Total</b>								<b>22,885</b>	<b>63,629</b>	<b>62,268</b>	<b>148,782</b>	<b>15,155</b>	<b>10,408</b>	<b>8,470</b>	<b>5,673</b>	<b>9,769</b>	<b>49,475</b>	

## Financial Leasing Obligations

Obligations with Banks and financial institutions per financial leasing, grouped by expiry, are detailed below, as of June 30, 2017 and December 31, 2016:

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	6/30/2017	Expiry 1 to 2 years	Expiry 2 to 3 years	from 3 to 4 years	from 4 to 5 years	5 or more years	6/30/2017
								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%	-	36	32	68	71	74	-	-	-	145
Agrícola El Pampino S.A.	76.884.880-7	Chile	Banco Santander Chile	US\$	Annual	3.91%	3.91%	-	-	15	15	16	16	8	-	-	40
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco de Crédito e Inversiones	US\$	Annual	5.25%	5.25%	246	-	-	246	209	218	228	237	-	892
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco de Crédito e Inversiones	US\$	Annual	5.10%	5.10%	-	-	169	169	161	169	178	201	-	709
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco de Crédito e Inversiones	US\$	Annual	5.54%	5.54%	-	-	241	241	234	247	261	297	-	1,039
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco de Crédito e Inversiones	US\$	Annual	5.45%	5.45%	-	-	6	6	6	6	6	8	-	26
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco de Crédito e Inversiones	US\$	Annual	4.30%	4.30%	1	1	4	6	6	7	-	-	-	13
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	2.79%	2.79%	98	-	275	373	376	387	-	-	-	763
Hortifrut Chile S.A.	99.524.450-0	Chile	BBC Tecnología Agrícola Ltda.	US\$	Annual	14.02%	14.02%	-	255	-	255	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	BBC Tecnología Agrícola Ltda.	US\$	Annual	14.02%	14.02%	-	250	-	250	-	-	-	-	-	-
Hortifrut S.A.	96.896.990-0	Chile	Banco Bilbao Vizcaya Argentaria	US\$	Monthly	9.79%	9.79%	14	29	101	144	227	208	1	-	-	436
Top Berries & Fruit SpA	76.023.726-4	Chile	Banco de Crédito e Inversiones	US\$	Quarterly	3.29%	3.29%	-	192	505	697	693	717	741	766	1,611	4,528
<b>Total</b>								<b>359</b>	<b>763</b>	<b>1,348</b>	<b>2,470</b>	<b>1,999</b>	<b>2,049</b>	<b>1,423</b>	<b>1,509</b>	<b>1,611</b>	<b>8,591</b>

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 31-12-2016	Expiry 1 to 2 years	Expiry 2 to 3 years	from 3 to 4 years	from 4 to 5 years	5 or more years	as of 31-12-2016
								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%	-	-	67	67	70	72	37	-	-	179
Agrícola El Pampino S.A.	76.884.880-7	Chile	Banco Santander Chile	US\$	Annual	3.93%	3.93%	-	-	15	15	16	16	16	-	-	48
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco de Crédito e Inversiones	US\$	Annual	4.29%	4.29%	-	-	223	223	209	218	228	237	-	892
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco de Crédito e Inversiones	US\$	Annual	4.30%	4.30%	1	1	4	6	6	6	4	-	-	16
Hortifrut Chile S.A.	99.524.450-0	Chile	BBC Tecnología Agrícola Ltda.	US\$	Annual	0.00%	0.00%	-	-	255	255	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	BBC Tecnología Agrícola Ltda.	US\$	Annual	14.02%	14.02%	247	-	247	247	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	2.79%	2.79%	98	-	271	369	370	381	195	-	-	946
Hortifrut S.A.	96.896.990-0	Chile	Banco Bilbao Vizcaya Argentaria	US\$	Monthly	9.79%	9.79%	14	28	93	135	222	200	107	-	-	529
Top Berries & Fruit SpA	76.023.726-4	Chile	Banco de Crédito e Inversiones	US\$	Quarterly	3.29%	3.29%	-	192	496	688	683	705	729	753	1,997	4,867
<b>Total</b>								<b>360</b>	<b>221</b>	<b>1,424</b>	<b>2,005</b>	<b>1,576</b>	<b>1,598</b>	<b>1,316</b>	<b>990</b>	<b>1,997</b>	<b>7,477</b>

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 KCLP 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 an approved credit line 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\$ 20.76 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 are 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; to maintain the assets necessary for the Company's normal business; to comply with the applicable laws and norms; to opportunely 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
- To 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 June 30, 2017, the total owed amount of these credits is KCLP1,008,158

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 level 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.

	<b>30-Jun-17</b>	<b>31-Dec-16</b>	<b>30-Jun-16</b>	<b>1-Jul-16</b>
	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
EBITDA	37,266	66,902	43,315	60,853
Net Financial Costs	1,879	3,041	1,812	3,108
<b>ANNUAL EBITDA / Net Financial Cost</b>	<b>19.8</b>	<b>22.0</b>	<b>23.9</b>	<b>19.6</b>
<b>Net Financial Debt</b>	<b>142,968</b>	<b>173,172</b>	<b>92,974</b>	<b>142,968</b>
<b>Net Financial Debt / EBITDA</b>	<b>3.84</b>	<b>2.59</b>	<b>2.15</b>	<b>2.35</b>

Net financial debt divided by annual EBITDA was 2.35 for the 12-month period ending June 30, 2017, (lower than the 4.5 times requested by BCI, 4.5 times requested by BBVA and 4 times requested by Banco de Chile and 4 times requested by Banco Estado).

The net financial debt divided by annual EBITDA was 2.59 for the 12-month period ending December 31, 2016 (3.0 as of December 31, 2015), (lower than the 6 times requested by BCI and BBVA).

The EBITDA corresponding to the periods ending December 31, 2016 and for the 12-month periods ending June 30, 2017 and 2016 are as follows:

	<b>30-jun-17</b>	<b>31-dec-16</b>	<b>30-jun-16</b>	<b>12 month period</b>	
	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>	<b>01-jul-16</b>	<b>01-jul-15</b>
	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
<b>DETERMINING EBITDA</b>					
Income for operating activities	203,588	426,796	236,746	393,638	371,856
Other income, per function	234	1,725	391	1,568	484
<b>Total Income</b>	<b>203,822</b>	<b>428,521</b>	<b>237,137</b>	<b>395,206</b>	<b>372,340</b>
Cost of sales	(167,211)	(356,758)	(190,602)	(333,367)	(307,869)
Administration expenses	(14,109)	(26,036)	(13,619)	(26,526)	(26,727)
Other expenses	(718)	(1,233)	(550)	(1,401)	(1,110)
<b>Total Costs and Expenses</b>	<b>(182,038)</b>	<b>(384,027)</b>	<b>(204,771)</b>	<b>(361,294)</b>	<b>(335,706)</b>
<b>Operating Result</b>	<b>21,784</b>	<b>44,494</b>	<b>32,366</b>	<b>33,912</b>	<b>36,634</b>
Depreciation and amortization	15,482	22,408	10,949	26,941	18,113
<b>EBITDA</b>	<b>37,266</b>	<b>66,902</b>	<b>43,315</b>	<b>60,853</b>	<b>54,747</b>

The EBITDA of the periods ending June 30, 2017 and 2016 are as follows:

	<b>30-jun-17</b>	<b>30-jun-16</b>	<b>01-apr-17</b>	<b>01-apr-16</b>
	<b>KUS\$</b>	<b>KUS\$</b>	<b>30-jun-17</b>	<b>30-jun-16</b>
	<b>KUS\$</b>	<b>KUS\$</b>	<b>KUS\$</b>	<b>KUS\$</b>
<b>DETERMINING EBITDA</b>				
Income for operating activities	203,588	236,746	40,128	65,801
Other income, per function	234	391	190	348
<b>Total Income</b>	<b>203,822</b>	<b>237,137</b>	<b>40,318</b>	<b>66,149</b>
Cost of sales	(167,211)	(190,602)	(29,995)	(50,309)
Administration expenses	(14,109)	(13,619)	(7,942)	(7,570)
Other expenses	(718)	(550)	(353)	(272)
<b>Total Costs and Expenses</b>	<b>(182,038)</b>	<b>(204,771)</b>	<b>(38,290)</b>	<b>(58,151)</b>
<b>Operating Result</b>	<b>21,784</b>	<b>32,366</b>	<b>2,028</b>	<b>7,998</b>
Depreciation and amortization	15,482	10,949	5,439	4,705
<b>EBITDA</b>	<b>37,266</b>	<b>43,315</b>	<b>7,467</b>	<b>12,703</b>

#### Detail of amortization and depreciation of the periods.

	<b>30-Jun-17</b>	<b>30-Jun-16</b>
	<b>KUS\$</b>	<b>KUS\$</b>
<b>Depreciation and Amortization</b>		
Property, plant and equipment	4,487	4,648
Intangibles - Software	60	105
Intangibles - Licenses	5,080	326
Relationship with customers	133	134
Amortization biologicals	5,650	5,868
Amortization activated / others	72	(132)
<b>Total</b>	<b>15,482</b>	<b>10,949</b>

#### DETERMINING NET FINANCIAL DEBT

<b>Determining net financial debt</b>	<b>30-Jun-17</b>	<b>31-Dec-16</b>	<b>30-Jun-16</b>
<b>Items</b>	<b>KUS\$</b>	<b>KUS\$</b>	<b>KUS\$</b>
Other current financial liabilities	99,660	150,787	74,177
Other non current financial liabilities	72,824	57,630	54,538
<b>Total financial liabilities</b>	<b>172,484</b>	<b>208,417</b>	<b>128,715</b>
<b>Minus:</b>			
Cash and cash equivalents	29,516	35,245	35,741
<b>Total net financial debt</b>	<b>142,968</b>	<b>173,172</b>	<b>92,974</b>

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

Financial cost hedging for a 12-month period, was 19.8 times, higher than the 4 required as of June 30, 2017 by BCI, BBVA, Banco del Estado and Banco de Chile.

a.3.3) Net Financial Debt divided by Total Equity

- As of June 30, 2017, it was 0.57 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\$249.68 million as of June 30, 2017 (higher than the requested US\$25 million), and US\$229.47 million as of December 31, 2016.

a.4) Financial risk management policies

The Company, following the financial risk management policy described in note 3.1, 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.

b) Cross Currency Swap Operations:

The detail of the derivative instruments is as follows:

<b>LIABILITIES</b>			<b>Balance Capital KUS\$</b>	<b>MtoM Value</b>	
<b>Hedging instruments</b>				<b>30-Jun-17 KUS\$</b>	<b>31-Dec-16 KUS\$</b>
<b>Entities</b>	<b>Instruments</b>	<b>Type</b>			
Banco de Crédito e Inversiones	Cross Currency Swaps - USD	Rate	21,000	638	521
Banco Estado	Cross Currency Swaps CLP/USD	Rate	6,400	22	64
Banco de Crédito e Inversiones	Cross Currency Swaps - USD	Rate	5,198	-	31
Banco de Chile	Cross Currency Swaps CLP/USD	Rate	1,943	8	36
Banco Bilbao Viscaya	Cross Currency Swaps CLP/USD	Currency	728	5	26
<b>Total non current</b>			<b>35,269</b>	<b>673</b>	<b>678</b>

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.

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

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

The concepts that make up this item are the following:

	<b>30-Jun-17</b>	<b>31-Dec-16</b>
<b>Current</b>	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
Suppliers	8,324	44,650
Payable notes	332	319
Retentions and payable tax	4,869	7,757
Payable dividend	-	7,283
<b>Total</b>	<b><u>13,525</u></b>	<b><u>60,009</u></b>

As of June 30, 2017 and December 31, 2016, there are no non-current trade accounts and other accounts payable.

Accounts payable per currency are as follows:

	<b>30-Jun-17</b>	<b>31-Dec-16</b>
<b>Current</b>	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
United States Dollar	4,180	36,081
Chilean Peso	4,933	19,827
Euro	3,048	1,838
Mexican Peso	857	1,382
Argentine Peso	46	113
Nuevo Sol	252	561
Brazilian Real	210	207
<b>Total</b>	<b><u>13,526</u></b>	<b><u>60,009</u></b>

**Suppliers with payments up to date, as of June 30, 2017**

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	1,900	2,286	902	984	-	-	6,072	65
Services	5,812	821	9	7	-	-	6,649	34
Others	427	378	-	-	-	-	805	44
<b>Total as of 30-06-2017</b>	<b>8,139</b>	<b>3,485</b>	<b>911</b>	<b>991</b>	<b>-</b>	<b>-</b>	<b>13,526</b>	

**Suppliers with payments up to date, as of December 31, 2016**

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	14,018	20,512	2,365	817	1,138	-	38,850	61
Services	12,929	850	34	34	1	-	13,848	32
Others	28	-	-	-	7,283	-	7,311	364
<b>Total as of 31-12-2016</b>	<b>26,975</b>	<b>21,362</b>	<b>2,399</b>	<b>851</b>	<b>8,422</b>	<b>-</b>	<b>60,009</b>	

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:

	<b>30-Jun-17</b>	<b>31-Dec-16</b>
	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
<b><u>Current Provisions</u></b>		
<b>Other provisions</b>		
Cost provisions	74	160
<b>Other provisions</b>	<b><u>74</u></b>	<b><u>160</u></b>
<b>Provision for employee benefits</b>		
Vacations	749	967
Substitute retirement benefits	305	324
Other benefits for personnel (bonus)	3,414	301
<b>Provision for employee benefits</b>	<b><u>4,468</u></b>	<b><u>1,592</u></b>
<b>Total</b>	<b><u>4,542</u></b>	<b><u>1,752</u></b>

The movement of provisions during the period ending June 30, 2017 and the period ending December 31, 2016, is as follows:

	<b>30-Jun-17</b>	<b>31-Dec-16</b>
	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
<b>Movement</b>		
Opening balance	1,752	1,361
Increase in provisions	4,130	1,389
Used provisions	(1,340)	(998)
<b>Total</b>	<b><u>4,542</u></b>	<b><u>1,752</u></b>

## 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 June 30, 2017, reaches KUS\$136,411 equal to 435,520,079 shares of a single series and without nominal value.

b) Movements of 2017

No movements in capital have taken place in the period ending June 30, 2017 and in the period ending December 31, 2016.

There are no own shares in portfolio.

### 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>30-Jun-17</u>	<u>31-Dec-16</u>
Opening balance	181	435,520,079	100%	435,520,079	435,520,079
	<b>181</b>	<b>435,520,079</b>		<b>435,520,079</b>	<b>435,520,079</b>

- Share issuance premiums capitalization (issuance expenses)

The movements of the share issuance premium during the period ending June 30, 2017 and the period ending December 31, 2016, are detailed below:

	<u>30-Jun-17</u>	<u>31-Dec-16</u>
<u>Movement of Capital</u>	<u>KUS\$</u>	<u>KUS\$</u>
Capital	<u>136,411</u>	<u>136,411</u>
<b>Capital</b>	<b><u>136,411</u></b>	<b><u>136,411</u></b>
<u>Capital issuance premium</u>		
Capital issuance premium	<u>(1,262)</u>	<u>(1,262)</u>
<b>Share issuance premium (issuance expense)</b>	<b><u>(1,262)</u></b>	<b><u>(1,262)</u></b>

**NOTE 25 – ACCUMULATED PROFIT (LOSS)**

The detail of the Accumulated Result account is as follows:

<u>Movement</u>	<b>30-Jun-17</b> <u>KUS\$</u>	<b>31-Dec-16</b> <u>KUS\$</u>
Opening balance	40,094	25,302
Profit (loss), attributable to the parent company	14,699	26,055
Minimum dividend provision	-	(7,283)
Reversal minimum dividend provision previous year	7,283	2,873
Definite Dividend	(7,283)	(2,873)
Provisional dividend	-	(5,662)
Reclassification depreciation Revaluation Bearer Plants	2,674	1,682
<b>Total</b>	<b><u>57.467</u></b>	<b><u>40,094</u></b>

a) Dividend policy

As per what is stated in the Closely Held Corporation Law, the Company is obligated to the distribution of an obligatory minimum dividend equal to 30% of profits, nevertheless and as per the social statutes, the minimum dividend established for the Company is 50%, unless otherwise unanimously agreed by the shareholders at the corresponding meeting.

In virtue of what was informed to the Superintendencia de Valores y Seguros, related with regulation (circular) N° 1945, in order to determine the Company's net distributable profit, to be considered to calculate the dividend, the following will be excluded from gains attributable to the controller's 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) The effects of deferred taxes associated to the concepts indicated in 1) y 2) will follow the same fate as the item that originated them.



b) Dividend Provision

In the period ending June 30, 2017, the Company did not record a minimum dividend provision (KUS\$7,283 as of December 31, 2016).

Below is the calculation of accrued dividend for the period ending June 30, 2017 and the period ending December 31, 2016:

<b><u>Concept</u></b>	<b><u>30-Jun-17</u></b> <b><u>KUS\$</u></b>	<b><u>31-Dec-16</u></b> <b><u>KUS\$</u></b>
Gains attributable to the owners of the parent company	14,699	26,055
<b><u>Minus:</u></b>		
Increase biological assets to fair value net of tax - PEV	-	(165)
<b>Result to be Distributed</b>	<b><u>14,699</u></b>	<b><u>25,890</u></b>
Minimum dividend %	0.00%	50.00%
<b>Minimum Accrued Dividend</b>	<b>-</b>	<b>12,945</b>
<b><u>Minus:</u></b>		
Paid provisional dividend	-	(5,662)
<b>Minimum dividend provision</b>	<b>-</b>	<b>7,283</b>

**Paid dividends**

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

<b><u>Month and Year of Payment</u></b>	<b><u>Type</u></b>	<b><u>Last 3 years</u></b> <b><u>KUS\$</u></b>
May-15	Definite	2,939
Oct-15	Provisional	3,920
	<b>Total year 2015</b>	<b><u>6,859</u></b>
May-16	Definite	2,873
Oct-16	Provisional	5,662
	<b>Total year 2016</b>	<b><u>8,535</u></b>
May-17	Definite	7,283
	<b>Total year 2017</b>	<b><u>7,283</u></b>

**NOTE 26 – OTHER RESERVES**

The other reserves that are presented in the statement of changes in equity, are of the following nature:

Cash Flow hedging reserve – Corresponds to the difference between spot values and the fair value of the cash Flow hedging contracts (CCS) which are qualified as efficient, net of deferred tax.

Reserves due to exchange rate fluctuations. – This balance reflects the accumulated results, by exchange rate fluctuations, when converting the financial statements of overseas subsidiaries, from their functional currency to Hortifrut’s reporting currency (United States Dollars).

Reserves Revaluation Bearer Plants– Correspond to the difference between the revalued cost at fair value and the historic cost of bearer plants, net of their deferred tax.

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

<u>Movement</u>	<u>30-Jun-17</u> <u>KUS\$</u>	<u>31-Dec-16</u> <u>KUS\$</u>
<b>Opening balance</b>	24,108	14,403
Reserves Revaluation Bearer Plants	(2,674)	4,091
Cash flow hedging reserves	(1,194)	5,549
Reserves for exchange rate fluctuations	<u>4,842</u>	<u>65</u>
<b>Total</b>	<u><b>25,082</b></u>	<u><b>24,108</b></u>

The movement of cash Flow hedging reserves in the period ending June 30, 2017 and in the period ending December 31, 2016 is as follows:

<u>Movement cash flow hedging reserves</u>	<u>30-Jun-17</u> <u>KUS\$</u>	<u>31-Dec-16</u> <u>KUS\$</u>
<b>Opening balance</b>	2,698	(2,851)
Other integral result	<u>(1,194)</u>	<u>5,549</u>
<b>Total</b>	<u><b>1,504</b></u>	<u><b>2,698</b></u>

Cash flow hedging reserve is net of deferred tax.

Income tax included in cash flow hedging reserves is detailed in the following table:

	<u>30-Jun-17</u> <u>KUS\$</u>	<u>31-Dec-16</u> <u>KUS\$</u>
Cash flow hedging reserves	2,005	3,545
Income tax	<u>(501)</u>	<u>(847)</u>
<b>Total</b>	<u><b>1,504</b></u>	<u><b>2,698</b></u>

The movement of Reserves due to Exchange rate fluctuations in the period ending June 30, 2017 and the period ending December 31, 2016 is as follows:

	<b>30-Jun-17</b>	<b>31-Dec-16</b>
	<u><b>KUS\$</b></u>	<u><b>KUS\$</b></u>
<b>Movement for exchange rate fluctuations</b>		
<b>Opening balance</b>	(7,617)	(7,682)
Other integral result	<u>4,842</u>	<u>65</u>
<b>Total</b>	<u><b>(2,775)</b></u>	<u><b>(7,617)</b></u>

The movement of Bearer Plant Revaluation Reserves in the period ending June 30, 2017 and the period ending December 31, 2016, is as follows:

	<b>30-Jun-17</b>	<b>31-Dec-16</b>
	<u><b>KUS\$</b></u>	<u><b>KUS\$</b></u>
<b>Reserves Revaluation Bearer Plants</b>		
<b>Opening balance</b>	29,027	24,936
Revaluation bearer plants	-	(5,407)
Revaluation bearer plants Associated co.	-	11,180
Amortization revaluation bearer plants	<u>(2,674)</u>	<u>(1,682)</u>
<b>Total</b>	<u><b>26,353</b></u>	<u><b>29,027</b></u>

The related company Hortifrut Tal S.A.C., applying the valuation criteria for bearer plants, adopted by Hortifrut (see note 2.6), valued as of December 31, 2016, its 294 hectares that are under production at revalued cost. The net interest in said adjustment on behalf of Hortifrut is KUS\$11,180, and is recorded under reserves of Revaluation of bearer plants.

This effect has been recorded during 2016, moment that “bearer plants” reached a production volume of 50%.

**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 non parent companies</u>		<u>Interest of non parent companies in profit (loss) result</u>	
	<u>30-Jun-17</u>	<u>31-Dec-16</u>	<u>30-Jun-17</u>	<u>31-Dec-16</u>	<u>30-Jun-17</u>	<u>30-Jun-16</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%	2,932	2,864	69	73
Agrícola El Pampino S.A.	80.0%	80.0%	1,287	1,103	184	163
Agrícola Santa Rebeca Ltda.	75.0%	75.0%	129	133	(4)	6
Agrícola Vida Nueva S.A.	50.0%	50.0%	3,974	3,796	201	407
Viveros Hortifrut Chile S.A.	49.0%	49.0%	139	140	(2)	(25)
Hortifrut Argentina S.A.	4.1%	4.1%	17	10	2	(3)
Agrofrutas, SRL. de C.V.	1.0%	1.0%	(7)	(4)	(3)	1
Hortifrut España Southern Sun S.L.	50.0%	50.0%	17,394	16,373	(238)	2,612
Agrícola Santa Rosa del Parque S.A.	70.0%	70.0%	2,851	2,673	178	1,003
Agrícola Mataquito S.A.	50.0%	50.0%	1,489	1,481	8	10
Euroberry Marketing S.A.	50.0%	50.0%	1,371	1,107	155	248
Asturian Berries S.A.	49.0%	49.0%	406	444	(78)	(84)
<b>Total</b>			<b>31,982</b>	<b>30,120</b>	<b>472</b>	<b>4,411</b>

b) The movements of non-parent company interests are as follows:

	<u>30-Jun-17</u>	<u>31-Dec-16</u>
	<u>KUS\$</u>	<u>KUS\$</u>
<b>Movement</b>		
<b>Opening balance</b>	30,120	30,213
Profit	472	4,926
Reserves for exchange rate fluctuations	1,413	(491)
Cash flow hedging reserves	(23)	24
Capital increase (Dividends) at subsidiaries	-	(1,916)
Reserves for asset surplus	-	(2,636)
<b>Total</b>	<b>31,982</b>	<b>30,120</b>

## 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:

<b>Basic profit (loss) per share</b>	<b>Measuring unit</b>	<b>30-Jun-17</b>	<b>30-Jun-16</b>
Profit (loss) of activities continued after tax	<b>KUS\$</b>	14,699	23,039
Basic weighted average of number of shares	<b>Unit</b>	435,520,079	435,520,079
Basic profit per share from continued operations	<b>(US\$ per share)</b>	<b>0.033750</b>	<b>0.052900</b>

The calculation of the weighted average of the number of shares in circulation, is detailed below:

<b>Weighted average of ordinary shares in circulation</b>	<b>N° days in circulation</b>	<b>N° of shares</b>	<b>Weighting %</b>	<b>Weighted average of ordinary shares in circulation</b>
				<b>30-Jun-17</b>
Opening balance	181	435,520,079	100%	435,520,079
		<b>435,520,079</b>		<b>435,520,079</b>

### 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.

The determining of the Result to be Distributed for the periods ending June 30, 2017 and 2016, is presented in Note 25 b).

**NOTE 29 – OPERATING REVENUE AND OTHER REVENUE, PER FUNCTION**

The detail is as follows:

Concept	30-Jun-17	30-Jun-16	Quarter	
			1-Apr-17	1-Apr-16
			30-Jun-17	30-Jun-16
	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
Revenue from operating activities	203,588	236,746	40,128	65,801
Other revenue, per function	<u>234</u>	<u>391</u>	<u>190</u>	<u>348</u>
<b>Total</b>	<b><u>203,822</u></b>	<b><u>237,137</u></b>	<b><u>40,318</u></b>	<b><u>66,149</u></b>

The detail of the Group's revenue considers Revenue from operating activities plus other revenue, per function.

Other income, per function	30-Jun-17	30-Jun-16	Quarter	
			1-Apr-17	1-Apr-16
			30-Jun-17	30-Jun-16
	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
Profit from fixed asset sale and materials	234	391	190	348
<b>Total</b>	<b><u>234</u></b>	<b><u>391</u></b>	<b><u>190</u></b>	<b><u>348</u></b>

Therefore, the detail per segment for the periods ending June 30, 2017 and 2016 is as follows:

Product	30-Jun-17	30-Jun-16	Quarter	
			1-Apr-17	1-Apr-16
			30-Jun-17	30-Jun-16
	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>
Blueberries	159,661	169,799	22,980	35,241
Raspberries	11,685	13,915	5,440	7,587
Blackberries	11,149	20,522	4,232	8,890
Strawberries	7,965	9,071	1,820	1,336
Cherries	2,873	1,765	213	4
Value Added Products	<u>10,489</u>	<u>22,065</u>	<u>5,633</u>	<u>13,091</u>
<b>Total</b>	<b><u>203,822</u></b>	<b><u>237,137</u></b>	<b><u>40,318</u></b>	<b><u>66,149</u></b>

The Group's operating revenue is mainly constituted by the sale of products derived from the harvesting of bearer plants.

**NOTE 30 – DETAIL OF RELEVANT RESULTS**

The items in the income statement per function for the periods ending June 30, 2017 and 2016, 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:

	<u>Quarter</u>			
	<b>30-Jun-17</b>	<b>30-Jun-16</b>	<b>1-Apr-17</b>	<b>1-Apr-16</b>
	<u>KUS\$</u>	<u>KUS\$</u>	<u>30-Jun-17</u>	<u>30-Jun-16</u>
<b>Cost of sales</b>			<u>KUS\$</u>	<u>KUS\$</u>
Cost of sales	82,294	92,366	3,375	14,399
Materials	14,273	24,639	2,870	8,186
Remunerations	24,711	25,525	9,847	13,372
Depreciations and amortizations	14,742	10,175	5,090	4,337
Other general expenses	7,044	12,312	3,945	4,150
Freight	11,187	13,004	(354)	84
Lease of properties, machinery, etc.	3,686	3,775	2,282	2,756
Third party services	9,274	8,806	2,940	3,025
<b>Total Cost of sales</b>	<u>167,211</u>	<u>190,602</u>	<u>29,995</u>	<u>50,309</u>

**2) Administrative expenses**

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

	<u>Quarter</u>			
	<b>30-Jun-17</b>	<b>30-Jun-16</b>	<b>1-Apr-17</b>	<b>1-Apr-16</b>
	<u>KUS\$</u>	<u>KUS\$</u>	<u>30-Jun-17</u>	<u>30-Jun-16</u>
<b>Administration Expenses</b>			<u>KUS\$</u>	<u>KUS\$</u>
Remunerations	7,878	6,103	4,910	3,445
Depreciations and amortizations	729	766	343	364
Other general expenses	2,619	4,318	1,078	2,356
Lease of properties, machinery, etc.	300	339	54	160
Third party services	2,379	2,034	1,353	1,186
Other	204	59	204	59
<b>Total Administration Expenses</b>	<u>14,109</u>	<u>13,619</u>	<u>7,942</u>	<u>7,570</u>

### 3) Other expenses, per function

	30-Jun-17	30-Jun-16	Quarter	
			1-Apr-17	1-Apr-16
Other expenses, per function	<u>KUS\$</u>	<u>KUS\$</u>	<u>30-Jun-17</u>	<u>30-Jun-16</u>
<b>Investigation expenses</b>				
Cost of Sales	7	-	3	-
Materials	11	6	1	2
Remunerations	212	187	118	83
Depreciations and amortizations	11	8	6	4
Other general expenses	147	179	88	123
Freight	2	27	-	26
Lease of property, machinery, etc.	13	11	11	9
Third party services	188	92	136	42
Received contributions	(25)	(59)	(25)	(59)
<b>Sub-total Investigation expenses</b>	<u>566</u>	<u>451</u>	<u>338</u>	<u>230</u>
<b>Other expenses</b>				
Loss from sale of assets and materials	152	77	15	20
Write-off of assets	-	22	-	22
<b>Sub-total Other expenses</b>	<u>152</u>	<u>99</u>	<u>15</u>	<u>42</u>
<b>Total Other expenses, per function</b>	<u>718</u>	<u>550</u>	<u>353</u>	<u>272</u>

### NOTE 31 – FINANCIAL EXPENSES

Financial expenses for the periods ending June 30, 2017 and 2016, are detailed below:

	30-Jun-17	30-Jun-16	Quarter	
			1-Apr-17	1-Apr-16
Financial Expenses	<u>KUS\$</u>	<u>KUS\$</u>	<u>30-Jun-17</u>	<u>30-Jun-16</u>
Bank loans	2,142	1,826	1,065	854
Expenses /commissions	297	174	140	46
Interests with related parties	(60)	46	(12)	37
Leasing interests	200	138	117	84
<b>Total Financial Expenses</b>	<u>2,579</u>	<u>2,184</u>	<u>1,310</u>	<u>1,021</u>



**NOTE 32 – EXCHANGE RATE DIFFERENCES**

The detail of Exchange rate difference for the periods ending June 30, 2017 and 2016, are detailed as follows:

	<u>Currency</u>	<u>30-Jun-17</u> <u>KUS\$</u>	<u>30-Jun-16</u> <u>KUS\$</u>	<u>Quarter</u>	
				<u>4/1/2017</u> <u>6/30/2017</u> <u>KUS\$</u>	<u>4/1/2016</u> <u>6/30/2016</u> <u>KUS\$</u>
<b>Assets</b>					
Cash and cash equivalents	CLP	(218)	123	(66)	-
Cash and cash equivalents	USD	11	(38)	16	21
Cash and cash equivalents	EUR	(60)	(9)	(14)	12
Cash and cash equivalents	MXN	17	(86)	11	(2)
Trade debtors and other accounts receivable	CLP	15	117	11	(3)
Trade debtors and other accounts receivable	USD	31	5	167	(234)
Trade debtors and other accounts receivable	EUR	94	49	87	(4)
Trade debtors and other accounts receivable	MXN	505	(228)	166	(80)
Accounts receivable from related entities	EUR	160	404	83	(22)
Current tax assets	CLP	323	1,403	77	363
Current tax assets	MXN	(115)	-	(172)	(58)
Current tax assets	EUR	-	(17)	-	(17)
Current tax assets	USD	(2)	(51)	(4)	(65)
<b>Sub-total</b>		<b>761</b>	<b>1,672</b>	<b>362</b>	<b>(89)</b>
<b>Liabilities</b>					
Other financial liabilities	CLP	2	15	2	787
Other financial liabilities	EUR	-	28	-	-
Other financial liabilities	MXN	-	(4)	-	-
Other financial liabilities	USD	(3)	62	(3)	62
Trade accounts and other accounts payable	CLP	109	(205)	222	(858)
Trade accounts and other accounts payable	USD	(784)	(9)	(1,326)	-
Trade accounts and other accounts payable	EUR	(686)	(67)	(563)	1
Trade accounts and other accounts payable	MXN	(260)	607	(54)	747
Accounts payable to related entities	CLP	(28)	26	(28)	(44)
Accounts payable to related entities	USD	(1,485)	716	(1,385)	658
Accounts payable to related entities	MXN	45	(680)	(16)	(624)
<b>Sub-total</b>		<b>(3,090)</b>	<b>489</b>	<b>(3,151)</b>	<b>729</b>
<b>Total exchange rate difference</b>		<b>(2,329)</b>	<b>2,161</b>	<b>(2,789)</b>	<b>640</b>

**NOTE 33 – FOREIGN CURRENCY**

**NOTE 33-1 – FOREIGN CURRENCY TOTAL CURRENT ASSETS**

<b>Current Assets</b>	<b>30-Jun-17 KUS\$</b>	<b>31-Dec-16 KUS\$</b>
<b>Cash and Cash Equivalents</b>		
Dollar	10,882	19,921
Euros	15,772	11,775
Chilean Pesos	1,469	2,342
Mexican Pesos	466	838
Other currencies	927	369
<b>Other current financial assets</b>		
Dollar	2,641	3,155
<b>Other current non financial assets</b>		
Dollar	837	178
Euros	792	1,028
Chilean Pesos	1,247	2,000
Mexican Pesos	2,587	2,194
Other currencies	335	120
<b>Current trade debtors and other accounts receivable</b>		
Dollar	6,983	12,903
Euros	2,677	11,088
Chilean Pesos	6,739	13,500
Mexican Pesos	4,172	792
Other currencies	6,659	4,295
<b>Current accounts receivable from related entities</b>		
Dollar	22,917	42,769
Euros	8,421	2,990
Chilean Pesos	11	-
<b>Stock</b>		
Dollar	12,684	53,184
Euros	312	1,038
Chilean Pesos	608	752
Other currencies	1,260	1,837
<b>Current biological assets</b>		
Dollar	1,615	4,311
Euros	-	1,085
Chilean Pesos	1,637	1,120
Other currencies	210	340
<b>Total Current Assets</b>	<b>114,860</b>	<b>195,924</b>

**NOTE 33-2 – FOREIGN CURRENCY NON-CURRENT ASSETS**

<b>Non Current Assets</b>	<b>30-Jun-17 KUS\$</b>	<b>31-Dec-16 KUS\$</b>
<b>Other non current financial assets</b>		
Dollar	39	1,101
<b>Other non current non financial assets</b>		
Euros	1,404	1,387
Chilean Pesos	110	110
Other currencies	55	19
<b>Non current fees receivable</b>		
Dollar	1,804	1,604
Euros	3	-
Chilean Pesos	187	190
<b>Non current accounts receivable from related entities</b>		
Dollar	2,017	2,192
Euros	6,832	5,468
<b>Investments recorded using the equity method</b>		
Dollar	33,574	33,601
Euros	78	78
Other currencies	36,863	32,975
<b>Intangible assets other than appreciation</b>		
Dollar	16,659	21,794
<b>Appreciation</b>		
Dollar	26,769	26,769
<b>Property, Plant and Equipment</b>		
Dollar	168,790	167,923
Euros	15,935	16,171
Chilean Pesos	3,594	3,687
Other currencies	34,150	20,089
<b>Deferred tax assets</b>		
Dollar	15,681	14,950
<b>Total non current assets</b>	<b>364,544</b>	<b>350,108</b>
<b>Total assets</b>	<b>479,404</b>	<b>546,032</b>
<b>Dollar</b>	323,892	406,355
<b>Euros</b>	52,226	52,108
<b>Chilean Pesos</b>	15,602	23,701
<b>Mexican Pesos</b>	7,225	3,824
<b>Other currencies</b>	80,459	60,044
<b>Total Assets per currency</b>	<b>479,404</b>	<b>546,032</b>

**NOTE 33-3 – FOREIGN CURRENCY CURRENT LIABILITIES**

<b>Current liabilities</b>	<b>30-Jun-17 KUS\$</b>	<b>31-Dec-16 KUS\$</b>
<b>Other current financial liabilities</b>		
Dollar	96,063	148,610
Euros	3,333	1,904
Other currencies	264	273
<b>Current trade accounts and other accounts payable</b>		
Dollar	4,179	36,081
Euros	3,048	1,838
Chilean Pesos	4,933	19,827
Mexican Pesos	857	1,382
Other currencies	508	881
<b>Current accounts payable to related entities</b>		
Dollar	705	5,748
Euros	911	46
Chilean Pesos	1,671	917
<b>Other current provisions</b>		
Dollar	74	160
<b>Current tax liabilities</b>		
Dollar	542	1,698
<b>Current provisions for employee benefits</b>		
Dollar	3,520	644
Chilean Pesos	441	441
Mexican Pesos	507	507
<b>Other current non financial liabilities</b>		
Dollar	1,540	2,227
Euros	431	431
<b>Total current liabilities</b>	<b>123,527</b>	<b>223,615</b>

**NOTE 33-4 – FOREIGN CURRENCY NON-CURRENT LIABILITIES**

<b>Non current liabilities</b>	<b>30-Jun-17</b>	<b>31-Dec-16</b>
	<b><u>KUS\$</u></b>	<b><u>KUS\$</u></b>
<b>Other non current financial liabilities</b>		
Dollar	39,026	43,530
Euros	33,702	14,014
Other currencies	96	86
<b>Non current accounts payable to related entities</b>		
Euros	11,694	10,286
Chilean Pesos	1,415	1,404
<b>Other non current provisions</b>		
Dollar	145	134
<b>Deferred tax liabilities</b>		
Dollar	20,119	23,492
<b>Total non current liabilities</b>	<b>106,197</b>	<b>92,946</b>
<b>Total liabilities</b>	<b>229,724</b>	<b>316,561</b>
<b>Dollar</b>	165,913	262,324
<b>Euros</b>	53,119	28,519
<b>Chilean Pesos</b>	8,460	22,589
<b>Mexican Pesos</b>	1,364	1,889
<b>Other currencies</b>	868	1,240
<b>Total liabilities per currency</b>	<b>229,724</b>	<b>316,561</b>
<b>Summary of thousands of net dollars per currency</b>		
<b>Dollar</b>	157,979	144,031
<b>Euros</b>	-	23,589
<b>Chilean Pesos</b>	7,142	1,112
<b>Mexican Pesos</b>	5,861	1,935
<b>Other currencies</b>	79,591	58,804
<b>Total net per currency</b>	<b>249,680</b>	<b>229,471</b>

**NOTE 34- CONTINGENCIES**

a) Pledged shares

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

b) Direct guarantees

Dated February 12, 2015, a Stand By Letter was issued with Banco Estado bank in order to guarantee the faithful compliance of the payment commitment with Royal Berries S.L. for the purchase of an operating license for varieties of berries. As of June 30, 2017, the balance of the Stand By Letter was at US\$8.57 million.

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>Other</u>	<u>Associated</u>	
	<u>Assets</u>	<u>Properties</u>	<u>Debt</u>	
	<u>KUS\$</u>	<u>KUS\$</u>	<u>KUS\$</u>	<u>Bank</u>
Agrícola Santa Rosa del Parque S.A	3,210	2,390	1,315	Banco RaboFinance Chile
Agrícola Mataquito S.A. (Curepto Field)	4,005	1,877	2,061	Banco RaboFinance Chile
Agrícola El Pampino S.A.	3,725	1,046	210	Banco Santander Chile
Agrícola Hortifrut S.A.	18,644	7,153	1,943	Banco de Chile
Berries de Panguipulli SpA (Curaco Field)	-	2,304		
Top Berries & Fruit SpA (Colbun Plant)	-	4,428		
Hortifrut S.A. (Antillanca Plant)	-	865	20,757	Banco de Crédito e Inversiones
Hortifrut Comercial S.A. ( La Serena Field)	-	2,168		
Hortifrut Chile S.A. (Angol-Gorbea-Los Angeles Plant)	-	12,346		
<b>Total</b>	<b>29,584</b>	<b>34,577</b>	<b>26,286</b>	

Detail of Properties, Plants and Equipment subject to to guarantees or restrictions

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

b.1.1) Mortgage in favor of RaboFinance 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 water 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 KUS\$1,315.

b.1.2) Non-transferable pledge in favor of RaboFinance over the movable goods located on the properties stated in letter b.1.1) (EP 24.08.12, Not. Gloria Acharán).

b.2) Agrícola El Pampino S.A.

b.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\$210.

b.3) Agrícola Vida Nueva S.A.

b.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.

b.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).

b.4) Agrícola Mataquito S.A.

b.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\$2,061.

b.4.2) Pledge without displacement in favor of RaboFinance over the movable goods located on the properties described in letter b.4.1) (EP.27.08.12, Not. Gloria Acharán).

b.5) Agrícola Hortifrut S.A.

b.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).

b.5.2) Pledge without displacement in favor of Banco de Chile over the movable goods located on the properties detailed in letter b.5.1) (EP 21.06.12, Not. A.Bianchi). The amount of the used credit is KUS\$1,943.

As of December 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.

b.6) Hortifrut Chile S.A.

b.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.).

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

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

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

b.7) Berries de Panguipulli SpA.

b.7.1) Mortgage in favor of BCI over: Lot A, Vista Hermosa property; Hijuera 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.).

b.8) Hortifrut S.A.

b.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.).

b.9 Top Berries & Fruit SpA.

b.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.).

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

b.10) Hortifrut Comercial S.A.

b.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\$20,757.-

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	Guarantor	10,000
Banco Santander (2)	Hortifrut España Southern Sun S.L	Subsidiary	Guarantor	185
Banco Santander (3)	Hortifrut España Southern Sun S.L	Subsidiary	Guarantor	213
Banco Santander (4)	Hortifrut España Southern Sun S.L	Subsidiary	Guarantor	425

- (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\$15.66 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.
- (4) Surety granted for the contracted obligations, by Hortifrut Berries Perú S.A.C., for the contract for the providing of water collection services, which the Company contracted with the company H2 Olmos.

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 21

f) Lawsuits

Below we present the main valid lawsuits:

<b><u>Plaintiff</u></b>	<b><u>Defendant</u></b>	<b><u>Type of Lawsuit</u></b>	<b><u>Claimed Amount</u></b>	<b><u>Probable Resolution</u></b>	<b><u>Provision</u></b>
Hortifrut S.A de CV	Berries La Grana	Civil Mortgage (*)	USD 589,529	Favorable for Hortifrut	Does not apply
Hortifrut S.A. de CV	Agricola Gavilanes	Executory Commercial (*)	USD 168,281	Favorable for Hortifrut	Does not apply
Hortifrut S.A.	Cristina Ortiz y Otro	Misappropriation	CLP 100,002,477	Uncertain	Does not apply
Hortifrut S.A. (Ex VBM)	Marchant Morales	Executory Commercial	USD 138,694	Uncertain	Provisioned
Confederación Hidrográfica de Guadalquivir	Hortifrut España Southern Sun S.L	Water Law Infringement	Eur 127,039	Uncertain	Provisioned

(\*) Provision does not apply because there are seizable guarantees, enough to cover the owed amount.

g) 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 with 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 June 30, 2017, 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 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	14	14	56	32
Hortifrut S.A.	Inversiones IMG Ltda.	Lot N°1 and N°2, Farm N°67, Parcelación Virquenco Project, Los Angeles	8.25	12/30/2009	10	5	5	7	-
Agrícola El Avellano S.A.	Sociedad Agrícola y Ganadera El Otonal Ltda.	Farm El Avellano, Osorno	130.00	6/30/2000	32	40	40	160	400
Hortifrut S.A.	Agrícola e Inmobiliaria Lumaco S.A.	Farm N°68, Parcelación Virquenco Project, Los Angeles	10.00	7/1/2012	10	6	6	24	-
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	6	6	11	-
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	54	54	216	45
Hortifrut S.A.	Miguel Angel Muñoz Hidalgo and Others	Piece of property denominated Las Mercedes, Chanco (La Laguna)	21.67	5/23/2007	13	14	14	27	-
Hortifrut S.A.	Sergio Meza Pérez and Other	Part of San Baldomero Farm, Chanco	50.00	3/1/2010	10	24	24	40	-
Hortifrut Comercial S.A.	Pedro Peñailillo Peralta	Piece of Puchema property, Chanco	5.49	3/10/2015	5	3	3	5	-
Hortifrut S.A.	Francisco Cancino Tapia	Rural property, Puchema Sector, Chanco	8.05	6/24/2005	15	6	6	12	-
Hortifrut S.A.	Manuel Retamal Chamorro	Part of property denominated El Recreo, Reloca, Chanco	1.00	5/1/2017	6	1	1	4	1
Hortifrut Comercial S.A.	María Angélica Osorio Cortés	Part of Farm N°136, Colonia Gabriel González Videla, La Serena (Includes water rights)	22.30	3/2/2017	6	14	14	56	9
Hortifrut S.A.	Sara Letelier Letelier	Resto Higuera 2da, Ponunquén Farm and Lot A of Plano de Higuera, Fundo Ponunquén, Curepto	76.37	5/1/2007	20	51	51	204	247
Agrícola Vida Nueva	Inversiones Canihua S.A.	Resto Farm N°33, Parcelación Vida Nueva Project, Villarrica	29.70	5/1/2002	21	10	10	40	8
Agrícola Vida Nueva	Inversiones IMG Ltda.	Las Encinas Farm, Santa Fe Sector, Los Angeles.	41.40	5/1/2005	25	13	13	52	102
Agrícola Vida Nueva	Rosa Vilablanca Franco	Farm N°33 Vida Nueva, Villarrica.	10.00	1/2/2007	25	3	3	12	29
Agrícola Mataquito S.A.	Alena Sneider Gonzalez	El Tartaro and lo Vicuña PC 81,82,83,88,96 Putaendo, San Felipe	42.21	4/26/2016	15	105	105	420	926
Agrícola Hortifrut S.A.	Juan Ibáñez Pardo and María Ibáñez Pardo	Las Casas del Fundo, Comuna Molina, Provincia Curicó	18.00	8/1/2016	8	9	9	36	19
Hortifrut S.A.	Inversiones IMG Ltda.	Farm N°50 Parcelación Virquenco, Los Angeles.	12.60	7/1/2008	15	6	6	24	6
Hortifrut S.A.	Agrícola e Inmobiliaria Lumaco S.A.	Farm N°51 and 64 Parcelación Virquenco, Los Angeles.	13.50	7/1/2008	15	6	6	24	6
Hortifrut S.A.	Inversiones IMG Ltda.	Farm N°74 Parcelación Virquenco, Los Angeles.	17.50	6/1/2003	25	6	6	24	36
Hortifrut S.A.	Agrícola e Inmobiliaria Lumaco S.A.	Farm N°75 Parcelación Virquenco, Los Angeles.	17.50	6/1/2003	25	6	6	24	36
Hortifrut S.A.	Olga Alvarez S. and Claudio Alvarez S.	Petrenco Lote C Farm, Gorbea Temuco	19.30	7/1/2014	10	12	12	48	24
Hortifrut S.A.	Inés Aravena Guzmán	Farm N° 51,52, and 53 Parcelación Colín	31.78	6/30/2016	2	34	34	-	-
Hortifrut Chile S.A.	Satel Inversiones Inmobiliarias S.A.	Office Avenida del condor 600, Huechuraba, Santiago n°21 and 33 Parking N° 71 to 76, Warehouse n°28	291 mts2	4/1/2014	5	58	58	44	-
Hortifrut Chile S.A.	Agrícola Santa Carmen Ltda.	Part of Farms N°42 and N°43, of subdivision of Lot 65-A, 66 and 67 of the subdivision of Ex Hacienda Curacaví, Curacaví		5/26/2011	20	1	1	4	9

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Lessee Company	Lessor	Description	Surface (has.)	Contract Date	Term	Value annual instalment KUS\$	Upto 1	1to 5	5 or
							year	years	more years
							KUS\$	KUS\$	KUS\$
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	58	15	-	-
Hortifrut ABA S.A. de C.V.	Guillermo Cortés Santiago	Guayabos Field, Zapotiltic, Jalisco, Mexico	9.48	5/10/2008	12	7	7	13	-
Hortifrut ABA S.A. de C.V.	Abraham Mendoza Gudiño and M° Refugio Preciado Barragan	Guayabos Field, Zapotiltic, Jalisco, Mexico	12.39	1/1/2009	12	10	10	25	-
Hortifrut ABA S.A. de C.V.	Ramon Villavazo Magaña	Guayabos Field, Zapotiltic, Jalisco, Mexico	9.41	6/10/2013	17	17	17	68	135
Hortifrut ABA S.A. de C.V.	Victor Morales Aguilar	Guayabos Field, Zapotiltic, Jalisco, Mexico	9.71	6/10/2013	17	17	17	68	135
Hortifrut ABA S.A. de C.V.	Consuelo Ocegueda Cardenas	Guayabos Field, Zapotiltic, Jalisco, Mexico	5.00	6/10/2013	17	9	9	36	72
Hortifrut ABA S.A. de C.V.	Gonzalo Mendoza Villavazo	Guayabos Field, Zapotiltic, Jalisco, Mexico	11.28	6/10/2013	17	20	20	80	159
Hortifrut ABA S.A. de C.V.	Juan José Vargas Mendoza	Guayabos Field, Zapotiltic, Jalisco, Mexico	25.00	1/1/2016	15	15	15	60	128
Hortifrut ABA S.A. de C.V.	María Isabel Preciado Magaña	Guayabos Field, Zapotiltic, Jalisco, Mexico	3.40	1/1/2016	4	2	2	3	-
Hortifrut ABA S.A. de C.V.	Pedro Mendoza Ocegüera	Guayabos Field, Zapotiltic, Jalisco, Mexico	5.02	1/1/2013	18	9	9	36	77
Hortifrut ABA S.A. de C.V.	Alfonso Esparza Sánchez and others	Ocote Cuate Field, Zapotiltic, Jalisco, Mexico	60.80	1/1/2013	20	91	91	364	956
Hortifrut S.A. de C.V.	Productores Ziracuaretiro	Acopio Ziracuaretiro, Michoacán, México		8/21/2016	1	38	5	-	-
Hortifrut S.A. de C.V.	Consultores y Servicios S.A. De C.V.	Commercial warehouse, Land Lot n°1, Municipio Jocotepec, Jalisco Mexico		4/3/2014	4	6	5	-	-
Hortifrut S.A. de C.V.	José Millan Hinojosa	Part of Farm 28 Z-1 P1/1 located on the ejido de Zirimicuaro, Ziracuaretiro, Muchoacán, Mexico	4.81	7/31/2014	5	5	5	6	-
Hortifrut S.A. de C.V.	Baudelia Barreto Fabian	Fraction of rural property denominated "Magallón", Rancho de Magallón, Peribán de Ramos, Michoacán, Mexico	2.80	5/31/2016	2	4	4	-	-
Hortifrut S.A. de C.V.	Ignacio Mendoza Valencia	Lot 15, Block 1, Zone O, located in the locality of Corona, Peribán, Michoacán, Mexico	2204.41 mt2	10/31/2016	1	3	1	-	-
Hortifrut S.A. de C.V.	Gerardo Morales Medina	Fraction of Farm 62 Z-1 P2/4 of the Ejido de Taretan, Taretán, Michoacán, Mexico	627 mt2	8/31/2010	7	1	-	-	-
Hortifrut S.A. de C.V.	Grupo Tequilero Azul Esmeralda, S.P.R. de R.L. de C.V.	Farm ejidal denominated "La Cofradía", Chiquilistlán, Jalisco, Mexico	2.00	7/31/2015	2	1	-	-	-
Hortifrut ABA S.A. de C.V.	Valentín García Elizondo	Ocote Cuate Field, Zapotiltic, Jalisco, Mexico	9.02	1/30/2009	12	5	5	13	-
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	81	81	232	-
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	171	171	520	-
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	66	66	264	40
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	15	15	46	-
HF SARBANAND, S. de R.L. De C.V.	M° Trinidad García Aguayo and/or Héctor Quintanar García	El Gato y La Tuza Field, Zapotiltic, Jalisco, Mexico	9.79	1/1/2011	12	18	18	72	9
Hortifrut ABA S.A. de C.V.	Carlos del Toro Figueroa	Middle field, Loma de Apango, El Crucero, Rincón del Zapote, Jalisco, Mexico	41.26	6/25/2014	20	83	83	332	995
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	167	167	668	1,781

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Lessee Company	Lessor	Description	Surface (has.)	Contract Date	Term	Value annual instalment KUS\$	Up to 1 year	1 to 5 years	5 or more years	
							KUS\$	KUS\$	KUS\$	
Agrofrutas, S. de R.L. de C.V.	Agrícola Famevi, S.P.R. de R.L.	Fraction of Farm ejidal number 1 Z-1 P1/1, Periban de Ramos, Michoacán, Mexico	3.00	6/30/2016	4	9	9	18	-	
Agrícola Los Reyes S. de R.L. de C.V.	J. Jesus Barragán Plascencia	Parcela número 99-Z P1/2, Municipio de Los Reyes, Michoacán, México	2.50	4/24/2014	10	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	25	25	37	-	
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	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	7	5	-	-	
Agrícola Los Reyes S. de R.L. de C.V.	J. Jesus Barragán Oseguera	Farm ejidal number 104 Z-1 P1/2, Municipios de Los Reyes, Michoacán, Mexico	4.40	3/2/2014	6	6	6	10	-	
Agrícola Los Reyes S. de R.L. de C.V.	J. Jesus Barragán Oseguera	Farm number 220 Z-1 P1/2, Núcleo agrario "Los Limones", Municipio de Los Reyes, Michoacán, Mexico	4.47	3/2/2014	6	15	15	25	-	
Agrícola Los Reyes S. de R.L. de C.V.	Heinrich Wolfgang Wulfert	Floor 9-A, Torre Corey, Av. Vallarta 6503, Colonia Ciudad Granja, Zapopán, Jalisco, Mexico	PISO 9-A	11/30/2016	2	21	21	9	-	
Agrícola Los Reyes S. de R.L. de C.V.	Loit, S.C.	Floor 7, Torre Corey, Av. Vallarta 6503, Colonia Ciudad Granja, Zapopán, Jalisco, Mexico	PISO 7	7/31/2016	3	36	72	3	-	
Agrícola Los Reyes S. de R.L. de C.V.	Isela Vargas Mejias and Others	Hidalgo 296, Zapotiltic, Jalisco, Mexico	594 mts2	9/30/2015	2	2	1	-	-	
Agrícola Los Reyes S. de R.L. de C.V.	Lucila Sandoval Villalvazo	Independencia 104, Zapotiltic, Jalisco, Mexico	304 mts2	9/20/2016	3	4	4	5	-	
Agrícola Los Reyes S. de R.L. de C.V.	Patricia Judith Ceballos Larios	Francisco I Madero 77, Zapotiltic, Jalisco, Mexico	734 mts2	8/31/2016	3	28	28	33	-	
Agrícola Los Reyes S. de R.L. de C.V.	Jorge Abel Ceballos Espinoza	Zaragoza 24, Zapotiltic, Jalisco, Mexico	453 mts2	8/31/2016	3	13	13	15	-	
Agrícola Los Reyes S. de R.L. de C.V.	Patricia Judith Ceballos Larios	Francisco I Madero 75, Zapotiltic, Jalisco, Mexico	292 mts2	8/31/2016	3	4	4	5	-	
Agrícola Los Reyes S. de R.L. de C.V.	José Gutiérrez Torres and Other	Farm number 14 of street Guerrero del cuartel 4to, manzana 5ta, Zapotiltic, Jalisco, Mexico	325 mts2	10/11/2015	2	20	6	-	-	
Hortifrut España Southern Sun S.L.	Destro S.A. (CIF A46105532)	El Alamillo Field, Sevilla, Spain	200.00	12/15/2005	18	448	448	1,792	653	
Asturian Berries S.L	Ayuntamiento de Villaviciosa de Asturias	Finea Comunal monte la Rasa de Selorio, Spain	13.00	10/26/2006	25	2	2	8	19	
BerryGood Comercial Importadora y Distribuidora de Frutas Ltda.	Hudson Nogueira Luz	Refrigeration installations Rua Joao nº332, Senador Amaral, Minas Gerais, Brazil	1.00	4/1/2012	10	8	8	30	-	
BerryGood Comercial Importadora y Distribuidora de Frutas Ltda.	Anadir Helena da Silveira	Rua Geraldo Julio 65, Bairro Centro, Senador Amaral, Minas Gerais, Brazil		7/11/2016	2	2	2	-	-	
BerryGood Comercial Importadora y Distribuidora de Frutas Ltda.	Marcos Michel de Godoi	Rua Joao Silverio 70, Centro, Senador Amaral, Minas Gerais, Brazil		1/27/2016	2	3	2	-	-	
BerryGood Comercial Importadora y Distribuidora de Frutas Ltda.	Armando Merli Junior and Antonio Romualdo Morales Filho	Offices 512 and 513 of Capital Corporate Office Building, Avenida Doutor Chucuri Zaidan 1550, Sao Paulo, Brazil		8/9/2016	2	28	28	3	-	
BerryGood Comercial Importadora y Distribuidora de Frutas Ltda.	Taffrio Servicos de Armazenagens Refrigeradas Ltda.	Commercial room N°14-external, Avenida Prefeito Joao Vilalobo Quero 1505, Barueri, Sao Paulo, Brazil		6/6/2016	2	118	110	-	-	
BerryGood Comercial Importadora y Distribuidora de Frutas Ltda.	Espólio de Gilberto Silvério de Rezende	Área B2, Sitio Lagoa Grande, Senador Amaral, Minas Gerais, Brazil	6.79	1/7/2013	8	7	7	18	-	
BerryGood Comercial Importadora y Distribuidora de Frutas Ltda.	Maria Silvério de Mendonza	Sitio Correntinho, Senador Amaral, Minas Gerais, Brazil	42.35	2/6/2013	8	61	61	159	-	
BerryGood Comercial Importadora y Distribuidora de Frutas Ltda.	Espólio de Joao Alves de Rezende	Sitio Lagoa Grande and Sitio Senador Amaral	18.00	7/25/2011	9	20	20	41	-	
<b>Total</b>							<b>2,257</b>	<b>6,715</b>	<b>7,105</b>	

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:

<b>Short Term Portion</b> <b>KUS\$</b>	<b>1 to 5</b> <b>Years</b> <b>KUS\$</b>	<b>Over 5 years</b> <b>KUS\$</b>	<b>Total</b> <b>KUS\$</b>
<b>2,257</b>	<b>6,715</b>	<b>7,105</b>	<b>16,077</b>

The expense of used lease as of June 30, 2017 is KUS\$1,162

The main financial leasing contracts are:

<b>Bank or Financial Institution</b>	<b>Description of Leased Good</b>	<b>Minimum payment</b>			
		<b>Up to one</b>	<b>Between</b>	<b>Over five</b>	<b>Total</b>
		<b>year</b>	<b>one and</b>	<b>years</b>	
		<b>four years</b>	<b>years</b>	<b>KUS\$</b>	
		<b>KUS\$</b>	<b>KUS\$</b>	<b>KUS\$</b>	<b>KUS\$</b>
Banco Santander Chile	Macro-tunnels	76	149	-	225
Banco Santander Chile	Tunnels	16	42	-	58
Banco de Crédito e Inversiones	Greenhouse	445	1,793	-	2,238
Banco de Crédito e Inversiones	Plant pots	291	1,189	-	1,480
Banco de Crédito e Inversiones	Sulfurer	7	29	-	36
Banco de Crédito e Inversiones	Van	7	13	-	20
BBC Tecnología Agrícola Ltda.	BBC-01	255	-	-	255
BBC Tecnología Agrícola Ltda.	BBC-02	252	-	-	252
Banco de Crédito e Inversiones	UNITEC	393	787	-	1,180
Banco Bilbao Vizcaya Argentaria	Offices and Parking	217	435	-	652
Banco de Crédito e Inversiones	Molina Plant	836	3,344	1,672	5,852
	<b>General Total</b>	<b>2,795</b>	<b>7,781</b>	<b>1,672</b>	<b>12,248</b>

<b>Banco o Institución financiera</b>	<b>Description of Leased good</b>	<b>Future Financial Burden</b>			
		<b>Up to one</b>	<b>Between</b>	<b>Over five</b>	<b>Total</b>
		<b>year</b>	<b>one and</b>	<b>years</b>	
		<b>four years</b>	<b>years</b>	<b>KUS\$</b>	
		<b>KUS\$</b>	<b>KUS\$</b>	<b>KUS\$</b>	<b>KUS\$</b>
Banco Santander Chile	Macro-tunnels	8	4	-	12
Banco Santander Chile	Tunnels	1	2	-	3
Banco de Crédito e Inversiones	Greenhouse	30	192	-	222
Banco de Crédito e Inversiones	Plant pots	50	150	-	200
Banco de Crédito e Inversiones	Sulfurer	1	3	-	4
Banco de Crédito e Inversiones	Van	1	-	-	1
BBC Tecnología Agrícola Ltda.	BBC1	-	-	-	-
BBC Tecnología Agrícola Ltda.	BBC2	2	-	-	2
Banco de Crédito e Inversiones	UNITEC	20	24	-	44
Banco Bilbao Vizcaya Argentaria	Offices and parking	71	1	-	72
Banco de Crédito e Inversiones	Molina Plant	139	427	61	627
	<b>General Total</b>	<b>323</b>	<b>803</b>	<b>61</b>	<b>1,187</b>

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

Between June 30, 2017 and the date of issuance of these consolidated financial statements, no other 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:

	<b><u>30-Jun-17</u></b>	<b><u>31-Dec-16</u></b>
Indefinite Contracts	734	723
Temporary Contracts	<u>3,092</u>	<u>8,695</u>
<b>Total contracts</b>	<b><u>3,826</u></b>	<b><u>9,418</u></b>

**Breakdown by Country**

<b><u>Indefinite Contracts</u></b>	<b><u>30-Jun-17</u></b>	<b><u>31-Dec-16</u></b>
Chile	470	487
United States	23	9
Mexico	138	137
Spain	43	30
Brazil	36	37
Argentina	12	14
Peru	<u>12</u>	<u>9</u>
<b>Total</b>	<b><u>734</u></b>	<b><u>723</u></b>

<b><u>Temporary Contracts</u></b>	<b><u>30-Jun-17</u></b>	<b><u>31-Dec-16</u></b>
Chile	876	7,319
Mexico	827	936
Spain	766	73
Brazil	31	41
Peru	<u>592</u>	<u>326</u>
<b>Total</b>	<b><u>3,092</u></b>	<b><u>8,695</u></b>