



CONSOLIDATED FINANCIAL STATEMENTS
For the periods ending December 31, 2017 and 2016

HORTIFRUT S.A. AND SUBSIDIARIES
Thousands of United States Dollars (ThUS\$)

FINANCIAL STATEMENTS

Independent auditor's report
Consolidated statement of financial position
Consolidated income statement
Consolidated integral income statement
Consolidated statement of changes in net equity
Consolidated cash flow statement
Consolidated financial statement notes



Independent Auditor's Report

The Shareholders and Directors
Hortifrut S.A.:

We have audited the accompanying consolidated financial statements of Hortifrut S.A. and its Subsidiaries, which comprise the consolidated statements of financial position as of December 31, 2017 and the related consolidated statements of income and other comprehensive income, changes in equity and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's responsibility for the consolidated financial statements

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

Auditor's responsibility

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

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

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



Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Hortifrut S.A. and its Subsidiaries as of December 31, 2017, and the results of their operations, and their cash flows for the year then ended in accordance with International Financial Reporting Standards.

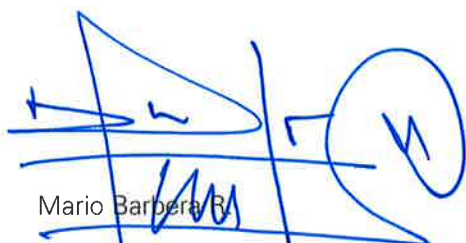
Emphasis of matter

As discussed in Note 5 and 6 to the consolidated financial statements as of December 31, 2017, considering the situation in the market, new information available on the opinions issued by the IFRS Interpretations Committee and other background information described in such notes, opted to change the following accounting policies as of January 1, 2017: (a) the measurement of bearer plants was changed from the revalued cost method to the historical cost method, and; (b) the Company changed the criterion used for the identification and disclosure of operating segments. Consequently, the 2016 consolidated financial statements presented for comparative purposes have been restated to incorporate the change in the accounting policy associated with the measurement of bearer plants and, accordingly, the financial information by segments was restated. That indicated in Notes 5 and 6 to the consolidated financial statements does not modify our opinion.

Other matters

The consolidated financial statements as of December 31, 2016 and for the year then ended, prior to the adjustments described in Note 5 and the restatement of segmented information described in Note 6 were audited by other auditors, who issued an unmodified opinion thereon in their report dated March 30, 2017, which included an emphasis of matter paragraph related to the adoption of the amendments to IAS 16 and IAS 41.

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



Mario Barbera R.

Santiago, March 28, 2018

KPMG Ltda.

HORTIFRUT S.A. AND SUBSIDIARIES

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HORTIFRUT S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of December 31, 2017 and 2016 and January 01, 2016

		31-Dec-17	31-Dec-16	1-Jan-16
Statement of Financial Position	Note	ThUS\$	Re-expressed ThUS\$	Re-expressed ThUS\$
Assets				
Current Assets				
Cash and cash equivalents	8	27,838	35,245	24,599
Other current financial assets	9	4,473	3,155	3
Other current non-financial assets	14	5,614	5,520	6,643
Current trade debtors and other accounts receivable	10	46,092	42,578	44,512
Current accounts receivable from related entities	11	48,132	45,759	38,555
Inventories	12	44,556	56,811	41,679
Biological assets, current	13	9,716	6,856	7,182
Current tax assets	20	1,086	-	-
Total current assets		187,507	195,924	163,173
Non-current Assets				
Other non-current financial assets	9	1,345	1,101	-
Other non-current non-financial assets	14	1,417	1,516	11
Non-current fees receivable	10	1,615	1,794	1,286
Non-current accounts receivable with related entities	11	8,060	7,660	9,669
Equity accounted investees	16	67,841	55,474	24,595
Intangible assets other than goodwill	17	14,483	21,794	29,181
Goodwill	18	26,769	26,769	26,769
Property, plant and equipment	19	245,060	204,863	201,902
Deferred tax assets	20	18,591	14,950	14,317
Total non-current assets		385,181	335,921	307,730
Total Assets		572,688	531,845	470,903

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

HORTIFRUT S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of December 31, 2017 and 2016 and January 01, 2016

		31-Dec-17	31-Dec-16	1-Jan-16
	Note	ThUS\$	Re-expressed ThUS\$	Re-expressed ThUS\$
Equity and Liabilities				
Liabilities				
Current Liabilities				
Other current financial liabilities	21	151,531	150,787	100,139
Current trade accounts and other accounts payable	22	49,724	60,009	46,686
Current accounts payable to related entities	11	6,142	6,711	2,253
Other current provisions	23	545	160	113
Current tax liabilities	20	-	1,698	360
Current provisions for employee benefits	23	1,612	1,592	1,248
Other current non-financial liabilities		992	2,658	2,920
Total Current Liabilities		210,546	223,615	153,719
Non-Current Liabilities				
Other non-current financial liabilities	21	83,966	57,630	61,925
Other non-current accounts payable	22	-	-	756
Non-current accounts payable to related entities	11	12,071	11,690	22,734
Other non-current provisions		35	134	76
Deferred tax liabilities	20	22,495	22,680	26,626
Total Non-Current Liabilities		118,567	92,134	112,117
Total Liabilities		329,113	315,749	265,836
Equity				
Issued capital	24	135,149	136,411	136,411
Retained earnings	25	70,503	56,218	50,238
Issuance premium	24	-	(1,262)	(1,262)
Other reserves	26	1,165	(4,919)	(10,533)
Equity attributable to the parent company's equity holders		206,817	186,448	174,854
Non-controlling interest	27	36,758	29,648	30,213
Total Equity		243,575	216,096	205,067
Total Equity and Liabilities		572,688	531,845	470,903

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

HORTIFRUT S.A. AND SUBSIDIARIES

CONSOLIDATED INCOME STATEMENT

For the periods ending December 31, 2017 and 2016.

Income Statement	Note	1-Jan-17 31-Dec-17 ThUS\$	1-Jan-16 31-Dec-16 Re-expressed ThUS\$
Profit (loss)			
Revenue	29	388,250	426,796
Cost of sales	30	(324,718)	(356,758)
Gross profit		63,532	70,038
Other income, per function	29	495	1,725
Administrative expenses	30	(26,773)	(26,036)
Other expenses, per function	30	(4,743)	(19,937)
Other profit (loss)		(363)	(416)
Financial income		1,746	1,191
Financial expenses	31	(5,711)	(4,232)
Share of profit of equity - accounted investees	16	9,468	4,940
Exchange rate differences	32	(5,256)	944
Profit before tax		32,395	28,217
Gains tax expense	20	(4,690)	(7,469)
Profit (loss) from continued operations		27,705	20,748
Profit (loss)		27,705	20,748
Profit (loss) attributable to			
Profit (loss), attributable to parent company equity holders		26,563	18,925
Profit (loss), attributable to non-controlling interests	27	1,142	1,823
Profit (loss)		27,705	20,748
Earnings per share			
Basic earnings per share			
Basic earnings (loss) per share from continued operations (US\$ per share)	28	0.060991	0.043454
Basic earnings (loss) per share from discontinued operations (US\$ per share)		-	-
Basic earnings (loss) per share		0.060991	0.043454
Profit per diluted share			
Diluted earnings (loss) per share from continued operations (US\$ per share)		0.060991	0.043454
Diluted earnings (loss) per share from discontinued operations (US\$ per share)		-	-
Diluted earnings (loss) per share		0.060991	0.043454

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

HORTIFRUT S.A. AND SUBSIDIARIES**CONSOLIDATED INTEGRAL INCOME STATEMENT****For the periods ending December 31, 2017 and 2016.**

Statement of other comprehensive income	1-Jan-17 31-Dec-17 ThUS\$	1-Jan-16 31-Dec-16 Re - expressed ThUS\$
Profit (loss)	27,705	20,748
Other comprehensive income		
Other comprehensive income, before tax		
Exchange rate fluctuations		
Profit (loss) due to exchange rate differences, before tax	7,516	(407)
Other comprehensive income, before tax, exchange rate fluctuations	7,516	(407)
Cash flow hedging		
Profit (loss) due to cash flow hedging, before tax	1,216	7,132
Other comprehensive income, before tax, cash flow hedging	1,216	7,132
Other components of other comprehensive income, before tax	8,732	6,725
Gains tax related with components of other comprehensive income		
Gains tax related with cash flow hedging of other comprehensive income	(364)	(1,583)
Total gains tax related with components of other comprehensive income	(364)	(1,583)
Other comprehensive income	8,368	5,142
Total comprehensive result	36,073	25,890
Comprehensive income attributable to		
Integral result attributable to the company equity holders	32,647	24,539
Comprehensive income attributable to non-controlling interests	3,426	1,351
Total comprehensive result	36,073	25,890

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

HORTIFRUT S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN NET EQUITY

For the periods ending December 31, 2017 and 2016.

	Issued Capital Note 24 ThUS\$	Issuance premium Note 24 ThUS\$	Revaluation reserve of Bearer Plants Note 26 ThUS\$	Reserves due to exchange rate differences Note 26 ThUS\$	Cash flow hedging reserves Note 26 ThUS\$	Other reserves Note 26 ThUS\$	Accumulated profit (loss) Note 25 ThUS\$	Equity attributable to parent company equity holders ThUS\$	Non controlling interest Note 27 ThUS\$	Total Equity ThUS\$
Opening balance as of 01/01/2017	136,411	(1,262)	-	(7,617)	2,698	(4,919)	56,218	186,448	29,648	216,096
Changes in equity										
Comprehensive income										
Net profit	-	-	-	-	-	-	26,563	26,563	1,142	27,705
Other comprehensive income	-	-	-	5,266	818	6,084	-	6,084	2,284	8,368
Total comprehensive income	-	-	-	5,266	818	6,084	26,563	32,647	3,426	36,073
Dividends	-	-	-	-	-	-	(12,278)	(12,278)	(313)	(12,591)
Increase (decrease) due to transfers and other changes	(1,262)	1,262	-	-	-	-	-	-	3,997	3,997
Total changes in equity	(1,262)	1,262	-	-	-	-	(12,278)	(12,278)	3,684	(8,594)
Closing balance as of 31/12/2017	135,149	-	-	(2,351)	3,516	1,165	70,503	206,817	36,758	243,575

	Issued capital Note 24 ThUS\$	Issuance premium Note 24 ThUS\$	Revaluation reserve of Bearer Plants Note 26 ThUS\$	Reserves due to exchange rate differences Note 26 ThUS\$	Cash flow hedging reserves Note 26 ThUS\$	Other reserves Note 26 ThUS\$	Accumulated profit (loss) Note 25 ThUS\$	Equity attributable to parent company equity holders ThUS\$	Non controlling interest Note 27 ThUS\$	Total Equity ThUS\$
Opening balance as of 01/01/2016 (previously informed)	136,411	(1,262)	24,936	(7,682)	(2,851)	14,403	25,302	174,854	30,213	205,067
Impact due to changes in accounting policies	-	-	(24,936)	-	-	(24,936)	24,936	-	-	-
Balance as of January 01 re-expressed	136,411	(1,262)	-	(7,682)	(2,851)	(10,533)	50,238	174,854	30,213	205,067
Changes in equity										
Comprehensive income										
Net profit	-	-	-	-	-	-	18,925	18,925	1,823	20,748
Other comprehensive income	-	-	-	65	5,549	5,614	-	5,614	(472)	5,142
Total comprehensive income	-	-	-	65	5,549	5,614	18,925	24,539	1,351	25,890
Dividends	-	-	-	-	-	-	(12,945)	(12,945)	(1,916)	(14,861)
Total changes in equity	-	-	-	-	-	-	(12,945)	(12,945)	(1,916)	(14,861)
Closing balance as of 31/12/2016 (re-expressed)	136,411	(1,262)	-	(7,617)	2,698	(4,919)	56,218	186,448	29,648	216,096

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

HORTIFRUT S.A. AND SUBSIDIARIES

CONSOLIDATED CASH FLOW STATEMENTS

For the periods ending December 31, 2017 and 2016.

Direct Cash Flow Statement	1-Jan-17 31-Dec-17 ThUS\$	1-Jan-16 31-Dec-16 ThUS\$
Cash flow statement		
Cash flow from (used in) operating activities		
Types of charges per operating activities		
Collection from the sale of goods and the providing of services	377,214	422,531
Types of payments		
Payments to suppliers for the providing of goods and services	(274,144)	(302,202)
Payments to and on behalf of employees	(54,695)	(55,194)
Paid interests	(5,711)	(4,232)
Received interests	1,746	1,191
Gains tax refund (paid)	(11,300)	(13,686)
Other received (paid) cash	(1,023)	1,195
Net cash flow from (used in) operating activities	32,087	49,603
Cash flow from (used in) investment activities		
Cash flow used to purchase non parent company interests	-	(26,618)
Other payments to purchase equity or debt instruments from other entities	(356)	-
Loans to related entities	(9,946)	(1,983)
Income from the sale of property, plant and equipment	1,543	-
Purchase of property, plant and equipment	(58,309)	(39,734)
Purchase of intangible assets	(1,568)	(1,254)
Charges to related entities	11,590	3,992
Other received (paid) cash	3,997	-
Cash flow from (used in) investment activities	(53,049)	(65,597)
Cash flow from (used in) financing activities		
Income from long term loans	44,072	17,657
Income from short term loans	101,658	99,194
Total income from loans	145,730	116,851
Loans from related entities	1,204	-
Payment of loans	(117,092)	(66,572)
Payment of liabilities for financial lease	(1,871)	(1,015)
Payment of loans from related entities	-	(12,010)
Paid dividends	(13,693)	(10,451)
Net cash flow from (used in) financing activities	14,278	26,803
Net increase (decrease) in cash and cash equivalents, before exchange rate fluctuations	(6,684)	10,809
Effects of exchange rate fluctuations on cash and cash equivalents	(723)	(163)
Effects of exchange rate fluctuations on cash and cash equivalents	(723)	(163)
Net increase (decrease) of cash and cash equivalents	(7,407)	10,646
Cash and cash equivalents, opening balance	35,245	24,599
Cash and cash equivalents, closing balance	27,838	35,245

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

HORTIFRUT S.A. AND SUBSIDIARIES
CONSOLIDATED CLASSIFIED FINANCIAL STATEMENT NOTES
As of December 31, 2017 and December 31, 2016.

NOTE 1 - CORPORATE INFORMATION

1.1. Information of the reporting entity

Hortifrut S.A. RUT 96.896.990 – Or (hereinafter “Hortifrut” or the “Company”) is a Publicly Traded Company, inscribed in the Registry of the Commission for the Financial Market in Chile under number 1.096 dated June 13, 2012, so it is subject to the supervision of the Commission for the Financial Market (hereinafter “CMF” ex 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 CMF. The Company's shares are recognized under the ticker symbol “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.

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: “**All Berries, for the Whole 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 – Beginning 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 being the 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.

2017 – Hortifrut's President receives Entrepreneur of the Year prize, granted by EY and El Mercurio, in Chile. The latter also distinguished him within the EY World Entrepreneur of the Year competition, in Monaco.

Signs framework agreement for the sale-purchase and merger with the Rocío Group, one of the most important producers, exporters and distributors of blueberries in the southern hemisphere.

1.2. Shareholders

1.2.1. 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 December 31, 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>
<u>Moller Family</u>				
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%
Total Moller Family	117,590,425	27.00%	117,590,425	27.00%
<u>Entities related to Mr. Ignacio Del Río</u>				
San José Farms S.A.	23,293,100	5.35%	21,418,100	4.92%
Exportadora San José Trading Ltda.	13,359,181	3.07%	13,359,181	3.07%
Valles del Sur S.P.A.	13,480,494	3.10%	12,718,288	2.92%
Total Entities related to Mr. Ignacio Del Río	50,132,775	11.52%	47,495,569	10.91%
<u>Entities related to Mr. Eduardo Elberg</u>				
Inmobiliaria Algeciras Ltda.	42,243,674	9.70%	39,651,996	9.10%
Total Entities related to Mr. Eduardo Elberg	42,243,674	9.70%	39,651,996	9.10%
Total shareholder's agreement	209,966,874	48.22%	204,737,990	47.01%

1.2.2. Distribution of shares as of December 31, 2017:

<u>Shareholders</u>	31-Dec-17		
	<u>Subscribed shares</u>	<u>Paid shares</u>	<u>Percentage</u>
Inversiones IMG Limitada	109,316,620	109,316,620	25.100%
Inmobiliaria Algeciras Ltda.	42,243,674	42,243,674	9.700%
Costanera SACI	30,079,545	30,079,545	6.907%
Inmobiliaria Alianza S.A.	29,552,009	29,552,009	6.785%
AFP Habitat S.A. para Fondo de Pensiones (A,B,C,D)	26,795,710	26,795,710	6.153%
Compass Small Cap Chile Fondo de Inversión	24,696,191	24,696,191	5.671%
San José Farms S.A.	23,293,100	23,293,100	5.348%
Inversiones Costanera Ltda.	16,239,705	16,239,705	3.729%
BTG Pactual Chile S.A. Administradora General de Fondos	15,439,253	15,439,253	3.545%
Comercial Epysa S.A.	14,000,000	14,000,000	3.215%
Valles del Sur S.P.A.	13,480,494	13,480,494	3.095%
Exportadora San José Trading Ltda.	13,359,181	13,359,181	3.067%
Siglo XXI Fondo de Inversión	11,182,969	11,182,969	2.568%
Chile Fondo de Inversión Small Cap	10,487,906	10,487,906	2.408%
AFP Cuprum S.A. para Fondo de Pensiones (A,B,C,D)	10,211,473	10,211,473	2.345%
San Juan de Virquenco Tres S.A.	7,344,255	7,344,255	1.686%
Empresas Penta S.A.	5,306,908	5,306,908	1.219%
Asesorías e Inversiones Pacific Trust Limitada	4,732,485	4,732,485	1.087%
Banco Santander Chile - on behalf of foreign investors	4,653,029	4,653,029	1.068%
Fondo de Inversión Santander Small Cap.	4,035,990	4,035,990	0.927%
Inversiones Fural Limitada	3,905,756	3,905,756	0.897%
BCI Small Cap Chile Fondo de Inversión	2,335,201	2,335,201	0.536%
Banco Itau por Cuenta de Inversionistas Extranjeros	1,631,577	1,631,577	0.375%
Inversiones Canihua S.A.	1,577,475	1,577,475	0.362%
Asesorías, Inversiones e Inmobiliaria María Elena Ltda.	1,198,249	1,198,249	0.275%
Inversiones Alba S.A.	1,163,066	1,163,066	0.267%
Inmobiliaria e Inversiones Alquileria Ltda.	965,947	965,947	0.222%
Banco de Chile (on behalf of third parties)	958,903	958,903	0.220%
Agrícola San Nicolás Limitada	929,550	929,550	0.213%
Toesca Small Cap Chile Fondo de Inversión	667,966	667,966	0.153%
BTG Pactual Chile S.A. C de B	598,087	598,087	0.137%
Banchile C de B S.A.	484,948	484,948	0.111%
Valores Security S.A. C de B	483,199	483,199	0.111%
Asesorías e Inversiones A y D S.A.	397,483	397,483	0.091%
Inversiones FJ	330,019	330,019	0.076%
BBVA Asset Management Administradora General de Fondos	207,085	207,085	0.048%
BICE Inversiones Corredores de Bolsa S.A.	165,165	165,165	0.038%
Santander C de B	152,472	152,472	0.035%
Soc. de Inversiones Santa Isabel Limitada	100,000	100,000	0.023%
BCI Corredores de Bolsa S.A.	91,965	91,965	0.021%
Brokering Alacid Karin Lisbeth	86,433	86,433	0.020%
Brokering Alacid Waleter Alexander	76,649	76,649	0.018%
Larrain Vial S.A. Corredores de Bolsa	71,095	71,095	0.016%
Others	491,292	491,292	0.113%
Total shares	435,520,079	435,520,079	100.00%

Shares in custody

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%
Inversiones Canihua S.A.	BCI Corredores de Bolsa S.A.	1,577,475	0.36%
Asesorías, Inversiones e Inmobiliaria María Elena Ltda.	BTG Pactual Chile S.A. C de B	1,198,249	0.28%
Asesorías e Inversiones AyD S.A.	Larrain Vial S.A. Corredores de Bolsa	67,464	0.02%
	Total Shares	<u>11,481,426</u>	<u>2.65%</u>

NOTE 2 – PREPARATION BASES

2.1 Compliance Declaration

The information contained in these consolidated financial statements, is the responsibility of the Company's Board and were approved on March 28, 2018.

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

2.2 Preparation Bases

The current consolidated financial statements for Hortifrut S.A and Subsidiaries as of December 31, 2017 and December 31, 2016 have been prepared in accordance with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (hereinafter IASB).

The consolidated financial statements have been prepared under the historic cost basis, except for the following items of a significant character:

- Financial instruments
- Current biological assets
- Loans and obligations that accrue interests at an amortized cost

The preparing of the consolidated financial statements, requires the use of certain estimations based on the best information available at the closing of the period. In Note 2.6, we reveal the estimations that imply a greater level of judgment or complexity or the areas where the hypothesis and estimations are significant for the consolidated financial statements.

Re-classifications have been made to the 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 have been exceptionally applied as per what is stated in IAS 8 (See Note 5).

The current 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. The adjustments and re-classification necessary to unify said principles and criteria to adapt them to IFRS have been incorporated.

The current consolidated financial statements have been prepared under the going concern principle.

2.3 Covered period

The current consolidated financial statements cover the following periods:

- Consolidated Statements of Financial Position as of December 31, 2017 and December 31, 2016 and January 01, 2016.
- Consolidated Income Statement, for the periods ending December 31, 2017 and 2016.
- Consolidated Cash Flow Statement, for the periods ending December 31, 2017 and 2016.
- Consolidated Statement of Changes in Net Equity, for the periods ending December 31, 2017 and 2016.

2.4 Functional and presentation 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 presentation 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 (ThUS\$).

2.4.1 Transactions and balances in foreign currency

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 or 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 recognized in the consolidated income statement.

2.4.2 Foreign currency exchange rate

The Exchange rates have been translated as of the closing date of Hortifrut's consolidated financial statements as per the following:

Currency	Nemo	31-Dec-17		31-Dec-16	
		Closing	Annual average	Closing	Annual average
Chilean Peso	CLP	614.75	636.92	669.47	676.83
Euro	EUR	0.83	0.89	0.95	0.90
Mexican Peso	MXN	19.74	18.92	20.66	18.66
Argentine Peso	ARS	18.57	16.54	15.90	14.75
Brazilian Real	RBL	3.27	3.19	3.26	3.49
Peruvian Nuevo Sol	PEN	3.25	3.26	3.36	3.37
British Pound	GBP	0.74	0.78	0.81	0.74
Yuan	CNY	6.51	6.73	6.96	6.67
Unidad de fomento	UF	0.0229	0.0240	0.0254	0.0260

Parity of foreign currency for one United States dollar.

The calculation of the exchange rate corresponding to the accumulated monthly average, is determined over the average based on the monthly average exchange rates.

2.4.3 Entities corresponding to Hortifrut and subsidiaries

The results and financial position of all of Hortifrut and subsidiaries' entities which have a functional currency different to the reporting currency are converted to the reporting currency as follows:

- The assets and liabilities of each presented statement of financial position are converted at the closing exchange rate of the period;
- Income and expenses of each income statement account 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
- All of the resulting exchange rate differences are recognized under other integral results and the conversion reserve under net equity.

The assets and liabilities of the 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 consolidated financial statements. The differences resulting from the application of this method are classified in other comprehensive income forming part of the exchange rate fluctuation reserve.

2.5 New accounting pronouncements

New standards, amendments to standards 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 2014-2016 standards. Modifications to IFRS 12.	Annual periods starting on or after January 1, 2017. Allows anticipated adoption.

The aforementioned norms, amendments and interpretations, did not have a significant impact on Hortifrut's and its subsidiaries' consolidated financial statements.

Standards issued but not yet effective

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.
New Interpretations	
IFRIC 22: Foreign Currency Transactions and Advanced Considerations	Annual periods starting on or after January 1, 2018. Allows anticipated adoption.
IFRIC 23: Uncertainty over Tax Treatments	Annual periods starting on or after January 1, 2019. Allows anticipated adoption.
Amendments to IFRS	
IAS 28: Long term interests in Associated Companies and Joint Ventures	Annual periods starting on or after January 1, 2019. Allows anticipated adoption.
IAS 40: Investment Property Transfers (Modifications to IAS 40, Investment Properties).	Annual periods starting on or after January 1, 2018.
IFRS 2: Payments Based on Shares: 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: Prepayment clauses with negative compensation	Annual periods starting on or after January 1, 2019. Allows anticipated adoption.
IFRS 10: Consolidated Financial Statements, and IAS 28, Investments in Associated Companies and Joint Ventures : Transfer or contribution of assets between an investor and its associated company or joint venture.	Effective date indefinitely deferred.
IFRS 15: Revenue from Operating Activities from Contracts with Customers: Amendment clarifying requirements and granting additional transition release from companies that implement the new norm.	Annual periods starting on or after January 1, 2018. Allows anticipated adoption.
Cycle of annual improvements to IFRS 2014-2016 standards. Amendments to IFRS 12.	Annual periods starting on or after January 1, 2018. Allows anticipated adoption.

New accounting pronouncements, IFRS 9, IFRS 15 and IFRS 16 Standards

a. IFRS 9 “Financial Instruments”

IFRS 9 (2009) introduces new requirements for the classification and measuring of financial assets.

Under IFRS 9 (2009), financial assets are classified and measured based on the business model where they are held and on the characteristics of the contractual cash flows. IFRS 9 (2010) introduces additions in relation to financial liabilities. At the moment, IASB has an active Project to perform limited modifications to the classification and measuring requirements of IFRS 9 and to add new requirements to treat the impairment of the value of financial assets and hedging accounting.

On November 19, 2013, IASB issued a new document that expands and modifies this standard and others related, Hedging Accounting and modifications to IFRS 9, IFRS 7 and IAS 39. This document includes the new hedging general accounting model, which allows the temporary adoption of the requirement to present changes to the value for own credit risk in liabilities designated at fair value with effect on results, which are presented under Other Integral Results. Consolidated Financial Statement Notes for the periods ending December 31, 2017 and 2016. 40 Note 3. Main applied accounting policies.

On July 24, 2014 IASB issued the fourth and last version of its new standard regarding financial instruments, IFRS 9 Financial Instruments. The new norm includes a guideline regarding classification and measuring of financial assets, including impairment in value and it supplements the new hedging accounting principles published in 2013.

The application date corresponds to the Financial Statements issued for periods that start on January 1, 2018 or after. Anticipated adoption is allowed.

This Standard is for mandatory anticipated adoption and application in Chile for securities intermediaries and stock brokers, as per what is established in regulation (Oficio) N° 615 of the Commission for the Financial Market, dated June 10, 2010.

The Company plans to adopt the new standard on the required validity date and will not reformulate the comparative information. During 2017, the Company performed a detailed impact evaluation of the three aspects of IFRS 9. As a result of this study, the Company has determined that IFRS 9 does not have significant impacts on its financial statements.

This evaluation is based on the currently available information and can be subject to changes derived from reasonable and supporting information that will be at the Company's disposition in 2018 when it adopts IFRS 9.

The Company expects a non-significant increase in the estimation of uncollectible due to expected loss. Also, due to the Company's evaluation, it will not implement changes in the classification of its financial instruments.

b. IFRS 15 “Income from contracts with customers”

Issued on May 28, 2014, this Standard replaces IAS 11 Construction Contracts, IAS 18 Operating Revenue, IFRIC 13 Customer Loyalty Programs, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfer of Assets from Customers and SIC 31 Revenue – Barter Transactions which involve advertising services. This new Standard applies to contracts with customers, but does not apply to insurance contracts, financial instruments or lease contracts, which are within the scope of other IFRS. It introduces a single model for recognizing operating revenue which applies to the contracts with customers and two approaches for recognizing revenue: at one moment in time or during a period. The model considers the analysis of the

transactions based on five steps to determine if a revenue is recognized, when it is recognized and for what amount:

- 1.- Identify the contract with the customer.
- 2.- Identify the performance obligations of the contract.
- 3.- Determine the price of the transaction.
- 4.- Distribute the price of the transaction in the performance obligations.
- 5.- Recognize revenue when (or as) the entity satisfies the performance obligation.

The application date corresponds to the Financial Statements issued for periods that start on January 1, 2018 or after. It allows anticipated adoption.

During 2017, the Company performed a detailed study and analysis of IFRS 15. Based on this study the Company has determined that there are no material effects due to the adopting of IFRS 15.

c. IFRS 16 “Lease”

Issued on January 13, 2016, this Standard requires that the companies record all lease in their Financial Statements as of January 01, 2019. The companies with operating lease will have more assets, but also a higher debt. The higher the company's lease portfolio, the higher the impact on the report metrics. The Standard is effective for the annual periods that start on, or after, January 01, 2019, allowing anticipated adoption. The Company is still evaluating the impact that the mentioned standard could have.

2.6 Use of estimations and judgments

Based on IAS 1, the preparation of the consolidated financial statements requires the use of judgments, estimations and assumptions that affect the amounts of the assets, liabilities, revenue and expenses as of the date of presentation of the consolidated financial statements. These estimations and assumptions are based on Management's best knowledge.

The following estimations have been defined when preparing the consolidated financial statements:

- The valuation of intangible assets different to goodwill, goodwill originated in the acquisition of companies, which could affect the determining of loss due to impairment in the value of these (Note 17 and 18).
- Determining fair value of biological assets based on non-observable significant data entry (Note 13).
- Useful life and residual values of property, plants and equipment (Note 19).
- The hypothesis used to calculate the estimations of non-collectability of sales debtors and customer accounts receivable (Note 10).
- Revenue Recognition (Note 3.20)
- Cost Provisions (Note 3.19).

These estimations have been realized based on the best information available on the date of issuance of the current consolidated financial statements, but it is possible that events that could take place in the future could force these to be modified (increase or decrease) in future periods, which would be done in a prospective manner, recognizing the effects of change in estimation in the future corresponding consolidated financial statements.

2.7 Changes in accounting policies

The consolidated financial statements as of December 31, 2017, present a change in accounting policy in relation to the measuring of the valuation of “Bearer Plants”, passing from the revaluation method to the cost method in relation to the same date the previous year. Also, as of December 31, 2017, the Company considered applying the aggregation criteria for the informed operation segments until September 30, 2017, as per what is stated in International Financial Reporting Standards (IFRS 8.12).

As is required by International Financial Reporting Standards, the consolidated financial statements as of January 1 and December 31, 2016, have been retrospectively re-expressed, as per what is described in Note 5 “Changes in Accounting policies” and Note 6 “Financial Information per Segments”, for the purpose of exposure, the segments of the previous period have been presented in a comparative manner with the current operational segments as of the date of the current consolidated financial statements.

NOTE 3 - PRINCIPAL ACCOUNTING POLICIES

3.1 Consolidation Basis

3.1.1 Business combination

Hortifrut S.A. and its subsidiaries, recognize in their consolidated financial statements the identifiable assets (including intangible assets that have not been recognized beforehand) and the assumed liabilities of any interest in companies acquired at fair value, as per IFRS 3, issued and revised by IASB. Also, it recognizes and measures any goodwill or gains from the purchase of these entities. The goodwill generated in a business combination is initially measured at cost. After the initial recognition, it is measured at cost minus any accumulated loss due to impairment. For the purpose of impairment tests, goodwill acquired in a business combination is assigned from the date of acquisition to each cash generating unit or group of these which is expected to benefit from the synergies of the combination.

If the cost of acquisition is lower than the fair value of the net assets of the acquired company, the difference is recognized in results and is presented in the line Other profit (loss). If the initial accounting of a business combination is determined only in a provisional manner, the Company, during the measurement period, will retroactively adjust the acquired provisional amounts, in accordance with the new information obtained. Furthermore, it will recognize any additional asset or liability if any new information is obtained, as long as the measurement period does not exceed a year from the date of the purchase. The business combinations are recorded using the acquisition method as of the date when control is transferred to the Group. Control is understood to be the power to direct the accounting policies and the operation of an entity in order to obtain benefits from its activities. The Group values goodwill as of the acquisition date as:

- The fair value of the transferred considerations;
- The recognized amount of any non-parent company interest in the acquired company;
- Plus if the business combination is performed in stages, the fair value of the existing interest in the equity of the acquired;
- Minus the net recognized amount (in general, the fair value) of the identifiable acquired assets and the identifiable assumed liabilities.

Goodwill is the excess of the amount of the transferred consideration recorded over the net value of the acquired assets and the assumed liabilities. If the fair value of the acquired net assets exceeds the value of the transferred consideration, the Company will perform a new evaluation to make sure that all the acquired assets and assumed obligations have been correctly identified and it checks the applied procedures to perform the valuation of the recognized amounts on the date of acquisition. If this new evaluation results in an excess of the fair value of the net acquired assets over the added value of the transferred consideration, the difference is recognized as a profit in the income statement.

3.1.2 Subsidiaries

The consolidated statements of financial position incorporate Hortifrut'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 Company 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-controlling companies. The excess acquisition cost over the fair value of the Company's interests in the acquired net identifiable assets, is recognized 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 recognized 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 direct subsidiaries included in the current consolidated financial statements:

<u>Companies</u>	<u>RUT</u>	<u>Country of Origin</u>	<u>Functional Currency</u>	<u>31-Dec-17</u>			<u>31-Dec-16</u>
				<u>Direct %</u>	<u>Indirect %</u>	<u>Total %</u>	<u>Total %</u>
Agricola El Avellano S.A. and subsidiaries	96.923.620-6	Chile	US\$	40.0000	-	40.0000	40.0000
Agricola Mataquito S.A.	76.306.130-2	Chile	US\$	50.0000	-	50.0000	50.0000
Agricola Sta. Rosa del Parque S.A.	99.584.440-0	Chile	US\$	30.0000	-	30.0000	30.0000
Agricola Hortifrut S.A.	79.764.840-k	Chile	US\$	99.9900	0.0100	100.0000	100.0000
Agricola y Gan. Santa Rebeca Ltda.	78.988.990-2	Chile	US\$	25.0000	-	25.0000	25.0000
Agricola 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 direct subsidiaries 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).

Modifications to the consolidation basis

During the period ending December 31, 2017, modifications have been made to the consolidation perimeter, by incorporating the company Asian Berries Limited and Subsidiaries to the consolidation of the subsidiary Inversiones Hortifrut S.A..

3.1.3 Transactions and non-controlling interests

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-controlling interests and the parent company shareholders of the companies where the property is shared, are recorded under equity and, therefore, are shown in the statement of changes under consolidated net equity.

3.1.4 Associates

Associated companies 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%. 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 Goodwill 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 recognized in results, and its interest in the equity activities after the acquisition is recognized under 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 recognize additional loss, unless it has incurred in obligations or performed payments on behalf of the associate.

3.2 Financial information per operating segments

As is indicated in note 2.7 "Changes in Accounting Policies", as of December 31, 2017, the Company considered applying the aggregation criteria for the operating segments informed until September 30, 2017, as per what is established in International Financial Report Standards (IFRS 8.12).

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.

Until September 30, 2017, Hortifrut S.A. and subsidiaries presented the information per segment, as per 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)

The Company has analyzed the Blueberries, Raspberries, Blackberries, Strawberries and Cherries segments, concluding that these show similar economic characteristics, which allow aggregation in a single aggregate operating segment (IFRS 8.12) denominated "Fresh Fruit". Additionally, the Company has evaluated the segment denominated "Value Added Products" and, considering the "Quantitative Thresholds" (IFRS 8.13) as well as the administration, customers and distribution channels which are different to those of the "Fresh Fruit" segment, it has decided to maintain value added products as a separate operating segment.

To determine the aggregation of the aforementioned operation segments (Blueberries, Raspberries, Blackberries, Strawberries and Cherries), it was analyzed if they share similar characteristics in the nature of their products, production process, customers and distribution methods, as well as if said aggregation is coherent.

The Company performed the following analysis:

a) The nature of the products

In this sense Hortifrut considers that fresh fruit, even if it is of a different species, it is of a similar nature (Berries).

b) The nature of the production process

Even though the purchase of fresh fruit from producers and of own production is differentiated by species, they all share the same productive, installations and distribution process until they reach the final consumer, and only the fruit that does not comply with the quality characteristics requested by customers is destined to the Frozen Fruit process.

c) Category of Customers the products are destined to

There is no difference in customers in relation to the type of fresh fruit. Hortifrut's customers buy the fruit offer that is available, complying with the specific quality requirements established by them. Requirements are not related with the type of fruit, but with food safety aspects.

d) Methods used to distribute the products

Hortifrut has developed a commercial platform which allows it to use, no matter which fruit it brings, a uniform, efficient and effective distribution chain. Hortifrut's business has been based on vertical integration to offer the markets the mix of fruits that satisfies their needs.

In summary, the Company has concluded that in order to present "Financial Information per Segments", the operating segments will be the added segment "Fresh Fruit" and the "Added Value Products" segment, since these enable the access to information regarding business activities and their economic environment.

As is required by International Financial Reporting Standards, Note 6 "Financial Information per Segments", for the purpose of exposure, it has been retrospectively re-expressed, thus presenting the segments of the previous period and the valid operating segments in a comparative manner as of the date of the current consolidated financial statements.

3.3 Property, plant and equipment

The Company's property, plant and equipment comprises land, constructions, infrastructure, machinery, equipment, bearer plants and other fixed assets.

3.3.1 Land, constructions, plants, equipment and machinery

Land is recognized at its purchase cost. Constructions, plants, equipment and machinery are recognized, 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 recognized as a separate asset, only when it is probable that the future economic benefits associated with the fixed asset elements will flow to the Company 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.

Costs from daily maintenance and common repairs are recognized in the period's result.

Profit or loss from the sale of 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.

3.3.2 "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

As of December 31, 2017, as is indicated in Note 5, a change in accounting policy was made in the valuation of "bearer plants" in production passing from revalued cost to cost (historic cost) minus corresponding depreciation and accumulated depreciation, in case it exists. It must be stated that the thus determined cost includes the revaluation recorded as of December 31, 2015, date when the amendment to IAS 16 and 41 became valid.

"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 exceeds 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 exceeds 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 of these. During this period, given the level of uncertainty,

the Company values “bearer plants” under development at cost.

When “bearer plants” reach the aforementioned production potential, it is considered that they enter the production stage, which implies the start of the depreciation of the asset as is explained in point 3.3.3.

If the book value is modified due to the presence of impairment in “bearer plants”, said decrease in the value will be attributed directly to results in the period under the account Other expenses, per function.

3.3.3 Depreciation

Depreciation of the components of Property, plants and equipment (except “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 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:

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

3.4 Biological Assets, current

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.

3.5 Intangible assets other than goodwill

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 recognized 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 recognized 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.

c) Water rights

Water rights which have an indefinite useful life, since as per all the considered factors, there is no time limit when the asset generates net cash flows for the Company. It is recorded at the cost incurred in its acquisition.

d) Relationship with Customers

Intangibles generated in the acquisition of Vitalberry Marketing SpA due to the latter's relationship with customers, transferred as part of the merger process. The estimation of returns demanded from this company, considered a customer "outflow" rate of an annual 10%, establishing an amortization period for this intangible of 15 years, which is recorded in the consolidated income statement, under the item of administration expenses.

e) VitalBerry Brand

Due to the market participation in the different continents where Vitalberry sold its products, at the moment of its acquisition, it was considered that this brand has a value. The used focus was the "Relief from Royalty" method based on the assumption that the owner of the intangible asset, saves the payment of Royalty for the use of said asset.

3.6 Goodwill

Goodwill 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 goodwill 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 goodwill represent the lowest level within the entity where goodwill is controlled for internal management purposes.

Revisions of the loss due to impairment of the value of the goodwill are performed annually or more often if events or changes in circumstances indicate a potential loss due to impairment. The book value of goodwill 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 recognized as an expense and is not subsequently reverted.

3.7 Interest Costs

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

3.8 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 impairment tests.

Assets subject to depreciation are subjected 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 recognized 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 goodwill 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 can be reversed in accounting only up to the amount of the loss recognized 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.

3.9 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 Company does not maintain financial instruments held until their maturity 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 recognition.

3.9.1 Classification of financial assets

a) Financial assets at fair value with changes in results

Financial assets at fair value with changes in profit or loss 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.

3.9.2 Recognition and measurement of financial instruments

The acquisition and disposal of financial assets is recognized 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 recognition

Financial assets are initially recognized 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 profit or loss are initially recognized 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 profit or loss 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 rewards

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 maturity, 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.

3.10 Derivative financial instruments and hedging activities

Derivatives are initially recognized 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 recognize 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 recognized assets or liabilities (fair value hedging);
- (b) Hedging of a concrete risk associated to a recognized liability or a highly probable foreseen transaction (cash flow hedging); or
- (c) Derivatives that do not qualify for hedge 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 maturity of the hedged item is over 12 months and as Other current financial assets or liabilities if the remaining maturity of the hedged item is less than 12 months.

- (a) Fair value hedges

Changes in the fair value of derivatives that are designated and rated as fair value hedge 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 hedges

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

In the case of variable interest rate hedging, the amounts recognized 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 recognized in equity are reclassified to profit or loss 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 hedge accounting, any profit or loss accumulated in net equity up to that moment remains under equity and is recognized when the foreseen hedged transaction is finally recognized 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)”.

3.11 Inventories

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 cost 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).

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 materials and supplies are recognized at their net realization value.

The Company values its inventory as per the following:

- a) The production cost of the finished products covers costs directly related with the productive units, such as labor costs, variable and fixed costs which have been included to transform raw materials into finished products.
- b) In the case of the cost of acquired stock, the acquisition cost covers the purchase cost, custom duties, transport, storage and others attributable to the acquisition of the goods and materials.

Formula to calculate the cost of inventory

Finished product inventory is valued using the weighted average cost method, which is, the cost of each product unit is determined from the weighted average of the cost recorded at the start of the period and the cost of the articles purchased or produced during the period.

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

3.12 Trade debtors and other accounts receivable

Book value recognized within trade debtors and other current accounts receivable are an approximation to the fair value, since it is determined based on the historic data of the items to be charged

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.

3.13 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 and which are subject to a not very significant risk of changes in value. Investments that correspond to cash management and whose funds are of free disposal are also included.

Used bank overdraft lines are included in Other financial liabilities.

3.14 Corporate capital

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

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 recognized as a reduction of equity when they are approved by the shareholders' meeting.

3.15 Payable trade accounts and other accounts payable

Book values recognized within payable trade accounts are initially recognized at their fair value and are subsequently valued at the amortized cost using the effective interest rate method.

3.16 Other financial liabilities

Financial liabilities are initially recognized, 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 recognized 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).

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

3.17 Income tax and deferred taxes

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

Income tax expense is recognized in the income statement and correspond to payable tax determined over the taxable income of the year, applying the valid tax rates as of the closing date of the consolidated 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 recognized in other integral results or directly in net equity, in this case, tax is also recognized 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 recognized if the opportunity to reverse the temporary difference is controlled by the Company and it is probable that the temporary difference will not be reverted in the foreseeable future.

3.18 Employee Benefits

a) Employee vacations

Hortifrut and its subsidiaries recognize 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 profit or loss (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 recognize 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.

3.19 Provisions

Hortifrut S.A. and subsidiaries recognize 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 recognized 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 regularly revised and quantified, taking into consideration the best information available on the presentation date of the consolidated financial statements.

3.20 Revenue Recognition

Income is recognized 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 recognized 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 rewards 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. Revenue

from sales in local markets, net of value added tax, specific taxes, returns and discounts to customers, are recognized 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 revenue recognition 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 revenue is recognized.
- "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 revenue is recognized.

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

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 recognized 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 recognized when the right to receive the payment has been established.

3.21 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 recognized as a reduction in the sale price of the sold products. The contributions for shared advertising are recognized when the advertising campaigns agreed with the distributor have taken place and are recorded as incurred commercializing expenses.

The Company recognizes 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 recognized when there is formal evidence of the agreement and its amount can be reliably estimated.

3.22 Cost of Sales

Sales costs include the cost of production of the sold products and other costs incurred in to leave inventory 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.

Estimating Cost of Sales

Sales from the production of third party fruit (producers), which to the closing of the period have not yet been liquidated (approximately between 20 and 45 days as per destination) the premium over the contractual price previously agreed with the producer is estimated. The estimated premium plus the agreed price constitute 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.

In the case of fruit packing per species, a standard material cost is assigned. Based on the arrived shipments, the standard cost is calculated for each of the shipments and by the difference with the consumed materials, an adjustment in relation to the materials in transit as of the closing date takes place. At the same time, 2% of this cost is provisioned as loss of inventory.

3.23 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.

3.24 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 rewards 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 rewards 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.

3.25 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 recognized at the lower value between the book value and the fair value minus cost to sell. When the value will be recovered mainly through its sale, as long as the sale is considered highly probable.

3.26 Environment

In the case of environmental liabilities, these are recorded based on 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.

3.27 Research 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.

3.28 Advertising expenses

Advertising expenses are recognized under results when they take place.

3.29 Earnings 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.

3.30 Insurance expenses

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

The costs of the claims are recognized 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 4-RISK MANAGEMENT

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

4.1. Financial Risk

4.1.1 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 7.1).

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 maturity 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, which 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, the Company 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, 2017 (see Note 4.3).

4.1.2 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 December 31, 2017 reach US\$222.0 million (includes credit lines committed with BCI bank for US\$42.0 million, commitment fixed for 2018 and of which US\$25 million have been used), distributed among 13 banks. The used amount reaches US\$125.0 million, with an unused balance of US\$97.0 million. The credit lines are distributed among the following companies: Hortifrut Chile S.A. with US\$210.5 million, Hortifrut S.A. with US\$5.0 million, Agrícola El Pampino S.A. with US\$0.75 million, Agrícola Santa Rosa del Parque S.A. with US\$0.50 million, Agrícola Vida Nueva S.A. with US\$0.40 million, Agrícola Mataquito S.A. with US\$1.3 million, Agrícola El Avellano with US\$0.50 million and Hortifrut Import Inc., with US\$3.0 million. As of December 31, 2016, the Company had approved credit lines for US\$193.85 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 working 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 maturity of the Company's bank loans as of December 31, 2017, based on the undiscounted contractual cash flows:

Creditor Bank	Cash Flows						
	Capital	Interests	Between 0 to 3 months	Between 3 to 12 months	Between 1 and 5 years	Over 5 years	Total
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Banco de Crédito e Inversiones	57,941	657	26,885	7,624	21,831	7,748	64,088
Banco Santander Chile	32,609	176	32,142	355	373	-	32,870
Banco Bilbao Vizcaya Argentaria	28,187	33	10,106	4,440	14,296	-	28,842
Banco Estado	25,425	98	20,198	5,310	105	-	25,613
Banco RaboFinance Chile	22,960	352	-	1,274	8,312	20,337	29,923
Banco Santander Central Hispano S.A.	15,883	-	1,351	3,668	11,218	-	16,237
Banco de Chile	12,000	34	12,034	-	-	-	12,034
Banco Scotiabank	11,707	41	11,754	-	-	-	11,754
Banco Itaú	10,296	9	10,067	258	59	-	10,384
La Caixa	5,997	-	16	784	5,370	-	6,170
Banco BICE	5,000	5	5,007	-	-	-	5,007
Banco Intercontinental Español	3,599	-	10	690	2,991	-	3,691
Banco Sabadell	2,397	-	7	166	2,300	-	2,473
Caja Madrid	36	-	6	19	11	-	36
Caja Rural Asturias	27	-	7	22	-	-	29
Financial Services	19	-	1	2	20	-	23
Security	5	-	5	-	-	-	5
Banco de Crédito Perú	4	-	4	-	-	-	4
Total as of December 31, 2017	234,092	1,405	129,600	24,612	66,886	28,085	249,183
Total as of December 31, 2016	206,390	1,349	102,455	50,478	48,815	14,779	216,527

Below is a summary of the maturities of the total financial liabilities as of December 31, 2017:

<u>Detail</u>	<u>Capital</u> <u>ThUS\$</u>	<u>Fair Value</u> <u>ThUS\$</u>	<u>Flows</u>				<u>Total</u> <u>ThUS\$</u>
			<u>Between</u> <u>0 to 3</u> <u>months</u>	<u>Between</u> <u>3 and 12</u> <u>months</u>	<u>Between 1</u> <u>and 5</u> <u>years</u>	<u>Over 5</u> <u>years</u>	
			<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	
Bank loans	234,092	235,497	129,600	24,612	66,886	28,085	249,183
Trade accounts and other accounts payable	49,724	49,724	41,757	7,967	-	-	49,724
Accounts payable to related entities	18,213	18,213	-	6,142	12,071	-	18,213

4.1.3 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, Peruvian Nuevo Sol and Euro.

a) Exposure to Chilean Pesos

The source of exposure to Chilean Pesos 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 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.

d) Exposure to Peruvian Soles

The source of exposure to Peruvian Soles mainly comes from the costs of agricultural operations in Peru, which are mainly denominated in said currency, and at a lower measure, from trade accounts receivable with customers.

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 December 31, 2017:

	<u>Peso/UF</u>	<u>Euro</u>	<u>Mexican \$</u>	<u>Argentine \$</u>	<u>Real/others</u>
	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
As of December 31, 2017					
<u>Financial Assets</u>					
Cash and Cash Equivalents	2,313	9,770	430	109	697
Other current non-financial assets	1,359	423	2,208	311	319
Current trade debtors and other accounts receivable	9,700	15,342	2,969	240	9,011
Current accounts receivable with Related Entities	2	8,117	-	-	-
Non-current accounts receivable with Related Entities	-	6,972	-	-	-
<u>Total Financial Assets</u>	13,374	40,624	5,607	660	10,027
<u>Current Liabilities</u>					
Other current financial liabilities	-	10,876	-	-	258
Current trade accounts and other accounts payable	13,543	2,404	1,425	26	1,236
Current accounts payable to Related Entities	2,263	39	-	-	-
Current provisions for employee benefits	441	-	507	-	-
Other non-current financial liabilities	225	32,617	-	-	42
Non-current accounts payable with Related Entities	1,529	10,542	-	-	-
<u>Total Financial Liabilities</u>	18,001	56,478	1,932	26	1,536
Net exposure as of December 31, 2017	(4,627)	(15,854)	3,675	634	8,491
Net exposure as of December 31, 2016	(4,747)	4,261	1,935	382	3,521

Sensitivity analysis

The potential effect of a 10% devaluation of the United States dollar against all the other relevant currencies to which the Company is exposed, would have an approximate effect of ThUS\$769 (ThUS\$534 as of December 31, 2016) as a higher charge to the company's results as of December 31, 2017, the aforementioned maintaining all the other variables constant. The calculation considers the Company's exposure in financial assets and liabilities denominated in currency different to the dollar.

	<u>Assets</u>	<u>Liabilities</u>	<u>Net</u>	<u>Net (10% Devaluation)</u>	<u>Variation</u>
<u>Currencies</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Peso/UF	13,374	18,001	(4,627)	(4,164)	463
Euro	40,624	56,478	(15,854)	(14,269)	1,585
Mexican \$	5,607	1,932	3,675	3,308	(367)
Argentine \$	660	26	634	571	(63)
Real	10,027	1,536	8,491	7,642	(849)
Total	70,292	77,973	(7,681)	(6,912)	769

4.1.4 Interest rate risk

The Hortifrut Group has its long term financial liabilities linked to long term investments. Most 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 ThUS\$123,233 (ThUS\$127,583 as of December 31, 2016) and the rate increased 10%, the impact on the annual financial cost would be ThUS\$213 (ThUS\$146 as of December 31, 2016).

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

Creditor Bank	Capital ThUS\$	10% interest variation		Due to Variation in Rate ThUS\$
		Annual Interest ThUS\$	in the rate ThUS\$	
Banco Santander Chile	31,900	555	613	58
Banco Itaú	10,135	195	213	18
Banco Bilbao Vizcaya Argentaria	10,110	201	219	18
Banco de Crédito e Inversiones	27,963	460	507	47
Banco de Chile	12,000	204	224	20
Banco Scotiabank	11,000	187	206	19
Banco Estado	20,121	333	366	33
Banco de Crédito Perú	4	-	-	-
Total	123,233	2,135	2,348	213

4.2 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:

4.2.1 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.

4.2.2 Significant increase in supply

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.

4.2.3 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 recognition, 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.

4.2.4 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.

4.2.5 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.

4.2.6 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 exceeded) 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.

4.2.7 Continuity and costs of supplies and services

The development of Hortifrut’s business involves a complex logistic regarding the opportune supply of quality supplies 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 standstill at ports and transport companies in general, which could affect Hortifrut's performance if the events extend in time.

4.2.8 Risk associated to new technologies

Hortifrut, in its varied entrepreneurship, throughout the world, is incorporating growing new technologies in the whole production process. The aforementioned involves risks associated to the lack of knowledge of all the involved behaviors. Even though most of its technologies are widely widespread in the world, there is still no extended history which allows to know beforehand all the adverse effects that could derive from it.

4.3 Insurance

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

The main insurances contracted as of December 31, 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 Responsibility	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

As of December 31, 2016, contracts were held for the same covered amounts.

4.4 Risk in the Estimations

Effects of the valuation of fruit that grows on "bearer plants" due to 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 sale costs, recording the changes in valuation in result as the product grows.

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

As of December 31, 2017, the expected margin of fruit on Agrícola Hortifrut S.A.'s bearer plants was recognized, for the amount of ThUS\$1,640.

Below we detail the effect that a 10% decrease in Price and volume would have on said margin:

	Fair Value Adjustment as of 31.12.2017 (ThUS\$)	10% Reduction Volume (ThUS\$)	10% Reduction Price (ThUS\$)	10% Reduction Volume and Price (ThUS\$)
Agrícola Hortifrut S.A.	1,640	1,476	1,016	914

On the other hand, within the item Investments recorded using the equity method, the expected margin of fruit on bearer plants of the company Hortifrut Tal S.A.C. (Peru) has been recognized based on the interest percentage that it has in it, amount that reaches ThUS\$953.

Below is a detail of the effect that a 10% reduction in price and volume would have on that amount:

	Fair value adjustment as of 31.12.2017	10% Reduction in Volume (ThUS\$)	10% Reduction in Price (ThUS\$)	10% Reduction in Volume and Price (ThUS\$)
Hortifrut Tal S.A.C.	953	877	744	670

NOTE 5 – CHANGES IN ACCOUNTING POLICIES

In June 2014, the International Accounting Standards Board (IASB), officialized the modification to IAS 16 'Property, plant and equipment' and to IAS 41 'Agriculture', with validity as of January 2016. These modifications require the recording of bearer plants as Property, plant and equipment and to value them as per the historic cost model or the revaluation model (IAS 16).

Considering the options provided by IAS 16, the Company initially chose to apply the revaluation or revalued cost model for "bearer plants" in production, whose 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.

Because it is difficult to find an active market for observable price references or market values for the different species of "bearer plants", the Company chose to value them based on the current value of the harvest of a growth cycle based on the productive fruit plantations over a production horizon of 20 years or limited to the lease period of the land.

The Company, after a year of applying the revalued cost, has decided to perform a change in accounting policy, estimating that the valuation at historic cost allows more precise information for the valuation of bearer plants, eliminating the volatility that could be presented in the use of the revaluation model, in order to mitigate the use of estimations that could be complex and subjective.

The considerations that the Company has evaluated for this change are the following:

1. Effect of investment in Peru

Due to the Company's recent investment decision in Peru, the relative weight of the biological assets significantly increases compared to the rest of Hortifrut's assets, which increases the impact of the own volatility of the revalued cost model, impacting the variation of the value of assets from one year to the other.

As a reference, to the closing of 2016, bearer plants reached a value of US\$ 156 million, which is 29.4% of the Company's total assets. Once the purchase of Rocio Group's assets in Peru has been materialized, bearer plants will have an approximate value of US\$ 531 million (44.3% of the total value of assets).

2. Forecast variables foreign to the Company

The revaluation model considers the forecasting of variables such as the exchange rates of different currencies against the dollar, and the future prices of our products in the different markets which are not under the Company's control and whose projection can significantly vary between one year and another, impacting the valuation of the plantations.

3. New information regarding Standards

The International Accounting Standards Board, during the discussions held during 2017 regarding the application of the revalued cost for "Bearer Plants", has indicated that:

Even though companies can choose between the revalued cost and the historic cost model to record the value of biological assets, it is expected that they will choose to use the historic cost method.

The analysts and investors (users of the financial statements) consulted by the International Accounting Standards Board have indicated their concern regarding trust in fair value measurements, because they involve significant judgments from management and assumptions that significantly vary between companies.

Due to all the aforementioned information, the Company has established that the valuation of “Bearer Plants” in production at cost minus its corresponding depreciation and accumulated impairment (in case it exists), represents in a more precise manner the value of said assets, allowing the users of the financial statements to count with comparably objective information to perform their measurements and valuations.

Just as is required by IFRS, the Company has applied the aforementioned change retroactively for comparative effects, the opening balances, the presentation of reports for 2016 and the corresponding notes for the financial statements have been adjusted and the statement of financial position as of January 01, 2016 re-expressed has been included, as is required by IAS 1 under these circumstances.

The following table shows a summary of the adjustments and reclassifications made to the items of the affected consolidated statement of financial position as per what was stated beforehand, see following detail:

Detail	1-Jan-16			31-Dec-16		
	Previously reported ThUS\$	Exchange rate effect ThUS\$	Re-expressed ThUS\$	Previously reported ThUS\$	Exchange rate effect ThUS\$	Re-expressed ThUS\$
Assets						
Total current assets	163,173	-	163,173	195,924	-	195,924
Current, Non-current assets						
Other non-current assets	105,828	-	105,828	142,238	(11,180)	131,058
Property, plant and equipment	201,902	-	201,902	207,870	(3,007)	204,863
Total non-current assets	307,730	-	307,730	350,108	(14,187)	335,921
Total assets	470,903	-	470,903	546,032	(14,187)	531,845
Liabilities						
Total current liabilities	153,719	-	153,719	223,615	-	223,615
Non-current liabilities						
Other non-current liabilities	85,491	-	85,491	69,454	-	69,454
Deferred tax liability	26,626	-	26,626	23,492	(812)	22,680
Total non-current liabilities	112,117	-	112,117	92,946	(812)	92,134
Total liabilities	265,836	-	265,836	316,561	(812)	315,749
Equity						
Other equity	135,149	-	135,149	135,149	-	135,149
Accumulated profit (loss)	25,302	24,936	50,238	14,039	23,254	37,293
Result of the Period	-	-	-	26,055	(7,130)	18,925
Other reserves	14,403	(24,936)	(10,533)	24,108	(29,027)	(4,919)
Equity attributable to the parent company equity holders	174,854	-	174,854	199,351	(12,903)	186,448
Non controlling interests	30,213	-	30,213	30,120	(472)	29,648
Total Equity	205,067	-	205,067	229,471	(13,375)	216,096
Total liability and equity	470,903	-	470,903	546,032	(14,187)	531,845

In the following table are the adjustments and reclassifications performed in the consolidated financial statements of 2016:

Effects	Reserve ThUS\$	Accumulated Results ThUS\$	Result 2016 ThUS\$	Property, Plant and Equipment ThUS\$	Liability ID ThUS\$	Non controlling interest ThUS\$	Result attributable to non controlling company ThUS\$	Investment in associated companies ThUS\$
Balance as of 31-12-2016	24,108	40,094	30,981	207,870	23,492	30,120	4,926	66,654
Reclassification Initial Reserve a)	(24,936)	24,936	-	-	-	-	-	0
Elimination Interest Revaluation Hortifrut Tal S.A.C. b)	(11,180)	-	-	-	-	-	-	(11,180)
Reversal consumption reserve due to impairment c)	7,130	(7,130)	(10,233)	-	-	-	(3,103)	-
Reversal revaluation at subsidiaries d)	(1,723)	-	-	(3,007)	(812)	(472)	-	-
Elimination reserve due to amortization e)	1,682	(1,682)	-	-	-	-	-	-
Balance as of 31-12-2016 Re-expressed	(4,919)	56,218	20,748	204,863	22,680	29,648	1,823	55,474

- a) As of January 01, 2016, we proceeded to re-classify the total of the revaluation surplus reserves of “bearer plants” to accumulated reserves for ThUS\$24,936, originated in the application of the revalued cost model.
- b) Reversal of the recognized record for the participation in the associated company Hortifrut Tal S.A.C. in 2016 for ThUS\$11,180, which originated the revaluation experienced for bearer plants (net of tax) at this associated company.
- c) Elimination of consumption of reserve due to impairment of bearer plants with effect on the accumulated result:

Effects on Results Company	Revaluation	Deferred	Net	Interests	Non-Controlling Interest
	ThUS\$	Tax ThUS\$	ThUS\$	ThUS\$	ThUS\$
Hortifrut S.A.	5,744	1,552	4,192	4,192	-
Agricola El Avellano S.A.	464	125	339	136	203
Agricola Vida Nueva S.A.	2,011	543	1,468	735	733
Agricola Mataquito S.A.	4,904	1,324	3,580	1,791	1,789
Agri. Sta. Rosa del Parque S.A.	176	47	129	39	90
Agri. y Ganadera Sta. Rebeca	385	103	282	70	212
Agricola Berries de Panguipulli SpA	124	34	90	90	-
Hortifrut España Southern Sun SL	213	60	153	77	76
Total	14,021	3,788	10,233	7,130	3,103

- d) Reversal of revaluation records experienced at the bearer plants in 2016 and the corresponding effects on deferred taxes.

Effects on Reserve Company	Revaluation	Deferred	Net	Interests	Non-Controlling Interest
	ThUS\$	Tax ThUS\$	ThUS\$	ThUS\$	ThUS\$
Agricola El Pampino S.A.	810	219	591	119	472
Agricola Hortifrut S.A.	2,197	593	1,604	1,604	-
Total	3,007	812	2,195	1,723	472

- e) Reversal of record recognized by the consumption of the amortization of the reserve for ThUS\$1,682.

NOTE 6 – OPERATING SEGMENTS

As is indicated in note 2.7 “Changes in Accounting Policies”, as of December 31, 2017, the Company decided to apply the aggregation criteria for the informed segments until September 30, 2017, using the “Fresh Fruit” and “Value Added Products” segments, so the “Financial Information per Segments”, presented here, for purpose of exposure of the financial statements, has been retrospectively re-expressed, and has presented in a comparative manner the segments from the previous period with the valid operating segments as of the date of the current consolidated financial statements.

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 evaluation of results.

The performance of the segments is evaluated via the Operating Result, excluding impairment in Property, plants and equipment, by sale volume and income, as per the following formula:

Calculating Operating Margin:

+ Operating revenue
+ Other revenue, per function
= Total revenue

Minus:

- Sales cost
- Administrative expenses
- Other expenses, per function, excluding the impairment of value in Property, plant and equipment
= Total costs

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

- a) “Fresh Fruit” Added Segment
 - a. Blueberries
 - b. Raspberries
 - c. Blackberries
 - d. Strawberries
 - e. Cherries
- b) “Value Added Products” Segment

6.1. Results per segments as of December 31, 2017 and 2016

Results per segments						
	Fresh Fruit		Value Added Products		Total	
	12/31/2017	12/31/2016	12/31/2017	12/31/2016	12/31/2017	12/31/2016
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Operating Results						
Operating Revenue	364,912	386,692	23,833	41,829	388,745	428,521
Operating Costs and Expenses	(333,279)	(347,045)	(19,740)	(36,982)	(353,019)	(384,027)
Other results per segments						
Impairment in the value of assets	(3,215)	(18,704)			(3,215)	(18,704)
Other profit (loss)	(363)	(416)	-	-	(363)	(416)
Net financial income (expenses)	(3,789)	(2,891)	(176)	(150)	(3,965)	(3,041)
Interest in profit (loss) of associated companies	9,468	4,940	-	-	9,468	4,940
Exchange rate differences	(5,256)	944	-	-	(5,256)	944
Income tax expense	(3,691)	(6,342)	(999)	(1,127)	(4,690)	(7,469)
	24,787	17,178	2,918	3,570	27,705	20,748

6.2. Results of the operation per segments for 2017 and 2016

Segments	31-Dec-17			31-Dec-16		
	Total Revenue ThUS\$	Total Costs and Expenses ThUS\$	Operating Result ThUS\$	Total Revenue ThUS\$	Total Costs and Expenses ThUS\$	Operating Result ThUS\$
Fresh Fruit	364,912	(333,279)	31,633	386,692	(347,045)	39,647
Blueberries	314,651	(280,753)	33,898	320,293	(283,910)	36,383
Raspberries	18,349	(19,657)	(1,308)	22,052	(20,819)	1,233
Blackberries	16,121	(16,585)	(464)	28,352	(26,362)	1,990
Strawberries	12,811	(14,005)	(1,194)	13,760	(14,239)	(479)
Cherries	2,980	(2,279)	701	2,235	(1,715)	520
Value Added Products	23,833	(19,740)	4,093	41,829	(36,982)	4,847
Value Added Products	23,833	(19,740)	4,093	41,829	(36,982)	4,847
Total	388,745	(353,019)	35,726	428,521	(384,027)	44,494

Calculating Total Revenue

	31-Dec-17 ThUS\$	31-Dec-16 ThUS\$
TOTAL REVENUE		
Revenue from operating activities	388,250	426,796
Other revenue, per function	495	1,725
Total Revenue	388,745	428,521

Calculating Total Costs and Expenses

	31-Dec-17 ThUS\$	31-Dec-16 ThUS\$
TOTAL COSTS AND EXPENSES		
Cost of Sales	324,718	356,758
Administration Expenses	26,773	26,036
Other expenses, per function, excluding impairment in the value of assets	1,528	1,233
Total Costs and Expenses	353,019	384,027

6.3. Assets and liabilities per segments as of December 31, 2017 and 2016:

Balance per segments						
	Fresh Fruit		Value Added Products		Total	
	12/31/2017 ThUS\$	12/31/2016 ThUS\$	12/31/2017 ThUS\$	12/31/2016 ThUS\$	12/31/2017 ThUS\$	12/31/2016 ThUS\$
Assets						
Related and third party trade debtors	81,470	77,753	12,754	10,584	94,224	88,337
Inventory	42,473	53,229	2,083	3,582	44,556	56,811
Other current assets	48,727	50,776	-	-	48,727	50,776
Property, plant and equipment	233,684	192,818	11,376	12,045	245,060	204,863
Other non-current assets	139,928	130,865	193	193	140,121	131,058
Total Assets	546,282	505,441	26,406	26,404	572,688	531,845
Liabilities						
Related and third party trade accounts payable	55,423	66,720	443	-	55,866	66,720
Other current and non-current financial liabilities	230,605	202,862	4,892	5,555	235,497	208,417
Other Liabilities	37,671	40,612	79	-	37,750	40,612
Total Liabilities	323,699	310,194	5,414	5,555	329,113	315,749

Within the other financial liabilities, current and non-current, corresponding to the Value Added Products segment, only financing directly related to Property, plant and equipment in Leasing of said segment has been individualized. Financing associated to the required work capital for this segment has not been directly assigned, because it is administered in a centralized manner together with the requirements of the Fresh Fruit segment.

6.4. Cash flows per segments as of December 31, 2017 and 2016:

Cash Flows per Segments						
	Fresh Fruit		Value Added Products		Total	
	12/31/2017 ThUS\$	12/31/2016 ThUS\$	12/31/2017 ThUS\$	12/31/2016 ThUS\$	12/31/2017 ThUS\$	12/31/2016 ThUS\$
From operating activities	30,957	48,465	1,130	1,138	32,087	49,603
- Types of collections from operating activities	355,551	383,335	21,663	39,196	377,214	422,531
- Types of payments	(324,594)	(334,870)	(20,533)	(38,058)	(345,127)	(372,928)
					0	0
From investment activities	(52,619)	(58,933)	(430)	(6,664)	(53,049)	(65,597)
From financing activities	14,938	21,277	(660)	5,526	14,278	26,803

6.5. Sales per Geographic Location:

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

For the periods ending December 31, 2017 and 2016, operating income per geographic location is as follows:

<u>Sales per geographic destination</u>	31-Dec-17		31-Dec-16	
	<u>ThUS\$</u>	<u>%</u>	<u>ThUS\$</u>	<u>%</u>
North America	227,952	58.60%	271,024	63.25%
Europe	98,743	25.40%	98,749	23.04%
South America	29,840	7.70%	26,779	6.25%
Asia and others	32,210	8.30%	31,969	7.46%
Total revenue	<u>388,745</u>	<u>100.00%</u>	<u>428,521</u>	<u>100.00%</u>

North America

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

Through 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 and Frozen.

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.

NOTE 7 – FINANCIAL INSTRUMENTS

7.1 FINANCIAL INSTRUMENTS PER CATEGORY

Assets	Financial assets and accounts receivable ThUS\$	Assets at fair value through results ThUS\$	Hedging instruments ThUS\$	Total ThUS\$
<u>31-Dec-17</u>				
Cash and cash equivalents	20,752	7,086	-	27,838
Other current financial assets	31	-	4,442	4,473
Current trade debtors and other accounts receivable	46,092	-	-	46,092
Current accounts receivable from related entities	48,132	-	-	48,132
Other non-current financial assets	-	-	1,345	1,345
Non-current accounts receivable from related entities	8,060	-	-	8,060
Non-current fees receivable	1,615	-	-	1,615
Total	124,682	7,086	5,787	137,555
Liabilities	Other financial liabilities ThUS\$	Liabilities at fair value with changes in results ThUS\$	Hedging Instruments ThUS\$	Total ThUS\$
<u>31-Dec-17</u>				
Current trade accounts and other accounts payable	49,724	-	-	49,724
Current accounts payable to related entities	6,142	-	-	6,142
Non-current accounts payable to related entities	12,071	-	-	12,071
Other current financial liabilities	150,819	-	712	151,531
Other non-current financial liabilities	83,686	-	280	83,966
Total	302,442	-	992	303,434
Assets	Financial assets and accounts receivable ThUS\$	Assets at fair value through results ThUS\$	Hedging instruments ThUS\$	Total ThUS\$
<u>31-Dec-16</u>				
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
Total	119,632	13,404	4,256	137,292
Liabilities	Other financial liabilities ThUS\$	Liabilities at fair value with changes in result ThUS\$	Hedging instruments ThUS\$	Total ThUS\$
<u>31-Dec-16</u>				
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
Total	286,149	-	678	286,827

7.2 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 4.1.1:

Current Assets	31-Dec-17	31-Dec-16
	<u>ThUS\$</u>	<u>ThUS\$</u>
Mutual Funds and term deposits classification		
AA+fm/M1	7,086	13,404
Current Bank Accounts AAA	20,752	21,841
Sub-total Cash and Cash Equivalents	<u>27,838</u>	<u>35,245</u>
Swap rate operations	2	8
Forwards currency operations	3,606	2,792
Hedging operations -options	834	355
Other financial assets	31	-
Total other current financial assets	<u>4,473</u>	<u>3,155</u>
Trade debtors and other accounts receivable		
wihout credit rating	46,092	42,578
Sub-total current trade debtors and other		
accounts receivable	<u>46,092</u>	<u>42,578</u>
Total	<u>78,403</u>	<u>80,978</u>

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

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

7.3 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 and liabilities that are measured at fair value as of December 31, 2017 and December 31, 2016:

<u>Assets/(Liabilities)</u>	Fair value as of December 31, 2017 <u>ThUS\$</u>	Fair value measurements using values considered as		
		Level I	Level II	Level III
		<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
<u>Assets</u>				
Short term mutual funds	7,086	7,086	-	-
Cross Currency Swap Operations	2	-	2	-
Forwards currency operations	3,606	-	3,606	-
Other financial assets	31	-	31	-
Hedging-option operations	834	-	834	-
Non-current forwards currency operations	1,126	-	1,126	-
Non-current Cross Currency Swap Operations	219	-	219	-
<u>Liabilities</u>				
Forwards currency operations	(712)	-	(712)	-
Non-current Cross Currency Swap Operations	(280)	-	(280)	-

<u>Assets/(Liabilities)</u>	Fair value as of December 31, 2016 <u>ThUS\$</u>	Fair value measurements using values considered as		
		Level I	Level II	Level III
		<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
<u>Assets</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	-
<u>Liabilities</u>				
Non-current Cross Currency Swap operations	(678)	-	(678)	-

7.4 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	31-Dec-17		31-Dec-16	
		Book value	Fair value	Book value	Fair value
		<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Assets					
Cash and cash equivalents	8				
Bank balances		20,752	20,752	21,841	21,841
Mutual funds		7,086	7,086	13,404	13,404
Other current financial assets	9	4,473	4,473	3,155	3,155
Current trade debtors and other accounts receivable and non-current fees receivable	10	47,707	47,707	44,372	44,372
Current accounts receivable from related entities	11	48,132	48,132	45,759	45,759
Other non-current financial assets	9	1,345	1,345	1,101	1,101
Non-current accounts receivable from related entities	11	8,060	8,060	7,660	7,660
Liabilities					
Other current financial liabilities	21	151,531	151,531	150,787	150,787
Other non-current financial liabilities	21	83,966	83,966	57,630	57,630
Current trade accounts and other accounts payable	22	49,724	49,724	60,009	60,009
Current accounts payable to related entities	11	6,142	6,142	6,711	6,711
Non-current accounts payable to related entities	11	12,071	12,071	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 a maturity of less than 90 days, which do not have restrictions of use.

The detail of cash and cash equivalents as of December 31, 2017, December 31, 2016 and January 01, 2016, is as follows:

Types of Cash and Cash Equivalents	31-Dec-17	31-Dec-16	1-Jan-16
	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Bank balances	20,752	21,841	21,989
Mutual funds	7,086	13,404	2,610
Total cash and cash equivalents	<u>27,838</u>	<u>35,245</u>	<u>24,599</u>

The detail per currency of Cash and cash equivalents as of December 31, 2017, 2016 and January 01, 2016, is as follows:

Type of currency	31-Dec-17	31-Dec-16	1-Jan-16
	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
United States Dollar	14,519	19,921	11,890
Chilean Peso	2,313	2,342	1,263
Mexican Peso	430	838	248
Euro	9,770	11,775	10,739
Brazilian Real	89	72	267
Peruvian Nuevo Sol	608	291	-
Argentine Peso	109	6	192
Total	<u>27,838</u>	<u>35,245</u>	<u>24,599</u>

The detail of mutual funds per bank as of December 31, 2017, December 31, 2016 and January 01, 2016, is as follows:

Investments in mutual funds	31-Dec-17	31-Dec-16	1-Jan-16
	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Banco Crédito e Inversiones	5,085	11,831	1,229
Banco Santander Chile	1,801	1,484	1,188
Banco Estado	116	-	-
Itaú - Brazil	84	89	193
Total investments in mutual funds	<u>7,086</u>	<u>13,404</u>	<u>2,610</u>

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

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

NOTE 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 4.1.3).

The detail of Other financial assets as of December 31, 2017, December 31, 2016 and January 01, 2016, is as follows:

Current	31-Dec-17	31-Dec-16	1-Jan-16
	ThUS\$	ThUS\$	ThUS\$
Swap rate operations	2	8	-
Forward currency operations	3,606	2,792	3
Hedging operations-options	834	355	-
Other financial assets	31	-	-
Total other current financial assets	4,473	3,155	3

Non-Current	31-Dec-17	31-Dec-16	1-Jan-16
	ThUS\$	ThUS\$	ThUS\$
Swap rate operations	219	45	-
Forward currency operations	1,126	709	-
Hedging-option operations	-	347	-
Total other non-current financial assets	1,345	1,101	-

As of December 31, 2017 and 2016, there are no ineffective hedging instruments recognized in the Company's results, which arise from the aforementioned hedging of derivative operations.

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

ASSETS				MtoM Value		
Hedging Instruments				Capital	31-Dec-17	31-Dec-16
Company/Subsidiary	Entities	Instruments	Type	ThUS\$	ThUS\$	ThUS\$
Hortifrut S.A.	Santander Santiago	Cross Currency Swaps - USD	Rate	8,800	-	8
Hortifrut Chile S.A.	Banco Estado	Cross Currency Swaps CLP/USD	Rate	5,200	2	-
Total current				14,000	2	8
Hortifrut Chile S.A.	Banco de Crédito e Inversio	Cross Currency Swaps - USD	Rate	947	7	1
Hortifrut Chile S.A.	BBVA	Cross Currency Swaps - USD	Rate	5,000	40	44
Hortifrut S.A.	Banco Bilbao Viscaya	Cross Currency Swaps CLP/USD	Currency	559	55	-
Hortifrut Chile S.A.	BCI	Cross Currency Swaps - USD	Rate	4,867	117	-
Total non-current				11,373	219	45

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

As of December 31, 2017:

Company	Bank	Contract Type	Fees Type	Currency	Liabilities		Closing Value		Net Effect		Mark-to-Market				Total current 12/31/2017	Maturity up to 1 to 2 years	Total non-current 12/31/2017
					Amount	Currency	Amount	Offsetting	Maturity up to								
									1 to 3 months	3 to 6 months	6 a 9 months	9 to 12 months					
ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$										
Agr. Vida Nueva S.A.	BCI	Offsetting	Sale	USD	1,681	CLP	1,787	106	96	7	-	-	103	-	-		
Hortifrut Chile S.A.	BBVA	Offsetting	Sale	USD	4,948	CLP	5,570	622	251	107	90	151	599	251	251		
Hortifrut Chile S.A.	BCI	Offsetting	Sale	USD	3,308	CLP	4,023	715	496	210	-	-	706	-	-		
Hortifrut Chile S.A.	Estado	Offsetting	Sale	USD	2,352	CLP	2,593	241	168	70	-	-	238	-	-		
Hortifrut Chile S.A.	Santander	Offsetting	Sale	USD	3,495	CLP	3,831	336	160	67	38	62	327	112	112		
Hortifrut Chile S.A.	Scotiabank	Offsetting	Sale	USD	6,279	CLP	6,679	400	37	15	117	194	363	325	325		
Hortifrut Chile S.A.	BBVA	Offsetting	Sale	USD	2,276	CLP	2,616	340	227	22	30	53	332	162	162		
Hortifrut S.A.	BCI	Offsetting	Sale	USD	2,318	CLP	2,815	497	449	43	-	-	492	-	-		
Hortifrut S.A.	Estado	Offsetting	Sale	USD	1,022	CLP	1,125	103	84	18	-	-	102	-	-		
Hortifrut S.A.	Santander	Offsetting	Sale	USD	1,775	CLP	1,943	168	110	16	18	22	166	69	69		
Hortifrut S.A.	Scotiabank	Offsetting	Sale	USD	2,256	CLP	2,401	145	18	4	41	69	132	207	207		
Agricola Mataquito S.A.	Santander	Offsetting	Sale	USD	516	CLP	543	27	22	4	-	-	26	-	-		
Agricola y Gan. Santa Rosa S.A.	Santander	Offsetting	Sale	USD	383	CLP	403	20	17	3	-	-	20	-	-		
		Total	12/31/2017		32,609		36,329	3,720	2,135	586	334	551	3,606	1,126	1,126		

As of December 31, 2016:

										Mark-to-Market									
Company	Bank	Contract		Fees		Liabilities		Closing Value		Net Effect		Maturity up to				Total current	Maturity up to		Total non-current
		Type	Type	Currency	Amount	Currency	Amount	Offsetting	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	12/31/2016	1 to 2 years	12/31/2016				
																ThUS\$	ThUS\$	ThUS\$	ThUS\$
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	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	276			
Hortifrut Chile S.A.	Chile	Offsetting	Sale	EUR	3,638	USD	3,840	202	134	49	-	-	183	-	-	-			
Hortifrut Chile S.A.	Itau-Corbanco	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	98			
Hortifrut S.A.	BCI	Offsetting	Sale	USD	5,910	CLP	6,414	504	186	17	44	63	310	194	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	-	-	-			
Total		12/31/2016			51,500		55,092	3,592	1,734	508	215	335	2,792	709	709	709			

Type of fees from the company's perspective.

- c) The detail of the current option operations, as of December 31, 2017 and 2016, held by Hortifrut S.A. and subsidiaries is:

Company	Bank	Contract	Type	Fees	Liabilities		Closing Value	Net Effect	MTM Closing	
		Type		Currency	Amount	Currency	Amount	Offsetting	Exch. Rate	Maturity
					ThUS\$	ThUS\$	ThUS\$	ThUS\$		
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	851	USD	691	160	158	19-Jan-18
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	616	USD	501	115	114	20-Feb-18
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	402	USD	327	75	74	20-Mar-18
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	286	USD	232	54	53	20-Apr-18
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	259	USD	210	49	48	18-May-18
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	232	USD	189	43	43	20-Jun-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	982	USD	798	184	183	19-Jan-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	552	USD	449	103	102	20-Feb-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	162	USD	132	30	30	20-Mar-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	69	USD	56	13	13	20-Apr-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	42	USD	34	8	8	18-May-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	48	USD	39	9	8	20-Jun-18
Total			12/31/2017		4,501		3,658	843	834	

Company	Bank	Contract	Type	Fees	Liabilities		Closing Value	Net Effect	MTM Closing	
		Type		Currency	Amount	Currency	Amount	Offsetting	Exch. Rate	Maturity
					ThUSS	ThUSS	ThUSS	ThUSS		
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
Total			12/31/2016		4,346		3,954	392	355	

- d) The detail of the non-current option operations as of December 31, 2017 and 2016, held by Hortifrut S.A. and subsidiaries is as follows:

<u>Company</u>	<u>Bank</u>	<u>Contract</u>		<u>Fees</u>		<u>Liabilities</u>		<u>Closing Value</u>	<u>Net Effect</u>	<u>MTM Closing</u>	
		<u>Type</u>	<u>Type</u>	<u>Currency</u>	<u>Amount</u>	<u>Currency</u>	<u>Amount</u>	<u>Amount</u>	<u>Offsetting</u>	<u>Exch. Rate</u>	<u>Maturity</u>
					<u>ThUS\$</u>			<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</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
Total			12/31/2016		4,501			4,094	407	347	

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

The detail of trade debtors and other accounts receivable as of December 31, 2017, December 31, 2016 and January 01, 2016, is as follows:

31-Dec-17						
	<u>Sales</u>	<u>Receivable</u>	<u>Other</u>	<u>Recoverable</u>	<u>Allowance</u>	
	<u>ThUS\$</u>	<u>documents</u>	<u>receivables</u>	<u>taxes</u>	<u>for doubtful</u>	<u>Total</u>
Current per country of origin		<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>accounts</u>	<u>ThUS\$</u>
Chile	5,870	2,546	1,393	6,035	(239)	15,605
Spain	14,125	-	918	9,138	(13)	24,168
Mexico	94	-	6,248	1,376	(2,531)	5,187
United States	2	-	-	-	-	2
Brazil	548	-	179	242	(79)	890
Argentina	-	-	210	30	-	240
Total	20,639	2,546	8,948	16,821	(2,862)	46,092

31-Dec-16						
	<u>Sales</u>	<u>Receivable</u>	<u>Other</u>	<u>Recoverable</u>	<u>Allowance</u>	
	<u>ThUS\$</u>	<u>documents</u>	<u>receivables</u>	<u>taxes</u>	<u>for doubtful</u>	<u>Total</u>
Current per country of origin		<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>accounts</u>	<u>ThUS\$</u>
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
Total	19,764	1,391	9,597	13,945	(2,119)	42,578

01-Jan-16						
	<u>Sales</u>	<u>Receivable</u>	<u>Other</u>	<u>Recoverable</u>	<u>Allowance</u>	
	<u>ThUS\$</u>	<u>documents</u>	<u>receivables</u>	<u>taxes</u>	<u>for doubtful</u>	<u>Total</u>
Current per country of origin		<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>accounts</u>	<u>ThUS\$</u>
Chile	5,428	2,765	1,526	9,089	(1,029)	17,779
Spain	10,253	-	170	1,705	(10)	12,118
Mexico	4,728	-	8,419	795	(1,213)	12,729
Brazil	647	-	545	-	-	1,192
Argentina	-	-	320	437	(63)	694
Total	21,056	2,765	10,980	12,026	(2,315)	44,512

The concept others, mainly corresponds to advanced payments to producers (which will be liquidated within the season) and suppliers. The provision corresponds to the impairment of trade debtors and other accounts receivable.

The detail of non-current fees receivable as of December 31, 2017, December 31, 2016 and January 01, 2016, is as follows:

Non-current	31-Dec-17	31-Dec-16	1-Jan-16
	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Non-current debtors and accounts receivable	660	803	475
Other non-current fees receivable	955	991	811
Total non-current fees receivable	<u>1,615</u>	<u>1,794</u>	<u>1,286</u>

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

	31-Dec-17	31-Dec-16	1-Jan-16
	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Tax receivable accounts			
Iva (VAT) tax credit	16,526	12,812	9,956
Customs refund	-	71	184
Other recoverable taxes	295	1,062	1,886
Total	<u>16,821</u>	<u>13,945</u>	<u>12,026</u>

The fair value of trade debtors 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 December 31, 2017 and December 31, 2016. Below is an analysis by age of trade debtors and accounts receivable:

Terms	NON SECURITIZED PORTFOLIO		NON SECURITIZED PORTFOLIO	
	Customers non re-negotiated portfolio	Amount non re-negotiated portfolio	Customers non re-negotiated portfolio	Amount non re-negotiated portfolio
	<u>N°</u>	<u>ThUSD</u>	<u>N°</u>	<u>ThUSD</u>
Non past due	503	20,797	588	19,360
From 1 to 30 days	164	764	42	843
From 31-60 days	50	575	30	300
From 61-90 days	24	839	25	271
From 91-120 days	7	51	25	207
From 121-150 days	6	8	12	173
From 151 to 180 days	4	1	9	81
From 181 to 210 days	7	6	12	3
From 211 to 250 days	17	176	17	39
Over 250 days	109	628	217	681
Total	<u>891</u>	<u>23,845</u>	<u>977</u>	<u>21,958</u>
Provision		<u>(412)</u>		<u>(675)</u>
Total (net)		<u>23,433</u>		<u>21,283</u>

The stratification of the portfolio includes: Sales debtors, Notes receivable, non-current debtors in the item non-current accounts receivable.

The analysis of future maturities (future flows) of these accounts is as follows:

	31-Dec-17	31-Dec-16
Terms	<u>ThUS\$</u>	<u>ThUS\$</u>
Non past due	7,569	7,993
From 1 to 30 days	19,368	11,976
From 31-60 days	7,380	10,961
From 61-90 days	353	1,065
From 91-120 days	2,570	2,252
From 121-150 days	139	2,180
From 151 to 180 days	79	442
From 181 to 210 days	6	130
Over 250 days	8,628	5,579
Total	<u>46,092</u>	<u>42,578</u>

The amounts corresponding to trade debtors and other impaired accounts receivable, are totally provisioned and are as follows:

	31-Dec-17	31-Dec-16	1-Jan-16
	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
National trade debtors	202	447	371
Receivable documents	210	228	508
Other accounts receivable	2,450	1,444	1,436
Total	<u>2,862</u>	<u>2,119</u>	<u>2,315</u>

Balances due to currency that make up trade debtors and other accounts receivable as of December 31, 2017 and 2016 and January 01, 2016, are as follows:

Type of currency	31-Dec-17	31-Dec-16	1-Jan-16
	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
United States Dollar	8,830	12,903	14,894
Chilean Peso	9,700	13,500	11,122
Euro	15,342	11,088	11,603
Mexican Peso	2,969	792	4,492
Argentine Peso	240	489	693
Brazilian Real	801	801	1,192
Peruvian Nuevo Sol	8,210	3,005	516
Total	<u>46,092</u>	<u>42,578</u>	<u>44,512</u>

The Company constitutes provisions based on estimations and due to the evidence of impairment of trade debtors and others. 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 trade debtor and others as of December 31, 2017, December 31, 2016 and January 01, 2016, is as follows:

Movement	31-Dec-17	31-Dec-16	1-Jan-16
	ThUS\$	ThUS\$	ThUS\$
As of January 01	2,119	2,315	2,215
Provision reversal	-	-	(79)
Write-offs	(356)	(732)	-
Increase in provision	1,058	674	271
Exchange rate difference	41	(138)	(92)
Total	2,862	2,119	2,315

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.

	As of December 31, 2017			As of December 31, 2016		
	Gross exposure as per balance	Gross impaired exposure	Net exposure concentration of risk	Gross exposure as per balance	Gross impaired exposure	Net exposure concentration of risk
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Trade debtors	20,639	(202)	20,437	19,764	(447)	19,317
Notes receivable	2,546	(210)	2,336	1,391	(228)	1,163
Other accounts receivable	8,948	(2,450)	6,498	9,597	(1,444)	8,153
Recoverable taxes	16,821	-	16,821	13,945	-	13,945
Total	48,954	(2,862)	46,092	44,697	(2,119)	42,578

NOTE 11– BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Related parties include the following entities and individuals:

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

11.1. 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 and in Title XV of law N°18.045.

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 December 31, 2017, December 31, 2016 and January 01, 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 Currency</u>	<u>31-Dec-17</u>	<u>31-Dec-16</u>	<u>1-Jan-16</u>
					<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Naturipe Farms LLC	0-E	USA	Associated	USD	22,707	27,168	20,237
Naturipe Value Added Foods LLC	0-E	USA	Associated	USD	12,181	9,892	6,781
Euroberry GmbH	0-E	Germany	Shareholder in subsidiary	EUR	4,714	1,179	-
Valles del Sur SpA	76.243.329-k	Chile	Shareholder	USD	3,394	939	2,275
Euroberry UK Ltd.	0-E	England	Common shareholder	EUR	3,320	-	-
Hortifrut Expofresh S.A.	0-E	Argentina	Associated	USD	993	647	514
Naturipe Berry Growers, LLC	0-E	USA	Associated	USD	615	-	404
Cooperativa de Agricultores Gijon.	0-E	Spain	Subsidiary of a common shareholder in subsidiary	EUR	47	39	221
Tierra de Arándanos S.A.	0-E	Argentina	Common shareholder in associated	USD	43	-	-
Atlantic Green S.L.	0-E	Spain	Common shareholder	EUR	35	31	33
Juan Carlos Garcia	0-E	Spain	Common shareholder	USD	28	33	40
Agricola San José de Tilama S.A.	76.043.289-K	Chile	Common shareholder	USD	25	36	-
Agricola Nueva Cabildo S.A.	76.107.465-2	Chile	Common shareholder	USD	24	1	39
Munger Hortifrut North America, LLC	0-E	USA	Associated	USD	3	3,710	-
Global Organics S.A.	76.404.690-0	Chile	Common shareholder	CLP	2	-	-
Atlantic Blue, S.L.	0-E	Spain	Common shareholder	EUR	1	205	-
S.A.T. Hortifrut H-0030	0-E	Spain	Associated	EUR	-	1,503	6,440
Naturipe Brand, LLC	0-E	USA	Associated	USD	-	200	-
Munger Farms, LLC	0-E	USA	Common shareholder	USD	-	117	-
Margesi S.A.	0-E	Argentina	Associated	USD	-	59	59
Hortifrut Berries Maroc SRL.	0-E	Argentina	Common shareholder	USD	-	-	382
Vilcun Organics SpA	76.158.225-9	Chile	Common shareholder	USD	-	-	210
Agricola e Inmobiliaria Lumaco S.A.	96.761.430-0	Chile	Common shareholder	CLP	-	-	2
Berry Blue, LLC	0-E	USA	Associated	USD	-	-	3
Sociedad Agrícola Catapilco Limitada	78241100-4	Chile	Shareholder in subsidiary	CLP	-	-	915
Total					48,132	45,759	38,555

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>31-Dec-17</u>	<u>31-Dec-16</u>	<u>1-Jan-16</u>
					<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Hortifrut Berries Maroc SRL	0-E	Morocco	Associated	EUR	4,243	1,983	-
S.A.T. Hortifrut H-0030	0-E	Spain	Associated	EUR	2,729	3,485	3,485
Tierras de Berries S.A.	0-E	Argentina	Common shareholder in associated	USD	1,088	2,192	3,252
Hortifrut Tal S.A.C	0-E	Peru	Associated	USD	-	-	2,788
Atlantic Blue,S.L.	0-E	Spain	Common shareholder	EUR	-	-	144
Total					8,060	7,660	9,669

Accounts receivable held with Hortifrut Berries Maroc SARL correspond to successive working capital loans granted by Hortifrut España Southern Sun SL, while the development stage of this investment lasts. These loans accrue an annual 3% interest, with expiry in November 2027.

The collection balance held with Tierra de Berries S.A. corresponds to the financing granted in 2015, by Naturipe Farms Imports LLC, to finance the purchase of the company Margesi S.A. (Argentina). This financing will be recovered through the delivery of the berries production of the fields that this company owns in two seasons, extendable to three.

11.2. Accounts payable to related entities

Accounts payable to related entities as of December 31, 2017, December 31, 2016 and January 01, 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>31-Dec-17</u>	<u>31-Dec-16</u>	<u>1-Jan-16</u>
					<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Andes Sur Inversiones Ltda.	76.463.392-K	Chile	Common shareholder	CLP	2,192	888	-
Hortifrut Tal S.A.C	0-E	Peru	Associated	USD	1,124	727	-
Expofresh S.A.	0-E	Argentina	Common shareholder	USD	1,002	2,905	83
Tal S.A.C.	0-E	Peru	Subsidiary of a Shareholder in associated	USD	736	1,163	563
Agricola Santa Carmen Ltda	86.776.400-3	Chile	Common shareholder	USD	724	324	456
Munger Bros. LLC	0-E	USA	Common shareholder	USD	125	125	-
Monarch Nut Company, LLC	0-E	USA	Common shareholder	USD	113	-	-
Agricola e Inmobiliaria Don Vitoco Ltda.	76.849.930-6	Chile	Common shareholder	CLP	45	3	27
Atlantic Blue Berries Maroc, SARL	0-E	Spain	Common shareholder	EUR	39	14	66
Santa Maria de Gorbea S.A.	99.567.570-6	Chile	Common shareholder	CLP	26	23	79
Pacific Berry Breeding, LLC	0-E	USA	Associated	USD	9	13	57
Berry Blue, LLC	0-E	USA	Associated	USD	7	-	-
Sociedad Agrícola Catapilco Limitada	78.241.100-4	Chile	Shareholder in subsidiary	CLP	-	314	-
Naturipe Berry Growers, LLC	0-E	USA	Associated	USD	-	177	-
Arandanos del Rocío, S.L.	0-E	Spain	Common shareholder	EUR	-	32	-
Agricola e Inmobiliaria Lumaco S.A.	96.761.430-0	Chile	Common shareholder	CLP	-	3	-
Inversiones Canihua S.A.	95.526.000-7	Chile	Common shareholder	CLP	-	-	915
Agricola San José de Tilama S.A.	76.043.289-K	Chile	Common shareholder	USD	-	-	7
Total					6,142	6,711	2,253

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

<u>Non-current accounts payable</u>	<u>RUT</u>	<u>Country of origin</u>	<u>Nature of the relationship</u>	<u>Type of Currency</u>	<u>31-Dec-17</u>	<u>31-Dec-16</u>	<u>1-Jan-16</u>
					<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Royal Berries S.L.	0-E	Spain	Affiliated of a Shareholder in subsidiary	EUR	10,542	10,286	10,316
Inversiones Canihua S.A.	95.526.000-7	Chile	Common shareholder	CLP	1,057	971	-
Inversiones Purranque S.A.	96.539.710-8	Chile	Shareholder in subsidiary	CLP	472	433	408
Munger Bros, LLC	0-E	USA	Common shareholder	USD	-	-	12,010
Total					12,071	11,690	22,734

The payable balance held with Royal Berries SL corresponds to the pending instalment payments for the purchase of the berries varietal license to exploit in America. The contract was subscribed in July 2015 for the total amount of US\$20 million, with Hortifrut immediately paying 50%. The balance is being paid in annual instalments until the year 2022, which will accrue an annual interest of 2.9%.

Accounts payable to Inversiones Canihua S.A. and Inversiones Purranque S.A., correspond to investment financing with a liquidation period higher than 3 years.

11.3. Transactions with related parties and their effects on results

The operations and their effects on results for the periods ending December 31, 2017 and 2016 are presented:

Company	RUT	Nature of the relationship	Description of the transaction	31-Dec-17		31-Dec-16	
				Amount of transaction	Effect on profit or loss (charge) deposit	Amount of transaction	Effect on profit or loss (charge) deposit
				ThUS\$	ThUS\$	ThUS\$	ThUS\$
Naturipe Farms LLC	0-E	Associated	Fruit sales	183,177	17,343	217,711	22,446
Naturipe Farms LLC	0-E	Associated	Income from Packing services, materials and others	97	-	-	-
Naturipe Farms LLC	0-E	Associated	Fruit purchase	115	11	-	-
S.A.T. Hortifrut H-0030	0-E	Associated	Fruit sales	14,376	1,361	25,667	2,646
S.A.T. Hortifrut H-0030	0-E	Associated	Earned interests	85	(85)	-	-
S.A.T. Hortifrut H-0030	0-E	Associated	Fruit purchase	-	-	149	-
Agricola Santa Carmen Ltda.	86.776.400-3	Common shareholder	Fruit purchase	10,112	-	14,117	-
Agricola Santa Carmen Ltda.	86.776.400-3	Common shareholder	Income from Packing services, materials and others	807	-	861	-
Agricola Santa Carmen Ltda.	86.776.400-3	Common shareholder	Income from plant sales	116	11	314	32
Naturipe Value Added Foods LLC	0-E	Associated	Fruit sales	15,917	1,507	29,651	3,057
Naturipe Value Added Foods LLC	0-E	Associated	Fruit purchase	-	-	205	-
Naturipe Berry Growers LLC	0-E	Associated	Fruit sales	3,860	365	5,283	545
Sociedad Agrícola Catapilco Ltda.	78.241.100-4	Shareholder in subsidiary	Advanced purchase of plants (Nursery)	5,184	-	6,332	-
Sociedad Agrícola Catapilco Ltda.	78.241.100-4	Shareholder in subsidiary	Received services	-	-	22	-
Agrícola e Inmobiliaria Don Vitoco Ltda.	76.849.930-6	Common shareholder	Fruit purchase	71	-	90	-
Agrícola e Inmobiliaria Don Vitoco Ltda.	76.849.930-6	Common shareholder	Income from Packing services, materials and others	36	-	40	-
Atlantic Blue S.L.	0-E	Common shareholder in subsidiary	Fruit sales	-	-	176	18
Valles del Sur SpA	76.243.329-k	Shareholder	Fruit purchase	6,783	-	9,141	-
Valles del Sur SpA	76.243.329-k	Shareholder	Income from Packing services, materials and others	818	-	816	-
Valles del Sur SpA	76.243.329-k	Shareholder	Income from plant sales	634	60	523	54
Agrícola San José de Tilama S.A.	76.043.289-K	Common shareholder	Fruit purchase	1,866	-	1,938	-
Agrícola San José de Tilama S.A.	76.043.289-K	Common shareholder	Income from Packing services, materials and others	-	-	169	-
Agrícola San José de Tilama S.A.	76.043.289-K	Common shareholder	Income from plant sales	132	12	56	6
Vilcun Organics SPA	76.158.225-9	Common shareholder	Income from Packing services, materials and others	135	-	-	-
Vilcun Organics SPA	76.158.225-9	Common shareholder	Fruit purchase	-	-	1,722	-
Santa María de Gorbea S.A.	99.567.570-6	Common shareholder	Income from Packing services, materials and others	-	-	20	-
Santa María de Gorbea S.A.	99.567.570-6	Common shareholder	Fruit purchase	80	-	254	-
Agrícola Nueva Cabildo S.A.	76.107.465-2	Common shareholder	Fruit purchase	320	-	348	-
Agrícola Nueva Cabildo S.A.	76.107.465-2	Common shareholder	Income from Packing services, materials and others	31	-	33	-
Agrícola Nueva Cabildo S.A.	76.107.465-2	Common shareholder	Income from plant sales	25	2	-	-
Horacio Schmidt Cortes	3.171.221-1	Shareholder in subsidiary	Received services	-	-	3	-
Andes Sur Inversiones Limitada	76.463.392-K	Shareholder in subsidiary	Paid dividend	217	-	1,092	-
Andes Sur Inversiones Limitada	76.463.392-K	Shareholder in subsidiary	Received loan	1,204	-	883	-
San José Farms S.A.	77.403.750-0	Shareholder	Received services	-	-	10	-
Hortifrut Tal S.A.C	0-E	Associated	Fruit purchase	55,466	-	36,046	-

Company	RUT	Nature of the relationship	Description of the transaction	31-Dec-17		31-Dec-16	
				Amount of transaction	Effect on profit or loss (charge)/ deposit	Amount of transaction	Effect on profit or loss (charge)/ deposit
				ThUS\$	ThUS\$	ThUS\$	ThUS\$
Hortifrut Tal S.A.C	0-E	Associated	Income from plant sales	2,891	274	1,081	111
Tal S.A.C	0-E	Subsidiary of a Shareholder in associated	Fruit purchase	11,786	-	21,547	-
Tal S.A.C	0-E	Subsidiary of a Shareholder in associated	Income from plant sales	1,202	114	813	-
Tierras de Berries S.A.	0-E	Common shareholder in associated	Advanced payments to producer	-	-	-	-
Tierras de Berries S.A.	0-E	Common shareholder in associated	Granted loans	-	-	-	-
Tierras de Berries S.A.	0-E	Common shareholder in associated	Income from plant sales	-	-	306	66
Tierras de Berries S.A.	0-E	Common shareholder in associated	Collection of advanced payments	-	-	1,060	-
Expofresh S.A.	0-E	Common shareholder in associated	Fruit purchase	16,998	-	16,419	-
Expofresh S.A.	0-E	Common shareholder in associated	Advanced payments to producer	-	-	-	-
Royal Berries S.L.	0-E	Common shareholder	Fruit sales	11	1	18	2
Royal Berries S.L.	0-E	Common shareholder	Income from plant sales	166	16	-	-
Royal Berries S.L.	0-E	Common shareholder	Berries genetics (plants)	-	-	-	-
Royal Berries S.L.	0-E	Common shareholder	Purchase of plants (Royalty)	-	-	1,338	(1,338)
Royal Berries S.L.	0-E	Common shareholder	Payment-Purchase berries genetics (plants)	1,429	-	1,254	-
Royal Berries S.L.	0-E	Common shareholder	Interest expenses	207	(207)	268	(268)
Atlantic Green S.L.	0-E	Associated	Fruit sales	-	-	-	-
Agricola e Inmobiliaria Lumaco S.A.	96.761.430-0	Common shareholder	Income from Packing services, materials and others	15	-	17	-
Agricola e Inmobiliaria Lumaco S.A.	96.761.430-0	Common shareholder	Lease	(17)	-	(51)	-
Inversiones Canihua	95.526.000-7	Shareholder in subsidiary	Income from Packing services, materials and others	-	-	-	-
Inversiones Canihua S.A.	95.526.000-7	Shareholder in subsidiary	Paid dividend	-	-	375	-
Hortifrut Berries Maroc SRL	0-E	Associated	Granted loans	1,739	-	1,844	-
Hortifrut Berries Maroc SRL	0-E	Associated	Gained interests	78	78	58	58
Hortifrut Berries Maroc SRL	0-E	Associated	Income from plant sales	165	16	123	13
Hortifrut Berries Maroc SRL	0-E	Associated	Fruit purchase	35	-	-	-
Atlantic Blue Berries Maroc, SARL	0-E	Common shareholder	Fruit purchase	7,318	-	-	-
Tierras de Arándanos S.A.	0-E	Common shareholder in associated	Income from plant sales	-	-	56	16
Margesi S.A.	0-E	Associated	Income from plant sales	-	-	23	8
Naturipe Value Added Fresh LLC	0-E	Associated	Fruit sales	9,144	866	9,671	997
Naturipe Value Added Fresh LLC	0-E	Associated	Fruit purchase	-	-	-	-
Euroberry GMBH	0-E	Shareholder in subsidiary	Fruit sales	10,342	979	1,193	123
Munger Farm LLC	0-E	Common shareholder	Income from plant sales	1,313	124	-	-
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	17	2	-	-
Munger Hortifrut North America, LLC	0-E	Associated	Income from Packing services, materials and others	261	-	-	-
Munger Hortifrut North America, LLC	0-E	Associated	Income from plant sales	3,057	289	-	-
Munger Hortifrut North America, LLC	0-E	Associated	Granted loans	8,207	-	-	-
Munger Hortifrut North America, LLC	0-E	Associated	Collection of loans	11,590	-	-	-
Euroberry UK Ltd.	0-E	Common shareholder	Fruit sales	1,286	122	-	-
Hortifrut Expofresh S.A.	0-E	Associated	Fruit purchase	75	-	-	-
SVA Fruits Ltd.	0-E	Common shareholder in associated	Income from Packing services, materials and others	42	4	-	-
Global Organics S.A.	76.404.690-0	Common shareholder	Income from Packing services, materials and others	20	2	-	-
Arandanos del Rocio	0-E	Common shareholder in associated	Fruit sales	7	1	-	-
Atlantic Green S.L.	0-E	Common shareholder	Fruit sales	29	3	-	-

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 and 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 December 31, 2017 reach ThUS\$971, of which ThUS\$258 correspond to ownership interests. For the same period in 2016 the total of allowances, remunerations and ownership interests reached ThUS\$764.

The total gross remuneration received by the main executives at Hortifrut and subsidiaries reached ThUS\$4,221 as of December 31, 2017 and ThUS\$4,190 as of December 31, 2016.

The main 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 – INVENTORIES

The stock detail at the closing of the period ending December 31, 2017, December 31, 2016 and January 01, 2016, is as follows:

<u>Types of inventory</u>	31-Dec-17	31-Dec-16	1-Jan-16
	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Finished products	29,016	39,749	22,101
Raw material	1,352	648	2,238
Frozen finished products	1,937	3,582	6,348
Materials and supplies	13,358	13,749	11,688
Provision for obsolescence	(1,107)	(917)	(696)
Total	<u>44,556</u>	<u>56,811</u>	<u>41,679</u>

	31-Dec-17	31-Dec-16	1-Jan-16
<u>Provision for obsolescence</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
As of January 01	917	696	619
Increase of provision	190	221	77
Total	<u>1,107</u>	<u>917</u>	<u>696</u>

The provision for obsolescence, corresponds to the cost of packing materials that are obsolete or whose use has been discontinued.

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 December 31, 2017 and December 31, 2016, no inventory has been pledged as security.

The cost of inventory recognized as cost of sales in the periods ending December 31, 2017 and 2016 reach ThUS\$180,961 and ThUS\$192,169 respectively (see Note 30.1).

In order to mitigate the risk of loss of inventory, the Company maintains contracted insurances as of December 31, 2017 (See Note 4.3).

NOTE 13 – BIOLOGICAL ASSETS, CURRENT

The movements of current biological assets as of the closing of the periods ending December 31, 2017, December 31, 2016 and January 01, 2016 are the following:

	31-Dec-17	31-Dec-16	1-Jan-16
<u>Movement</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Opening biological assets	6,856	7,182	6,989
Increase due to capitalization of costs	21,538	22,328	17,805
Exchange rate adjustment	(10)	95	-
Additions / transfers	-	-	264
Adjustment to fair value	1,640	-	-
Amortization	(234)	(144)	(257)
Consumption	(20,074)	(22,605)	(17,619)
Total	9,716	6,856	7,182

As described in Note 3.4, the Company performs the valuation of agricultural products that grow on “bearer plants” as of the date of issuance of the financial statements. As of December 31, 2017, the expected margin of fruit on “bearer plants” of the Agrícola Hortifrut S.A. company are recognized, for an amount that reaches ThUS\$1,640.

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:

	31-Dec-17	31-Dec-16	1-Jan-16
<u>Current</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Advanced payment of blueberry plants	2,326	3,791	1,813
Advanced expenses (lease)	826	676	58
Advanced expenses	2,368	795	899
Advanced payment for water fee collection	-	-	1,408
Payments in guarantee	94	36	-
Advanced freight payment	-	222	2,465
Total	<u>5,614</u>	<u>5,520</u>	<u>6,643</u>

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

	31-Dec-17	31-Dec-16	1-Jan-16
<u>Non-Current</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Advanced payment for water fee collection	1,361	1,371	-
Advanced expenses (lease)	56	145	11
Total	<u>1,417</u>	<u>1,516</u>	<u>11</u>

NOTE 15 – INVESTMENTS IN SUBSIDIARIES

The Company has investments in companies that have been recognized 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 December 31, 2017 and December 31, 2016, is as follows:

Companies	RUT	Country of Origin	Functional Currency	31-Dec-17			31-Dec-16
				Direct	Indirect	Total	Total
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
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
Berries de Panguipulli SPA	76.243.167-K	Chile	US\$	-	-	-	100.0000
Inversiones Hortifrut S.A. and subsidiaries	99.524.540-k	Chile	US\$	99.9999	0.0001	100.0000	100.0000
Bery good Comercial Importadora	Foreigner	Brazil	RBR	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	SAR	-	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
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
Asian Berries Limited	Foreigner	Yuan	CNY	-	100.0000	100.0000	-
Honghe Jiayu Agriculture Limited	Foreigner	Yuan	CNY	-	51.0000	51.0000	-

The Companies detailed in the first margin, correspond to direct subsidiaries and those in the second margin are the companies where control is maintained indirectly, but that form part of the consolidated financial statements of front line companies (Note 3.1.2).

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.

Movements in Subsidiaries in 2017

During the period ending December 31, 2017, the Asian Berries Limited company was incorporated to the consolidation of the financial statements of the Hortifrut group.

On November 01, 2017, the Berries de Panguipulli SpA. company was absorbed by the Agrícola Hortifrut S.A. company.

On November 01, 2017, the Top Berries & Fruit SpA. company, was absorbed by the Hortifrut Chile S.A. company.

On June 30, 2017, the Colmenares Hortisur SpA, company was absorbed by the Berries de Panguipulli SpA. Company.

Euroberry Ltd. (England), subsidiary of Hortifrut Europa S.L., was dissolved in April 2017.

Movements in Subsidiaries in 2016

In this period 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 property of 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.

Summarized financial information of significant subsidiaries

Below we present the statements of financial position, income statements and cash flows as of December 31, 2017 and 2016:

Balance	31-Dec-17						
	Assets		Assets	Liabilities		Liabilities	Equity
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Total ThUS\$
Hortifrut Chile and Subsidiaries	156,559	143,833	300,392	179,615	47,773	227,388	73,004
Inversiones Hortifrut S.A. and Subsidiaries	97,377	186,955	284,332	19,466	181,657	201,123	83,209
Agrícola Vida Nueva S.A.	1,371	11,521	12,892	3,053	1,948	5,001	7,891
Agrícola El Avellano S.A. and Subsidiaries	1,277	7,775	9,052	2,505	1,341	3,846	5,206
Agrícola Hortifrut S.A.	6,970	46,971	53,941	816	9,675	10,491	43,450
Agrícola Mataquito S.A.	1,799	16,713	18,512	10,047	5,523	15,570	2,942
Agrícola Santa Rosa del Parque S.A.	1,621	5,952	7,573	1,332	1,870	3,202	4,371
Agrícola y Ganadera Sta Rebeca Ltda	25	155	180	13	-	13	167
Total	266,999	419,875	686,874	216,847	249,787	466,634	220,240

Results	31-Dec-17				
	Operating Revenue	Costs and Expenses	Other Results	Taxes	Gains (loss)
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Hortifrut Chile and Subsidiaries	193,086	(164,614)	(2,777)	(6,305)	19,390
Inversiones Hortifrut S.A. and Subsidiaries	302,918	(302,307)	4,482	1,098	6,191
Agrícola Vida Nueva S.A.	3,426	(2,993)	(177)	14	270
Colmenares Hortisur SpA	4	(87)	2	23	(58)
Agrícola El Avellano S.A. and Subsidiaries	2,896	(3,145)	(151)	322	(78)
Agrícola Hortifrut S.A.	7,150	(4,813)	(33)	(224)	2,080
Agrícola Mataquito S.A.	3,751	(3,280)	(706)	194	(41)
Agrícola Santa Rosa del Parque S.A.	3,292	(1,998)	(96)	(228)	970
Top Berries & Fruit SpA	3,105	(2,068)	(143)	(138)	756
Berries de Panguipulli SpA	4,877	(4,399)	2	(25)	455
Agrícola y Ganadera Sta Rebeca Ltda	60	(67)	1	8	2
Total	524,565	(489,771)	404	(5,261)	29,937

Flows	31-Dec-17			
	Operating Flows	Investment Flows	Financing Flows	Total
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Hortifrut Chile and Subsidiaries	59,411	(9,660)	(58,198)	(8,447)
Inversiones Hortifrut S.A. and Subsidiaries	(326)	(22,409)	23,511	776
Agricola Vida Nueva S.A.	670	(190)	(545)	(65)
Colmenares Hortisur SpA	92	(196)	-	(104)
Agricola El Avellano S.A. and Subsidiaries	491	184	(392)	283
Agricola Hortifrut S.A.	1,106	(899)	-	207
Agricola Mataquito S.A.	17	(4,143)	4,294	168
Agricola Santa Rosa del Parque S.A.	572	(731)	(175)	(334)
Top Berries & Fruit SpA	878	(382)	(513)	(17)
Berries de Panguipulli SpA	1,773	2	(1,799)	(24)
Agricola y Ganadera Sta Rebeca Ltda	41	(25)	(12)	4
Total	64,725	(38,449)	(33,829)	(7,553)

Balance	31-Dec-16						
	Assets		Assets	Liabilities		Liabilities	Equity
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Total ThUS\$
Hortifrut Chile and Subsidiaries	175,468	93,161	268,629	188,015	33,598	221,613	47,016
Inversiones Hortifrut S.A. and Subsidiaries	83,301	143,041	226,342	97,151	62,928	160,079	66,263
Agricola Vida Nueva S.A.	1,200	12,303	13,503	3,813	2,099	5,912	7,591
Colmenares Hortisur SpA	276	158	434	28	-	28	406
Agricola El Avellano S.A. and Subsidiaries	701	8,094	8,795	1,687	1,824	3,511	5,284
Agricola Hortifrut S.A.	1,939	25,350	27,289	637	4,501	5,138	22,151
Agricola Mataquito S.A.	1,106	12,319	13,425	6,867	3,595	10,462	2,963
Agricola Santa Rosa del Parque S.A.	1,726	5,547	7,273	1,790	1,664	3,454	3,819
Top Berries & Fruit SpA	919	12,505	13,424	1,549	6,949	8,498	4,926
Berries de Panguipulli SpA	3,395	23,357	26,752	870	5,349	6,219	20,533
Agricola y Ganadera Sta Rebeca Ltda	53	145	198	20	1	21	177
Total	270,084	335,980	606,064	302,427	122,508	424,935	181,129

Results	31-Dec-16				
	Operating Revenue	Costs and Expenses	Other Results	Taxes	Gains (loss)
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Hortifrut Chile and Subsidiaries	228,260	(200,713)	(317)	(6,302)	20,928
Inversiones Hortifrut S.A. and Subsidiaries	339,937	(332,786)	4,841	(4,959)	7,033
Agrícola Vida Nueva S.A.	4,482	(5,452)	(164)	396	(738)
Colmenares Hortisur SpA	179	(115)	4	(15)	53
Agrícola El Avellano S.A. and Subsidiaries	3,035	(3,724)	(177)	399	(467)
Agrícola Hortifrut S.A.	7,812	(7,352)	(133)	156	483
Agrícola Mataquito S.A.	2,433	(7,698)	(242)	1,580	(3,927)
Agrícola Santa Rosa del Parque S.A.	5,057	(2,340)	(149)	(553)	2,015
Top Berries & Fruit SpA	4,300	(2,323)	(60)	(371)	1,546
Berries de Panguipulli SpA	5,810	(4,354)	(74)	(233)	1,149
Agrícola y Ganadera Sta Rebeca Ltda	66	(545)	3	133	(343)
Total	601,371	(567,402)	3,532	(9,769)	27,732

Flows	31-Dec-16			
	Operating Flows	Investment Flows	Financing Flows	Total
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Hortifrut Chile and Subsidiaries	(9,323)	(19,489)	36,181	7,369
Inversiones Hortifrut S.A. and Subsidiaries	57,465	(54,597)	(2)	2,866
Agrícola Vida Nueva S.A.	1,899	(688)	(1,149)	62
Colmenares Hortisur SpA	(88)	-	-	(88)
Agrícola El Avellano S.A. and Subsidiaries	99	(331)	217	(15)
Agrícola Hortifrut S.A.	355	(316)	-	39
Agrícola Mataquito S.A.	(252)	(4,906)	5,138	(20)
Agrícola Santa Rosa del Parque S.A.	3,272	(647)	(2,269)	356
Top Berries & Fruit SpA	1,086	(6,529)	5,446	3
Berries de Panguipulli SpA	436	(458)	-	(22)
Agrícola y Ganadera Sta Rebeca Ltda	13	-	(15)	(2)
Total	54,962	(87,961)	43,547	10,548

NOTE 16 – INVESTMENTS RECORDED USING THE EQUITY METHOD

The Company has recognized as investment in companies the ownership that it has in the following countries:

	<u>31-Dec-17</u>	<u>31-Dec-16</u> Re-expressed	<u>31-Dec-16</u> Re-expressed
<u>Detail per country</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
United States	31,897	32,748	6,093
Spain	1	1	1
Morocco	(561)	64	3
Germanu	15	13	-
Argentina	1,833	2,248	3,011
Chile	1,066	853	726
Peru	33,590	19,547	14,761
	<u>67,841</u>	<u>55,474</u>	<u>24,595</u>

The Company has recognized as investment in companies the ownership that it has in the following companies and in accordance with the detailed movement as of December 31, 2017 and December 31, 2016:

						<u>Share of profit</u>				
			<u>Functional</u>	<u>Interest %</u>			<u>of equity-</u>	<u>Exchange</u>		
							<u>accounted</u>	<u>rate</u>	<u>Other increase</u>	<u>Balance</u>
<u>Company</u>	<u>RUT</u>	<u>Country</u>	<u>currency</u>	<u>Indirect</u>	<u>1-Jan-17</u>	<u>Investment</u>	<u>investees</u>	<u>difference</u>	<u>(decrease)</u>	<u>31-Dec-17</u>
Berry Blue LLC	0-E	USA	Dollar	50.00%	(5)	380	(328)	-	-	47
Pacific Berry Breeding LLC	0-E	USA	Dollar	50.00%	243	100	(301)	-	-	42
Munger Hortifrut N.A. LLC	0-E	USA	Dollar	50.00%	25,539	-	(1,035)	-	-	24,504
Naturipe Brands LLC	0-E	USA	Dollar	30.00%	855	1,167	2	-	-	2,024
Naturipe Farms LLC	0-E	USA	Dollar	30.00%	1,432	(1,291)	89	-	-	230
Naturipe Value Added Foods LLC	0-E	USA	Dollar	27.00%	193	-	-	-	-	193
Naturipe Value Added Fresh, LLC	0-E	USA	Dollar	33.33%	4,491	-	366	-	-	4,857
S.A.T. Hortifrut H-0030	0-E	Spain	Euro	33.00%	1	-	-	-	-	1
Hortifrut Berries Maroc S.R.L.	0-E	Morocco	Dirham	51.00%	64	-	(601)	(24)	-	(561)
Euroberry GmbH	0-E	Germany	Euro	50.00%	13	-	-	2	-	15
Margesi S.A.	0-E	Argentina	Argentine \$	50.00%	2,441	-	(368)	(268)	-	1,805
San Clemente Vitalberry (Shanghai) SpA	0-E	Chile	Dollar	50.00%	853	-	213	-	-	1,066
Hortifrut Tal S.A.C	0-E	Peru	Nuevo Sol	50.00%	19,547	-	11,211	2,832	-	33,590
Hortifrut Expofresh S.A.	0-E	Argentina	Argentine \$	50.00%	(193)	-	220	1	-	28
Total					55,474	356	9,468	2,543	-	67,841

							<u>Share of profit</u> <u>of equity-</u> <u>accounted</u>	<u>Exchange</u> <u>rate</u>	<u>Other increase</u>	<u>Balance</u>
<u>Company</u>	<u>RUT</u>	<u>Country</u>	<u>Functional</u> <u>currency</u>	<u>Interest %</u> <u>Indirect</u>	<u>1-Jan-16</u>	<u>Investment</u>	<u>investees</u>	<u>difference</u>	<u>(decrease)</u>	<u>31-Dec-16</u>
Berry Blue LLC	0-E	USA	Dollar	50.00%	15	250	(270)	-	-	(5)
Pacific Berry Breeding LLC	0-E	USA	Dollar	50.00%	415	-	(172)	-	-	243
Munger Hortifrut N.A. LLC	0-E	USA	Dollar	50.00%	3	25,972	(436)	-	-	25,539
Naturipe Brands LLC	0-E	USA	Dollar	30.00%	149	278	200	-	228	855
Naturipe Farms LLC	0-E	USA	Dollar	30.00%	1,388	-	44	-	-	1,432
Naturipe Value Added Foods LLC	0-E	USA	Dollar	27.00%	193	-	-	-	-	193
Naturipe Value Added Fresh, LLC	0-E	USA	Dollar	33.33%	3,930	-	561	-	-	4,491
S.A.T. Hortifrut H-0030	0-E	Spain	Euro	33.00%	1	-	-	-	-	1
Hortifrut Berries Maroc S.R.L.	0-E	Morocco	Dirham	51.00%	3	104	(36)	(7)	-	64
Euroberry GmbH	0-E	Germany	Euro	50.00%	-	14	-	(1)	-	13
Margesi S.A.	0-E	Argentina	Argentine \$	50.00%	2,796	-	564	(919)	-	2,441
San Clemente Vitalberry (Shanghai) SpA	0-E	Chile	Dollar	50.00%	726	-	127	-	-	853
Hortifrut Tal S.A.C	0-E	Peru	Nuevo Sol	50.00%	14,761	-	4,574	212	-	19,547
Hortifrut Expofresh S.A.	0-E	Argentina	Argentine \$	50.00%	215	-	(216)	(192)	-	(193)
Total					<u>24,595</u>	<u>26,618</u>	<u>4,940</u>	<u>(907)</u>	<u>228</u>	<u>55,474</u>

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

<u>Movement</u>	<u>31-Dec-17</u>	<u>31-Dec-16</u>
	<u>ThUS\$</u>	<u>ThUS\$</u>
Opening balance as of January 01	55,474	24,595
Share of profit of equity - accounted investees	9,468	4,940
Capital contributions (a)	356	26,618
Surplus of revaluation Bearer Plants	-	11,180
Other adjustments	-	228
Adjustments due to exchange rate fluctuations	2,543	(907)
Adjustment change in accounting policy (*)	-	(11,180)
Closing balance	67,841	55,474

(*) Adjustment changes in accounting policy See Note 5

a) Capital contributions

Capital contributions during the period ending December 31, 2017 and the period ending December 31, 2016, are shown in the following detail:

<u>Capital contributions (decrease)</u>	<u>31-Dec-17</u>	<u>31-Dec-16</u>
<u>Company</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Berry Blue LLC	380	250
Pacific Berry Breeding LLC	100	-
Munger Hortifrut N.A. LLC	-	25,972
Naturipe Brands LLC	1,167	278
Naturipe Farms LLC	(1,291)	-
Hortifrut Berries Maroc S.R.L.	-	104
Euroberry GmbH	-	14
Total contributions	356	26,618

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 234-hectare organic blueberry investment plan.

b) New Investments

During the period ending December 31, 2017, the following investment was incorporated:

- Dated April 07, 2017, the subsidiary Euroberry Marketing S.A. (Spain), formed the company Euroberry UK Ltd in England. The new company has as its corporate purpose the commercialization of berries in that country.

During the period ending December 31, 2016, the following investment was incorporated:

- Dated June 21, 2016, the subsidiary Euroberry Marketing S.A. (Spain), 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 December 31, 2017 and the period ending December 31, 2016 no reclassifications of investments for sale took place.

d) Other changes

On October 03, 2017 a framework sale-purchase and merger agreement was signed with the Rocio Group, one of the most important producers, exporters and distributors of blueberries in the southern hemisphere. The aforementioned implies that once the agreement has been materialized, the Hortifrut Tal S.A.C. company together with other companies of the Rocio group, will be incorporated to the consolidation of the Company's financial statements.

e) Summarized financial information

The summarized financial information as of December 31, 2017 and 2016, which is presented below, corresponds to the total assets, liabilities and equity and a summary of the results of the associated companies:

31-Dec-17											
Associated	Current	Non-current	Total	Current	Non-current	Total	Equity	Operating	Costs and	Other	Net profit
	Assets	Assets	Assets	Liabilities	Liabilities	Liabilities		Revenue	Expenses	results	(loss)
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$		ThUS\$	ThUS\$	ThUS\$	ThUS\$
Berry Blue LLC	197	-	197	103	-	103	94	73	(729)	-	(656)
Pacific Berry Breeding LLC	102	98	200	116	-	116	84	571	(1,173)	-	(602)
Munger Hortifrut N.A. LLC	7,600	86,811	94,411	4,938	40,465	45,403	49,008	-	(1,971)	(99)	(2,070)
Naturipe Brands LLC	628	7,730	8,358	1,611	-	1,611	6,747	1,000	(995)	2	7
Naturipe Farms LLC	50,550	1,783	52,333	51,566	-	51,566	767	718,903	(718,583)	(23)	297
Naturipe Value Added Foods LLC	14,637	31	14,668	13,953	-	13,953	715	9,195	(9,195)	-	-
Naturipe Value Added Fresh, LLC	5,209	12,156	17,365	2,793	-	2,793	14,572	23,207	(22,136)	27	1,098
S.A.T. Hortifrut H-0030	9	-	9	6	-	6	3	-	-	-	-
Hortifrut Berries Maroc S.R.L	746	2,736	3,482	647	3,935	4,582	(1,100)	526	(1,621)	(83)	(1,178)
Euroberry GmbH	7,496	-	7,496	7,466	-	7,466	30	14,200	(14,015)	(185)	-
Margesi S.A.	2,635	2,714	5,349	1,391	348	1,739	3,610	3,138	(3,660)	(214)	(736)
San Clemente Vitalberry (Shanghai) SpA	6,675	46	6,721	4,589	-	4,589	2,132	14,038	(13,401)	(211)	426
Hortifrut Tal S.A.C	46,175	71,487	117,662	17,748	32,734	50,482	67,180	58,736	(29,578)	(6,736)	22,422
Hortifrut Expofresh S.A.	985	49	1,034	978	-	978	56	1,386	(886)	(60)	440
Total	143,644	185,641	329,285	107,905	77,482	185,387	143,898	844,973	(817,943)	(7,582)	19,448

31-Dec-16											
Associated	Current	Non-current	Total	Current	Non-current	Total	Equity	Operating	Costs and	Other	Net profit
	Assets	Assets	Assets	Liabilities	Liabilities	Liabilities		Revenue	Expenses	results	(loss)
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$		ThUS\$	ThUS\$	ThUS\$	ThUS\$
Berry Blue LLC	103	-	103	113	-	113	(10)	43	(583)	-	(540)
Pacific Berry Breeding LLC	433	129	562	76	-	76	486	874	(1,218)	-	(344)
Munger Hortifrut N.A. LLC	51,078	-	51,078	-	-	-	51,078	-	(872)	-	(872)
Naturipe Brands LLC	3,057	870	3,927	1,077	-	1,077	2,850	1,000	(333)	-	667
Naturipe Farms LLC	52,736	5,802	58,538	51,997	1,768	53,765	4,773	704,422	(704,468)	193	147
Naturipe Value Added Foods LLC	14,979	26	15,005	14,195	95	14,290	715	8,222	(8,222)	-	-
Naturipe Value Added Fresh, LLC	4,268	11,511	15,779	2,285	20	2,305	13,474	22,837	(21,179)	25	1,683
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	79	(103)	(47)	(71)
Euroberry GmbH	26	-	26	-	-	-	26	-	-	-	-
Margesi S.A.	3,359	3,432	6,791	1,277	632	1,909	4,882	4,526	(3,378)	(20)	1,128
San Clemente Vitalberry (Shanghai) SpA	2,671	113	2,784	1,078	-	1,078	1,706	2,437	(2,206)	23	254
Hortifrut Tal S.A.C	27,413	71,967	99,380	13,882	24,044	37,926	61,454	37,182	(24,299)	(3,735)	9,148
Hortifrut Expofresh S.A.	219	58	277	663	-	663	(386)	2,777	(3,191)	(18)	(432)
Total	161,510	95,326	256,836	87,008	28,652	115,660	141,176	784,399	(770,052)	(3,579)	10,768

NOTE 17 – INTANGIBLE ASSETS OTHER THAN GOODWILL

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

		31-Dec-17	31-Dec-16	1-Jan-16
	<u>Useful Life</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Varietal licenses	Finite	9,887	16,969	23,913
VBM Brand	Indefinite	977	977	977
Water Rights	Indefinite	469	469	469
Relationship with Customers	Finite	2,841	3,107	3,374
Software	Finite	309	272	448
Total		<u>14,483</u>	<u>21,794</u>	<u>29,181</u>

a) Varietal licenses

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

The movement of varietal licenses for the period ending December 31, 2017, the period ending December 31, 2016 and January 01, 2016, is as follows:

<u>Movement</u>	<u>31-Dec-17</u>	<u>31-Dec-16</u>	<u>1-Jan-16</u>
	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Opening balance as of January 01	16,969	23,913	9,392
Investments	-	-	20,000
Cost to Biologicals	-	-	(3,739)
Sales	-	(2,401)	-
Amortization /consumption	(7,082)	(4,543)	(1,740)
Closing balance	<u>9,887</u>	<u>16,969</u>	<u>23,913</u>

b) Software

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

The movement of software for the periods ending December 31, 2017 and 2016 and January 01, 2016 is as follows:

<u>Movement</u>	<u>31-Dec-17</u>	<u>31-Dec-16</u>	<u>1-Jan-16</u>
	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Opening balance as of January 01	272	448	537
Investments	139	1	156
Amortization	(102)	(177)	(245)
Closing balance	<u>309</u>	<u>272</u>	<u>448</u>

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

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

There are intangible assets in use which are totally amortized.

c) Other intangibles

The identified intangible assets are detailed as follows:

		31-Dec-17	31-Dec-16	1-Jan-16
	Useful Life	ThUS\$	ThUS\$	ThUS\$
VBM Brand	Indefinite	977	977	977
Water Rights	Indefinite	469	469	469
Relationship with Customers	Finite	2,841	3,107	3,374
Total		4,287	4,553	4,820

Movement	31-Dec-17	31-Dec-16	1-Jan-16
	ThUS\$	ThUS\$	ThUS\$
Opening balance as of January 01	4,553	4,820	5,086
Amortization	(266)	(267)	(266)
Closing balance	4,287	4,553	4,820

Water rights have an indefinite useful life, since in accordance with the considered factors, there is not a time limit where the asset generates net cash flows for the Company, these are recorded at cost incurred in its purchase.

In accordance with IFRS 3 standard, it is established that, from the date of acquisition, the purchaser must recognize, separate from goodwill, the identifiable assets acquired, the assumed liabilities and any non-parent company interest of the acquired. Therefore in the acquisition of Vital Berry Marketing, intangibles denominated Relationship with Customers and Vitalberry Brand Marketing were generated. (See Note 3.5).

For the period ending December 31, 2017 and 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 December 31, 2017 and 2016.

e) Impairment of Intangibles with indefinite useful life

The Company determines annually if the intangible assets with an indefinite useful life are impaired. This test requires an estimation of 'value in use' of the cash generating units to which the Intangibles with an indefinite useful life are associated. The estimation of the value in use requires that Management performs an estimation of the future cash flows of the cash generating unit (or group of CGU's), and that it also defines an appropriate discount rate to calculate the current value of those cash flows.

Management has not observed signs of impairment in relation to intangibles with an indefinite useful life.

NOTE 18 - GOODWILL

Goodwill 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 goodwill compared as of the closing of each period is as follows:

Investor	Issuer	31-Dec-17	31-Dec-16	1-Jan-16
		<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Hortifrut S.A.	Agrícola El Avellano S.A.	344	344	344
Hortifrut S.A. de C.V.	Hortifrut ABA S.A. de C.V.	342	342	342
Hortifrut S.A.	Vital Berry Marketing SPA	<u>26,083</u>	<u>26,083</u>	<u>26,083</u>
	Total	<u>26,769</u>	<u>26,769</u>	<u>26,769</u>

No movement has taken place under Goodwill between January 1 and December 31, 2017.

The Company determines annually if Goodwill and intangible assets with an indefinite useful life are impaired. This test requires an estimation of 'value in use' of the cash generating units to which Goodwill and Intangibles with an indefinite useful life are associated. The estimation of the value in use requires that Management performs an estimation of the future cash flows of the cash generating unit (or group of CGU's), and that it also defines an appropriate discount rate to calculate the current value of those cash flows.

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

NOTE 19 – PROPERTY, PLANT AND EQUIPMENT

The detail of the different categories of Property, Plant and Equipment and their movements as of December 31, 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
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
As of January 1, 2017 (previously informed)										
Cost or valuation	74,483	20,507	24,152	14,334	2,602	1,899	7,045	126,909	13,725	285,656
Accumulated depreciation	(31,085)	-	(14,210)	(2,132)	(1,898)	(1,071)	(4,316)	(26,081)	-	(80,793)
Net amount as of 01-01-2017, re-expressed	43,398	20,507	9,942	12,202	704	828	2,729	100,828	13,725	204,863
Investments	1,282	158	5,714	2,453	288	232	1,119	20,498	26,564	58,308
Expropriation and write-off	(210)	(255)	(698)	-	(1)	(122)	(73)	(3,224)	(184)	(4,767)
Reclassification	7,491	-	5,526	-	-	63	-	30	(13,110)	-
Depreciation	(5,396)	-	(2,122)	(721)	(248)	(234)	(813)	(6,938)	-	(16,472)
Exchange rate adjustment	653	519	75	1	6	39	42	1,539	254	3,128
Net amount as of 31-12-2017	47,218	20,929	18,437	13,935	749	806	3,004	112,733	27,249	245,060

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
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
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)
Net amount as of 01-01-2016	40,687	16,735	10,585	4,047	809	764	2,679	118,273	7,323	201,902
Investments	4,125	3,703	1,987	7,226	173	251	858	9,322	12,089	39,734
Revaluation (Impairment)	-	-	-	-	-	-	-	(11,014)	-	(11,014)
Expropriations and write-off	(498)	-	(118)	(1)	(39)	(5)	(42)	(4,683)	-	(5,386)
Reclassifications	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
Net amount as of 31-12-2016	43,398	20,507	9,942	12,202	704	828	2,729	103,835	13,725	207,870
Adjustment change in policy	-	-	-	-	-	-	-	(3,007)	-	(3,007)
Net amount as of 31-12-2016 Re-expressed	43,398	20,507	9,942	12,202	704	828	2,729	100,828	13,725	204,863

The measuring of Property, plant and equipment, as well as the depreciation criteria for these, is described in Note 3.3.

Assets in Leasing under the item Property, plant and equipment is separately detailed by item in Note 19 letter e).

“Bearer plants” in the item Property, plant and equipment, separated if they are “in development” or “in production”, are detailed in Note 19 letter h).

As of December 31, 2017, the detail of Property, plant and equipment is as follows:

<u>December 31, 2017</u>			
	Gross Value	Accumulated depreciation	Net value
	ThUS\$	ThUS\$	ThUS\$
Construction and infrastructure works	83,957	(36,739)	47,218
Land	20,929	-	20,929
Machinery and equipment	33,489	(15,052)	18,437
Leased equipment	16,793	(2,858)	13,935
Information Technology (IT) equipment	2,301	(1,552)	749
Furniture and supplies	1,939	(1,133)	806
Motor vehicles	7,838	(4,834)	3,004
Bearer plants	145,868	(33,135)	112,733
Works in progress	27,249	-	27,249
Total Property, plant and equipment	340,363	(95,303)	245,060

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
	ThUS\$	ThUS\$	ThUS\$
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	126,909	(26,081)	100,828
Works in progress	13,725	-	13,725
Total Property, plant and equipment	285,656	(80,793)	204,863

a) Estimated economic useful life or depreciation rate

The estimated economic useful life per type of asset is described in Note 3.3.3

The residual value and the useful life of the assets are checked, and adjusted if necessary, at each reporting date 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 its activity (See Note 4.3).

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 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:

Surface in Hectares	<u>31-Dec-17</u>	<u>31-Dec-16</u>
Blueberries	590	635
Organic Blueberries	630	401
Raspberries	136	163
Blackberries	13	14
Strawberries	65	32
Cherries	7	7
Total Planted Hectares	<u>1,441</u>	<u>1,252</u>
Own Hectares	792	545
Leased Hectares	649	707
Total Hectares	<u>1,441</u>	<u>1,252</u>
Productive Hectares	1,176	1,063
Non Productive Planted Hectares	265	189
Total Hectares	<u>1,441</u>	<u>1,252</u>

d) Loss due to impairment

As of December 31, 2017, 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 which generated an impairment in their book value.

In the 2017 period, recognized impairments are associated to the pulling up of hectares in Chile, Mexico and Spain.

During 2016 an expected reduction was observed in the "producer returns" 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 pull-up of productive hectares.

As indicated in Note 3.3.2, if the book value is modified due to the presence of impairment of "bearer plants", said decrease in value 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, 2017 and December 31, 2016, as detailed below:

	<u>Other Expenses, per function</u>	
	<u>31-Dec-17</u>	<u>31-Dec-16</u>
	<u>ThUS\$</u>	<u>ThUS\$</u>
Chile	641	14,596
Mexico	1,768	3,613
Spain	806	495
Total	<u>3,215</u>	<u>18,704</u>

e) Financial lease

The net book value as of December 31, 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:

<u>Denomination</u>	<u>31-Dec-17</u>	<u>31-Dec-16</u>
	<u>ThUS\$</u>	<u>ThUS\$</u>
<u>Construction</u>		
Administrative offices	1,008	1,053
Parking administrative offices	36	38
Metallic structure 5.3 hectares	246	260
Metallic structure 2.0 hectares	59	62
Metallic Structure Roof	279	-
Greenhouse 4.08 hectares	1,093	1,093
Greenhouse 4.00 hectares	862	-
Molina Plant	4,102	4,194
Total Constructions	<u>7,685</u>	<u>6,700</u>
<u>Land</u>		
Land Molina Plant	236	236
Total Land	<u>236</u>	<u>236</u>
<u>Machinery and equipment</u>		
Blueberries processing line	503	555
IQF processing line	243	324
Molina plant processing line and machinery	1,203	1,352
BBC Filling Machine	632	681
BBC Soft Sorter Machine	659	710
Calibrating and Classifying Machine	1,396	1,503
Plant pots for Greenhouse	1,260	-
Fertigation machinery	9	17
Sulphur burners	31	-
Miscellaneous equipment	3	45
Total Machinery and equipment	<u>5,939</u>	<u>5,187</u>
<u>Motor vehicles</u>		
Vans	56	74
Tractors	19	5
Total motor vehicles	<u>75</u>	<u>79</u>
General total	<u>13,935</u>	<u>12,202</u>

The debt associated to these leasings as of December 31, 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>31-Dec-17</u> <u>ThUS\$</u>	<u>31-Dec-16</u> <u>ThUS\$</u>
<u>Leasing Liability</u>		
<u>Construction</u>		
Administrative offices	488	637
Parking administrative offices	19	27
Metallic structure 5.3 hectares	178	246
Metallic structure 2.0 hectares	48	63
Metallic Structure Roof	273	-
Greenhouse	910	1,115
Greenhouse	901	-
Molina Plant	3,622	4,029
Total Construction	<u>6,439</u>	<u>6,117</u>
<u>Land</u>		
Land Molina Plant	208	227
Total Land	<u>208</u>	<u>227</u>
<u>Machinery and equipment</u>		
Plant pots for greenhouse	1,316	-
BBC Filling machine	-	247
BBC Soft Sorter Machine	-	255
Molina Plant processing line and machinery	1,062	1,299
Calibrating and Classifying Machine	953	1,315
Sulfur Burners	32	-
Total Machinery and equipment	<u>3,363</u>	<u>3,116</u>
<u>Motor Vehicles</u>		
Vans	18	22
Tractors	16	-
Total motor vehicles	<u>34</u>	<u>22</u>
General Total	<u>10,044</u>	<u>9,482</u>

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

f) Property, plant and equipment totally depreciated

As of December 31, 2017, the detail of Property, plant and equipment which are totally depreciated is as follows:

	<u>Gross</u> <u>Value</u> <u>ThUS\$</u>
Construction and infrastructure works	4,568
Machinery and equipment	5,620
Leased equipment	33
Information Technology (IT) equipment	293
Furniture and supplies	282
Motor vehicles	1,000
Total Property, plant and equipment	<u>11,796</u>

g) Productive bearer plants, in development or in production.

The book value of “Bearer Plants”, is distributed among plants in development or in production, in the following manner:

Biologicals	Movement						31-Dec-17
	31-Dec-16	Additions	Amortization	Transfers	Decrease and/or Reclassification	Exchange rate adjustment	
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
In production	90,947	-	(6,938)	514	(3,224)	1,318	82,617
In development	9,880	20,498	-	(514)	30	221	30,115
Total	100,827	20,498	(6,938)	-	(3,194)	1,539	112,732

NOTE 20 – CURRENT INCOME TAX AND DEFERRED TAXES

In the period ending December 31, 2017, we proceeded to calculate and record taxable net income with a 25.5% rate (as of December 31, 2016 with a 24% rate), 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 recognized and the deferred taxes refer to the same entity and tax authority.

a) Current income tax

The Company and subsidiaries maintain as of December 31, 2017, a current income tax provision of ThUS\$9,236 (ThUS\$13,556 as of December 31, 2016), which is presented net of credits applicable against income tax as of these same dates for ThUS\$10,322 (ThUS\$11,858 as of December 31, 2016). In this manner when presented net in the statement of financial position, as of December 31, 2017, a balance is presented in favor of the company for recoverable taxes for ThUS\$1,086 (ThUS\$1,698 of payable tax as of December 31, 2016).

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

	31-Dec-17	31-Dec-16	1-Jan-16
<u>Detail Recoverable Tax</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Monthly provisional payments	9,883	11,318	5,069
Personnel training	194	218	168
Other credits	42	140	738
Donations Law	203	182	77
Total Credits	10,322	11,858	6,052
Income tax provision	(9,236)	(13,556)	(6,412)
Total Credits (Income Tax Provision)	1,086	(1,698)	(360)

b) Deferred taxes

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

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

Deferred tax assets as of December 31, 2017 and 2016 and January 01, 2016, refer to the following concepts:

	<u>31-Dec-17</u>		<u>31-12-2016 Re-expressed</u>		<u>01-01-2016 Re-expressed</u>	
	<u>Deferred tax assets</u>	<u>Deferred tax liabilities</u>	<u>Deferred tax assets</u>	<u>Deferred tax liabilities</u>	<u>Deferred tax assets</u>	<u>Deferred tax liabilities</u>
Detail	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Manufacturing expenses	-	2,129	-	1,294	-	1,507
Valuation bearer plants	-	14,251	-	11,112	-	17,456
Land appraisal	-	34	-	34	-	34
Anticipated income	-	-	-	151	-	-
Tax loss	12,445	-	9,482	-	10,911	-
Provisions	2,857	-	2,241	-	1,848	-
Functional currency	-	-	-	-	-	-
Intangibles	-	1,080	-	1,103	-	1,175
Fixed asset	-	4,639	-	8,986	-	6,369
Forward hedging	54	-	131	-	340	-
Price adjustment	-	362	-	-	-	85
Assets for sale	-	-	-	-	-	-
Non realized profit in investments	575	-	179	-	289	-
Total	18,591	22,495	14,950	22,680	14,317	26,626

Deferred tax hedging is presented net of other comprehensive income.

Deferred taxes have not been recognized 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 recognized.

As of December 31, 2017 the deferred tax asset originated by tax loss reached ThUS\$12,445 (ThUS\$9,482 as of December 31, 2016) which is chargeable to the profits which could be generated in the future in the companies that present said condition, as per the following detail:

		<u>31-Dec-17</u>	<u>31-Dec-16</u>	<u>Variation</u>
		<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Ag. Mataquito S.A.	Chile	1,288	1,214	74
Ag. El Avellano S.A.	Chile	1,865	1,612	253
Ag. y Gand. Santa Rebeca Ltda.	Chile	5	-	5
Ag. Hortifrut S.A.	Chile	714	813	(99)
Hortifrut S.A. de C.V.	Mexico	7,620	4,963	2,657
Berrygood Comercial Importadora	Brazil	573	575	(2)
Hortifrut Europa SL	Spain	55	23	32
HFE Berries Perú S.A.C.	Peru	106	123	(17)
Hortifrut Argentina S.A.	Argentina	214	159	55
Viveros Hortifrut Chile S.A.	Chile	5	-	5
Total		12,445	9,482	2,963

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 a tax loss carry forward expire of 10 years and Argentina 5 years.

Movement in deferred tax asset balances as of December 31, 2017 and 2016 and January 01, 2016 is as follows:

	31-Dec-17	31-Dec-16	1-Jan-16
	<u>ThUS\$</u>	Re-expressed <u>ThUS\$</u>	Re-expressed <u>ThUS\$</u>
Opening balance	14,950	14,317	14,018
Provisions	616	393	632
Tax loss	2,963	(1,429)	(1,304)
Forward hedging	(77)	(209)	(14)
Others	(257)	1,988	898
Profit not realized in investments	396	(110)	87
Saldo final	18,591	14,950	14,317

Movement in deferred tax liabilities balances as of December 31, 2017 and 2016 and January 01, 2016 is as follows:

	31-Dec-17	31-Dec-16	1-Jan-16
	<u>ThUS\$</u>	Re-expressed <u>ThUS\$</u>	Re-expressed <u>ThUS\$</u>
Opening balance	22,680	26,626	21,211
Manufacturing expenses	835	(213)	339
Fixed asset	(4,347)	2,617	1,282
Intangibles	(23)	(72)	(72)
Advanced income	(151)	151	(112)
Valuation bearer plants	3,139	(6,344)	3,966
Price adjustment	362	(85)	50
Assets for sale	-	-	(38)
Final balance	22,495	22,680	26,626

Income tax expense as of December 31, 2017 and 2016 has the following detail:

	31-Dec-17	31-Dec-16
<u>Detail</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Current tax expense	8,975	12,546
Tax benefit for tax loss	(207)	(362)
Deferred tax effect	(3,904)	(4,958)
Adjustment previous year	(228)	124
Adjustment of conversion	54	119
Total	4,690	7,469

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

	31-Dec-17		31-Dec-16	
	<u>ThUS\$</u>	<u>%</u>	<u>ThUS\$</u>	<u>%</u>
Tax expense (income) using the legal rate	8,261	25.50%	6,772	24.00%
Tax effect of rate in other jurisdictions	(259)	-0.80%	(732)	-0.73%
Tax effect of non taxable operating income	(2,654)	-8.19%	(1,744)	-4.13%
Tax effect of non deductible tax expense	806	2.49%	1,253	2.97%
Tax effect of fiscal currency other than functional currency	(1,276)	-3.94%	2,011	4.76%
Tax effect of tax provided in excess previous periods	(188)	-0.58%	(91)	-0.22%
Total tax expense adjustment using the legal rate	(3,571)	-11.02%	697	2.65%
Tax expense using the effective rate	4,690	14.48%	7,469	26.65%

NOTE 21 – OTHER FINANCIAL LIABILITIES

As of December 31, 2017, December 31, 2016 and January 01, 2016, Hortifrut and subsidiaries maintain financial liabilities, which are detailed below:

Other current financial liabilities

	31-Dec-17	31-Dec-16	1-Jan-16
	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Obligations with banks and financial institutions	148,691	148,782	97,236
Financial Leasing	2,128	2,005	1,015
Cross Currency Swap Operations	-	-	15
Forwards currency operations	712	-	1,839
Option currency operations	-	-	34
Total current bank obligations	<u>151,531</u>	<u>150,787</u>	<u>100,139</u>

Other non-current financial liabilities

	31-Dec-17	31-Dec-16	1-Jan-16
	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Obligations with banks and financial institutions	75,770	49,475	58,811
Financial Leasing	7,916	7,477	1,413
Forwards currency operations	-	-	300
Cross Currency Swap Operations	280	678	1,401
Total non-current obligations	<u>83,966</u>	<u>57,630</u>	<u>61,925</u>

Detail of balance and expiries

a) Obligations with Banks and financial institutions, grouped by maturity, as of December 31, 2017 and 2016 are as follows:

Debtor Company	RUT	Country	Creditor Bank	Currency	Type of Amortization	Effective	Nominal	Current			Total current	Non-current					Total Non-current
						Annual	Annual	Maturity up to 1	1 to 3 months	3 to 12 months	12/31/2017	Maturity 1 to	Maturity 2 to	3 to 4 years	4 to 5 years	5 or more years	12/31/2017
						Rate	Rate	month				ThUS\$	ThUS\$				
Agricola El Pampino S.A.	76.884.880-7	Chile	Banco Santander Chile	US\$	Annual	6.06%	6.06%	-	-	217	217	-	-	-	-	-	-
Agricola El Pampino S.A.	76.884.880-7	Chile	Banco Santander Chile	US\$	Annual	2.68%	2.68%	401	-	-	401	-	-	-	-	-	-
Agricola Mataquito S.A.	76.306.130-2	Chile	Banco RaboFinance Chile	US\$	Annual	5.52%	5.20%	-	-	157	157	150	-	-	-	-	150
Agricola Mataquito S.A.	76.306.130-2	Chile	Banco RaboFinance Chile	US\$	Annual	6.26%	6.03%	-	-	42	42	-	1,500	-	-	-	1,500
Agricola Mataquito S.A.	76.306.130-2	Chile	Banco Santander Chile	US\$	Annual	2.68%	2.68%	501	-	-	501	-	-	-	-	-	-
Agricola Mataquito S.A.	76.306.130-2	Chile	Banco Santander Chile	US\$	Annual	2.68%	2.68%	501	-	-	501	-	-	-	-	-	-
Agricola Santa Rosa del Parque S.A.	99.584.440-0	Chile	Banco RaboFinance Chile	US\$	Annual	5.58%	5.31%	-	-	91	91	85	90	-	-	-	175
Agricola Santa Rosa del Parque S.A.	99.584.440-0	Chile	Banco RaboFinance Chile	US\$	Annual	6.23%	6.01%	-	-	25	25	-	900	-	-	-	900
Agricola Santa Rosa del Parque S.A.	99.584.440-0	Chile	Banco Santander Chile	US\$	Annual	2.68%	2.68%	501	-	-	501	-	-	-	-	-	-
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	2.02%	2.02%	-	-	85	85	-	-	-	-	-	-
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	1.66%	1.66%	1	3	13	17	17	4	-	-	-	21
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	1.66%	1.66%	1	3	13	17	17	4	-	-	-	21
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	2.11%	2.11%	2	4	11	17	-	-	-	-	-	-
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	2.14%	2.14%	3	6	26	35	-	-	-	-	-	-
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	2.02%	2.02%	3	6	24	33	-	-	-	-	-	-
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	2.14%	2.14%	-	-	50	50	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcaya Argentaria	US\$	Annual	2.88%	2.06%	-	-	2,525	2,525	2,500	-	-	-	-	2,500
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcaya Argentaria	US\$	Annual	1.99%	1.99%	5,004	-	-	5,004	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcaya Argentaria	US\$	Annual	1.99%	1.99%	5,004	-	-	5,004	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcaya Argentaria	US\$	Annual	1.20%	1.20%	-	110	-	110	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bice	US\$	Annual	1.77%	1.77%	5,005	-	-	5,005	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	1.78%	1.78%	5,015	-	-	5,015	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	5.42%	3.02%	-	-	3,581	3,581	2,661	3,000	3,000	3,000	6,000	17,661
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	1.78%	1.78%	5,015	-	-	5,015	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	1.78%	1.78%	5,015	-	-	5,015	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	1.78%	1.78%	10,028	-	-	10,028	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	EUR	Annual	0.41%	0.41%	-	2,038	-	2,038	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	EUR	Annual	0.75%	0.75%	-	927	-	927	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Chile	US\$	Annual	1.70%	1.70%	6,017	-	-	6,017	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Chile	US\$	Annual	1.70%	1.70%	6,017	-	-	6,017	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Estado	US\$	Annual	2.20%	5.03%	-	-	5,227	5,227	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Estado	CLP	Annual	0.70%	0.70%	-	-	-	-	7	-	-	-	-	7
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Estado	US\$	Annual	1.66%	1.66%	5,018	-	-	5,018	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Estado	US\$	Annual	1.66%	1.66%	5,015	-	-	5,015	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Estado	US\$	Annual	1.66%	1.66%	10,038	-	-	10,038	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Estado	CLP	Annual	0.70%	0.70%	-	-	-	-	114	-	-	-	-	114
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Itaú	US\$	Annual	1.83%	1.83%	5,005	-	-	5,005	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Itaú	US\$	Annual	1.99%	1.99%	-	5,004	-	5,004	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco RaboFinance Chile	US\$	Annual	4.26%	4.26%	-	272	-	272	-	-	-	1,819	18,181	20,000
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Santander Chile	US\$	Annual	1.66%	1.66%	3,021	-	-	3,021	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Santander Chile	US\$	Annual	1.66%	1.66%	5,035	-	-	5,035	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Santander Chile	US\$	Annual	1.66%	1.66%	7,058	-	-	7,058	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Santander Chile	US\$	Annual	1.68%	1.68%	10,031	-	-	10,031	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Santander Chile	US\$	Annual	1.76%	1.76%	-	5,020	-	5,020	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Scotiabank	US\$	Annual	1.70%	1.70%	3,011	-	-	3,011	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Scotiabank	US\$	Annual	1.70%	1.70%	3,011	-	-	3,011	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Scotiabank	US\$	Annual	1.70%	1.70%	5,019	-	-	5,019	-	-	-	-	-	-
Hortifrut España Southern Sun SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	2.96%	2.96%	249	250	1,130	1,629	1,525	385	-	-	-	1,910
Hortifrut España Southern Sun SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Quarterly	1.15%	1.15%	-	734	2,213	2,947	2,981	3,015	3,050	-	-	9,046
Hortifrut España Southern Sun SL	0-E	Spain	Banco Bilbao Vizcaya Argentaria	EUR	Biannual	1.16%	1.16%	-	-	1,469	1,469	2,965	2,998	3,033	1,530	-	10,526
Hortifrut España Southern Sun SL	0-E	Spain	La Caixa	EUR	Quarterly	1.10%	1.10%	-	-	735	735	1,483	1,499	1,516	764	-	5,262
Hortifrut España Southern Sun SL	0-E	Spain	Banco Intercontinental Español	EUR	Monthly	1.10%	1.10%	-	-	663	663	817	901	911	307	-	2,936
Hortifrut España Southern Sun SL	0-E	Spain	Banco Sabadell	EUR	Monthly	1.10%	1.10%	-	-	147	147	591	597	604	458	-	2,250
Asturian Berries SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	1.38%	1.38%	9	27	72	108	54	-	-	-	-	54
Asturian Berries SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	1.50%	1.50%	13	40	107	160	29	-	-	-	-	29
Asturian Berries SL	0-E	Spain	Caja Madrid	EUR	Monthly	0.87%	0.87%	2	4	19	25	11	-	-	-	-	11
Asturian Berries SL	0-E	Spain	Caja Rural Asturias	EUR	Monthly	5.00%	5.00%	2	6	19	27	-	-	-	-	-	-
Asturian Berries SL	0-E	Spain	Financial Services	EUR	Monthly	9.20%	9.20%	-	-	1	1	2	16	-	-	-	18
Asturian Berries SL	0-E	Spain	Banco Bilbao Vizcaya Argentaria	EUR	Monthly	1.40%	1.40%	-	-	-	-	129	287	159	-	-	575
Berries Peru	0-E	Peru	Banco de Crédito Perú	SOL	Monthly	5.00%	5.00%	4	-	-	4	-	-	-	-	-	-
Hortifrut S.A.	96.896.990-0	Chile	Banco Estado	CLP	Annual	0.70%	0.70%	-	-	-	-	99	-	-	-	-	99
Hortifrut S.A.	96.896.990-0	Chile	Banco Estado	CLP	Annual	0.70%	0.70%	-	-	-	-	-	5	-	-	-	5
Total								115,575	14,454	18,662	148,691	16,237	15,201	12,273	7,878	24,181	75,770

Debtor Company	RUT	Country	Creditor Bank	Currency	Type of Amortization	Effective Annual Rate	Nominal Annual Rate	Maturity up to 1 month				as of 31-12-2016	Maturity 1to	Maturity 2 to	3 to 4 years	4 to 5 years	5 or more years	as of 31-12-2016
								1 to 3 months	3 to 12 months	as of 31-12-2016	2 years		3 years					
														ThUS\$				
Agricola El Pampino S.A.	76.884.880-7	Chile	Banco Santander Chile	US\$	Annual	6.06%	6.06%	-	-	223	223	210	-	-	-	-	-	210
Agricola El Pampino S.A.	76.884.880-7	Chile	Banco Santander Chile	US\$	Annual	1.73%	1.73%	-	-	400	400	-	-	-	-	-	-	-
Agricola Mataquito S.A.	76.306.130-2	Chile	Banco Rabobank Chile	US\$	Annual	5.52%	5.20%	-	-	161	161	150	150	-	-	-	-	300
Agricola Mataquito S.A.	76.306.130-2	Chile	Banco Rabobank Chile	US\$	Annual	6.26%	6.03%	-	-	42	42	-	-	1,500	-	-	-	1,500
Agricola Mataquito S.A.	76.306.130-2	Chile	Banco Santander Chile	US\$	Annual	1.68%	1.68%	501	-	-	501	-	-	-	-	-	-	-
Agricola Mataquito S.A.	76.306.130-2	Chile	Banco Santander Chile	US\$	Annual	1.73%	1.73%	-	500	-	500	-	-	-	-	-	-	-
Agricola 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
Agricola Santa Rosa del Parque S.A.	99.584.440-0	Chile	Banco Rabobank Chile	US\$	Annual	6.23%	6.01%	-	-	25	25	-	-	900	-	-	-	900
Agricola Santa Rosa del Parque S.A.	99.584.440-0	Chile	Banco Santander Chile	US\$	Annual	1.73%	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	2.02%	2.02%	-	-	86	86	-	-	-	-	-	-	-
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	2.11%	2.11%	2	4	17	23	17	-	-	-	-	-	17
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	2.14%	2.14%	3	6	26	35	35	-	-	-	-	-	35
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	2.14%	2.14%	-	-	49	49	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcaya Argentaria	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 Argentaria	US\$	Annual	0.95%	0.95%	3,009	-	-	3,009	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcaya Argentaria	US\$	Annual	1.03%	1.03%	-	2,005	-	2,005	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcaya Argentaria	US\$	Annual	1.10%	1.10%	-	5,012	-	5,012	-	-	-	-	-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcaya Argentaria	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	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 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	2,642	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	-	-	-	-	-	32
Asturian Berries SL	0-E	Spain	Caja Rural Asturias	EUR	Monthly	5.00%	5.00%	2	5	15	22	25	-	-	-	-	-	25
Asturian Berries SL	0-E	Spain	Financial 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	5.35%	7.38%	-	-	649	649	648	648	-	-	-	-	1,296
Total									22,885	63,629	62,268	148,782	15,155	10,408	8,470	5,673	9,769	49,475

Financial Leasing Obligations

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

Debtor Company	RUT	Country	Creditor Bank	Currency	Type of Amortization	Effective Annual Rate	Nominal Annual Rate	Current			Total current 31-Dec-17	Non-current					Total Non-current 31-Dec-17
								Maturity up to				Maturity 1 to 2 years	Maturity 2 to 3 years	3 to 4 years	4 to 5 years	5 or more years	
								1 month	1 to 3 months	3 to 12 months							
Agrícola El Pampino S.A.	76.884.880-7	Chile	Banco Santander Chile	US\$	Annual	3.93%	3.93%	-	34	34	68	73	37	-	-	-	110
Agrícola El Pampino S.A.	76.884.880-7	Chile	Banco Santander Chile	US\$	Annual	3.91%	3.91%	-	-	16	16	16	16	-	-	-	32
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco de Crédito e Inversiones	US\$	Annual	4.29%	4.29%	-	-	227	227	218	228	237	-	-	683
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco de Crédito e Inversiones	US\$	Annual	5.10%	5.10%	-	191	-	191	161	169	178	202	-	710
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco de Crédito e Inversiones	US\$	Annual	5.54%	5.54%	-	277	-	277	234	247	261	297	-	1,039
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco de Crédito e Inversiones	US\$	Annual	5.33%	5.33%	1	1	6	8	8	-	-	-	-	8
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco de Crédito e Inversiones	US\$	Annual	5.45%	5.45%	-	7	-	7	6	6	6	7	-	25
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco de Crédito e Inversiones	US\$	Annual	4.30%	4.30%	1	1	5	7	7	4	-	-	-	11
Agrícola Santa Rosa del Parq	99.584.440-0	Chile	Banco Santander Chile	US\$	Annual	3.74%	3.74%	-	-	65	65	67	69	72	-	-	208
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	2.79%	2.79%	98	-	279	377	381	195	-	-	-	576
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Quarterly	3.29%	3.29%	-	193	514	707	705	729	754	779	1,218	4,185
Hortifrut S.A.	96.896.990-0	Chile	Banco Bilbao Vizcay a Argentaria	US\$	Monthly	9.79%	9.79%	14	29	135	178	195	134	-	-	-	329
Total								114	733	1,281	2,128	2,071	1,834	1,508	1,285	1,218	7,916

Debtor Company	RUT	Country	Creditor Bank	Currency	Type of Amortization	Effective Annual Rate	Nominal Annual Rate	Current			Total current 31-Dec-16	Non-current					Total Non-current 31-Dec-16
								Maturity up to				Maturity 1 to 2 years	Maturity 2 to 3 years	3 to 4 years	4 to 5 years	5 or more years	
								1 month	1 to 3 months	3 to 12 months							
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	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%	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 Vizcay a 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
Total								360	221	1,424	2,005	1,576	1,598	1,316	990	1,997	7,477

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 coverage (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 coverage (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 as of December 31, 2017, Hortifrut Chile S.A. owes US\$ 21.24 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 coverage (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 levy on 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 December 31, 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

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 3.49 for the 12-month period ending December 31, 2017 (2.59 as of December 31, 2016), (lower than the 6 times requested by BCI and BBVA).

	31-Dec-17	30-Jun-17	31-Dec-16	30-Jun-16	1-Jul-16
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
EBITDA	59,520	37,266	66,902	43,315	60,853
Net Financial Debt	207,659	142,968	173,172	92,974	142,968
Net Financial Debt / EBITDA	3.49	3.84	2.59	2.15	2.35

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

Financial cost hedging for 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.

	31-Dec-17	30-Jun-17	31-Dec-16	30-Jun-16	1-Jul-16
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
EBITDA	59,520	37,266	66,902	43,315	60,853
Net Financial Cost	3,965	1,879	3,041	1,812	3,108
EBITDA / Net Financial Cost	15.0	19.8	22.0	23.9	19.6

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).

	31-Dec-17	30-Jun-17	31-Dec-16
	ThUS\$	ThUS\$	ThUS\$
Total Equity	243,575	249,680	216,096
Net Financial Debt	207,659	142,968	173,172
Net Financial Debt / Total Equity	0.85	0.57	0.80

a.3.4) Total equity not lower 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\$243.58 million as of December 31, 2017.

a.3.5) Parameters to calculate ratios

The EBITDA of the periods ending December 31, 2017 and 2016 and for the periods ending June 30, 2017 and 2016 (unaudited) are as follows:

	unaudited		unaudited		12 month period unaudited	
	31-Dec-17	30-Jun-17	31-Dec-16	30-Jun-16	1-Jul-16	1-Jul-15
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
DETERMINING EBITDA						
Income from operating activities	388,250	203,588	426,796	236,746	393,638	371,856
Other income, per function	495	234	1,725	391	1,568	484
Total Income	388,745	203,822	428,521	237,137	395,206	372,340
Cost of sales	(324,718)	(167,211)	(356,758)	(190,602)	(333,367)	(307,869)
Administration expenses	(26,773)	(14,109)	(26,036)	(13,619)	(26,526)	(26,727)
Other expenses, per function, excluding impairment in the value of assets	(1,528)	(718)	(1,233)	(550)	(1,401)	(1,110)
Total Costs and Expenses	(353,019)	(182,038)	(384,027)	(204,771)	(361,294)	(335,706)
Operating Result	35,726	21,784	44,494	32,366	33,912	36,634
Depreciation and amortization	23,794	15,482	22,408	10,949	26,941	18,113
EBITDA	59,520	37,266	66,902	43,315	60,853	54,747

The detail of the depreciation and amortization as of December 31, 2017 and 2016 are as follows:

	31-Dec-17	31-Dec-16
	ThUS\$	ThUS\$
Depreciation and Amortization		
Property, plant and equipment	9,300	9,255
Intangibles - Software	102	177
Intangibles - Licenses	7,082	4,543
VBM Brand	-	-
Relationship with customers	266	267
Amortization biologicals	7,172	8,249
Capitalized amortization / others	(128)	(83)
Total	23,794	22,408

The determining of net financial debt as of June 30, 2017 and 2016 (unaudited) and as of December 31, 2017 and 2016 are as follows:

	31-Dec-17	30-Jun-17	31-Dec-16	30-Jun-16
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Determining net financial debt				
Items				
Other current financial liabilities	151,531	99,660	150,787	74,177
Other non-current financial liabilities	83,966	72,824	57,630	54,538
Total financial liability	235,497	172,484	208,417	128,715
Minus:				
Cash and cash equivalents	27,838	29,516	35,245	35,741
Total net financial debt	207,659	142,968	173,172	92,974

a.4) Financial risk management policies

The Company, following the financial risk management policy described in note 4.1, 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 as of December 31, 2017 and 2016 are as follows:

LIABILITIES			Balance	MtoM Value	
Hedging Instruments			Capital	31-Dec-17	31-Dec-16
			ThUS\$	ThUS\$	ThUS\$
Entities	Instruments	Type			
Banco de Crédito e Inversiones	Cross Currency Swaps - USD	Rate	21,000	280	521
Banco Estado	Cross Currency Swaps CLP/USD	Rate	6,400	-	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	-	36
Banco Bilbao Viscaya	Cross Currency Swaps CLP/USD	Currency	667	-	26
Total non-current			35,208	280	678

The total of the market valuation of these derivative instruments is recognized 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.

c) Currency forwards operations:

The detail of currency forwards operations held by Hortifrut and subsidiaries maintained as of December 31, 2017, is as follows:

									MTM		Total current 12/31/2017	
Company	Bank	Contract Type	Fees		Liabilities		Closing Value	Net Effect	Expiry up to			
			Type	Currency	Amount	Currency	Amount	Offsetting		1 to 3 months		3 to 6 months
					ThUS\$		ThUS\$	ThUS\$		ThUS\$		ThUS\$
Hortifrut Chile S.A.	Security	Offsetting	Purchase	USD	2,200	CLP	2,197	(3)	5	-	5	
Hortifrut Chile S.A.	Scotiabank	Offsetting	Sale	EUR	15,345	USD	15,999	(654)	324	361	685	
Hortifrut Chile S.A.	Scotiabank	Offsetting	Sale	USD	2,000	CLP	2,020	(20)	22	-	22	
Total			12/31/2017		19,545		20,216	(677)	351	361	712	

The conciliation of movements as of December 31, 2017 and 2016 between financial liabilities and cash flows for financing activities is as follows:

Concepts	Final balance as of 31-Dec-2016	Cash Flows	Payable interests and dividends	Changes in fair value	Reclassifications	Final balance as of 31-Dec-2017
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Short term loans with financial entities	148,782	(15,847)	412	-	15,344	148,691
Long term loans with financial entities	49,475	43,079	993	-	(17,777)	75,770
Short term financial leasing liabilities	9,482	(1,871)	-	-	2,433	10,044
Derivative instruments	678	-	-	314	-	992
Paid dividends	7,283	(13,380)	12,278	-	-	6,181
Total	215,700	11,981	13,683	314	-	241,678

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

The detail of this item as of December 31, 2017 and 2016 and January 01, 2016 are the following:

	31-Dec-17	31-Dec-16	1-Jan-16
<u>Current</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Suppliers	37,657	44,650	36,379
Pay able notes	33	319	990
Retentions and payable tax	5,853	7,757	6,444
Pay able dividend	6,181	7,283	2,873
Total	<u>49,724</u>	<u>60,009</u>	<u>46,686</u>

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

Accounts payable per currency are as follows:

	31-Dec-17	31-Dec-16	1-Jan-16
<u>Current</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
United States Dollar	31,090	36,081	29,485
Chilean Peso	13,543	19,827	11,829
Euro	2,404	1,838	2,043
Mexican Peso	1,425	1,382	2,148
Argentine Peso	26	113	560
Nuevo Sol	1,021	561	-
Brazilian Real	215	207	621
Total	<u>49,724</u>	<u>60,009</u>	<u>46,686</u>

Suppliers with payments non past due, as of December 31, 2017

Type of Supplier Goods/Services/Others	Amounts in thousands of dollars, as per payment terms						Total ThUS\$	Average payment period (days)
	up to 30 days	31- 60	61- 90	91- 120	121- 365	366 plus		
Goods	8,516	17,990	3,364	1,772	-	-	31,642	58
Services	11,238	477	-	-	-	-	11,715	31
Others	169	-	3	6,181	14	-	6,367	118
Total as of 31-12-2017	19,923	18,467	3,367	7,953	14	-	49,724	

Suppliers with payments non past due, as of December 31, 2016

Type of Supplier Goods/Services/Others	Amounts in thousands of dollars, as per payment terms						Total ThUS\$	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
Total as of 31-12-2016	26,975	21,362	2,399	851	8,422	-	60,009	

The main suppliers are the following:

- Envases Impresos S.A.	- Autoadhesivos PyR Ltda.
- Coembal 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 – EMPLOYEE BENEFITS AND OTHER PROVISIONS

The concepts that make up this item are the following:

	31-Dec-17	31-Dec-16	1-Jan-16
	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
<u>Current Provisions</u>			
Other provisions			
Cost provisions	545	160	113
Other provisions	545	160	113
Employee benefits			
Vacations	1,142	967	562
Substitute retirement benefits	470	324	363
Other benefits for personnel (bonus)	-	301	323
Employee benefits	1,612	1,592	1,248
Total	2,157	1,752	1,361

The movement of provisions during the periods ending December 31, 2017 and 2016 and as of January 01, 2016, is as follows:

	31-Dec-17	31-Dec-16	1-Jan-16
	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Movement			
Opening balance	1,752	1,361	1,318
Increase in provisions	1,870	1,389	854
Used provisions	(1,465)	(998)	(811)
Total	2,157	1,752	1,361

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 December 31, 2017, reaches ThUS\$135,149 (ThUS\$136,411 as of December 31, 2016) equal to 435,520,079 shares of a single series and without nominal value.

b) Movements of 2017

In December 2017, at extraordinary shareholder's meeting, it was authorized to legally decrease the Company's capital, by the amount of ThUS\$1,262 which was kept as a share issuance expense.

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>31-Dec-17</u>	<u>31-Dec-16</u>
Opening balance	365	435,520,079	100%	435,520,079	435,520,079
	365	435,520,079		435,520,079	435,520,079

- Share issuance premiums capitalization (issuance expenses)

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

	<u>31-Dec-17</u>	<u>31-Dec-16</u>
<u>Movement of Capital</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Capital	136,411	136,411
Capital issuance expenses	(1,262)	-
Capital	<u>135,149</u>	<u>136,411</u>
<u>Capital issuance premium</u>		
Capital issuance expense	-	(1,262)
Share issuance premium (issuance expense)	<u>-</u>	<u>(1,262)</u>

NOTE 25 – RETAINED EARNINGS (LOSS)

The detail of the accumulated result as of December 31, 2017, 2016 and January 01, 2016 is as follows:

	31-Dec-17	31-Dec-16	1-Jan-16
		Re-expressed	Re-expressed
<u>Movement</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Opening balance	56,218	50,238	17,908
Profit (loss), attributable to the parent company	26,563	18,925	13,498
Minimum dividend provision	(6,181)	(7,283)	(2,873)
Reversal minimum dividend provision previous year	7,283	2,873	2,939
Definite dividend	(7,283)	(2,873)	(2,939)
Provisional dividend	(6,097)	(5,662)	(3,920)
Impact due to change in accounting policy	-	-	25,625
Total	<u>70,503</u>	<u>56,218</u>	<u>50,238</u>

a) Dividend policy

As per what is stated in the 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 agreed at the corresponding meeting, by unanimity of the issued shares.

In virtue of what was informed to the Commission for the Financial Market, 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 standard, 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 standard, 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) and 2) will follow the same fate as the item that originated them.

b) Dividend Provision

In the period ending December 31, 2017, the Company recorded a provision for minimum dividend of ThUS\$ 6,181 (ThUS\$7,283 as of December 31, 2016).

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

<u>Concept</u>	<u>31-Dec-17</u> <u>ThUS\$</u>	<u>31-Dec-16</u> <u>ThUS\$</u>
Gains attributable to owners of the parent company	26,563	18,925
Minus:		
Increase biological assets to fair value net of tax . - PEV	(810)	(165)
Increase biological assets to fair value	(1,640)	-
Deferred taxes	443	-
Result to be Distributed	24,556	18,760
Minimum dividend %	50.00%	69.00%
Minimum Accrued Dividend	12,278	12,945
Minus:		
Paid provisional dividend	(6,097)	(5,662)
Minimum dividend calculation	6,181	7,283
Minimum dividend provision	6,181	7,283

Paid dividends

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

<u>Month and year of payment</u>	<u>Type</u>	<u>Last 3 years</u> <u>ThUS\$</u>
May-15	Definite	2,939
Oct-15	Provisinal	3,920
	Total year 2015	6,859
May-16	Definite	2,873
Oct-16	Provisinal	5,662
	Total year 2016	8,535
May-17	Definite	7,283
Oct-17	Provisinal	6,097
	Total year 2017	13,380

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 for Bearer Plants Revaluation – 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>31-Dec-17</u> <u>ThUS\$</u>	<u>31-Dec-16</u> <u>Re-expressed</u> <u>ThUS\$</u>	<u>1-Jan-16</u> <u>Re-expressed</u> <u>ThUS\$</u>
Opening balance	(4,919)	(10,533)	15,854
Reserves Revaluation Bearer Plants	-	-	(19,247)
Reserves cash flow hedging reserves	818	5,549	(1,054)
Reserves for exchange rate fluctuations	5,266	65	(6,086)
Total	<u>1,165</u>	<u>(4,919)</u>	<u>(10,533)</u>

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

<u>Movement cash flow hedging reserves</u>	<u>31-Dec-17</u> <u>ThUS\$</u>	<u>31-Dec-16</u> <u>ThUS\$</u>
Opening balance	2,698	(2,851)
Other comprehensive income	818	5,549
Total	<u>3,516</u>	<u>2,698</u>

Cash Flow hedging reserve is net of deferred tax.

Income tax included in cash flow hedging reserves is detailed below:

	31-Dec-17	31-Dec-16
	<u>ThUS\$</u>	<u>ThUS\$</u>
Cash flow hedging reserves	4,735	3,545
Gains tax	<u>(1,219)</u>	<u>(847)</u>
Total	<u>3,516</u>	<u>2,698</u>

The movement of reserves due to exchange rate fluctuations, in the period ending December 31, 2017 and 2016, is as follows:

	31-Dec-17	31-Dec-16
	<u>ThUS\$</u>	<u>ThUS\$</u>
Movement exchange rate fluctuation reserves		
Opening balance	(7,617)	(7,682)
Other comprehensive income	<u>5,266</u>	<u>65</u>
Total	<u>(2,351)</u>	<u>(7,617)</u>

NOTE 27 – NON-CONTROLLING INTERESTS

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

The detail of the interests of non-parent companies as of December 31, 2017 and 2016 are the following:

<u>Subsidiaries</u>	<u>Non Controlling Interest</u>		<u>Non Controlling Interest</u>		<u>Non Controlling Interest in profit (loss) result</u>	
	<u>31-Dec-17</u>	<u>31-Dec-16</u>	<u>31-Dec-17</u>	<u>31-Dec-16</u>	<u>31-Dec-17</u>	<u>31-Dec-16</u>
	<u>%</u>	<u>%</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Agricola El Avellano S.A.	60.0%	60.0%	2,568	2,687	(119)	(367)
Agricola El Pampino S.A.	80.0%	80.0%	927	808	120	145
Agricola Santa Rebeca Ltda.	75.0%	75.0%	125	133	2	(256)
Agricola Vida Nueva S.A.	50.0%	50.0%	3,945	3,796	135	(369)
Viveros Hortifrut Chile S.A.	49.0%	49.0%	149	140	(4)	(25)
Hortifrut Argentina S.A.	4.1%	4.1%	14	10	-	(1)
Agrofrutas, SRL. de C.V.	1.0%	1.0%	(8)	(4)	(4)	-
Hortifrut España Southern Sun S.L.	50.0%	50.0%	18,310	16,373	(55)	2,979
Agricola Santa Rosa del Parque S.A.	70.0%	70.0%	3,059	2,673	679	1,411
Agricola Mataquito S.A.	50.0%	50.0%	1,470	1,481	(21)	(1,962)
Euroberry Marketing S.A.	50.0%	50.0%	1,904	1,107	613	294
Asturian Berries S.A.	49.0%	49.0%	343	444	(159)	(26)
Honghe Jiayu Agriculture Limited	49.0%	49.0%	3,952	-	(45)	-
Total			36,758	29,648	1,142	1,823

The movements of non-parent company interests as of December 31, 2017 and 2016 are as follows:

<u>Movement</u>	<u>31-Dec-17</u>	<u>31-Dec-16</u>	<u>1-Jan-16</u>
	<u>ThUS\$</u>	<u>Re-expressed ThUS\$</u>	<u>Re-expressed ThUS\$</u>
Opening balance	29,648	30,213	26,934
Profit	1,142	1,823	3,236
Reserves for exchange rate fluctuations	2,298	(496)	(281)
Cash flow hedging reserves	(14)	24	-
Capital increase (dividends) at subsidiaries	(313)	(1,916)	(2,386)
Reserve for surplus	-	-	2,710
Contributions in subsidiaries	3,997	-	-
Total	36,758	29,648	30,213

NOTE 28 – PROFITS PER SHARE AND DISTRIBUTABLE NET PROFIT

28.1. Profits per share

The calculation of profits per 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:

Basic profit (loss) per share	Measuring unit	31-Dec-17	31-Dec-16
Profit (loss) of activities continued after tax	ThUS\$	26,563	18,925
Basic weighted average of number of shares	Unit	435,520,079	435,520,079
Basic profit per share from continued operations	(US\$ per share)	0.060991	0.043454

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

Weighted average of ordinary shares in circulation	N° of days in circulation	N° Shares	Weighting %	Weighted average of ordinary shares in circulation 31-Dec-17
Opening balance	365	435,520,079	100%	435,520,079
		435,520,079		435,520,079

28.2. Distributable net profit

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

In virtue of what is stated in CMF's 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 calculation of the Result to be Distributed for the periods ending December 31, 2017 and December 31, 2016, is presented in Note 25 b).

NOTE 29 – OPERATING REVENUE AND OTHER REVENUE, PER FUNCTION

The detail of the item as of December 31, 2017 and 2016 is as follows:

	31-Dec-17	31-Dec-16
Concept	<u>ThUS\$</u>	<u>ThUS\$</u>
Revenue from operating activities	388,250	426,796
Other revenue, per function	495	1,725
Total	<u>388,745</u>	<u>428,521</u>

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

	31-Dec-17	31-Dec-16
Other income, per function	<u>ThUS\$</u>	<u>ThUS\$</u>
Profit from the sale of property, plant and equipment	495	115
Profit from the sale of licenses	-	725
Official operating subsidies	-	494
Other income	-	391
Total	<u>495</u>	<u>1,725</u>

Below is the detail of income per segment for the periods ending December 31, 2017 and 2016 is as follows:

	31-Dec-17	31-Dec-16
Product	<u>ThUS\$</u>	<u>ThUS\$</u>
Fresh Fruit		
Blueberries	314,651	320,293
Raspberries	18,349	22,052
Blackberries	16,121	28,352
Strawberries	12,811	13,760
Cherries	2,980	2,235
Total Fresh Fruit	364,912	386,692
Value Added Products	23,833	41,829
Total	<u>388,745</u>	<u>428,521</u>

The Company's 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 December 31, 2017 and 2016, are detailed as indicated below:

30.1 Cost of sales

Below are the main sales costs that the Company maintains as of December 31, 2017 and 2016:

	31-Dec-17	31-Dec-16
Cost of sales	<u>ThUS\$</u>	<u>ThUS\$</u>
Cost of sales	180,961	192,169
Materials	20,753	30,838
Remunerations	40,124	40,786
Depreciations and amortizations	22,326	20,956
Other general expenses	17,100	24,067
Freight	21,175	25,664
Lease of properties, machinery, etc.	6,774	6,023
Third party services	15,505	16,255
Total Cost of sales	<u>324,718</u>	<u>356,758</u>

30.2 Administrative expenses

Below is the detail of administrative expenses as of December 31, 2017 and 2017:

	31-Dec-17	31-Dec-16
Administrative expenses	<u>ThUS\$</u>	<u>ThUS\$</u>
Remunerations	14,064	14,015
Depreciations and amortizations	1,443	1,435
Other general expenses	5,866	5,869
Freight	836	1,004
Lease of properties, machinery, etc.	4,564	3,713
Total Administration Expenses	<u>26,773</u>	<u>26,036</u>

30.3 Other expenses, per function

	31-Dec-17 <u>ThUS\$</u>	31-Dec-16 <u>ThUS\$</u>
Other expenses, per function		
Impairment value of assets	3,215	18,704
Sub-total impairment	3,215	18,704
Investigation expenses		
Cost of Sales	42	5
Materials	17	12
Remunerations	507	393
Depreciations and amortizations	25	17
Other general expenses	269	231
Freight	42	6
Lease of property, machinery, etc.	21	22
Third party services	289	202
Received contributions	(200)	(59)
Sub-total Investigation expenses	1,012	829
Other expenses		
Loss from sale of property, plants and equipment and materials	516	125
Asset write-off	-	279
Sub-total Other expenses	516	404
Total Other expenses, per function	4,743	19,937

NOTE 31 – FINANCIAL EXPENSES

Financial expenses for the periods ending December 31, 2017 and 2016, are detailed below:

	31-Dec-17 <u>ThUS\$</u>	31-Dec-16 <u>ThUS\$</u>
Financial Expenses		
Bank loans	4,668	3,296
Other financial expenses	402	349
Interests with related parties	241	268
Leasing interests	400	319
Total Financial Expenses	5,711	4,232

NOTE 32 – EXCHANGE RATE DIFFERENCE

The detail of the exchange rate difference for the periods ending December 31, 2017 and 2016, are detailed as follows:

	Currency	31-Dec-17 ThUS\$	31-Dec-16 ThUS\$
Assets			
Cash and cash equivalents	CLP	(229)	54
Cash and cash equivalents	USD	(332)	(141)
Cash and cash equivalents	EUR	(93)	(5)
Cash and cash equivalents	MXN	(69)	(71)
Trade debtors and other accounts receivable	CLP	232	187
Trade debtors and other accounts receivable	USD	(101)	156
Trade debtors and other accounts receivable	EUR	103	48
Trade debtors and other accounts receivable	MXN	200	(546)
Accounts receivable from related entities	EUR	(4,866)	(171)
Current tax assets	CLP	900	1,227
Current tax assets	MXN	(39)	400
Current tax assets	EUR	1	-
Current tax assets	USD	87	(34)
Sub-total		(4,206)	1,104
Liabilities			
Other financial liabilities	CLP	5	16
Other financial liabilities	EUR	(20)	26
Other financial liabilities	MXN	(463)	-
Other financial liabilities	USD	(11)	(827)
Trade accounts and other accounts payable	CLP	(790)	(1,059)
Trade accounts and other accounts payable	USD	(477)	(42)
Trade accounts and other accounts payable	EUR	(683)	490
Trade accounts and other accounts payable	MXN	(174)	118
Accounts payable to related entities	CLP	91	4
Accounts payable to related entities	USD	1,443	1,258
Accounts payable to related entities	MXN	29	(144)
Sub-total		(1,050)	(160)
Total exchange rate difference		(5,256)	944

NOTE 33 – FOREIGN CURRENCY

33.1 Foreign Currency Current Assets

Current Assets	31-Dec-17 ThUS\$	31-Dec-16 ThUS\$
Cash and Cash Equivalents		
Dollar	14,519	19,921
Euros	9,770	11,775
Chilean Pesos	2,313	2,342
Mexican Pesos	430	838
Other currencies	806	369
Other current financial assets		
Dollar	4,473	3,155
Other current non-financial assets		
Dollar	994	178
Euros	423	1,028
Chilean Pesos	1,359	2,000
Mexican Pesos	2,208	2,194
Other currencies	630	120
Current trade debtors and other accounts receivable		
Dollar	8,830	12,903
Euros	15,342	11,088
Chilean Pesos	9,700	13,500
Mexican Pesos	2,969	792
Other currencies	9,251	4,295
Current accounts receivable from related entities		
Dollar	40,013	42,769
Euros	8,117	2,990
Chilean Pesos	2	-
Inventory		
Dollar	41,115	53,184
Euros	646	1,038
Chilean Pesos	743	752
Other currencies	2,052	1,837
Current biological assets		
Dollar	7,349	4,311
Euros	1,193	1,085
Chilean Pesos	1,041	1,120
Other currencies	133	340
Current tax assets		
Dollar	1,086	-
Total Current Assets	187,507	195,924

33.2 Foreign Currency Non-Current Assets

Non Current Assets	31-Dec-17 ThUS\$	31-Dec-16 ThUS\$
Other non-current financial assets		
Dollar	1,345	1,101
Other non-current non-financial assets		
Euros	1,379	1,387
Chilean Pesos	9	110
Other currencies	29	19
Non-current fees receivable		
Dollar	1,445	1,604
Euros	4	-
Chilean Pesos	166	190
Non-current accounts receivable from related entities		
Dollar	1,088	2,192
Euros	6,972	5,468
Investments recorded using the equity method		
Dollar	32,963	33,601
Euros	- 545	78
Other currencies	35,423	21,795
Intangible assets other than appreciation		
Dollar	14,483	21,794
Appreciation		
Dollar	26,769	26,769
Property, plant and equipment		
Dollar	176,886	164,916
Euros	15,749	16,171
Chilean Pesos	4,819	3,687
Other currencies	47,606	20,089
Deferred tax assets		
Dollar	18,591	14,950
Total non-current assets	385,181	335,921
Total assets	572,688	531,845
Dollar	391,949	403,348
Euros	59,050	52,108
Chilean Pesos	20,152	23,701
Mexican Pesos	5,607	3,824
Other currencies	95,930	48,864
Total Assets per currencies	572,688	531,845

33.3 Foreign Currency Current Liabilities

Current liabilities	31-Dec-17 ThUS\$	31-Dec-16 ThUS\$
Other current financial liabilities		
Dollar	140,397	148,610
Euros	10,876	1,904
Other currencies	258	273
Current trade accounts and other accounts payable		
Dollar	31,090	36,081
Euros	2,404	1,838
Chilean Pesos	13,543	19,827
Mexican Pesos	1,425	1,382
Other currencies	1,262	881
Current Accounts Payable to Related Entities		
Dollar	3,840	5,748
Euros	39	46
Chilean Pesos	2,263	917
Other current provisions		
Dollar	545	160
Current tax liabilities		
Dollar	-	1,698
Current provisions for employee benefits		
Dollar	664	644
Chilean Pesos	441	441
Mexican Pesos	507	507
Other current non-financial liabilities		
Dollar	561	2,227
Euros	431	431
Total current liabilities	210,546	223,615

33.4 Foreign Currency Non-Current Liabilities

	31-Dec-17	31-Dec-16
	ThUS\$	ThUS\$
Non-current liabilities		
Other non-current financial liabilities		
Dollar	51,082	43,530
Euros	32,617	14,014
Chilean Pesos	225	-
Other currencies	42	86
Non-current accounts payable to related entities		
Euros	10,542	10,286
Chilean Pesos	1,529	1,404
Other non-current provisions		
Dollar	35	134
Deferred tax liabilities		
Dollar	22,495	22,680
Total non-current liabilities	118,567	92,134
Total liabilities	329,113	315,749
Dollar	250,709	261,512
Euros	56,909	28,519
Chilean Pesos	18,001	22,589
Mexican Pesos	1,932	1,889
Other currencies	1,562	1,240
Total liabilities per currencies	329,113	315,749
Summary of thousands of net dollars per currency		
Dollar	141,240	141,836
Euros	2,141	23,589
Chilean Pesos	2,151	1,112
Mexican Pesos	3,675	1,935
Other currencies	94,368	47,624
Total net per currency	243,575	216,096

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 December 31, 2017, the balance of the Stand By Letter was at US\$7.15 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:

Company	Biological	Other	Associated	Bank
	Assets	Properties	Debt	
	ThUS\$	ThUS\$	ThUS\$	
Agrícola Santa Rosa del Parque S.A	3,168	2,782	1,191	Banco RaboFinance Chile
Agrícola Mataquito S.A. (Curepto Field)	4,005	1,877	1,849	Banco RaboFinance Chile
Agrícola El Pampino S.A.	3,725	277	217	Banco Santander Chile
Agrícola Hortifrut S.A.	18,751	27,026	-	Banco de Chile
Agrícola Hortifrut S.A. (Curaco Field)	-	2,304	21,242	Banco de Crédito e Inversiones
Hortifrut Chile S.A. (Colbun plant)	-	4,428		
Hortifrut S.A. (Antillanca plant)	-	865		
Hortifrut Comercial S.A. (La Serena Field)	-	2,168		
Hortifrut Chile S.A. (Angol-Gorbea-Los Angeles Plant)	-	12,346		
Total	29,649	54,073	24,499	

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

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

b.1.1) Mortgage in favor of RaboFinance over: (i) Higuera 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 ThUS\$1,191.

b.1.2) Pledge without displacement in favor of RaboFinance over the real estate located on the property denominated 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 ThUS\$217.

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 ThUS\$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 RaboFinance over: (i) Higuera Tercera of the Fundo Ponunquén Estate, commune of Curepto; (ii) Lot B of the Informe de Higuera 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 ThUS\$1,849.

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 ThUS\$0.

b.5.3) Mortgage in favor of BCI over: Lot A, Vista Hermosa Subdivision; Higuera N°1, La Pantalla y El Zarzal; Lot 4-1 Arturo Araya; Farm N° 5 Arturo Araya; Lot 6-1 Arturo Araya; Lot 8-1 Arturo Araya; and its respective water rights; all corresponding to the commune of Panguipulli (EP 28.07.14., Not. José Musalem S.).

As of December 31, 2017, 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 Higuera 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.6.5) Mortgages in favor of BCI over: (i) property located in Lot One of Resto of Farm Coihuecura, Commune of Yervas Buenas and its water rights (EP 05.08.14., y EP 17.10.14. Not. José Musalem S.).

b.6.6) Pledge without displacement in favor of BCI over the movable goods located on the property detailed in letter b.9.1) (EP.02 09.14, Not. José Musalem S.).

b.7) Hortifrut S.A.

b.7.1) 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.8) Hortifrut Comercial S.A.

b.8.1) 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 KUS21,242.-

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>ThUS\$</u>
Banco Santander (1)	Hortifrut España Southern Sun S.L	Subsidiary	Guarantor	435
Banco Santander (2)	Hortifrut España Southern Sun S.L	Subsidiary	Guarantor	65

(1) Surety granted for the contracted obligations (Stand By Letter of credit), 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.

(2) Mortgage surety for loans granted for the amount of EUR 1,400,000, in favor of the associated 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:

<u>Plaintiff</u>	<u>Defendant</u>	<u>Type of Lawsuit</u>	<u>Amount</u>	<u>Probable Resolution</u>	<u>Provision</u>
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	Provisioned 50%
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 December 31, 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:

Country	Company	Type	Surface	Measuring unit	Annual fee	Expense of the period	Future Cash flows			
							Less than 1 year	from 1 to 5 years	Over 5 years	Total
					ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Brazil	BerryGood Com. Imp. y Distribuidora de Frutas Lt.	Refrigeration chamber	has	1	8	8	8	26	-	34
Brazil	BerryGood Com. Imp. y Distribuidora de Frutas Lt.	Offices	m2	50	146	146	76	-	-	76
Brazil	BerryGood Com. Imp. y Distribuidora de Frutas Lt.	Agricultural Land	has	67.14	88	88	88	174	-	262
Brazil	BerryGood Com. Imp. y Distribuidora de Frutas Lt.	Permanent personnel housing	m2	333	5	5	1	-	-	1
Chile	Hortifrut S.A.	Agricultural Land	has	353.42	262	262	245	750	376	1,371
Chile	Hortifrut Comercial S.A.	Agricultural Land	has	28.79	20	17	20	69	3	92
Chile	Hortifrut Chile S.A.	Collection Center	m2	7630	71	66	71	284	341	696
Chile	Hortifrut Chile S.A.	Offices	m2	291	63	63	63	16	-	79
Chile	Agricola Vida Nueva	Agricultural Land	has	81.1	26	26	26	104	126	256
Chile	Agricola Mataquito S.A.	Agricultural Land	has	42.21	114	114	114	456	948	1,518
Chile	Agricola Hortifrut S.A	Agricultural Land	has	18	9	9	9	36	14	59
Chile	Agricola El Avellano S.A.	Agricultural Land	has	130	40	40	40	160	380	580
Spain	Hortifrut España Southern Sun S.L.	Agricultural Land	has	200	448	448	448	1,792	428	2,668
Spain	Asturian Berries S.L	Agricultural Land	has	13	2	2	2	8	18	28
Mexico	Hortifrut ABA S.A. de C.V.	Agricultural Land	has	279.34	452	452	452	1,754	4,221	6,427
Mexico	Hortifrut S.A. de C.V.	Warehouse	m2	4140	44	28	-	-	-	-
Mexico	Hortifrut S.A. de C.V.	Agricultural Land	has	9.61	10	7	5	3	-	8
Mexico	Hortifrut S.A. de C.V.	Agricultural Land	m2	2831.41	4	3	-	-	-	-
Mexico	HF Sarbanand, S. de R.L. de C.V.	Agricultural Land	has	169.3	351	351	351	1,021	8	1,380
Mexico	Agrofrutas, S. de R.L. de C.V.	Agricultural Land	has	3	9	9	9	13	-	22
Mexico	Agricola Los Reyes S. de R.L. de C.V.	Offices	m2	454.98	57	57	55	21	-	76
Mexico	Agricola Los Reyes S. de R.L. de C.V.	Agricultural Land	has	39.74	70	70	57	73	8	138
Mexico	Agricola Los Reyes S. de R.L. de C.V.	Temporary laborer housing	m2	2702	71	66	49	33	-	82
					2,370	2,337	2,189	6,793	6,871	15,853

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

The expense for consumed lease as of December 31, 2017 is ThUS\$2,337.

The main leasing contracts are:

		Minimum payment			
<u>Bank or Financial Institution</u>	<u>Description of Leased Good</u>	Up to one	Between	Over five	Total
		year	one and	years	
		ThUS\$	four years	ThUS\$	ThUS\$
Banco Santander Chile	Macro-tunnels	76	113	-	189
Banco Santander Chile	Tunnels	20	40	-	60
Banco de Crédito e Inversiones	Greenhouse	492	1,686	-	2,178
Banco Santander Chile	Roof Structure	74	220	-	294
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	Tractor	8	8	-	16
BBC Tecnología Agrícola Ltda.	BBC-02	-	-	-	-
Banco de Crédito e Inversiones	Unitec	393	590	-	983
Banco Bilbao Vizcaya Argentaria	Offices and parking	216	379	-	595
Banco de Crédito e Inversiones	Molina Plant	836	3,344	1,254	5,434
	General Total	2,420	7,609	1,254	11,283

		Future Financial Burden			
<u>Bank or Financial Institution</u>	<u>Description of Leased Good</u>	Up to one	Between	Over five	Total
		year	one and	years	
		ThUS\$	four years	ThUS\$	ThUS\$
Banco Santander Chile	Macro-tunnels	5	3	-	8
Banco Santander Chile	Tunnels	2	1	-	3
Banco de Crédito e Inversiones	Greenhouse	27	153	-	180
Banco Santander Chile	Roof structure	9	13	-	22
Banco de Crédito e Inversiones	Plant pots	14	150	-	164
Banco de Crédito e Inversiones	Sulfurer	2	2	-	4
Banco de Crédito e Inversiones	Van	1	-	-	1
Banco de Crédito e Inversiones	Tractor	1	-	-	1
Banco de Crédito e Inversiones	Unitec	17	14	-	31
Banco Bilbao Vizcaya Argentaria	Offices and parking	34	21	-	55
Banco de Crédito e Inversiones	Molina Plant	139	377	36	552
	General Total	251	734	36	1,021

NOTE 37 – SUBSEQUENT EVENTS

Regularity Policy

Dated March 6, 2018, the Company's Board agreed the "General Regularity Policy for Operations with Parties Related to Hortifrut S.A." (The "Regularity Policy"), as per what is established in article 147 of Law N° 18.046.

Therefore, as per what is established in the aforementioned norm, the regular operations with related parties referred to in the Regularity Policy are exempt of compliance of the requirements and procedures established in numbers 1) to 7) of the same norm, in the measure that they comply with the formalities established for these effects.

Likewise, it is established that the current Regularity Policy, also applicable to the Company's subsidiaries, is available for the shareholders at the Company's offices as well as on its website.

Between December 31, 2017 and the date of issuance of these consolidated financial statements, no other events of a financial or other nature have taken place which significantly affect the interpretations of these.

NOTE 38 – OTHER INFORMATION

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

	<u>31-Dec-17</u>	<u>31-Dec-16</u>
Indefinite contracts	764	723
Temporary contracts	<u>7,777</u>	<u>8,695</u>
Total contracts	<u>8,541</u>	<u>9,418</u>

Breakdown by Country

<u>Indefinite Contracts</u>	<u>31-Dec-17</u>	<u>31-Dec-16</u>
Chile	489	487
United States	23	9
Mexico	141	137
Spain	47	30
Brazil	36	37
Argentina	12	14
Peru	12	9
Germany	2	-
England	2	-
Total	<u>764</u>	<u>723</u>

<u>Temporary Contracts</u>	<u>31-Dec-17</u>	<u>31-Dec-16</u>
Chile	4,857	7,319
Mexico	824	936
Spain	60	73
Brazil	38	41
Peru	<u>1,998</u>	<u>326</u>
Total	<u>7,777</u>	<u>8,695</u>